



MINUTES OF THE 65th MEETING OF THE AUTHORITY

held on October 20, 2010 at 11.30 a.m.

in the Office of the IRDA at 3rd Floor, Parishram Bhavan, Basheer Bagh, Hyderabad.

Present:	Chairman	Shri J Hari Narayan
	Member	Shri R.K. Nair
	Member	Shri G Prabhakara
	Member	Dr. R Kannan
	Member	Mr M Ramaprasad

Also present:	Executive Director	Shri K Subrahmanyam
	FA & CAO	Shri N Srinivasa Rao
	Advisor	Shri K K Srinivasan
	Designated Officer	Shri A Giridhar

Chairman extended a warm welcome to all those who were present especially to the newly joined Mr. M Ramaprasad, Member (Non-life), who is attending for the first time. Leave of absence was granted to Smt L M Vas, Addl Secretary, Ministry of Finance, Smt. Ela R Bhatt, SEWA, Mr. Amarjit Chopra, President, ICAI who could not attend because of prior commitments.

The services of Mr. Vijay Mahajan, Part-time Member from BASIX who completed the tenure of five years on October 7, 2010 were placed on record.

Item # 1: Confirmation of Minutes of the 64th Meeting of the Authority held on August 25, 2010

The Authority was informed that the legal opinion regarding the transfer of shares by Birla Sun Life Insurance Company is received just then and the issue will be put up for consideration in the next Authority meeting.

Resolution No: 65:1

Authority resolves to confirm the Minutes of the 64th meeting held on August 25, 2010 with above indicated changes.

Item # 2: Action Taken Report on the Minutes of the 64th Meeting of the Authority held on August 25, 2010

Regarding point No. 7 on R1 application of Magma HDI Gerling General Insurance Company – it was noted that the financial statements are being examined in the Authority and report from RBI on the paid up capital and group structure of the promoters with respect to the issues arising out of scrutiny is awaited.

The report from Auditors on group structure and financial condition of the promoters is also awaited.

Regarding Point No.8 on Cashless Facility – it was decided to have a forum of Hospitals and Insurers. It was also decided to undertake audit of one of the larger TPA and their transactions with the insurers and hospital in order to unravel any bottlenecks in the claim settlement processes.

Regarding Point No. 14 on Persistency and Premium Awaited Policies it was decided that a note is to be circulated to all Members / EDs regarding behaviour of group policies to be studied.

Item # 3: Cost estimates of IRDA Building

A comprehensive presentation by National Academy of Constructions and the Architects was made to all the Members present. ED (Admn) proposed that Member (F&I) and Member (Non-Life) be coopted to the Steering Committee as the implementation requires intensive interactions.

Resolution No: 65:3

IRDA resolves to approve the cost estimates for the IRDA Building as proposed in the agenda Item and its annexures.

The Authority also resolves to expand steering committee by including Member (F&I) and Member (NL)

The Authority also resolves to ask for stage wise cost and time schedule from implementing agencies / consultants.

Item # 4: Allowing Insurers to Invest in Bonds issued by ONGC Videsh Limited and Investments in IDRs

The Authority decided to approve investing by the insurers in the OVL bonds only as an approved investment. The IDR investment by insurers is deferred.

Resolution No: 65:4

IRDA resolves to approve the proposal for investing by insurers in OVL Bonds as an approved investment

Item # 5: Annual Report of Insurance Regulatory and Development Authority for the year 2009 – 2010

Approved.

There was no other item for discussion and the meeting concluded with vote of thanks to the Chairman.

Sd/-
(J Hari Narayan)
Chairman