

Faculty Mentor – Dr. Hemant Kumar Mishra
Industry mentor – Mr. Pranay Shah

Presented by : Hemarangan J
Roll No: 0649, MBA – Pharmaceutical Management (PM-16)

HISTORY & DESCRIPTION

TATA AIG General Insurance Company was founded in 2001 as a joint venture between the Tata Group and American International Group (AIG). The company was established under the leadership of Ratan Tata, aiming to provide innovative insurance solutions in India.

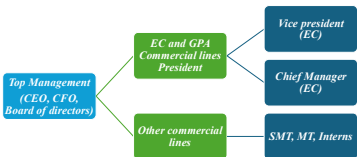
MISSION

TATA AIG General Insurance Company Limited's goal is to improve customers' tomorrows by providing them with innovative and dependable insurance solutions that are transparent, efficient, and focused on their needs. In addition to building enduring relationships and making a positive impact on the community and the Indian insurance ecosystem, the company aims to offer financial protection and peace of mind through superior products, prompt services, and strong ethical practices.

VISION

"To be the leader in the general insurance industry, by caring for our customers and offering them innovative risk solutions"

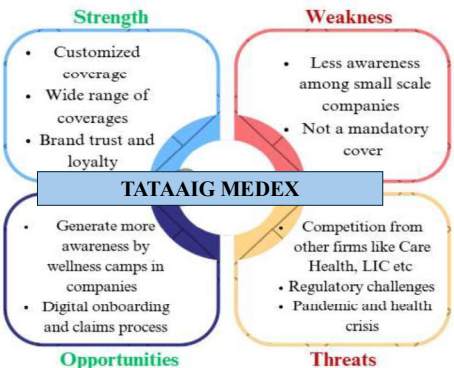
ORGANIZATION STRUCTURE



PRODUCT OVERVIEW

The Medical Extension Cover (sometimes branded as "Medex" or "medical cover add-on") extends the base policy by covering medical treatment costs for injuries arising out of employment. Without it, the base policy pays statutory compensation but does *not* cover actual hospital/doctor bills.

SWOT ANALYSIS



OBJECTIVE & METHODOLOGY

❖ To perform parameter analysis and then use the inferences of parameter analysis to do risk profiling to calculate the Incidence rate (IR) and Average claim size.

- ❖ 3 Years (2022-25) policy level database of EC was used in Excel to find the top 30 trade categories covering 80% of the business.
- ❖ Calculating Incidence rate (IR) and Actual claim size (Severity) by pricing framework.
- ❖ Analyzing different parameters like State, Number of months, workers band, wages band and Medex limit on how they influence pricing by affecting GLR, Premium % and GLI, Finally risk profiling and interpreting the premium calculation

PROJECT FINDINGS

- ❖ GLR is >65% in 10 trade categories among top 30 trade categories which had great premium % and GLI
- ❖ State, Medex limit were the most important parameters

- ❖ The parameter analysis gave us major findings that
- ❖ Gujarat, Maharashtra, Tamil Nadu, Telangana, and Delhi showed poor performance.
- ❖ High-risk groups had (8k–15k) wages, low Medex limits, and 30–100 workers, all grouped in high risk for pricing.

Conditions of data analysis	Risk profiling
GLR (>65%), Occupancy wise (>65% LR), >GLI, >Premium contribution %	High risk - 10 (ex: Coal/Geological) Low risk - 20
Pricing Calculation Formulae	Calculation
Base premium price = (Average claim size * Incidence rate / GLR) + 20% Expenses + 10% Commission + 5% profit	BPP = (112019 * 0.120 / 186%) + 20% (7279.84) + 10% (7279.84) + 5% (7279.84) = ₹ 9,827.79

CHALLENGES

- ❖ Pricing EC-Medex was difficult as it was a new concept with no existing framework.
- ❖ Policy parameter analysis was limited due to insufficient data.

DIFFERENCE IN THEORATICAL AND PRACTICAL EXPOSURE

Gained basic Excel and digital health schemes theory at IIHMR; practically worked on advanced Excel data analysis and insurance pricing without prior theoretical exposure.

KEY LEARNINGS

- ❖ Learned basic fundamentals of EC Insurance.
- ❖ Analyzed data using MS Excel to identify key pricing parameters.
- ❖ Understood variables like GLR, GLI, premium % and built the pricing framework using IR and Severity.

SUGGESTIONS

- ❖ Same data integration in policy and claims level files.
- ❖ Using same calculator like GPA
- ❖ Using the same loading ratio like GPA calculator for better credibility