



बीमा विनियामक और विकास प्राधिकरण  
**INSURANCE REGULATORY AND  
DEVELOPMENT AUTHORITY**

Ref: IRDA/CAD/WRN/CPR/012/01/2011

24-01-2011

**Shri Rajesh Sud, MD & CEO,**  
M/s. Max Newyork Life Insurance Co Ltd, 11<sup>th</sup> Floor,  
DLF Square, Jacarand Marg, DLF City, Phase – II,  
Gurgaon - 1220002

**Sub: Contravention of the provisions of Regulation 8 of the Policyholder Protection Regulations, 2002**

**Ref: (1) Letter of the Authority dated Aug 9<sup>th</sup> 2010 & your response dated Sep 3<sup>rd</sup> 2010  
(2) IRDA Complaint ref no: 158/2009-10**

The Authority has considered the contents of your referenced letter and upon analysis of the same, observes the following:

1. Your company has admittedly defaulted on non-payment of penal interest for Claims settled beyond six months and repudiation/investigation of claims beyond six months.
2. The Authority has noted that your company has largely attributed the above default to process infirmities and inadequate quality resources. The Authority has also noted that you have reviewed all cases beyond six months and paid the penal interest admissible. The Authority has also noted that you have put a process in place to ensure that penal interest is paid as a rule in respect of cases where admitted beyond six months and investigations/repudiations are completed within six months without fail.
3. In view of the above, in exercise of the powers conferred upon it under Section 14 of the IRDA Act, 1999, your company is hereby warned for having contravened the provisions of Regulation 8 of the Policyholder Protection Regulations, 2002 and are advised to exercise preventive controls to avoid recurrence.
4. Your company is further advised to note any future occurrence of this nature resulting in the non-compliance of the provisions of Insurance Act, 1938, the IRDA Act, 1999 and the Rules and Regulations issued there under as also the various directions issued by the Authority shall be viewed seriously and visited with appropriate action by the Authority.
5. You are hereby, directed to bring this warning letter to the Notice of your Board in its next meeting. A copy of note placed before the Board and the duly certified relevant extract of the Board Resolution thereon, shall be filed with the Authority.

*A. Giridhar*

**(A.Giridhar)**  
**Executive Director**