

# Pet insurance products catch on in India

Insurers see opportunities as annual routine expenses for pets rise

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The surge in adoption of pets, particularly dogs, and rising costs of personal care, grooming and medical expenses for them, seem to be encouraging insurance companies to design insurance policies.

For example, Future Generali India Insurance Company has sold close to 25,000 pet insurance policies in the last three months.

Insurance companies offering pet insurance have been witnessing traction in demand, with an increasingly large number of pet owners warming up to the product.

While there are a few private and public sector insurance companies currently offering pet insurance, more are likely to join the fray soon.

Insurance companies in India have been offering cattle and livestock insurance for many years. There are an estimated 28-29 million pets in India, and dogs usually make up a bulk. Given that



**WE HAVE YOUR BACK.** Future Generali sold close to 25,000 pet insurance policies in the last three months

the annual routine expenses for animals have been on the rise, any medical emergency could cost a pet owner a big amount of money. For instance, vaccination, tick treatments and grooming could typically cost between ₹10,000 and ₹54,000 annually. So, a pet insurance policy comes in handy when one needs medical or legal assistance.

Most comprehensive policies usually provide protection against unforeseen illnesses, accidents suffered by pet dogs and also related coverage against surgery, hospitalisation, mortality,

terminal diseases, OPD admissions and third-party liability claims and theft.

The starting premium is as low as ₹300, and usually depends on the age, breed and gender of the dog.

## SUSTAINABLE TREND

"Post-Covid, there has been a surge in pet adoption, and this could be a sustainable trend moving forward," Anup Rau, MD & CEO, Future Generali India, told *businessline*. Bajaj Allianz General Insurance, which launched its pet dog insurance product in 2020, had the "most success" in some of India's larger cit-

ies, both metro and Tier I, said TA Ramalingam, Chief Technical Officer.

"Since the start of the pandemic, there has been a sharp increase in the number of pets adopted. When it comes to household pets, dogs continue to dominate.

"The demand for our product, pet dog insurance, has increased significantly over the course of the preceding fiscal year (after the initial outbreak of the pandemic), resulting in substantial growth. A big reason for this is that pet owners are learning about the product and beginning to experience its benefits," said Ramalingam.

According to Sanjay Datta, Chief, Underwriting, Reinsurance, Claims and Actuarial, ICICI Lombard GIC, the insurer is working on developing a product to cater to this segment.

"The demand for products in this category [pet insurance] is likely to grow further, moving forward. We are looking to develop a product for this segment," he said.