



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

Ref: IRDA/Life/2013-14/43

12-December-2013

Mr. Anup Rau
Chief Executive Officer & Executive Director,
Reliance Life Insurance Company Ltd.
9th & 10th Floors, Building No.2, R-Tech Park,
Nirlon Compound, Next to Hub Mall,
Behind I-Flex Building,
Goregaon (East), Mumbai 400063

Dear Sir,

Re: Compliance with AML Guidelines

Reference is invited to the onsite inspection carried out by the Authority during May, 2013 to examine the extant compliance procedures to comply with the AML Guidelines issued by IRDA. The Authority forwarded the copy of the inspection report to your company under the letter dated 24-June-2013 and sought the comments to the same. Upon examining the inspection report and submissions forwarded vide your letter dated 15-July-2013, the Authority issued notice to show-cause to your company vide letter IRDA/Life/2013-14/43 dated 04th October, 2013. The findings on the explanations offered and submissions made by your company to the issues raised in the show cause notice dated 4th October 2013 and the decisions are as follows

Charge – 1: The requirement of PAN above Rs 50000 is examined at transaction level and not at client level. This is in violation of Clause 3 (I) of AML Master Circular IRDA/F&I/CIR/AML/158/09/2010 dated 24/09/2010. The submissions of your company that there is a check at the client level in the main / core policy holder system which is populated by the receiving system are considered.

Charge – 2: In one of the instances, third party cheque was accepted without examining the insurable interest which is regarded as a violation of Clause 3.1.1 (vi) of the above referred AML Guidelines. The fact that it was a one-off instance and the submissions that the cheque issued by the father on the policy of the son is accepted based on insurable interest are taken into account.

However, the Authority advises your company to strengthen the procedures for complying with the AML norms prescribed by the Authority from time to time. The receipt of this letter be acknowledged and compliance submitted before 31/December/2013.

Yours faithfully,


(V. Jayanth Kumar)
Joint Director (Life)