



Ref: IRDA/Life/BAXALife/Ads/369

20/09/2010

Mr. Glenn Williams,
Chief Executive Officer,
Bharti AXA Life Insurance Company Ltd.
601-602, 6th Floor, Raheja Titanium,
Off Western Express Highway,
Goregaon (E),
Mumbai 400 063

Dear Sir,

Re: Advertisements filed with IRDA –

- (1)ARN No: II-Merit Plus Edge-Dec-2009-312- received on 03.03.2010**
- (2) ARN No: II-Brochure-DLPP-Dec-2009-322 – received on 03.03.2010**
- (3) ARN No: Elite Secure Poster – 2009 – 389 - received on 28.04.2010 and**
- (4) ARN No: II-FSP Dangler – November-2009-278- received on 29.04.2010**

With reference to the captioned subject, please refer Authority's letter Ref: IRDA/Life/BAXALife/Ads/369 dated May 03, 2010 wherein your company was directed to modify / withdraw the above Advertisements as the same were contained the following mis leading contents.

<i>Advertisement Number</i>	<i>Misleading Contents</i>
1) Merit Plus Edge-Dec-2009-312 2)II-Brochure-DLPP-Dec-2009-322	Ad.1) There is a mention that plan guarantees return of First Year Plan (FYP). This is about a feature of Guaranteed additions equivalent to 100% of FYP, if policy is in force for five years. Hence mentioning "Return of FYP" is misleading. Company was advised to modify the ad accordingly. Ad 2). Fund management charges mentioned as "LOW" attract the provision of 3.4.2.6 of Ad guidelines, 2007. Company was advised to withdraw the advertisement and not to use such type of phraseology in future.
3) Elite Secure poster-2009-389	There are phrases "Low cost" and "An industry first" attract provisions of 3.4.2.6 Ad guidelines. Company was advised to withdraw the advertisements and not to use such phraseology hereafter.
4) II-FSP Dangler-November-2009-278	1). The mandatory disclosure "In this policy.....borne by the policy holder" is not mentioned 2). There is a phrase "High allocation" attracts provisions of 3.4.2.6 of Ad guidelines, 2007. Company was advised to withdraw the advertisement and not to use such words hereafter.



The Company was also asked to furnish an action taken report.

In response to the said directions of the Authority, the Company, after a gap of over 40 days, vide its letters dated 17th June, 2010 submitted the replies substantiating the contents of Advertisements. On examining the replies of your company, the Authority vide its letter IRDA/Life/BAXALife/Ads/369 dated 10th August, 2010 initiated a regulatory action directing your company under the provisions of Regulation 11 (iii) of IRDA (Insurance Advertisements and Disclosure) Regulations, 2000 to discontinue the Ads under reference. Vide within referred letter the Company was also requested to submit an explanation within 7 days from the date of receipt the communication as to the reasons for not implementing the directions of Authority issued vide its letter dated May 03, 2010.

In reply your Company vide its letter BAL/2010/IRDA/Comp/ADVT/196 dated 17th August, 2010 confirmed the withdrawal of the said advertisements. In response to Authority's reminder letter dated 24th August, 2010 your company vide its letter BAL/2010/IRDA/Comp/Advt/203 dated 27th August, 2010 submitted the explanation wherein the delay in responding to Authority's directions was attributed to the need for careful analysis of the points raised therein.

On examining the explanation, the Authority cautions your company to be sensitive to the directions of the Authority. Notwithstanding the lenient view taken, your company is also advised to adhere to the best practices and comply with the provisions of Advertisement Regulations, Guidelines and Circulars issued while releasing insurance advertisements.

Yours faithfully,

(Kunnel Prem)

Consultant and Special Officer (Life)