

NEWSTRACK

Corporate Newsletter of Bajaj Allianz | September 2010



HEALTH INSURANCE

- A MUST FOR EVERY PERSON





Health insurance takes away the worries of financial burden at times of illness

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FOREWORD

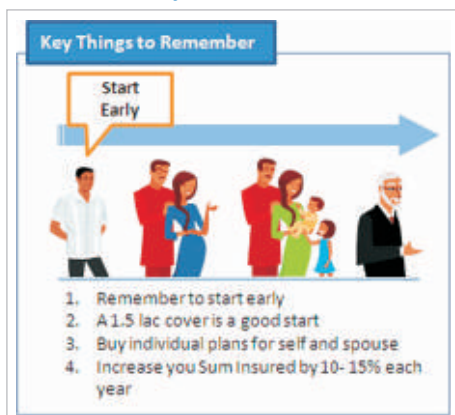


Greetings!

A lot of people often ask how to choose and some basic rules that can be kept in mind while buying health insurance. Let's begin with a list of questions and form some thumb rules :

- Should one look for coverage, premium rate or brand name while buying insurance?
- What should be the sum insured and should it be increased as a person grows older?
- If one is already covered under a reimbursement based health insurance policy (commonly referred to as 'Mediclam'), should one still buy a critical illness or hospital cash cover?
- If a person/family is covered under a health insurance plan provided by the organization one is working for, should they buy another health insurance policy?
- What happens to a person who is covered under his or her company's policy and is retiring?
- Finally, the golden question, should one buy health insurance when young or old?

Rule 1 - Start Early



Typically, when one is young one doesn't buy health insurance as falling in love is more on one's mind than falling ill! As a person starts getting older, high sugar levels or blood pressure makes one think about health insurance. This is typically the time

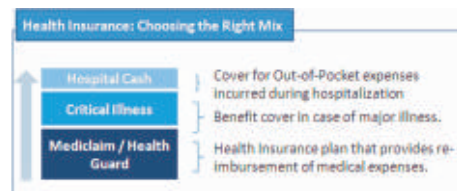
when insurance companies become hesitant to cover people with 'pre-existing' diseases. Thus starting early with health insurance is important.

Rule 2 - Increase your Sum Insured by 10-15% each year

Next is the question of how to select the sum insured? If one is starting at the age of 35 or below, I feel, one should start with a sum insured of ₹1.5 lac. Also, instead of family floater cover, it is better to buy a cover separately for each family member as premium difference is not much and God forbid in case of an accident while travelling together, the sum insured will be insufficient. This is important as health care inflation is high, one should increase the sum insured each year by 10-15 %.

Rule 3 - Build plans that sit on top of the other

If one can afford one should supplement a reimbursement based policy like 'mediclam' with a benefit policy like critical illness cover of a similar amount. When a person suffers from a major illness one might have to make some changes in life-style which can entail significant expenditure. Hospital cash is typically to cover 'out of pocket' expenses only. Here is a good way to visualize this:



Rule 4 - Evaluate the premium rates of a company over a period of last 5 years

One trend which we have seen in last few years is that some insurance companies start with low premium rate and then after two years increase the rate dramatically. Whenever you are evaluating health insurance please look at premium rate/s of last five years for the insurance company to ensure that you are looking at pricing over a period of time. Coverage is more or less similar across companies but do look specifically for coverage of day-treatments and co-payment (percentage of claim that you will have to bear).

If your policy has a co-payment option, it may be a good idea to go for it as it can bring down the premium rates significantly at a nominal cost.

Rule 5 - Avoid multiple insurance policies; go for a top-up cover instead

Buying another health insurance when one is already covered by company is not a good idea as both insurance policies will work simultaneously. However, a few insurance companies have introduced 'top-up' cover i.e. one can buy cover beyond a certain amount. Thus, if a company is offering cover for ₹2 lac, one could buy a top-up cover for another ₹2 lac that kicks in beyond the ₹2 lacs for the first policy.

A recommendation, not a rule: Continuation of group health cover post retirement

The group policies under corporate should have provision that in case of retirement a person can continue to buy health insurance on an individual basis without exclusions or waiting period. The premium rate can be different than group policies. Corporate should start bringing in this provision in their policies. Today lots of people struggle to buy health insurance on retirement.

Rule 6 - Continue your insurance cover with the same company

As the industry evolves I am sure we will start seeing more and more niche products to cater to all segments. Always remember that continuing health insurance with the same company is always better than shifting to another insurer as coverage is not portable yet.

I feel time has come for the regulator to specify some minimum coverage under health insurance and also to cap the increase in premium rate to say 20% each year. This will bring some stability in both benefits and pricing in this very important segment. Today 80% of the health care expenditure is borne by households with Government spending of only 20%. I feel that health insurance will be the biggest challenge the insurance industry and the regulator will face in the next few years.

Kamesh Goyal

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MD & CEO, Bajaj Allianz Life Insurance

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HEALTH INSURANCE

- A MUST FOR EVERY PERSON

With the costs of healthcare soaring to the sky, Health Insurance seems to be the only solution. Newstrack in this Special Feature attempts to unravel the several myths of health insurance and the need and how to select a health insurance plan. We also bring you first-hand experiences from customers and hospitals.

According to a recent report in Business World, the health care costs in India are rising by 15-20% annually, and much higher in the metros. This means that if you dole out ₹2.3 to 4 lakhs for a cardiac treatment today, this would cost you around ₹2.65 to 4.60 lakhs next year. Although this is just a mere estimation, the numbers would be burdening if you were to foot the bill yourself. So what do you do?

Health Insurance is the answer. By paying just a few thousands a year, you can get an insurance cover up to ₹5 lakhs, meaning that for medical expenses up to ₹5 lakhs, the insurer would pay for your family's hospitalisation. Health insurance is one such area that is often ignored by many people since it normally provides security only at the time of hospitalisation or illness. Some of our customers share their experiences with health insurance and critically rate our services to them.





“ We lost some amount because we were not able to provide original documents ”

Mr. Mahesh Bhambhani, Bangalore

*Mahesh Bhambhani is a Bajaj Allianz **Health Guard** policyholder for the last 9 years. His family comprises of his wife and two children.*

Why did you buy Health insurance?

Looking at the way medical expenses are shooting up, health insurance is definitely a good decision for the long run. I feel it can give me and my family financial security in case we are ever on the bad side of health.

For the last nine years, I have been paying ₹14,000 every year, which comes to a total of around ₹1.3 lakhs. A genuine customer like me would claim only when necessary and only when a person falls ill, so it may not be worth it because I have paid more than a lakh but got back only ₹36,000. But in future, if there is a bigger problem, it could be useful.

Your Claim experience

My daughter was admitted to the hospital for typhoid for 9 days. We were in Himalaya Hospital which does not have a tie-up with Bajaj Allianz, so I paid from my pocket and got it reimbursed. The entire process was handled by my agent, so I did not go through any problems myself. I made a claim for ₹42,000 but within a week only ₹36,000 was paid, because we were not able to provide original

documents in some cases. We had 85-90% originals, but lost out because of the rest 10%. When you are tensed due a close one being unwell, you may not take care of the documents always. Although dates and other details were corresponding, it was disallowed.

Suggestion to insurers

At the time when a patient is admitted in the hospital, at least in hospitals which are in the network, there should be one representative from the insurance company, because the hospital staff are not bothered. Even if you are insured, they ask for some deposits etc. which becomes a hassle. A person like me can afford it and pay through credit card or cash. For example, I had to pay ₹25,000 deposit for the private room which I didn't have handy as I had come from the office. I had only ₹20,000 at that moment and had to convince the hospital to give me some time for the balance. But many people don't know about these initial costs and hence face problems.

“ I was admitted in a critical condition at around 12 in the night but was relieved that the cashless process was smooth and hassle-free ”

Mrs. Jaya Pathare, Pune

Mrs. Jaya Pathare is a Bajaj Allianz Health Guard customer for the last 8 years. Her family consists of husband and a son.

Why did you buy Health insurance?

Nowadays life is so difficult and fast paced that you need to secure your health through some form of insurance. We are in our 60s and so it is all the more important that you have an insurance to take care of the huge medical expenses these days. So when my friend who is an agent approached me for a health insurance policy, I readily agreed for it. I had heard about Bajaj before also and so there was no problem in having an insurance product from them. I was always healthy and was never hospitalized till my recent heart surgery.



Your Claim experience

I am very happy with Bajaj Allianz services as I did not face any problem when I was admitted in a critical condition to correct two blockages in my heart. We reached the Deenanath Mangeshkar hospital at 12'o clock in the night with whatever money we had that night. My husband just displayed the Bajaj Allianz Health card and the hospital authorities did the rest which we were not even aware of. I was relieved that the process was so simple. I had two blocks in my heart and was admitted for 9-10 days. The entire process was so hassle-free and we are happy that we had a Bajaj Allianz health insurance policy. I even recommended Bajaj Allianz to some of my friends.



Why did you buy Health insurance?

My son had a fracture when he was 9 years old and I didn't have a health insurance policy at that time. When I was young and had fractures, it cost only ₹500-1000, but now they required x-rays, machines, put a rod in the arm etc which came up to a big bill of ₹25,000-30,000. That was when I realized how expensive healthcare is and the need for a policy.

Since the last five years, I already have a normal health policy from a private insurer. I considered that it is not of much use because there were for only small medical problems. But when these problems started happening regularly, I felt that I needed to take more insurance. Somebody told me about Bajaj Allianz products and I went in for their **Critical Illness** policy.

Illness is a certainty in today's world. Even if you have money today, you may not have it when an accident or disease happens. I took a health policy so that insurance company can help me with treatment, in case I do not have funds. In government hospitals, at times two people are put on one bed and although private hospitals have good service, they are expensive. So with insurance in place, cashless

“Even if you have money today, you may not have it when an accident or disease happens.”

Ramesh Kumar, Delhi

*Ramesh Kumar has been with Bajaj Allianz for the last three years, holding **Critical Illness Policy**. In addition he has a hospitalization cover with one of the private sector insurers.*

facility is very helpful in such a case where one needs good medical care. But I felt that I also need to cover some serious ailments for which a plan for covering only hospitalization expenses is not enough.

Your Claim experience

My wife was admitted for kidney problems about 1.5 years back. She had a cough that was interpreted as TB, so medication for that was started. But later we got to know that it was not TB. The medication caused her feet to swell. We went to another doctor who detected a very high septin count and referred us to a kidney specialist, who started the treatment which went on for 1-1.5 years. But slowly the kidney got damaged. We also tried alternative medicines, which made the condition worse. So ultimately, we had to start dialysis since December, when she was admitted for 5-6 days.

However my total expenditure was of ₹1-2 lakhs for the hospitalization and I approached the other insurer where the sum insured is ₹4 lakhs. But they are refusing to pay. However Bajaj Allianz has paid the claim amount for Critical Illness Cover, and I am very happy that I was able to get that benefit. All papers that were asked for were submitted to Moti Nagar branch and I got the payment within 3 months since my first request.



Why did you buy Health insurance?

I have been paying premium for the last six years with a PSU insurance company and felt it was a waste. But this year after a claim, I think it is very necessary. This was a small case, but what if next time it is a bigger amount? I will need a claim then. My agent shifted to Bajaj Allianz and that's how I am now with Bajaj Allianz.

I specifically selected a family floater policy because it is a single policy for the entire family, which makes it easy to manage. I had a family floater previously also with the PSU insurer. I started it when I got married, and then included my son and daughter when they were born. Premium wise it has turned out cheaper. As my earlier agent

“Family Floater is easy to manage and also cheaper in terms of premium.”

Rupesh Khamkar, Mumbai

*Rupesh Khamkar is a new customer with Bajaj Allianz, holding a **Health Guard Family Floater**. He was with a PSU insurer for the last six years. His family comprises of his wife, son and daughter.*

had also told me, vis-à-vis individual premiums, the premium for a family floater would turn out at least 10% cheaper.

Your Claim experience

My one year old daughter was hospitalized with malaria. I had to make the payment at the hospital myself because we took her to a hospital referred by the family physician. I wasn't even sure if the claim is payable in the first year. When I checked with the agent, he asked me what the disease was and confirmed that this claim would be payable. I checked with the hospital for cashless but that was not available. So I made a file of all the bills and gave it to my agent, who took care of everything. I received the full amount in the reimbursement, with only ₹250 deducted out of the billed amount.

“Everybody should have health insurance, because health care is very costly.”

Ramesh Babu, Bangalore

Ramesh Babu is a Bajaj Allianz **Health Guard** customer since the last 7 years. He has been with the same insurer throughout, except for one year when he tried a different private insurer on persistence of his agent.

Why did you buy Health Insurance?

It is difficult to predict when health can go bad. Everyone should remain healthy, irrespective of insurance or not. But since health care is very costly, everybody should have health insurance so to be able to provide best treatment to your family.

Your Claim experience

My wife was diagnosed with viral fever in August and admitted to a hospital near

home. But we shifted out of there within a few hours due to poor facilities. We then shifted her to Fortis hospital, where she spent 3-4 days. Fortunately, the hospital offers a cashless facility. I provided all required documents to Bajaj Allianz, and the process was completed within 4 hours, after which the treatment was started. It was a seamless experience.



“I simply followed the process mentioned in my health policy and registered the claim myself through the toll-free number.”

Himanshu Chauhan, Surat

Himanshu Chauhan has been with Bajaj Allianz since 5 years and has a **Health Guard** policy.

Why did you buy health insurance?

Health issues can come up anytime. If illness happens and one doesn't have the finances, insurance can help in getting a good treatment. I had met my agent, Mr. Rakesh Killa, through one of my friends. The agent had explained all the features of the policy to me which helped me when I had to make a claim. Since my vehicles are also insured with Bajaj Allianz, I was more confident of the policy being offered to me.

Your Claim experience

My daughter was diagnosed with dengue and had to be admitted to the hospital due to its severity. The doctor was a family physician so we decided to go to the nearby hospital, rather than the network

hospital which was a little far for us. Since the hospital did not have a cashless facility, I made the payment myself. After my daughter was discharged, I simply followed the process mentioned in my health policy and registered the claim myself through the toll-free number of Bajaj Allianz. However, since I wasn't sure of the process, I still contacted by agent, who confirmed that the claim had already been registered after my first call. I submitted the form and documents as per the instructions I received from the HAT team and received a cheque of reimbursement of my total billed amount within 3 days. After this experience, I am confident that Bajaj Allianz, who was cooperative and responsive for a condition like dengue which does not require any major treatment, will surely support me if in case of a major illness or expense.

Health Insurance

- An investment or expense?

Arnav Pandya

Why do you need Health Insurance?

The first question that a person has to deal with is the actual need for medical insurance. With each passing day the value of money gets eroded as an individual faces inflation which raises the prices of goods and services including medical expense. If an individual has to meet all the medical expenses relating to his family out of owned funds then it can create a problem as the entire life savings can be spent in this area only. This gives rise to the need of health insurance as a means of ensuring that there is transfer of the risk from the individual to the insurance company. Financial planners will suggest that health insurance should be an integral part of the portfolio of every individual. Even those who are young and healthy can require medical treatment giving rise to the need for insurance. In fact some people take health insurance before they buy other forms of insurance to ensure protection from high medical expenses.

Health insurance – Investment or expense?

Most people are fixated on the notion of investment whereby this process results in the creation of an asset that can be used over a period of time. Anything that does not meet this criterion is then classified as an expense. In that sense the spending on the premium of a health insurance policy might not seem to be an investment however there is a different manner in which this creates something useful and long lasting and that is the future protection that it provides against medical expenses.

The next question that often arises is about the manner in which the health insurance should be taken. There are various choices that are present in the market with a wide variety of options to choose from a number of players. It would be preferable to look at general insurance companies that offer specific health insurance policies for this requirement.

How much coverage do I need?

There has to be a decision about the cover that would be essential for every individual which will vary according to individual requirements. The first objective for every individual has to be to ensure a basic medical insurance cover to protect the family in case of a medical emergency. Once this is done then one can look around and add other forms of insurance to the mix and this will include critical illness or cover for hospital expenses and so on.

There are also situations whereby an individual is covered in a group cover through the employer or some other route. This can prove to be inadequate as the group cover can suddenly disappear on account of some developments like leaving a job or it could be that there is a change in the conditions which makes this cover unattractive. In such a situation the cover could become inadequate and in addition by this time the age of the person could also mean that the cover that they are taking becomes prohibitive. So for example a person who leaves employment at age 48 could find himself without a health cover and starting a policy at this age could turn out to be expensive. In such a situation it is always better that the individual has the necessary amount of additional cover to ensure that they are protected and they can have peace of mind.

How much does health insurance cost?

One of the main things that a person has to consider is the benefit that the insurance cover provides as compared to the cost that they are paying. A person who is around 30 years old will have a cost of around ₹3,600 for ₹3 lakh health insurance cover. This makes it a sum of approximately ₹10 per day. This cost is payable year after year and it might even see a revision upwards but even with some rise it is affordable for the individual. On the other hand whenever there is some expense it could result in a situation where over a period of 5 days there is a sum of ₹2 lakh that is spent. This equates to a cost of ₹40,000 per day. Even if there is no expense for the first 5 years the cost will remain negligible as compared to the benefit provided.

How do I select a health insurance policy?

It is a tough task for an individual when they have to choose a particular health insurance policy. There are several factors that they will have to consider while they are making the decision. The first thing that they need to consider is the amount of insurance that they require along with the extent of coverage and this has to be matched with the requirement. For example, a ₹5 lakh cover requirement for a couple or a cover for senior citizens has to be matched with the features of various plans.

How to select a health insurance plan?

- Identify your requirement – age, coverage
- Match available features and coverage to your requirements
- Consider restrictions present in the plan (conditions covered or limited coverage, waiting periods etc.)
- Hospital network of insurer
- Service levels of insurance company
- What is the mode of dealing with health insurance – TPA or own network?



Another important area is the restrictions that are present on the plan. This can mean conditions like pregnancy or several specified diseases like cataract that are not covered or have limited coverage or it could also be a situation where several existing situations or events are covered after a specific time period. So a person suffering from a thyroid problem might get coverage only after 3 years. The individual has to look at these items and then see how they actually stack up in terms of their own position. Lower number of exclusions and a lower time period for coverage of existing conditions are better for the individual.

It is essential that the hospital network present for choice is vast because the individual has to get a choice while availing the service. The service levels that are provided by an insurance company are also important and this will include the ease of buying a policy, the manner of dealing by the health insurance provider etc. The control over the mode of service as compared to using a Third Party Administrator (TPA) and its ability to meet the requirements of the insured would need to be considered.

Recent dispute

In recent times there has been a controversy over the cashless insurance that has been provided by the public sector general insurance companies. Several hospitals were blacklisted and the facility of the cash less insurance was stopped for some time being. After a period of negotiations a list of preferred network of hospitals has been introduced where the customers would still get cashless facility. At other places the individual would be able to get reimbursement for the expenses as per the eligibility. At the time of writing most private insurance companies still provided the cashless facility across their network of hospitals.

The author is a Certified Financial Planner and a columnist with leading publications in India. He has professional qualifications as a Chartered Accountant and a MBA from IIM Bangalore with specialisation in Finance. His columns have appeared in The Economic Times, Times of India, Hindustan Times and Business Standard. He has nearly a decade of experience in the financial planning field covering activities like training, creating study material, preparing practical user guides and conducting seminars.



Hospitals are the vital link in the healthcare chain. As one of the crucial service providers for the insured, their role in a hassle-free service cannot be underestimated. NEWSTRACK spoke to two leading hospitals to get their views on health insurance and insurance companies.

“Cashless business to a third-party kills the reputation of the insurer.”

Anurag Tirkey, Dy. Manager, MAX Super Speciality Hospital, Delhi

What are the things patients seeking hospitalization should keep in mind?

From a patient's perspective, he should carry his insurance card along with some kind of identification because hospitals do not entertain anyone who would simply claim to have insurance. Secondly, if it is not a case of emergency or accident, all kind of reports relating to the disease and the earlier treatment that the patient has been taking should be carried.

What are the problems you as hospital face while dealing with TPAs?

We do not have any issues with that. However, the entire process is very time consuming. When a patient enters, he needs to show his ID card, then there is a pre-authorization form which needs to be filled in by the patient and medical details by the physician. There are no hi-tech things and the full process takes at least 2-3 hours. Having said that, the patient is suffering and hospital needs to start the treatment. So at that time, although the patient is in the hospital, it is the attendant who suffers a lot because he does not know what is happening.

Is it a hassle dealing with patients with insurance?

Yes, I would definitely say that but if I talk about few of the global companies, they are very particular about things and fast in giving the service. It is just that they do not ask for such details. They simply ask for the pre-authorization request. But in India, it is the hospital's or the attendee's duty to follow up with the insurance companies. Whereas, I strongly feel that it is the insurance company's responsibility.

What can insurers do to streamline the process to avoid hassles?

I feel that wherever insurers do tie-ups with hospitals, they need to find a single point of contact. My suggestion would be that it should be the insurance company who should ask for all documents, so that they can talk to the customer directly who may be annoyed. It does not give a right and positive impact to the customer. The customer at times may end up with the feeling that it is better for him to foot the bill himself rather than getting into the hassle.

Nowadays some insurers have an in-house team for handling health claims. What is your take on this model?

I would say that this is one of the best things that some of the insurance companies have realized. Giving the cashless business to a third-party actually kills the reputation of the insurer completely. For the insurance companies, it is their customer; they give their 100%, their best at their end. For the customer, an agent can come and sell the policy for any insurer, but when he goes back for a cashless claim, he comes to know that there is a third-party who has been assigned to serve your claim. This is not the right and proper answer and creates a hassle for the customer. But dealing with company directly is hassle-free. The customer is more confident and the insurance company gets a feedback. Customers can share their experiences with the insurers about hospitals being dirty, doctors are not fine, and people are very rude to patients thereby letting them know of the empanelled companies. I feel it's a good way.

“Insurance companies should explain the policy conditions in local language...”

Dr. Ish Munjal, Administrator, Saket Hospital, Jaipur

What are the things patients seeking hospitalization should keep in mind?

Many times patients come with the mindset that all treatment is free when availing cashless facility. The protocol that the hospital follows with such patients is checking their health card, policy details and identification.

What are the problems you as hospital face while dealing with TPAs?

The biggest challenge is that the permission period gets stretched. Some patients come in an acute condition and immediately provide details of their insurance. But the process of getting permission at times takes all day and the approval comes in the evening. It is difficult to explain to the patient that the hospital can proceed only with this permission, because patients feel that since they have a health card, it is the hospital's duty to give a cashless treatment.

Is it a hassle dealing with patients with insurance?

I wouldn't say that because primarily they are patients for the hospital. Insurance aspects are management issues which may cause hassles.

What can insurers do to streamline the process to avoid hassles?

Most importantly, insurance companies should ensure that whatever policy is being given to their customers, the main features should be explained to the customer in mother tongue or local language. The basic rules of the policy should be explained to the customer. India has not really developed the culture of mediclaim so people also think of misusing their health insurance by asking the hospital to do an investigation and admit them.

I feel agents and distributors are not fulfilling their roles to the fullest here. They do little in explaining the policy to the customer and reaching out to them. Somewhere, the insurers should also involve the health sector by possibly getting hospitals to distribute health insurance, putting up kiosks outside the hospital or other ways. In my experience I have seen that intermediaries are often not interested in selling health insurance or even if they are, not interested in explaining the features. It is not enough to just provide literature on the product. It is important to tell them that problems like hernia or gall bladder stones will not be payable in the first month. So the emphasis should not be on just increasing our customer base, but in clarifying how to use the health insurance, when and how it can be used. It should also be explained that hospitals will first take permission from the insurance companies, which most patients are not aware of and believe that it is the hospitals duty since they have a health card.

Nowadays some insurers have an in-house team for handling health claims. What is your take on this model?

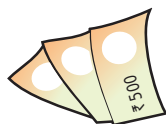
This is how it was being done earlier as well. TPAs have entered the scenario only 5 years back. Cashless facilities were not there at that time, but the reimbursements were done by the companies directly to the customer. It can't be said which is a better model because all that the patient wants is a cashless facility. It does not matter whether that is provided by the insurance company directly or through a TPA. Patient may not even know what is a TPA.

Commonly Used Terms in Health Insurance

Cashless Facility

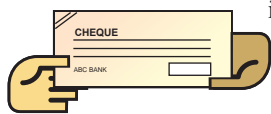
Cashless claim facility is a benefit given by the Insurance company / TPA.

The insured can get admitted in the specified network hospitals and take treatment without any payment to the hospital at the time of discharge, except the non admissible expenses. Cashless claim settlement is subject to the policy terms, conditions, limits and sub limits of the policy.



Co-Payment

Co – Payment is a clause under the health insurance through which the insured (customer) has to pay pre-defined percentage (most of the times 10%) of the total medical hospitalization bill in non – network hospitals or according to policy wordings. Insurance companies use co-payments to share health care costs to prevent moral hazard. This can be waived off by charging extra premium amount at the time of issuance of the policy.



Network hospital

Network Hospitals are hospitals which are affiliated with the insurance company after the standard requirement of the insurance company is fulfilled by the hospital. In these hospitals, clients can avail cashless facility. List of network hospitals is available on the insurer's website which is updated regularly.



Blacklisted hospital

Insurance companies may have received proofs that a hospital indulged in corrupt practices which are revealed/confirmed during the inspection at these hospitals. Due to these malafide mediclaims, these hospital facilities get blacklisted from the network hospitals list. Insurers can get the list of updated blacklisted hospitals on the website of the insurance company.



TPA

Some of the insurance companies outsource the claim services to companies called TPA - Third Party Administrator.

Pre-authorisation

This is a free service provided to clients on behalf of insurance company / TPA and Hospital for availing cashless services. It involves verification of customer details by the insurer before cashless facility is given.

Day-care procedures

Day Care Procedures are the surgical procedures where the patient is discharged within few hours, hence under these listed procedures 24 hours hospitalisation is not mandatory.



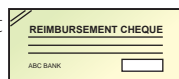
Discharge card



This is the document provided by the hospital at the time of discharging the patient which contains details of treatment given to the patient in the hospital. It includes summary of ailments, date of admission, date of discharge, follow up treatment, final diagnosis, etc. This is required while submitted the claim.

Reimbursement

Compensation of payment made by the client for expenses incurred for medical service at a non - network hospital.



Pre-existing Diseases

As defined by IRDA, any condition, ailment or injury or related condition(s) for which you had signs or symptoms, and/or were diagnosed, and/or received medical advice/ treatment within 48 months to prior to the first policy issued by the insurer.

Family Floater

A family floater policy covers all family members (primary insured, spouse and children) under a single policy. The Sum Insured floats over the entire family and a consolidated premium needs to be paid. For example, a family of three wants to take a



mediclaim. Depending on the ages of individual members, the family floater plan for ₹4 lakh is likely to be cheaper than the three individual policies of ₹2 lakh each. In many ways the family floater plan offers flexibility in terms of utilising the overall insurance coverage among the group.

OPD

OPD or Out Patient Department is the primary consultation with a doctor which does not require admission in hospital. There are some policies which cover even routine OPD costs. However, it may be noted that in case of hospitalization, the OPD expenses are covered in the pre & post hospitalization expense limits.

Exclusion

Exclusion is a loss or risk that a policy does not cover.

Waiting period

Waiting period determines how long you need to wait before a relevant cover triggers in your policy. The initial waiting period refers to the 30-day waiting period (90 days in some cases) – from the date of the commencement of the policy within which you will not be covered for treatment of any disease or ailment, except treatment for accidental external injuries that require minimum 24 hours hospitalization. Ailment-specific waiting periods refer to the number of years one has to wait for treatment of certain ailments such as hernia, cataract etc. to be payable under the health insurance policy.



Pre-policy test

These are medical tests to be undergone by the proposed members to avail the insurance benefits of the policy before the policy is issued. These tests are conducted to assess the risk associated with the proposed members.

Pre-hospitalisation & Post hospitalisation

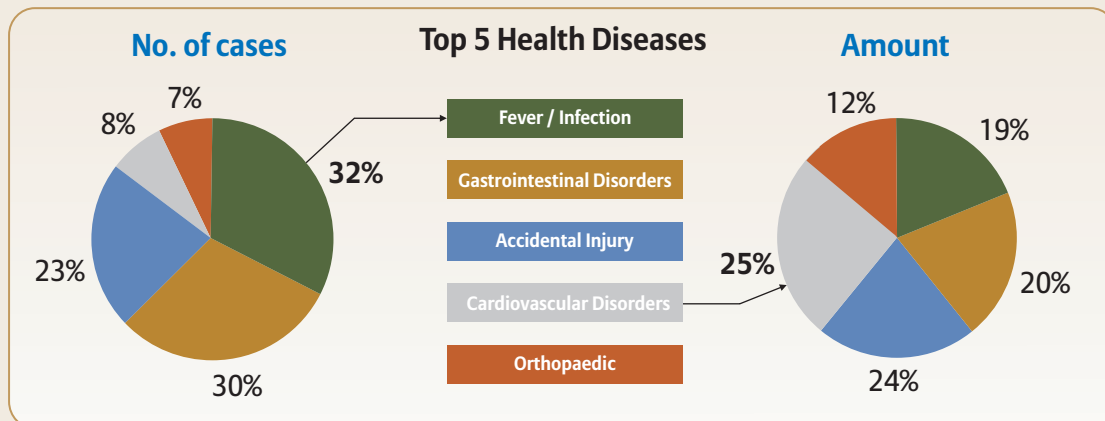
This is the benefit offered by the insurance plan which covers expenses incurred by the insurer 30 days before and 60 days after hospitalization, required by the insurer related to the same ailment.

Inside Bajaj Allianz HAT

HAT since its inception in 2004 has been regularly monitoring and reviewing its operations. Some of the analysis and MIS helps in product development and improving its operations.

HAT conducts regular analysis of the most common health conditions for which claims are received. It has been observed that a large number of claims are received for diseases such as fever, infection or gastro problems, which are airborne or waterborne diseases. Although the frequency of such ailments is high, the amount of claims is relatively low.

On the other hand, claims for lifestyle diseases such as cardiac problems, diabetes, hypertension etc. are high-value claims, though the frequency is low.



Tips to prevent gastro problems

- Avoid eating food from road-side hawkers, especially which keep food items uncovered
- Drink clean water
- Wash raw foods and vegetables well before consumption

Tips to avoid lifestyle diseases

- Exercise regularly
- Avoid oily foods
- Avoid situations which can be stressful and learn techniques to control stress

Blacklisting Hospitals

Bajaj Allianz HAT regularly evaluates its network hospitals, and often there is a churn seen with some hospitals being blacklisted and removed off the network. Hospitals are blacklisted due to three major reasons:

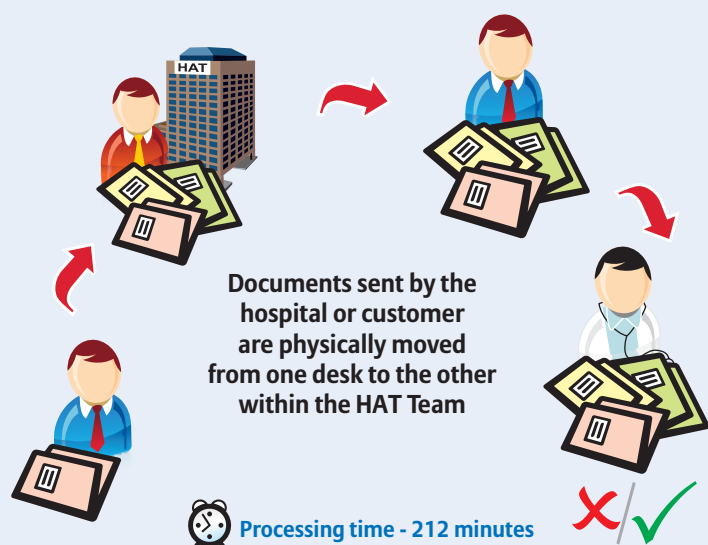
- Fraudulent activities
- Customer complaints on poor service from the hospital or its staff
- Over-charging patients

Policyholders can find the list of network

and blacklisted hospitals in their policy documents. Customers are advised to check with the insurer's call center (1800-209-5858) or website (www.bajajallianz.com) for hospitals in the network, especially in case of planned hospitalization.

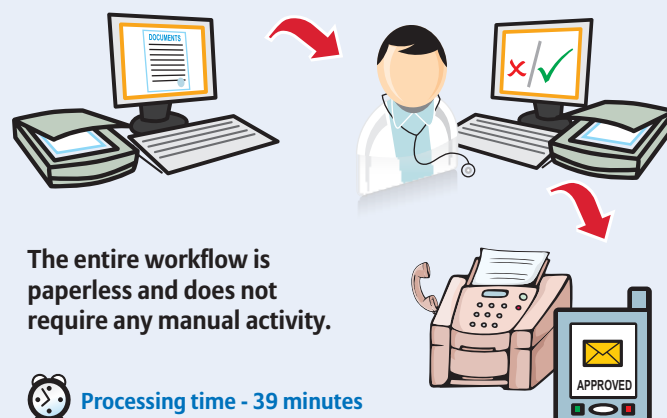
Pre authorisation approvals - now faster

Earlier the process for approving cashless claim was manual wherein the executive had to take printouts at every stage and the final decision would be sent to the hospital.



This manual process was redesigned and an automated workflow has been introduced.

All the requisite details are made available at the click of a mouse button. Once the user completes technical assessment of the case, the doctor registers decision in system, auto-fax and SMS is triggered for the hospital and customer respectively.



Health Covers by Life insurers

Rituraj Bhattacharya, AVP- Product Development
Bajaj Allianz Life Insurance



In India, health Insurance has traditionally been the domain of general insurers and the most popular is the hospital reimbursement plans, which is medical expense insurance on indemnity basis. However, Life insurers have also started offering health insurance cover mainly as riders on life insurance policies for critical illness and dreaded diseases. Health insurance products that are currently available can be categorized as Reimbursement schemes and Benefit schemes. Non-life insurers and specialist health insurers provide short-term medical expenses policies on indemnity basis, while life insurers provide long-term policies on sum assured basis.

Life insurers have also started offering hospital reimbursement plans and due to their extended reach they can penetrate fastest into the market. Bajaj Allianz Life Insurance introduced its Health Insurance Plan which is comprehensive and simple to understand. **Family Care First**, a hospital reimbursement plan, an Individual as well as Family Hospitalization plan is offered to individuals as well as to a family. The key features of the plan are:

- Coverage from 3 months to age 74 with guaranteed renewals
- Premium rates are Guaranteed for each Policy Term of 3 years
- Hospitalization Cover in leading hospitals across the country
- 15% discount on premium on every renewal
- Increase in sum assured @ 5% every year (subject to maximum of 25%) if none of the member claims during the previous policy year
- Expenses incurred during the hospitalization (for at least continuous period of 24 hours) for in-patient treatment would be covered under the plan
- Day Care Treatment for 125 day care procedures
- Pre-Hospitalization and Post-Hospitalization Benefit
- Reimbursement of Ambulance expenses
- Choice to include spouse, children and parents and parents-in-laws
- Cashless Service Facility in leading hospitals across the country

The plan offers the following hospitalization benefits for in-patient treatment:

- Room rent and Boarding expenses
- Nursing expenses
- Doctor's fees
- Operation theatre charges
- Cost of Anesthesia, Blood, Oxygen, Medicines and Diagnostic Materials, X-Ray, Surgical Appliances, any disposable surgical consumables, dialysis, radiotherapy, Artificial Limbs, stents and implants, and pacemaker.
- Ambulance Charges

- Flat benefit of 3% of total medical expenses under final hospital bill less inadmissible expenses will be paid towards pre & post hospitalization expenses.

One of the unique features is that if the insured has a Mediclaim as well as a Family CareFirst Policy, then he can claim the balance claim amount from Family CareFirst. For making a Family CareFirst claim for the balance amount, the insured has to submit attested photocopies of the claim document along with a certificate stating the amount reimbursed by the earlier insurance Company.

Since it is solely for health related contingencies, there is no death benefit under this plan. In case of death of any member during the term of the policy, the policy will continue with rest of the members. However, in case of death of both the Primary Member and his/her spouse (if covered), the policy will be terminated. The revised premium based on the New Primary Member's age (on death of Primary Member) and lesser number of members, will be payable from the next policy anniversary provided intimation of death is received prior to policy anniversary.

The policy has to be active or else the hospitalization benefits will be lost except hospitalization during the grace period of 15 days. However, if hospitalization occurs during the Grace Period the Policy would be treated as in-force and the Company shall deduct any unpaid premium due as at the date of payment from any benefit payable to the Member(s).

The policyholder has to renew the policy after every three years and the Policyholder gets a 15% discount on premium on every renewal on completion of previous Policy Term of 3 years.

However, there are various challenges in terms of Health Insurance Plans available in the market. These are:

- Wide disparity in terms of ailments covered
- Definition of such covers
- Portability of cover from one insurer to other
- Guaranteed renewability
- Wide variation in terms of medical expenses across the country
- Escalation of medical expenses which have lead to increase in health insurance premium rates.

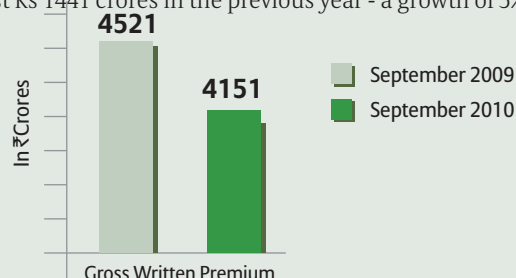
Lastly, since lot more needs to be done in terms of Health Insurance, Bajaj Allianz Life Insurance will continue to evaluate its experience and customer needs to serve its customers better. We even propose to offer our existing customers to upgrade their existing health plan to a new one.

Financial results of Bajaj Allianz H1 10-11 (April-September '10)

Bajaj Allianz Life Insurance

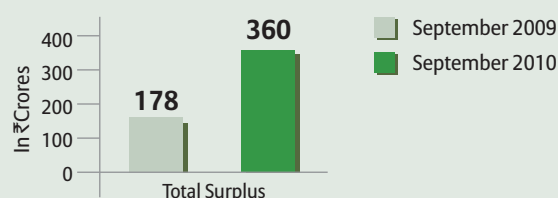
Premium Income

The Gross Written Premiums (GWP) for the period ended 30th September 2010 is ₹ 4,151 Crores as compared to ₹ 4,521 Crores in the previous period – negative growth of 8%. New Business premium for the period 30th Sept 2010 is Rs 1511 crores as against Rs 1441 crores in the previous year - a growth of 5%.



Profits

The Company posted a profit of ₹369 Crores for the period ended 30th September 2010 as compared to Profit of ₹193 Crores in the corresponding period of the previous year. The policyholder surplus is ₹347 Crores (corresponding period of previous year - ₹178 Crores) and the shareholders' profit stands at ₹22 Crores (corresponding period of previous year - ₹15 Crores).



Number of Policies

Number of policies underwritten during the period ended 30th September 2010 was 736,266 (previous year 851,070).

AUM

AUM during the period ended 30th September 2010 was ₹38,760 crore, which was a 16% growth since 31st March 2010 (₹ 33,422 crore)

Key Drivers

- Reduction in fixed expenses
- AUM has gone up due to positive market conditions

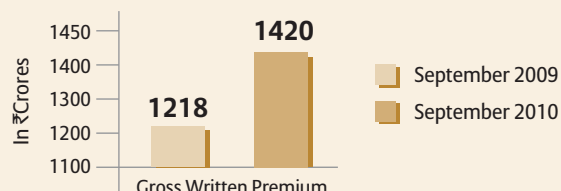
Challenges

- New ULIPs guidelines will compel life insurers to tweak the distribution model
- Increasing productivity of the field force and agents
- Expense management - Keeping fixed expenses under control
- Profitability - to maintain profitability in the current scenario

Bajaj Allianz General Insurance

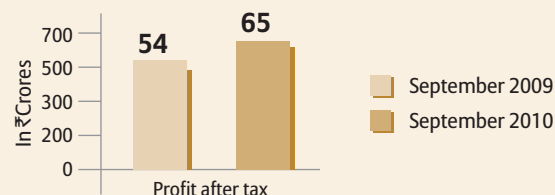
Premium Income

Gross Premium for period Apr to Sept grew by 16.6% to ₹1420 crores from ₹1218 crores in the previous year. This growth was contributed mainly by motor (22.0%) and Property by (17.9%).



Profit before and after Tax

For the half-year ended 30th Sept 10, the Profit Before tax was ₹ 99.2 crores as against ₹83.5 crores, in the same period of the previous year-growth of 18.8%. PAT for the half year ended 30th Sept '10 was ₹65.7 crores as against ₹53.8 crores, in same period of previous year, a growth of 22.2%.



Combined Ratio

Combined Ratio including Pool loss Provision for the half year ended 30th Sept '10 stood at 102.7% in comparison to 103.7% in Sept '09

Key Drivers

- Strong auto sales, capital expenditure by corporates and strong economic conditions
- Improvement in the claim ratio and higher investment income helped boost profit before tax

Challenges

- Market conditions are expected to remain challenging in the coming quarters with continued pressure on prices on motor insurance as well as corporate insurances.
- Current discussions on opening up banks for multiple partnerships will impact acquisition costs and increase pressure on prices, although they could also open up opportunities for us.



ULIPs - More to the Investors

Biju Simon, AVP- Actuarial
Bajaj Allianz Life Insurance

Unit-Linked Insurance Plans (ULIPs) are an innovative instrument that allows investors/policyholders to participate in the stock markets, along with the added feature of being insured. ULIPs have gained popularity amongst investors/policyholders as it was sold as a short term product with good returns. In fact, the dominance of the product was so significant that in some cases it has been the major contributor to the revenues of life insurance companies. For Bajaj Allianz Life Insurance, ULIPs formed 84% of the total revenue in FY 09-10.

As the market matured and evaluated the product; and policyholders began to understand the functioning of ULIPs better, the charges under the products were a major area of displeasure. The charges are related to the expenses that are incurred by the life insurance companies in running the ULIPs. As ULIPs are front-end loaded, the charges during the initial years can be higher than subsequently. Hence, the policyholder had to stay invested throughout the term for a better return and an early exit would affect returns.

Over the last few months, IRDA had made some improvements in the regulations/guidelines with respect to capping of expenses, which was the first step in enhancing returns for policyholders. More recently, ULIPs were in the limelight over the debate between IRDA and SEBI (capital market regulator) for having the regulating hand on it. The matter was settled with the government deciding that IRDA will continue to manage ULIPs.

In an endeavor to further help customers and improve the benefits & returns to the ULIP policyholders, IRDA notified a new set of regulations which will prove to be beneficial to the policyholders.

Let's look at the changes and what they mean to the policyholders.

More protection and for longer period

- Premiums paid into ULIPs can be accessed by the policyholder only after a minimum period of 5 years. Earlier this lock-in period was 3 years.

What's in it for the customer: The product will attract only policyholders looking at a long-term perspective. This will also reduce mis-selling as the product was usually packaged by distributors as a short-term product with healthy returns.

- To maintain the basic character of ULIPs as a life insurance product, the life cover has been enhanced so that it serves the primary goal of covering the policyholder's life, as well as fulfilling investment goals. The sum assured under these plans has been increased to 10 times (or 7 times for policyholders for ages above 45 years) the regular premium and 1.25 times (or 1.10 times for policyholders for ages above 45 years) the single premium. All top-up premiums will be treated as a single premium, thereby providing the necessary additional insurance cover. The death benefit under the ULIPs has to be a minimum of 105% of the premiums paid. Also, all ULIPs except pension and annuity plans will have a mortality or health cover.

What's in it for the customer : The increase in insurance cover is a positive for the policyholders and the main differentiating factor as to why one should buy a ULIP over a mutual fund product.

Surrender made easy

- Surrender charges have been "renamed" as discontinuity charges which have been standardized and mandated. If the policyholder discontinues his/her premiums during the first 5 years of the policy, the fund under his/her policy will be immediately moved to separate fund, which will earn a minimum return of 3.50% p.a.

What's in it for the customer: Customers who wish to exit the policy mid-term would lose a smaller amount by way of charges.

Minimum guaranteed returns every policy year (Capping of Charges/Expenses)

- The IRDA has stated that charges would be evenly distributed during the five-year lock-in period by specifying the ratio between the highest charge and the least

charge during the first 5 years.

- Overall charges have been capped. The reduction-in-yield for policies term equal or less than 10 years cannot exceed 3% at maturity and for terms above 10 years, it cannot exceed 2.25%.
- The charges would be restricted such that the policyholder gets a minimum level of return on his investments. So, if the company earns 10% returns p.a., the policyholder will receive a return from his/her ULIP of not less than the rates mentioned below. This is applicable even if the policyholder terminates the policy prematurely.
- At the maturity of the policy, the policyholder will receive a minimum of 7% p.a. for a policy term of upto 10 years and 7.75% p.a. otherwise, if the company earns 10% returns p.a. in the fund.

What's in it for the customer: The spreading of charges will ensure that a larger amount is available for investment for longer period of time, thereby enhancing returns. Controlling the expenses will also lead to reduction in distributor's commission; higher commissions can be a reason mis-selling.

ULIP Pension/Annuity Policies to provide higher return towards annuity

- ULIP pensions will now offer a minimum guaranteed return of 4.5% per annum on maturity
- Mortality or/and health cover could be offered along with pension/annuity products as riders, giving policyholders a choice to select covers.
- If the policy is surrendered mid-term, the policyholder can access only 1/3rd of the accumulated amount. The rest has to be compulsorily used to purchase an annuity product.

What's in for the customer : These features secure the long-term insurance interests of the policyholder as it will take care of financial needs during retirement. The minimum guaranteed returns will protect the downside risk that is inherent in ULIP plans and protect the life-time savings of the investor.

Summary

ULIPs now available in the market after the implementation of these regulations / circulars are more customer - friendly and provide more protection to the policyholder; by way of more insurance protections and protection to the policyholder funds.

biju.simon02@bajajallianz.co.in

Claimstrack

A quarterly review of claims handled

Life

Claims Settlement | July - September 2010

	Claims Outstanding as on 1 Jul 2010	Claims intimated	Claims settled	Claims repudiated	Claims Outstanding as on 30 Sept'10
Death	3428	6299	6744	407	2546
Riders	81	136	81	119	17
Health care	6	13	8	9	2
Total number	3515	6448	6863	535	2565
Total amount	62.02	90.45	93.27	10.91	48.29

Claims Settlement Ratio - 93%

Claims Paid Analysis - Turn-around-time (TAT) | July-September 2010

	Count of days					Total no. of claims decided
	0 - 15	16 - 30	31 - 45	46 - 60	> 60	
Number of claims	2142	2119	1041	519	1577	7398

Claims paid within 45 days - 72%

Cases referred to Consumer Forum & Ombudsman | July - September 2010

Total no. for Cases received	Bajaj Allianz Won	Bajaj Allianz Lost	No. of cases pending
122	5	4	113



“We have decided 7,398 claims in the second quarter of current financial year 10-11, as compared to 3,583 for the same period in FY 09-10. 72% of claims were settled in a period of 45 days from date of intimation in the current financial year as compared to 65% in last financial year for the same period. Outstanding claims on 30th Sep'10 is 2,565 have been brought down as compared to 3,066 on 30th Sep'09.

We have been able to improve our TAT due to rigorous follow-up with the claimants, branches and investigators. Review of old pending cases has helped us to reduce our pending numbers.”

P Ravi Kutumbrao, Sr. VP - Claims

Bajaj Allianz life Insurance

Non Life

Paid Turn-around-time (TAT) | July-September 2010

	Count of claims				Total no. of claims	Total amount paid in ₹Crore
	0 - 30	31 - 90	91 - 180	> 180		
Motor (OD)	168,687	23,121	4,378	1,782	197,968	334.18
Motor (TP)	343	380	755	6,389	7,867	121.62
Property & Engineering	1,293	1,162	544	501	3,500	119.5
Health	34,322	10,308	2,585	1,394	48,609	124.46
Miscellaneous & Others	7,848	2,704	917	635	12,104	85.71
Total	212,150	37,675	9,179	10,701	270,048	785.5

Claims paid within 90 days (excluding TP claims) - 96%

Claims Settlement | September 2009 - September 2010

	Outstanding as on 30th Sep '09	Registered from 1 Oct '09 to 30 Sep'10	Paid from 1 Oct'09 to 30 Sep'10	Outstanding as on 30th Sep'10
Motor (OD)	16,409	399,452	404,059	14,479
Motor (TP)	41,901	24,447	16,419	51,102
Property & Engineering	2,302	7,158	7,678	1,940
Health	9,317	95,968	101,512	6,096
Miscellaneous and others	3,025	22,236	22,898	2,761
Total	72,954	549,261	552,566	76,378

Claims settlement ratio (excluding TP Claims) - 96%

Cases referred to Consumer Forum & Ombudsman | July-September 2010

Total no. of cases received	No. of cases settled	Bajaj Allianz won	Bajaj Allianz lost
394	337	224	113



“This quarter we could maintain the TAT and claims settlement ratio by the following steps:

Keeping proper track of all the cases.
Regular monitoring the progress of claims.
Separate high value claim monitoring from HO.
VC with different offices to know the difficulties to sort out any issues.
Follow up with clients and channel partners.”

Capt. Sanjay Moholkar, Head - Claims

Bajaj Allianz General Insurance

Foreign flows continue to be strong, but valuations getting richer

Sampath Reddy, Head Equity
Bajaj Allianz Life Insurance



Equity markets continued their rally, with the sensex rallying over 2,000 points in the month of September alone. The markets rallied 14.9% for the first six months of the current financial year of which 11.6% appreciation took place in the month of September alone. The rally in the equity market was mainly driven by sectors such as Financials, Consumer & automobiles sectors. Financials now account for about 28% of the market capitalization due to their strong performance. Stable macro economic scenario coupled with strong FII inflows have been the main driver of the market.

Over the last year, India has outperformed other markets considerably.

Index Name	Absolute Return	
	1 Month	6 Month
Nifty Midcap 50	6.1%	11.8%
S&P Nifty	11.3%	14.6%
BSE Sensex	11.3%	14.1%
Key Sectoral Indices		
BSE CD	8.4%	48.1%
CNX Bank Nifty	15.1%	30.6%
BSE FMCG	11.6%	29.6%
BSE AUTO	9.0%	24.4%
BSE CG	9.3%	13.1%
BSE IT	10.7%	12.2%
BSE Oil & Gas	3.3%	2.3%
BSE METAL	11.5%	-6.2%

India has emerged as the favorable destination for FIIs. Foreign institutional investors continue to pour money into Indian equities. During the current financial year, FIIs have invested USD15bn of which USD6bn came in the month of September alone. While we agree that Indian economy has stronger growth prospects, we believe, our equity markets are priced in for the most optimistic scenario. Due to the large flow of funds into the Indian equities, the markets kept rallying and are now trading at expensive levels. At these levels of equity prices, we believe risk reward proposition is muted.

India relative to most other emerging market is trading at expensive levels

Country	P/E	
	Current Year Estimate	Next Year Estimate
India	18.91	15.71
Indonesia	16.49	13.74
Philippines	15.24	13.85
S. Korea	10.17	9.38
Taiwan	13.64	12.19
Thailand	13.65	11.7

Market outlook and Valuations

If we look at the valuations of our equity market, the market is now trading at about 23x to its trailing 12 month earnings. While on expected earnings estimate of 29% growth for FY11 it is trading at 19x. At these valuations, markets are pricing in for best possible outcome in terms of earnings growth and also are trading at the higher end of historical valuation multiples.

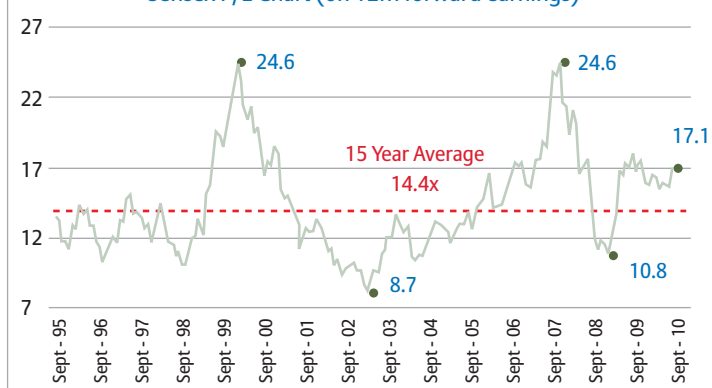
Year	Sensex EPS (₹)	Sensex EPS Growth (%)	P/E at Sensex 20400
FY05	450	29.1	
FY06	523	16.4	
FY07	718	37.3	
FY08	833	16.0	
FY09	820	-1.7	
Fy10	825	0.6	24.7
FY11E	1067	29.4	19.1
FY12E	1262	18.3	16.2

While equity markets have clawed back to close to their previous peak of January 2008 Sensex level, the earnings of the Sensex companies for the trailing twelve months are at similar levels of those at FY08 & FY09. We believe, our equity markets at current levels are priced closer to the valuations that were prevalent in January 2008. Historically speaking we have seen the returns from the equities have been muted whenever the valuations are on the above 15x P/E multiples.

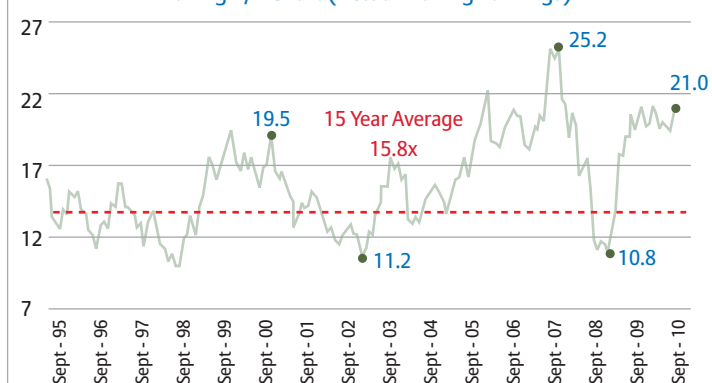
In other words, while the Sensex was trading above 20,000 levels during January 2008, the market expectation on EPS for the FY09 was about Rs1020 (though actual EPS came in was much lower at 820). Hence in 2008, with the sensex levels of 20,000 the P/E ratio translated into 20x on FY09 estimates. Though market has traded at 20x to the forward earnings estimate, but as the variation between the actual and estimated EPS widened it has led to a steep fall in equity prices. Once it was evident that the earnings estimates would not be met the price earnings ratio in FY09 started looking expensive. Hence, the over optimism in earnings that were estimated was the key driver of the rally in the markets and the downgrades in earnings translated into the steep fall. Similarly market is now trading at about 23x to historical earnings on the basis of strong earnings growth expectations in FY11 & FY12. We must note that the margin of safety on earnings risk at current levels is weak.

Sensex EPS ₹	Actuals	% Growth	Estimated EPS during Jan' 08	% Growth	Variation
FY09	820	-1.7	1020	22.39	-19.7
Fy10	825	0.6	1224	20.00	-32.6

Sensex P/E Chart (on 12m forward earnings)



Trailing P/E Chart (Actual Trailing Earnings)



While P/E, dividend yield, market cap to GDP ratio etc give us reasonable estimate of current valuations, we have to see the composition of the stocks and their prospective profitability to see how attractive/ unattractively the stocks are priced.

The market P/E appears at ~19x on estimated earnings and 23x to trailing earnings, most of the stocks in the bench mark are trading at exorbitant valuations. The benchmark valuations are skewed due to the following:

Most of the PSU stocks such as SBI, ONGC, PNB are trading at P/E of below 12x

Metal and Cement stocks comprising of 9% of benchmark are trading at P/E of 10x. With no convincing signs of a global recovery a downgrade in the earnings in 2HFY11 cannot be ruled out.

Oil & Gas which comprises of 15% of the benchmark indices are also trading at low valuations

This implies that sectors like Industrials, Real Estate are trading at valuations that are upwards of 23x on an FY12 basis where topline growth may not translate into profit growth

Defensive sectors like FMCG and Pharmaceuticals are trading at expensive valuations of over 23x.

	FY10 P/E	FY11 P/E	FY 12 P/E
Top 3 FMCG companies	37.5	33.5	27.5
Top 2 real estate cos	33.6	29.5	22.0
Top 3 IT companies	26.3	22.6	19.9
Top 5 Banks	24.2	19.0	15.1
Metals	NA	11.2	10.7
Industrials	37.8	35.6	24.7
Health care	27.4	26.8	22.3
Auto	24.4	14.6	12.5
Oil, Gas & Petrochemicals (4cos)	17.7	14.1	12.9

At Bajaj Allianz

Given that the markets have rallied and are now trading at the higher end of the historical price earning multiples we are cautious on our out look on the market. Relative to most emerging markets and as well as developed markets, Indian equities are trading at significant premium. We believe that the premium multiples may not be sustainable. Thus we are increasing our cash levels across all our equity funds. We have already raised our cash levels in most of our actively managed equity funds to over 20%. If the market continues to rally further from the current levels, we would further increase our cash levels in our funds.

1 year Return of Bajaj Allianz ULIP funds as on 30th Sept 2010

Fund Names	6 Month	1 Year
Equity Gain	14.8%	20.4%
Equity Plus	13.9%	20.3%
Equity Plus Pension	18.3%	28.4%
Premier Equity Gain	17.2%	27.3%
Equity Growth Fund	17.2%	22.3%
Premier Equity Growth Fund	18.5%	25.8%
Equity Growth Pension Fund	17.8%	26.8%
Unit Gain Mid Cap	12.4%	24.0%
Unit Gain Mid Cap Plus	16.3%	37.1%
Unit Gain Mid Cap Plus Pension	16.5%	36.7%
Accelerator Mid cap Fund	15.6%	34.8%
Accelerator Mid Cap Pension Fund	14.4%	34.3%
Pure Equity Fund	10.0%	17.7%
Pure Stock Fund	10.2%	18.3%
Pure Stock Pension Fund	11.5%	32.4%
CNX NSE Nifty Index	14.9%	18.6%
Asset Allocation Fund	7.4%	10.7%
Asset Allocation Pension Fund	6.4%	9.8%
Cash Plan	2.4%	5.1%
Cash Plus	3.2%	6.7%
Cash Plus Pension	3.5%	7.1%
Liquid Fund	3.1%	6.5%
Liquid Pension Fund	3.3%	6.7%
Crisil Composite Liquid Index	2.4%	4.0%
Debt Plan	3.4%	7.1%
Debt Plus	4.1%	9.0%
Debt Plus Pension	4.2%	9.8%
Premier Debt Fund	3.1%	8.1%
Life Long Gain	1.9%	4.9%
Bond Fund	3.7%	8.9%
Premier Bond Fund	2.9%	6.9%
Bond Pension Fund	3.6%	8.2%
Crisil Composite Bond Index	2.6%	5.5%

GET REWARDED FOR HEALTHY LIVING

Innovations in health insurance has gone beyond the realms of tweaking product features or premium or adding new hospitals to its network. Bajaj Allianz General Insurance has pioneered an initiative aptly branded – Jiyo Fit, which encourages its policyholders to lead a healthy lifestyle. Hemant Kaul, MD & CEO, Bajaj Allianz General Insurance, while launching the initiative said, "Health Insurance as a concept is usually associated with illness and hospitalization. JiyoFit is an endeavor to shift from managing customers' illness to promoting a healthy and fit lifestyle."

What is Jiyo Fit?

JiyoFit helps customers lead a healthy lifestyle and incentivises them on adopting healthy practices and being fit. This is a one-of-its-kind initiative from an insurer that

encourages customers to improve their health by providing access to a large number of network gyms, spas and health clinics. The JiyoFit card will also serve as an identity card at Bajaj Allianz network hospitals.

How does the programme work?

The JiyoFit card will provide Bajaj Allianz customers additional benefits of the association with Yes Bank and Visa. The Jiyo Fit program works as below

- Earn points for every visit to a gym besides discounts on membership fees
- Reward points for purchasing healthy foods at high-street retailers.
- Earn points on improving health through regular medical check-ups at selected diagnostic centres and hospitals
- Exclusive benefits and offers at various partner service providers and retailers



(From left to right) Suresh Sethi - Group President, Transaction & Banking, International Banking & Liabilities & Investment Banking YES BANK, Hemant Kaul - MD & CEO of Bajaj Allianz General Insurance and Uttam Nayak - Country Manager, South Asia - VISA at the launch of Bajaj Allianz Jiyo Fit

Where is it available?

In the first phase, the program will be available in 15 towns of Mumbai, Delhi-NCR, Kolkata, Bangalore, Hyderabad, Pune, Chennai, Cochin, Ahmedabad, Surat, Baroda, Lucknow, Chandigarh, Amritsar and Ludhiana.

To know more about JiyoFit, log on to www.jiyoFit.com

Website made SIMPLE

Bajaj Allianz unveiled its new website a month ago. The website is based on the premise – KEEP IT SIMPLE and is characterised across the various sections and pages and urges surfers to try with a smart

tagline – "Simple hai, Try karke dekho". The website harps on the ease of buying insurance plans with the least possible hassle.

What's in it for:

New Customers

- Get information on wide range of insurance solutions for your vehicle, health, property and life
- Compare premium quotes for life and motor insurance products
- Buy ULIPs and motor insurance at few clicks of the mouse

Existing Customers

- Managing your ULIP funds through fund switches
- Pay renewal premiums online
- Know fund values of your ULIPs
- Change or update contact details
- Updated list of hospitals, automobile workshops

Others

- Learn about various insurance related topics such as cashless facility in health insurance, motor insurance, fund management etc.
- Views of the MD & CEO and CIO on the insurance industry
- About the organization



New Features

Help & Support - This section has attracted around 47,000 queries since the launch on issues relating to fund management, motor insurance, cashless facility in health insurance etc. Addressing the topics in an FAQ format makes the information interactive as visitors can comment on the information to seek further clarifications,

Blogs

- "My Take" by the MD & CEO discusses contemporary issues affecting the insurance industry. The blog has seen over 11,000 visitors till date.
- "Investment Insights" by the CIO brings you views on insurance, investments, markets and much more. This section has seen over 6000 visitors.

3 quotes for Motor Insurance

This is a unique feature for customers looking for a vehicle insurance. Once you enter details of your vehicle such as make, model, year of registration etc., the rating engine throws up three quotes for your vehicle insurance viz, best, standard and flexible plans, depending on the coverage you require.

New products offered online - Two attractive ULIP plans - a single premium product i.e. Wealth Insurance and a regular premium plan - Max Advantage. These plans are easy-to-understand and simple to buy through the online mode.

Results so far

As on 30th September, the traffic tracked by Google Analytics reveal that there were 11.5 lakh visits and page views zoomed to 31.8 lakhs.

So log on to www.bajajallianz.com and experience the simplicity of insurance yourself.

Bajaj Allianz awarded **Best Travel Insurer** by CNBC Awaaz



CNBZ Awaaz has awarded Bajaj Allianz General Insurance as the Best Travel Insurer for 2010. This award recognizes and honors the best in class organizations, destinations, and service providers based on a comprehensive study conducted by India's leading research firm, The Nielsen Company. This study is India's most exhaustive pan-India study conducted across 12 cities with over thousands of respondents voting for their choice of travel services and destinations.

Bagging this award bears testimony to the exemplary services and product range Bajaj Allianz offers its customers.



The initiative targeted 25,000 students between the ages of 14-16 years across 400 schools, assessing their football skills and passion for the game



Allianz Junior Football Camp was kicked off in September in 50 cities across Kolkata, Goa and Kerala. The activity was held in association with Mohun Bagan Athletic Academy in Kolkata and other eminent football players as judges.



Appreciation galore! Quan Gomes (Goa) was awarded as the best player at a 5-a-side football match among 42 youngsters. He won a jersey signed by FC Bayern players.



Finals were held in Kolkata, Goa and Cochin for selecting the ultimate six



Bajaj Allianz kicks off Allianz Junior Football Camp 2010



The winners met football stars like Thomas Muller & Mario Gomez.



The Final six (Rupert Nungram, Damey Syiam, Aushanto Malik from North-east; Quan Gomes from Goa; Abu Thahir from Kerala and Idhanta Kakkar) take-off for Munich



The winners representing India at Munich. 42 boys & girls from 10 countries participated in the camp.



Training at the FC Bayern facilities by the team's youth coaches

Special thanks to our panel of judges - In East - Aloke Mukherjee (Ex India Player-Defender), Prasun Banerjee (Arjuna Awardee, Ex Indian Captain), Alvaro D'Cunha (Current East Bengal, India Player Mid Fielder); In Kerala - C.C.Jacob (Former Indian/Kerala Player), KP Sethumadavan (Former Indian Goal Keeper), Victor Manjila (Former Indian Player/Formal Kerala Team Coach), Renji Jacob (Former Kerala Player and Former Coach), Thobiyas (Kerala Team Player) and Gopal Krishnan (Former Indian Player); In Goa - Armand Colaco (Coach-Dempo Sports Club), Bruno Coutinho (Arjun Awardee and former Indian Player), Dominick Soares (Former Indian Player) and Seby Rodrigues



Plan to get richer? You need a good plan.

Presenting Bajaj Allianz Wealth Insurance Plan, a single premium plan that helps you get richer.



Loyalty addition up to 7% of single premium at the end of the fifth year. *Conditions Apply.

Jiyo Befikar



Option to receive the maturity benefits as settlement option.



Maximum flexibility to pay unlimited top-up premium and make partial withdrawals. **Conditions Apply.

To know more,

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*If policy has not been terminated, at the end of the 5th policy year, the company will allocate loyalty addition at the then prevailing unit price of an amount equivalent to 3.00% for single premium of Rs. 50000 to 99999, 5.00% for single premium of Rs. 100,000 to 249,999 and 7.00% for single premium of Rs. 250,000 and above. No loyalty addition is payable on any top-up premium paid.

**To know the conditions for top-up premium & partial withdrawals please read sales brochure.

Risk Factors and Warning Statements: Bajaj Allianz Life Insurance Company Limited and Bajaj Allianz Wealth Insurance Plan are the names of the company and the product respectively and do not in any way indicate the quality of the product and its future prospects or returns. In this product the investment risk in investment portfolio is borne by the policyholder. Unlike traditional products Bajaj Allianz Wealth Insurance Plan is a Unit Linked Insurance Plan (ULIP) and is subject to investment risks associated with capital markets. The policyholder is solely responsible for his/her decisions while investing in ULIPs. For more details on risk factors, terms and conditions please read sales brochure carefully before concluding a sale. Tax benefits are as per the Income Tax Act, 1961 which may be subject to amendments from time to time. All charges applicable shall be levied. Insurance is the subject matter of this solicitation. Bajaj Allianz Life Insurance Co. Ltd. Regd. Address: G.E Plaza, Airport Road, Yerawada, Pune-411006, Reg. No.: 116. Product ID: 116L096V01