

BIMA KHABBAR | Newsletter – Jan' 2026

1. Regulatory & Policy Highlights

- **Life Insurance Council Recommendations:** Panel suggests capping distribution commissions and deferring commissions to ease acquisition costs.
- **Regulatory Parity Debate:** SEBI's 2026 Stock Broker Regulations allow diversification. Calls for a level playing field for insurance brokers.
- **Motor Vehicle Rules:** IRDAI to specify base premiums, empower law enforcement, and link premiums to driver behaviour.
- **Common Directors Provision:** New rules prohibit common directors between banks, investment, and insurance companies, strengthening governance.
- **IRDAI's 1600 Series Mandate:** All commercial calls by insurers/brokers must use 1600 series numbers by Feb 15, 2026.

2. Market & Financial Insights

- **Commission Outgo Under Scrutiny:** 23 insurers flagged for exceeding expense limits; total commission outgo (2024-25): ₹60,800 crore (Life), ₹47,266 crore (Non-Life).
- **Economic Survey 2025-26:** High distribution costs limit penetration; digital channels and accountability are key for growth.
- **Household Insurance Spend:** 25% of wallet share spent on insurance; 32% YoY jump, GST reforms present big opportunities for retail brokers.

3. Industry Developments

- **Agent Fee Framework:** Insurers revising commission structures, considering staggered payouts and aggressive clawbacks.
- **Health Insurance:** Government to hold 2nd round of talks with insurers/hospitals to standardize protocols and improve efficiency.
- **Aviation Insurance:** Major claim (Mr. Ajit Pawar crash) settled by ICICI Lombard; no likely impact on pricing.
- **Swiss Re Report:** Indian insurance premium expected to grow 6.9%–6.8% annually (2026–2030); catastrophe exposure rising.

4. Leadership & People Moves

- **CEO Appointments:** Rakesh Jain (Magma HDI), Rajive Kumaraswami (Chola MS), Anish Behl (Reliance General), Anuj Gulati (Care Health) resigns, Girija Subramaniam (New India Assurance) to retire, Tapan Singhel (Bajaj Allianz) to complete 15 years as CEO.
- **Other Changes:** Anuj Tyagi (HDFC General) resigns; Satyajit Tripathi (IRDAI) to step down; Acko Life CEO position vacant.

5. Legal & Compliance

- **GST Relief:** Bombay High Court stays ₹10,000 crore GST demand against insurers; GST on commission payments remains a key issue.
- **IRDAI Penalty:** Wealthkart Insurance Broker fined ₹1 crore for not seeking prior approval on shareholding changes.

6. Events & Reports

- **Indian Rendezvous 2026:** Over 2,000 participants expected in Mumbai, including key industry stakeholders.
- **Insurance Ombudsman Report:** Awards in favour of policyholders highlighted; consider insurer performance before recommendations.

eSetuTech Advisors



Col. Amit Tripathi

+91 93264 66363

AmitTripathi@esetutech.com



For more details and latest updates, visit: www.esetu.tech
