



ANNUAL REPORT 2014-15



Head Office  
3<sup>rd</sup> Floor, Parishram Bhavan,  
Basheerbagh, Hyderabad - 500 004  
Phone : +91-40-2338 1100 / 1300  
Fax : +91-40-6682 3334

Delhi Office  
Gate No. 3, 1<sup>st</sup> Floor, Jeevan Tara  
Parliament Street, New Delhi - 110 001  
Phone : +91-11-2374 7648  
Fax : +91-11-2374 7650

# ANNUAL REPORT 2014-15



INSURANCE REGULATORY AND DEVELOPMENT AUTHORITY OF INDIA

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Phone : +91-11-2374 7648  
Fax : +91-11-2374 7650

Website: [www.irda.gov.in](http://www.irda.gov.in)  
E-mail: [irda@irda.gov.in](mailto:irda@irda.gov.in)





भारतीय बीमा विनियामक और विकास प्राधिकरण  
INSURANCE REGULATORY AND  
DEVELOPMENT AUTHORITY OF INDIA

पारगमन पत्र

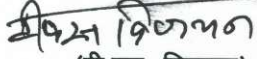
संदर्भ सं. 101/5/आर&डी/एसडी/एआर-2014-15/31/नवंबर-15

6 नवंबर, 2015

सचिव,  
आर्थिक कार्य विभाग, वित्त मंत्रालय  
तीसरा तल, जीवनदीप बिल्डिंग,  
संसद मार्ग, नयी दिल्ली - 110 001

श्रीमान,

हम बीमा विनियामक और विकास प्राधिकरण अधिनियम, 1999 की धारा 20 के उपबंधों के अनुसार, 31 मार्च 2015 को समाप्त हुये वर्ष के लिये प्राधिकरण की वार्षिक रिपोर्ट की एक प्रति, अधिसूचित बी.वि.वि.प्रा. (वार्षिक रिपोर्ट विवरणियों, विवरणों और अन्य विशिष्टियों को प्रस्तुत किया जाना) विनियम, 2000 के विहित प्रारूप में भेज रहे हैं।

भवदीय,  
  
(टी.एस. विजयन)  
अध्यक्ष

**LETTER OF TRANSMITTAL**

Ref. No. 101/5/R&D/SD/AR-2014-15/31/Nov-15

6<sup>th</sup> November, 2015

The Secretary,  
Department of Financial Services  
Ministry of Finance  
3<sup>rd</sup> Floor, Jeevan Deep Building,  
Parliament Street, New Delhi - 110 001

Sir,

In accordance with the provisions of Section 20 of the Insurance Regulatory and Development Authority Act, 1999, we are sending herewith a copy of the Annual Report of the Authority for the financial year ended 31<sup>st</sup> March, 2015 in the format prescribed in the IRDA (Annual Report – Furnishing of returns, statements and other particulars) Rules, 2000.

Yours faithfully,

  
(T.S. Vijayan)  
Chairman

परिश्रम भवन, तीसरा तल, बशीरबाग, हैदराबाद-500 004. भारत  
☎ : 91-040-2338 1100, फैक्स: 91-040-6682 3334  
ई-मेल: irda@irda.gov.in वेब: www.irda.gov.in

Parisharam Bhavan, 3rd Floor, Basheer Bagh, Hyderabad-500 004. India.  
Ph.: 91-040-2338 1100, Fax: 91-040-6682 3334  
E-mail : irda@irda.gov.in Web.: www.irda.gov.in



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**IRDAI Members of the Authority 31.03.2015**

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## MISSION STATEMENT

- ✓ To protect the interest of and secure fair treatment to policyholders;
- ✓ To bring about speedy and orderly growth of the insurance industry (including annuity and superannuation payments), for the benefit of the common man, and to provide long term funds for accelerating growth of the economy;
- ✓ To set, promote, monitor and enforce high standards of integrity, financial soundness, fair dealing and competence of those it regulates;
- ✓ To ensure speedy settlement of genuine claims, to prevent insurance frauds and other malpractices and put in place effective grievance redressal machinery;
- ✓ To promote fairness, transparency and orderly conduct in financial markets dealing with insurance and build a reliable management information system to enforce high standards of financial soundness amongst market players;
- ✓ To take action where such standards are inadequate or ineffectively enforced;
- ✓ To bring about optimum amount of self-regulation in day-to-day working of the industry consistent with the requirements of prudential regulation.



**INSURANCE REGULATORY AND DEVELOPMENT AUTHORITY OF INDIA**  
**Members of the Authority as on 31<sup>st</sup> March, 2015**



**T S Vijayan**  
CHAIRMAN

**WHOLE TIME MEMBERS**



**R. K. Nair**  
(upto 17<sup>th</sup> March, 2015)



**M. Ramaprasad**



**D D Singh**



**Pournima Gupte**  
(from 13<sup>th</sup> January, 2015)



**PART - TIME MEMBERS**



**Anup Wadhawan**



**Prof V K Gupta**



**S B Mathur**



**CA K Raghu**  
(upto 11<sup>th</sup> February, 2015)



**CA Manoj Fadnis**  
(from 12<sup>th</sup> February, 2015)

**SENIOR OFFICIALS OF IRDAI**

**EXECUTIVE DIRECTOR**

SRIRAM TARANIKANTI

**FINANCIAL ADVISER**

LALIT KUMAR

**SENIOR JOINT DIRECTORS:**

M PULLA RAO  
SURESH MATHUR  
RANDIP SINGH JAGPAL  
A R NITHIANANTHAM  
MAMTA SURI  
J MEENA KUMARI

**JOINT DIRECTORS:**

MUKESH SHARMA  
S N JAYASIMHAN  
YEGNA PRIYA BHARATH  
H ANANTHA KRISHNAN  
V JAYANTH KUMAR  
RAMANA RAO ADDANKI  
RAKESH K BAJAJ  
SANJEEV KUMAR JAIN  
T S NAIK  
S P CHAKRABORTY  
P K MAITI  
RAJ KUMAR SHARMA

**CHIEF VIGILANCE OFFICER  
& JOINT DIRECTOR**

A V RAO



## PART - I

### POLICIES AND PROGRAMMES

#### I.1 GENERAL ECONOMIC ENVIRONMENT

**I.1.1** The India's economy picked up in 2014-15 rising by 7.3 percent on top of a growth of 6.9 percent in 2013-14. This is in terms of new series of estimates(at market prices) which has been released by the Ministry of Statistics & Programme Implementation(MOSPI) that also seen the revision of the base year from 2004-05 to 2011-12.

**I.1.2** The firming up of growth during 2014-15 was driven mainly by private consumption and supported by fixed investment, even as government consumption and net exports slackened considerably.

**I.1.3** The quickening of activity in 2014-15 was largely led by industry and services. Within industry, higher growth was observed in manufacturing and electricity generation. The share of manufacturing was augmented by trading activity of constituent entities which formed part of services in the old series. In the services sector, 'financial, real estate, and professional services' as well as construction were the primary drivers. On the other hand, the agriculture sector lost momentum, adversely impacted by the deficient southwest monsoon which affected kharif sowing and by unseasonal rains and hailstorms at the time of rabi harvesting.

**TABLE I.1**  
**NATIONAL INCOME#**

Item	2012-13 (NS)	2013-14 (NS)	2014-15 (PE)
<b>A) Estimate at Aggregate Level</b>			
1. National Product (₹ crore)			
1.1 GNI	9172925	9800813	10513163
1.2 NNI	8193427	8751834	9388992
2. Domestic Product (₹ crore)			
2.1 GVA at basic prices	8599224	9169787 (6.6)	9827089 (7.2)
2.2 GDP	9280803	9921106 (6.9)	10643983 (7.3)
2.3 NDP	8301305	8872127 (6.9)	9519811 (7.3)
<b>B) Estimate at per capita level</b>			
Population (in million)	1235	1251 (1.3)	1267 (1.3)
Per Capita NNI (₹)	66344	69959 (5.4)	74104 (5.9)
Per Capita GDP(₹)	75148	79305 (5.5)	84009 (5.9)

**NS:** New Series Estimates; PE: Provisional Estimates. # at 2011-12 prices.

**Note:** Figures in brackets are percentage changes over the previous year.

**Source:** Central Statistical Organisation (CSO), Press Note dated 29<sup>th</sup> May 2015.

**I.1.4** Average inflation in terms of consumer price index (CPI) at 5.9 per cent during 2014-15 was significantly lower than 9.5 percent a year ago. Intra-year movements in inflation during 2014-15, however, exhibited three distinct phases – first, weather related vegetable prices pressures till August; second, the subsequent fall in food prices and pass-through of declining global commodity prices into food, fuel and services prices, resulting in a major shift in inflation trajectory that took inflation down to an intra-year low of 3.3 percent in November, 2014; and finally the reversal of

favourable base effect, which pushed inflation up 5.3 percent in March, 2015.

**I.1.5** The average wholesale price index (WPI) inflation during 2014-15 at 2.0 percent was significantly lower than the 6.0 percent of the previous year. Since November, 2014, wholesale prices have moved into contraction indicating the extent of slack in the economy as well as falling cost pressures.

(Source: RBI Annual Report 2014-15)

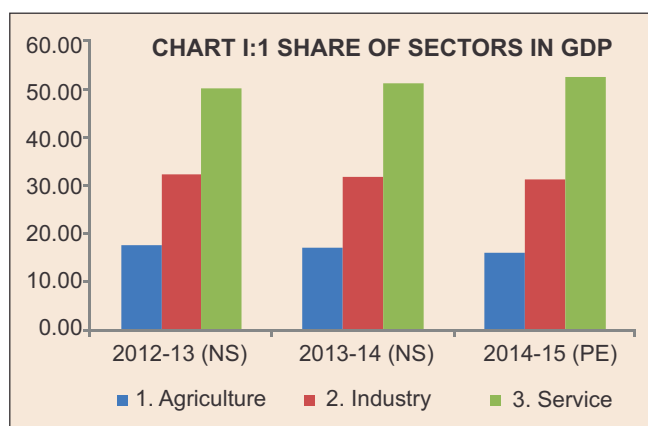
**TABLE I.2**  
**SECTOR WISE GROWTH OF NATIONAL INCOME**

(₹ crore)

Industry	2012-13 (NS)	2013-14 (NS)	2014-15 (PE)	Percentage change over previous year	
				2013-14	2014-15
1. Agriculture, forestry & fishing	1,523,470	1,579,290	1,582,851	3.7	0.2
2. Mining & quarrying	262,253	276,380	283,062	5.4	2.4
3. Manufacturing	1,574,471	1,658,176	1,776,469	5.3	7.1
4. Electricity, gas, water supply and other utility services	202,224	211,846	228,579	4.8	7.9
5. Construction	740,518	758,887	795,066	2.5	4.8
<b>Industry (2+3+4+5)</b>	<b>2,779,466</b>	<b>2,905,289</b>	<b>3,083,176</b>	<b>4.53</b>	<b>6.12</b>
6. Trade, hotels, transport, communication and services related to broadcasting	1,548,739	1,720,513	1,904,200	11.1	10.7
7. Financing, insurance, real estate & professional services	1,675,405	1,807,338	2,015,912	7.9	11.5
8. Public Administration, defence and other services	1,072,144	1,157,357	1,240,950	7.9	7.2
<b>Service (6+7+8)</b>	<b>4,296,288</b>	<b>4,685,208</b>	<b>5,161,062</b>	<b>9.05</b>	<b>10.16</b>
<b>9. GVA at base price</b>	<b>8,599,224</b>	<b>9,169,787</b>	<b>9,827,089</b>	<b>6.64</b>	<b>7.17</b>

**NS:** New Series Estimates; **PE:** Provisional Estimates. # at 2011-12 prices.

**Source:** Central Statistical Organisation(CSO), Press Note dated 29th May 2015.



### Saving and Investment

**I.1.6** In 2013-14, the gross domestic saving rate declined for the second consecutive year to 30 per

cent of gross national disposable income (GNDI) (Table I.3) This largely reflected the reduction in the saving rate of households on account of a decline in physical assets as well as in valuables. On the other hand, household financial saving gained from returns turning attractive with the moderation in inflation as well as the pick-up in economic activity. For 2014-15, CSO has not yet released its estimates of gross saving. However, in terms of the Reserve Bank's preliminary estimates, household financial saving is placed at 7.5 per cent of GNDI in 2014-15, up from 7.3 per cent in 2013-14.

(Source: RBI Annual Report 2014-15)

**TABLE I.3 : GROSS SAVINGS (AS A RATIO OF GNDI)**

(In per cent)

Item	2011-12	2012-13	2013-14
<b>Gross Savings</b>	33.0	31.1	30.0
<b>1.1 Non-financial Corporations</b>	9.7	9.6	10.3
1.1.1 Public non-financial corporations	1.4	1.2	1.0
1.1.2 Private non-financial corporations	8.3	8.4	9.3
<b>1.2 Financial Corporations</b>	2.9	3.1	2.8
1.2.1 Public financial corporations	1.8	1.7	1.5
1.2.2 Private financial corporations	1.1	1.4	1.3
<b>1.3 General Government</b>	-1.8	-1.3	-1.0
<b>1.4 Household sector</b>	22.2	19.7	17.8
1.4.1 Net financial saving	7.1	6.8*	7.1*
1.4.2 Saving in physical assets	14.8	12.6	10.4
1.4.3 Saving in the form of valuables	0.4	0.4	0.3

**Note:** Net financial saving of the household sector is obtained as the difference between change in financial assets and change in financial liabilities.

**Source:** Central Statistics Office.

\* : As per Reserve Bank's latest estimates, household financial saving for 2012-13 and 2013-14 are 7.0 per cent and 7.3 per cent, respectively, of GNDI.

## I.2 WORLD INSURANCE SCENARIO

**I.2.1** According to the 'World Insurance in 2014' report published by reinsurance major Swiss Re, the economic environment for insurers improved only marginally in 2014, as global real gross domestic product (GDP) rose by 2.7%, near the 10-year annual growth rate average of 2.8%. The improvement was driven by the advanced markets, led by the UK. The Growth in UK was based on a recovery in domestic consumption due to lower unemployment and lower than expected fiscal tightening. Growth in the US accelerated slightly to 2.4% but was held back by disruptive harsh winter conditions. The growth was also stronger (but uneven) in Western Europe. In Advanced Asia, growth slowed due to ongoing sluggishness in Japan. In contrast, the emerging markets grew at a slower aggregate rate of 4.1% in 2014, down from 4.6% in 2013. Many countries struggled with domestic difficulties, structural deficiencies and uncertainty about the impact of the US Federal Reserve (Fed) cutting back its quantitative easing program. Advanced countries' equity markets outperformed their emerging market peers and government bond yields remained very low. As per the report the Total Direct premiums written grew by 3.7% in 2014 to USD 4778 billion after a year of stagnation in 2013.

**I.2.2** The Global life insurance premiums written were USD 2655 billion in 2014, up 4.3% after a decline of 1.8% in 2013. There was considerable variation in the growth patterns across regions and countries. Of the advanced markets, Oceania

registered strong growth. Western Europe and Japan regained momentum and premium in North America continued to decline. Premium growth in Emerging Asia strengthened but slowed in Latin America and Africa. In Central and Eastern Europe premiums fell again. Notwithstanding the acceleration in 2014, advanced-market life insurance premium growth has generally stagnated since the financial crisis in 2008. Advanced Asia and Oceania are the only regions to have higher average annual premium growth. In the emerging markets, premium growth has been slower after than before the crisis.

**I.2.3** The recovery in the Non-life insurance sector continued in 2014 with global premiums up 2.90 % to USD 2124 billion, slightly higher than the 2.7% growth of 2013 and also better than the pre-crisis average growth. The advanced markets were the main drivers with regional variations. There was slightly slower but still robust 8.0% growth in emerging market premiums, down from 8.6% in 2013, but below the pre-crisis average of 10%.

**I.2.4** As per the report the prospect for Premium growth in Life insurance sector is expected to remain fairly strong in the advanced economies and to accelerate further in the emerging markets, while the outlook for the non-life insurance sector is mixed. Premium rates are expected to remain low in most markets but an improving global economy should provide some support for premium growth.

(Source: Swiss Re, Sigma No.4/2015)

**TABLE I.4**  
**TOTAL REAL PREMIUM GROWTH RATE IN 2014**

(In per cent)

Regions/Countries	Life	Non-Life	Total
Advanced countries	3.8	1.8	2.9
Emerging markets	6.9	8	7.4
Asia	6.1	7.5	6.5
India	1.0	4.8	1.8
<b>World</b>	<b>4.3</b>	<b>2.9</b>	<b>3.7</b>

Source: Swiss Re, Sigma No. 4/2015.

**TABLE I.5  
REGION WISE LIFE AND NON-LIFE INSURANCE PREMIUM**

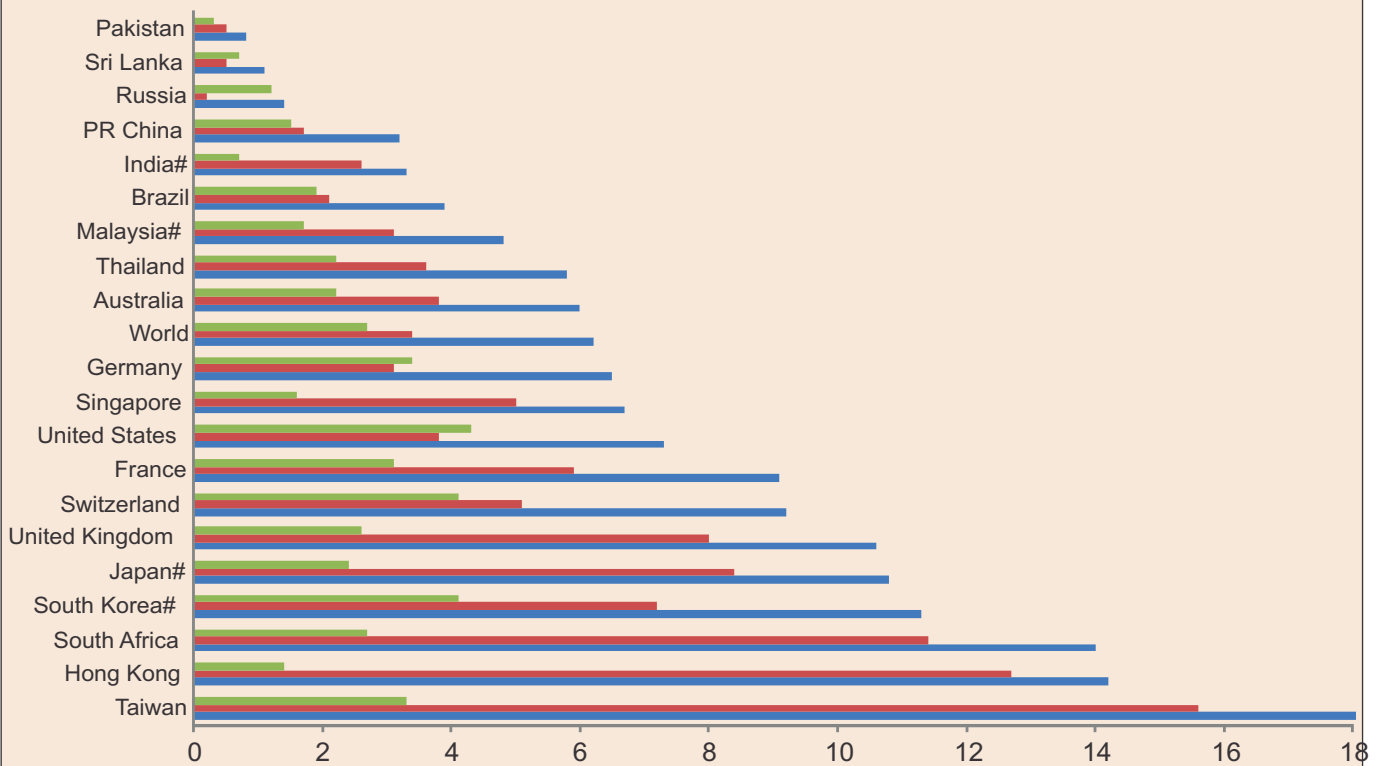
(Premium In USD Billions)

Region/Country	Life	Non-Life	Total
Advanced economies	2232.524 (56.67)	1706.79 (43.33)	3939.31 (100.00)
Emerging markets	422.03 (50.30)	416.91 (49.70)	838.94 (100.00)
Asia	892.32 (67.72)	425.25 (32.28)	1317.57 (100.00)
India	55.30 (79.12)	14.59 (20.88)	69.89 (100.00)
<b>World</b>	<b>2654.55</b> <b>(55.55)</b>	<b>2123.70</b> <b>(44.45)</b>	<b>4778.25</b> <b>(100.00)</b>

**Source:** Swiss Re, Sigma 4/2015.

Figures in brackets indicate share of the segment in per cent.

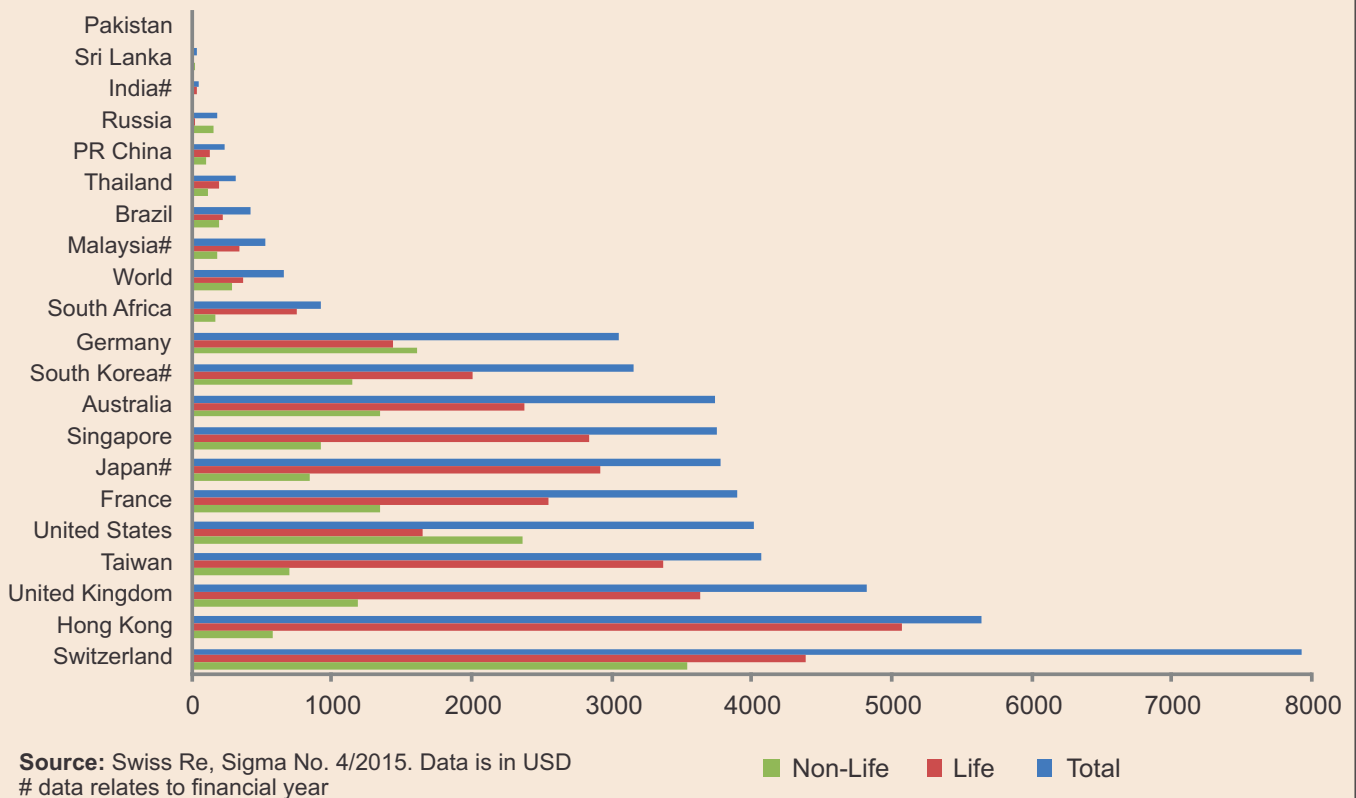
**CHART I. 2: INSURANCE PENETRATION IN SELECT COUNTRIES - 2014**



**Source:** Swiss Re, Sigma No. 4/2015. Data is in percent.  
# Data relates to Financial Year



CHART I.3: INSURANCE DENSITY IN SELECT COUNTRIES - 2014



### Indian Insurance in the global scenario

**1.2.5** Globally, the share of life insurance business in total premium was 55.55 per cent. However, the share of life insurance business for India was very high at 79.12 per cent while the share of non-life insurance business was small at 20.88 per cent.

**1.2.6** In life insurance business, India is ranked 11<sup>th</sup> among the 88 countries, for which data is published by Swiss Re. India's share in global life insurance market was 2.08 per cent during 2014. However, during 2014, the life insurance premium in India increased by 1.0 per cent (inflation adjusted) when global life insurance premium increased by 4.3 per cent.

**1.2.7** The Indian non-life insurance sector witnessed a growth of 4.8 per cent (inflation adjusted) during 2014. During the same period, the growth in global non-life premium was 2.9 per cent.

However, the share of Indian non-life insurance premium in global non-life insurance premium was small at 0.69 per cent and India ranks 20<sup>th</sup> in global non-life insurance markets.

### Insurance penetration and density in India

**1.2.8** The measure of insurance penetration and density reflects the level of development of insurance sector in a country. While insurance penetration is measured as the percentage of insurance premium to GDP, insurance density is calculated as the ratio of premium to population (per capita premium).

**1.2.9** During the first decade of insurance sector liberalization, the sector has reported consistent increase in insurance penetration from 2.71 per cent in 2001 to 5.20 per cent in 2009. However, since then, the level of penetration has been declining reaching 3.3 per cent in 2014. A similar

trend was observed in the level of insurance density which reached the maximum of USD 64.4 in the year 2010 from the level of USD 11.5 in 2001. During the year under review 2014, the insurance density was USD 55.0.

**I.2.10** The insurance density of life insurance business had gone up from USD 9.1 in 2001 to reach the peak at USD 55.7 in 2010. During 2014, the level of life insurance density was USD 44.

Similarly, the life insurance penetration surged from 2.15 per cent in 2001 to 4.60 per cent in 2009. Since then, it has exhibited a declining trend reaching 2.6 per cent in 2014.

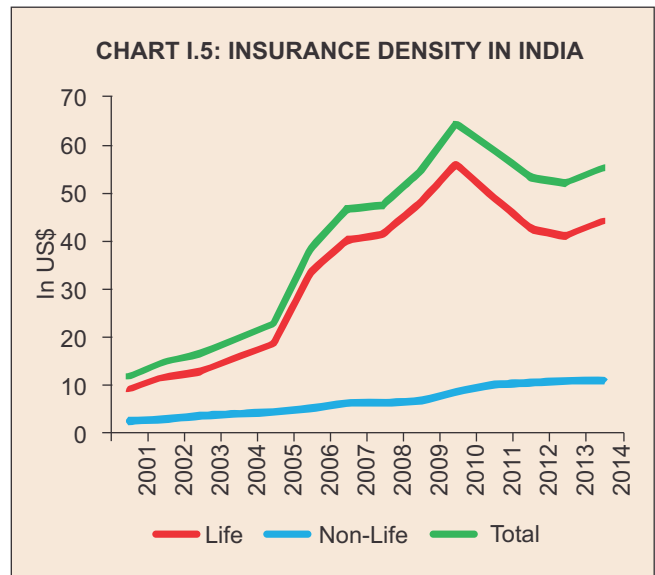
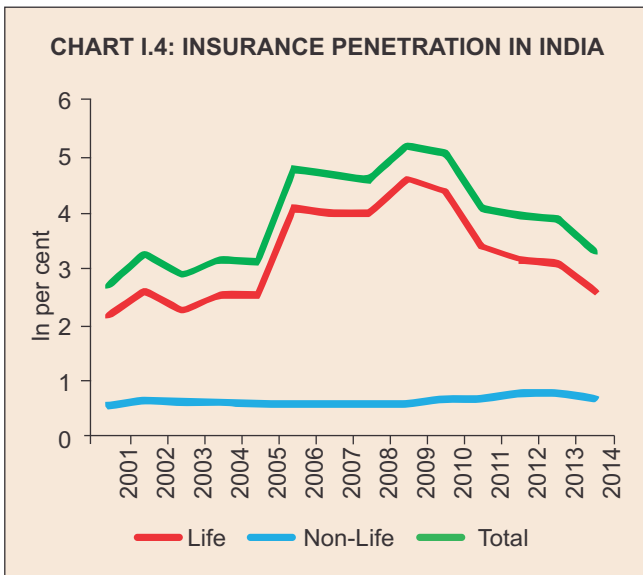
**I.2.11** Over the last 10 years, the penetration of non-life insurance sector in the country remained steady in the range of 0.5-0.8 per cent. However, its density has gone up from USD 2.4 in 2001 to USD 11.0 in 2014.

**TABLE I. 6  
INSURANCE PENETRATION AND DENSITY IN INDIA**

Year	Life		Non-Life		Industry	
	Density (USD)	Penetration (percentage)	Density (USD)	Penetration (percentage)	Density (USD)	Penetration (percentage)
2001	9.1	2.15	2.4	0.56	11.5	2.71
2002	11.7	2.59	3	0.67	14.7	3.26
2003	12.9	2.26	3.5	0.62	16.4	2.88
2004	15.7	2.53	4	0.64	19.7	3.17
2005	18.3	2.53	4.4	0.61	22.7	3.14
2006	33.2	4.1	5.2	0.6	38.4	4.8
2007	40.4	4	6.2	0.6	46.6	4.7
2008	41.2	4	6.2	0.6	47.4	4.6
2009	47.7	4.6	6.7	0.6	54.3	5.2
2010	55.7	4.4	8.7	0.71	64.4	5.1
2011	49	3.4	10	0.7	59	4.1
2012	42.7	3.17	10.5	0.78	53.2	3.96
2013	41	3.1	11	0.8	52	3.9
2014	44	2.6	11	0.7	55	3.3

Note: 1. Insurance density is measured as ratio of premium (in USD) to total population.  
2. Insurance penetration is measured as ratio of premium (in USD) to GDP (in USD).

**Source:** Swiss Re, Sigma, Various Issues.



### I.3 APPRAISAL OF INDIAN INSURANCE MARKET

#### Registered insurers in India

**I.3.1** At the end of March 2015, there are 53 insurance companies operating in India; of which 24 are in the life insurance business and 28 are in non-life insurance business. In addition, GIC is the sole national reinsurer.

**I.3.2** Of the 53 companies presently in operation, eight are in the public sector - two are specialised insurers, namely ECGC and AIC, one in life insurance namely LIC, four in non-life insurance and one in reinsurance. The remaining forty five companies are in the private sector.

#### LIFE INSURANCE

##### Premium

**I.3.3** Life insurance industry recorded a premium income of ₹328101.14 crore during 2014-15 as against ₹314301.66 crore in the previous financial year, registering growth of 4.39 per cent (9.44 per cent growth in previous year). While private sector insurers posted 14.32 per cent growth (1.33 per cent decline in previous year) in their premium income, LIC recorded 1.15 per cent growth (13.48 per cent growth in previous year) (Table I.8).

**I.3.4** While renewal premium accounted for 65.46 per cent (61.72 per cent in 2013-14) of the total

**TABLE I.7**  
**REGISTERED INSURERS IN INDIA**  
(As on 31<sup>st</sup> March, 2015)

Type of business	Public Sector	Private Sector	Total
Life Insurance	1	23	24
Non-life Insurance	*6	**22	28
Reinsurance	1	0	1
<b>Total</b>	<b>8</b>	<b>45</b>	<b>53</b>

\* Includes Specialised insurance companies - ECGC and AIC.

\*\* Includes five Standalone Health Insurance Companies - Star Health & Allied Insurance Co., Apollo Munich Health Insurance Co., Max Bupa Health Insurance Co., Religare Health Insurance Co., and Cigna TTK Health Insurance Co.

**Note:** List of insurance companies registered in India is given in Annexure I

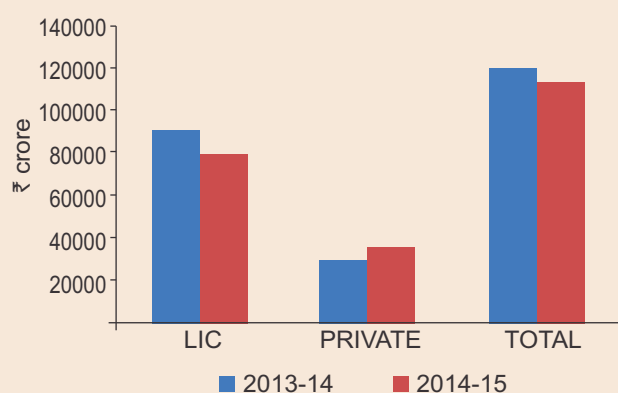
premium received by the life insurers, first year premium contributed the remaining 34.54 per cent (38.28 per cent in 2013-14). During 2014-15, the growth in renewal premium was 10.72 per cent (7.85 per cent in 2013-14). First year premium registered a decline of 5.82 per cent in comparison to a growth of 12.08 per cent during 2013-14 (Table I.8).

**TABLE I.8**  
**PREMIUM UNDERWRITTEN : LIFE INSURERS**  
(₹ crore)

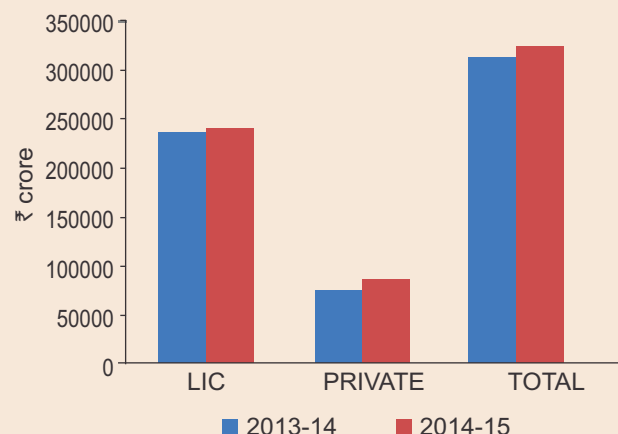
Insurer	2013-14	2014-15
<b>Regular Premium (1)</b>		
LIC	31904.49 (5.25)	23112.20 (-27.56)
Private Sector	20497.51 (-4.83)	23940.13 (16.79)
<b>Total</b>	<b>52402.00</b> <b>(1.03)</b>	<b>47052.33</b> <b>(-10.21)</b>
<b>Single Premium (2)</b>		
LIC	58904.30 (27.23)	55395.51 (-5.96)
Private Sector	9018.92 (-2.08)	10880.10 (20.64)
<b>Total</b>	<b>67923.22</b> <b>(22.50)</b>	<b>66275.61</b> <b>(-2.43)</b>
<b>First Year Premium (3=(1+2))</b>		
LIC	90808.79 (18.53)	78507.71 (-13.55)
Private Sector	29516.43 (-4.01)	34820.23 (17.97)
<b>Total</b>	<b>120325.22</b> <b>(12.08)</b>	<b>113327.94</b> <b>(-5.82)</b>
<b>Renewal Premium (4)</b>		
LIC	146133.51 (10.55)	161159.94 (10.28)
Private Sector	47842.93 (0.38)	53613.26 (12.06)
<b>Total</b>	<b>193976.44</b> <b>(7.85)</b>	<b>214773.20</b> <b>(10.72)</b>
<b>Total Premium (5=(3+4)=(1+2+4))</b>		
LIC	236942.30 (13.48)	239667.65 (1.15)
Private Sector	77359.36 (-1.33)	88433.49 (14.32)
<b>Total</b>	<b>314301.66</b> <b>(9.44)</b>	<b>328101.14</b> <b>(4.39)</b>

**Note:** Figures in brackets indicate the growth (in per cent) over the previous year

**CHART I.6: FIRST YEAR PREMIUM OF LIFE INSURERS**



**CHART I.7: TOTAL PREMIUM OF LIFE INSURERS**



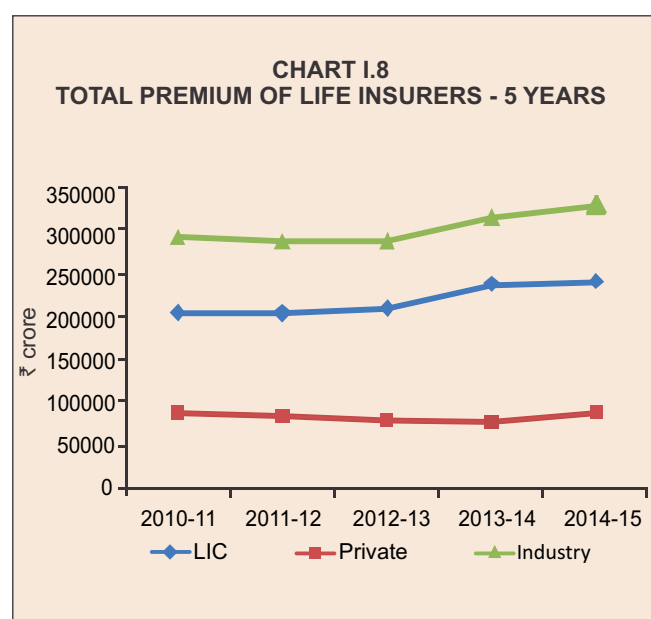
**I.3.5** Further, bifurcation of the first year premium indicates that single premium income received by the life insurers recorded negative growth of 2.43 per cent during 2014-15 (22.50 per cent growth in 2013-14). Single premium products continue to play a major role for LIC as they contributed 23.11 per cent of LIC's total premium income (24.86 per cent in 2013-14). In comparison, the contribution of single premium income in total premium income during 2014-15 was 12.30 per cent for private insurance companies (11.66 per cent in 2013-14).

**I.3.6** The regular premium registered 10.21 per cent decline in 2014-15, as against 1.03 per cent growth in 2013-14. The private insurers registered a growth of 16.79 per cent (4.83 per cent decline in 2013-14); while LIC registered a negative growth of 27.56 per cent in the regular premium (5.25 per cent growth in 2013-14).

**I.3.7** Unit-linked products (ULIPs) registered a growth of 10.85 per cent premium from ₹37544.08 crore in 2013-14 to ₹41616.94 crore in 2014-15. On the other hand, the growth in premium from traditional products was at 3.51 per cent, with premium ₹286484.20 crore as against ₹276757.58 crore in 2013-14. Accordingly, the share of unit-linked products in total premium increased to 12.68 per cent in 2014-15 as against 11.95 per cent in 2013-14 (Statement No. 5).

### Market Share

**I.3.8** On the basis of total premium income, the market share of LIC decreased from 75.39 per cent in 2013-14 to 73.05 per cent in 2014-15. The market share of private insurers has increased from 24.61 per cent in 2013-14 to 26.95 per cent in 2014-15 (Table I.9).



**I.3.9** The market share of private insurers in first year premium was 30.73 per cent in 2014-15 (24.53 per cent in 2013-14). The same for LIC was 69.27 per cent (75.47 per cent in 2013-14). Similarly, in renewal premium, LIC continued to have a higher share at 75.04 per cent (75.34 per cent in 2013-14) when compared to 24.96 per cent (24.66 per cent in 2013-14) share of private insurers.

**TABLE I. 9**  
**MARKET SHARE : LIFE INSURERS**

Insurer	2013-14	2014-15
<b>Regular Premium (1)</b>		
LIC	60.88	49.12
Private Sector	39.12	50.88
<b>Total</b>	<b>100.00</b>	<b>100.00</b>
<b>Single Premium (2)</b>		
LIC	86.72	83.58
Private Sector	13.28	16.42
<b>Total</b>	<b>100.00</b>	<b>100.00</b>
<b>First Year Premium (3 =(1+2))</b>		
LIC	75.47	69.27
Private Sector	24.53	30.73
<b>Total</b>	<b>100.00</b>	<b>100.00</b>
<b>Renewal Premium (4)</b>		
LIC	75.34	75.04
Private Sector	24.66	24.96
<b>Total</b>	<b>100.00</b>	<b>100.00</b>
<b>Total Premium (5 =(3+4)=(1+2+4))</b>		
LIC	75.39	73.05
Private Sector	24.61	26.95
<b>Total</b>	<b>100.00</b>	<b>100.00</b>

## New Policies

**I.3.10** During 2014-15, life insurers issued 259.08 lakh new policies, out of which LIC issued 201.71 lakh policies (77.86 per cent of total new policies issued) and the private life insurers issued 57.37 lakh policies (22.14 per cent of total new policies issued). While the private sector registered a decline of 9.79 per cent with a slight improvement (against the decline of 14.11 per cent in 2013-14) in the number of new policies issued against the previous year, LIC registered a significant decline of 41.55 per cent (6.17 per cent in 2013-14) in the number of new policies issued.

**I.3.11** Overall, the industry witnessed a 36.61 per cent decline (7.50 per cent decline in 2013-14) in the number of new policies issued.

**TABLE I.10**  
**NEW POLICIES ISSUED: LIFE INSURERS**

(₹ lakh)		
Insurer	2013-14	2014-15
LIC	345.12 (-6.17)	201.71 (-41.55)
Private Sector	63.60 (-14.11)	57.37 (-9.79)
<b>Total</b>	<b>408.72</b> <b>(-7.50)</b>	<b>259.08</b> <b>(-36.61)</b>

**Note:** Figures in brackets indicate growth(in percent) over previous year.

## Paid-up capital

**I.3.12** The total capital of the life insurance companies as on 31<sup>st</sup> March, 2015 was ₹26244.14 crore. During 2014-15, an additional capital of ₹305.63 crore was brought into the industry by the private sector insurers (Table I.11).

**TABLE I.11**  
**PAID UP CAPITAL\* : LIFE INSURERS**

(₹ crore)

Insurer	As at 31 <sup>st</sup> March 2014	Additions during 2014-15	As at 31 <sup>st</sup> March 2015
LIC	100.00	0.00	100.00
Private Sector	25838.51	305.63	26144.14
<b>TOTAL</b>	<b>25938.51</b>	<b>305.63</b>	<b>26244.14</b>

\* Excludes Share premium & Share application money

## Expenses of life insurers

**I.3.13** As per section 40B of the Insurance Act, 1938, no life insurer can spend as expenses of management in any year an amount in excess of the limits prescribed under Rule 17D of the Insurance Rules, 1939. Rule 17D takes into consideration the size, age of the insurer and type of business segments, while laying down the limits of such expenses.

The IRDAI on the recommendation of the Executive Committee of the Life Insurance Council (constituted under Section 64F of the Insurance Act, 1938) may enhance the limits of such expenses in any year. Expenses of management refer to all charges incurred either directly or indirectly and include commission payments of all kinds, operating expenses and expenditure capitalised.

**I.3.14** The commission expenses ratio (commission expenses as a percentage of premiums) decreased marginally to 5.93 per cent from 6.63 per cent in 2013-14. Overall, while the commission expenses increased in the case of renewal premium, there has been a fall in the commission paid towards single premium and regular premium products. However, there is some variation in the position when compared between the private insurers and LIC, as reflected in

Table I.13, providing bifurcation of the commission ratios for both private and public sector life insurers.

**I.3.15** The operating expenses of the life insurers decreased by 1.61 per cent in 2014-15 against an increase of 18.73 per cent in 2013-14. The operating expenses towards life insurance business stood at ₹36861.59 crore in 2014-15, as against ₹37465.41 crore in 2013-14. Operating expenses, as a per cent of gross premium underwritten decreased for LIC from 10.03 per cent in 2013-14 to 9.34 per cent in 2014-15. The same for private insurers decreased from 17.72 per cent in 2013-14 to 16.36 per cent in 2014-15. For the industry as a whole, the operating expenses ratio decreased from 11.92 per cent in 2013-14 to 11.23 per cent in 2014-15 (Table I.14 and I.15).

<b>TABLE I.12 COMMISSION EXPENSES : LIFE INSURERS (₹ crore)</b>		
<b>Insurer</b>	<b>2013-14</b>	<b>2014-15</b>
<b>Regular (1)</b>		
LIC	8458.94	6293.44
Private Sector	3040.05	3003.18
<b>Total</b>	<b>11498.99</b>	<b>9296.62</b>
<b>Single Premium (2)</b>		
LIC	297.33	264.37
Private Sector	42.65	40.20
<b>Total</b>	<b>339.98</b>	<b>304.57</b>
<b>First Year (3 =(1+2))</b>		
LIC	8756.26	6557.81
Private Sector	3082.70	3043.38
<b>Total</b>	<b>11838.96</b>	<b>9601.19</b>
<b>Renewal (4)</b>		
LIC	8006.62	8560.33
Private Sector	1000.79	1299.16
<b>Total</b>	<b>9007.41</b>	<b>9859.49</b>
<b>Total (5 =(3+4)=(1+2+4))</b>		
LIC	16762.88	15118.14
Private Sector	4083.49	4342.54
<b>Total</b>	<b>20846.37</b>	<b>19460.68</b>

**I.3.16** As the initial set-up costs incurred by any insurance company are high; the Authority has granted exemption from the limits under Rule 17D to 23 private insurers in the first five years of commencement of their business operations.

**I.3.17** Out of the 24 life insurance companies (including one PSU), two companies were in the exemption period in 2014-15. Of the balance, twelve companies (including one PSU) were compliant with the prescribed limits under Rule 17D/directions of the Authority. One company is in the extended time period granted by the Authority to bring in compliance. Action is initiated against the remaining nine non-compliant insurers.

<b>TABLE I.13 COMMISSION EXPENSE RATIO : LIFE INSURERS (In percent)</b>		
<b>Insurer</b>	<b>2013-14</b>	<b>2014-15</b>
<b>Regular (1)</b>		
LIC	26.51	27.23
Private Sector	14.83	12.54
<b>Total</b>	<b>21.94</b>	<b>19.76</b>
<b>Single Premium (2)</b>		
LIC	0.50	0.48
Private Sector	0.47	0.37
<b>Total</b>	<b>0.50</b>	<b>0.46</b>
<b>First Year (3 =(1+2))</b>		
LIC	9.64	8.35
Private Sector	10.44	8.74
<b>Total</b>	<b>9.84</b>	<b>8.47</b>
<b>Renewal (4)</b>		
LIC	5.48	5.31
Private Sector	2.09	2.42
<b>Total</b>	<b>4.64</b>	<b>4.59</b>
<b>Total (5 =(3+4)=(1+2+4))</b>		
LIC	7.07	6.31
Private Sector	5.28	4.91
<b>Total</b>	<b>6.63</b>	<b>5.93</b>
<b>Note</b> : Commission expense ratio is the ratio between commission and the premium underwritten by life insurers		

**TABLE I.14**  
**OPERATING EXPENSES : LIFE INSURERS**  
(₹ crore)

INSURER	2013-14	2014-15	Growth over previous year (%)
LIC	23760.70	22395.45	-5.75
Private Sector	13704.71	14466.14	5.56
<b>TOTAL</b>	<b>37465.41</b>	<b>36861.59</b>	<b>-1.61</b>

**TABLE I.15**  
**OPERATING EXPENSES RATIO : LIFE INSURERS**

INSURER	2013-14	2014-15
LIC	10.03	9.34
Private Sector	17.72	16.36
<b>TOTAL</b>	<b>11.92</b>	<b>11.23</b>

Note : Operating expense ratio is the ratio of operating expenses to the premium underwritten by the life insurers

### Benefits Paid

**I.3.18** The life industry paid benefits of ₹211180.27 crore in 2014-15 (₹216395.63 crore in 2013-14) constituting 64.36 per cent of the gross premium underwritten (68.85 per cent in 2013-14). The benefits paid by the private insurers stood at ₹67054.52 crore (₹58380.09 crore in 2013-14) constituting 75.82 per cent of the premium underwritten (75.47 per cent in 2013-14). LIC paid benefits of ₹144125.75 crore in 2014-15, constituting 60.14 per cent of the premium underwritten (₹158015.54 crore in 2013-14, 66.69 per cent of the premium underwritten). The benefits paid on account of surrenders / withdrawals stood at ₹99700.76 crore, of which LIC accounted for ₹46537.61 crore and private sector ₹53163.15 crore. The comparative previous year statistics were ₹106921.11 crore, of which LIC accounted for ₹59626.83 crore and private sector paid ₹47294.28 crore. In the current year, in case of LIC, out of the ₹46537.61 crore surrenders, ULIP

policies accounted for ₹23224.49 crore (49.90 per cent) as against ₹38967.66 crore, (65.35 per cent) in 2013-14. In case of the private insurance industry, the ULIP surrenders accounted for ₹48657.89 crore (91.53 per cent) in 2014-15 as against ₹44541.11 crore (94.18 per cent) in 2013-14.

### Death Claims for the year 2014-15

#### Individual Life Insurance Business:

**I.3.19** In the year 2014-15, the life insurance companies had settled 8.51 lakh claims on individual policies, with a total payout of ₹11,788.67 crore. The number of claims repudiated/rejected was 18,231 for an amount of ₹701.69 crore. The number of claims pending at the year-end was 7,061 and the amount involved was ₹453.15 crore. Of these, 1488 claims were pending for more than one year and 5,573 claims were pending for less than and up to one year.

**I.3.20** The claim settlement ratio of LIC was better than that of the private life insurers. Settlement ratio of LIC had increased to 98.19 percent during the year 2014-15 when compared to 98.14 percent during the previous year. The percentage of repudiations was 1.15 percent in 2014-15 remaining almost at the same level (1.10 percent) as of the previous year.

**I.3.21** For private insurers, settlement ratio had gone up by 1.09% at 89.40 percent during the financial year 2014-15 when compared to 88.31 percent during the previous year. Private insurers had repudiated more (9,486) number of claims when compared to (8,689) that of LIC. The percentage of repudiations for private insurers was at 7.78% in 2014-15 against the 8.03% for 2013-14.

**I.3.22** The industry's settlement ratio had slightly increased to 96.97 percent in 2014-15 from 96.75 percent in 2013-14 and the repudiation ratio had remained at the same level of 2.08 percent in 2014-15 as in 2013-14 (2.08%).



**TABLE I.16  
INDIVIDUAL DEATH CLAIMS OF LIFE INSURERS DURING 2014-15**

(Figures in percent of Policies)

Life Insurer	Total Claims	Claims Paid	Claims repudiated / rejected	Claims written back	Claims pending at end of year	Break up of claims pending duration wise (Policies)			
						< 3 mths	3 - < 6 mths	6 - < 1 yr	> 1 yr
Private Total	100.00	89.40	7.78	0.02	2.80	76.42	7.89	4.28	11.41
LIC	100.00	98.19	1.15	0.17	0.48	18.59	19.80	31.52	30.09
<b>Industry Total</b>	<b>100.00</b>	<b>96.97</b>	<b>2.08</b>	<b>0.15</b>	<b>0.80</b>	<b>46.51</b>	<b>14.05</b>	<b>18.37</b>	<b>21.07</b>

**TABLE I.17  
GROUP DEATH CLAIMS OF LIFE INSURERS DURING 2014-15**

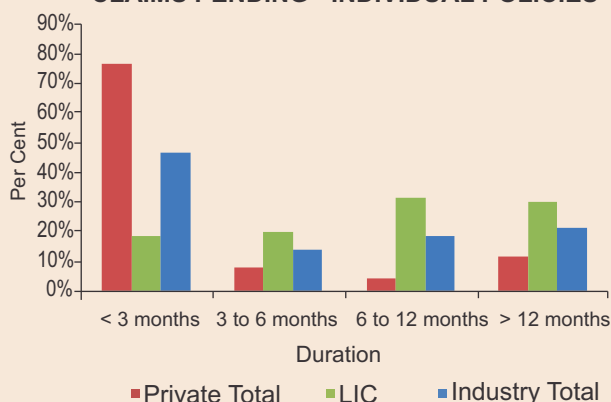
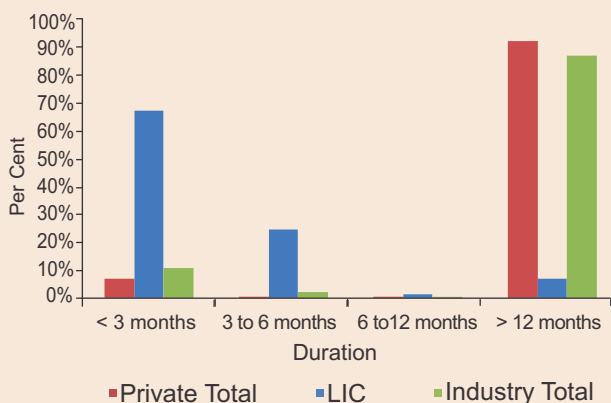
(Figures in percent of lives covered)

Life Insurer	Total Claims	Claims Paid	Claims repudiated	Claims written back	Claims pending at end of year	Break up of claims pending duration wise (Lives)			
						< 3 mths	3 - < 6 mths	6 - < 1 yr	> 1 yr
Private Total	100.00	91.20	1.80	0.00	7.00	6.89	0.47	0.26	92.39
LIC	100.00	99.64	0.04	0.00	0.32	67.34	24.63	1.13	6.89
<b>Industry Total</b>	<b>100.00</b>	<b>96.15</b>	<b>0.76</b>	<b>0.00</b>	<b>3.08</b>	<b>10.61</b>	<b>1.95</b>	<b>0.31</b>	<b>87.13</b>

**Group Life Insurance:**

**I.3.23** During 2014-15, the total intimated claims were 4,52,625 while 14,158 claims were pending at the beginning of the year. Out of these, life insurance industry had settled a total of 4,48,825 (96.15% of the total claims) claims. 95.22% of the settled claims were settled within 30 days of intimation. 0.01% of the claims took more than a year to get settled.

**I.3.24** While LIC settled 99.64 per cent of the claims, the private life insurers paid 91.20 per cent of all claims. The industry repudiated 0.76 per cent of the claims, written back 0.0002 per cent of the claims and the remaining 3.08 per cent of the claims submitted were pending as at 31.3.2015.

**CHART I.9: DURATION WISE BREAKUP OF CLAIMS PENDING - INDIVIDUAL POLICIES****CHART I.10: DURATION WISE BREAKUP OF CLAIMS PENDING - GROUP POLICIES**

### Investment income

**I.3.25** As the operations of the life insurers stabilize, their investment base gets strengthened, resulting in investment income forming a larger proportion of their total income. In the case of LIC, the investment income including capital gains was ₹168063.58 crore (₹143244.37 crore in 2013-14). In the case of private insurance industry, the investment income including capital gains was at ₹78701.54 crore in 2014-15 (₹41819.68 crore in 2013-14).

### Retention Ratio

**I.3.26** LIC traditionally reinsures a small component of its business. During 2014-15, ₹184.88 crore was ceded as reinsurance premium (₹144.23 crore in 2013-14). The private insurers together ceded ₹997.12 crore (₹944.80 crore in 2013-14) as premium towards reinsurance.

### Profits of Life Insurers

**I.3.27** During the financial year 2014-15, the life insurance industry reported net profit of ₹7611 crore as against ₹7,588 crore in 2013-14. Out of the twenty four life insurers in operations during 2014-15, twenty one companies reported profits. They are Aviva Life, Bajaj Allianz, Birla Sun Life, Canara HSBC, DHFL Pramerica, Future Generali, EXIDE Life, HDFC Standard, ICICI Prudential, IDBI Federal, India First, Kotak Mahindra, Max Life, PNB MetLife, Reliance Life, Sahara India, SBI Life, Shriram Life, Star Union, Tata AIA and LIC of India. LIC of India reported net profit of ₹1823.78 crore i.e. an increase of 10.09 per cent over ₹1,656.68 crore in 2013-14.

**I.3.28** The following companies reported profit for the first time during the financial year 2014-15 : Future Generali reported ₹0.99 crore, India First generated ₹6.89 crore and Star Union Dai-ichi reported profit of ₹12.87 crore.

### Returns to Shareholders

**I.3.29** For the year 2014-15, LIC paid ₹1803 crore (₹1,634 crore in 2013-14) as dividends to shareholder i.e. Government of India. Seven private life insurers paid dividends during the financial year. HDFC Standard Life paid ₹139.64 crore (₹99.74 crore in 2013-14), ICICI Prudential paid ₹836.83 crore (₹1093.29 crore in 2013-14), Max Life paid ₹199.63 crore (₹264.48 crore in 2013-14), Reliance Life paid ₹95.71 crore (₹95.71 crore in 2013-14), Sahara India paid ₹23.20 crore (Previous Year - Nil), SBI Life paid

₹120crore (₹100crore in 2013-14) and Shriram Life paid ₹16.14crore (Previous Year - Nil).

**TABLE I.18**  
**DIVIDENDS PAID BY LIFE INSURERS**

(₹ crore)

Insurer	2013-14	2014-15
LIC	1634	1803
Private Sector*	1723	1434
<b>Total</b>	<b>3357</b>	<b>3237</b>

**Note:** 6 Life Insurers in 2013-14 and 7 in 2014-15.

### Expansion of Offices

**I.3.30** The decreasing trend of number of life insurance offices (which had continued until 2012-13) had reverted from 2013-14 and there is a marginal increase in 2014-15 at 11033 from 11032 of the previous year.

**I.3.31** It is observed that majority of offices of life insurers are located in towns which are not listed in HRA classifications of the Ministry of Finance. Around 67% of life insurance offices are located in these small towns. This fact remains similar for

both private sector (58.2% of the offices in small towns) and public sector life insurers (79.5% of the offices in small towns).

### District Level Presence of Life Offices

**I.3.32** As at 31<sup>st</sup> March, 2015, the sole public sector life insurer, LIC of India had its offices in 606 districts out of 640 districts (As per the Decennial Census -2011) in the country. As such, it covered 94.69 per cent of all districts in the country, whereas the private sector insurers had offices in 552 districts covering 86.25 per cent of all districts in the country. In total, both LIC and private insurers together covered 95.16 per cent of all districts in the country. The number of districts with no presence of life insurance offices stood at 31 in the country. Out of these, 23 districts belong to the six of the north eastern states namely Arunachal Pradesh, Manipur, Meghalaya, Mizoram, Nagaland and Sikkim. In 22 states/union territories (out of a total of 36 states/union territories in the country), all their districts were covered through life insurance offices

**TABLE I.19**  
**NUMBER OF LIFE OFFICES \***  
(As on 31st March 2015)

Insurer	2007	2008	2009	2010	2011	2012	2013	2014	2015
Private	3072	6391	8785	8768	8175	7712	6759	6193	6156
LICI	2301	2522	3030	3250	3371	3455	3526	4839	4877
<b>Industry</b>	<b>5373</b>	<b>8913</b>	<b>11815</b>	<b>12018</b>	<b>11546</b>	<b>11167</b>	<b>10285</b>	<b>11032</b>	<b>11033</b>

\* Offices opened after seeking approval of the Authority

**Note:** 1) Data collected from life insurers through a special return.

2) Office as defined under Section 64VC of the Insurance Act, 1938.

3) For similar data for 2001-2007, refer IRDA Annual report for 2007-08.

**TABLE I.20**  
**DISTRIBUTION OF OFFICES\* OF**  
**LIFE INSURERS**  
 (As on 31<sup>st</sup> March 2015)

Insurer	Metro	Urban	Others	Total
Private ##	705	1867	3584	6156
LICI #	378	622	3877	4877
<b>Industry</b>	<b>1083</b>	<b>2489</b>	<b>7461</b>	<b>11033</b>

\* Offices opened after seeking approval of the Authority.

Based on the HRA classification of places done by the Ministry of Finance.

Metro : Delhi, Mumbai, Chennai, Kolkata, Hyderabad and Bangalore.

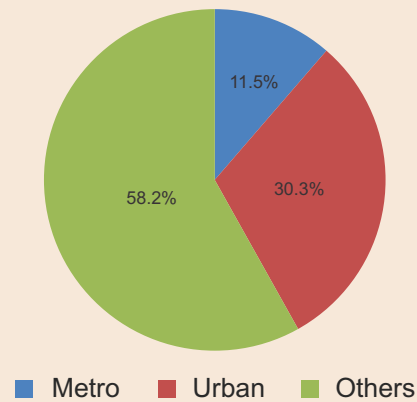
Urban : A, B-1 and B-2 class cities of the HRA classification.

Unclassified : Rest of the places.

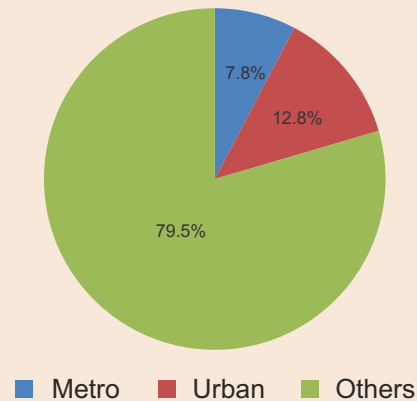
# Does not include one office located outside India.

## Does not includes two offices which are located outside India.

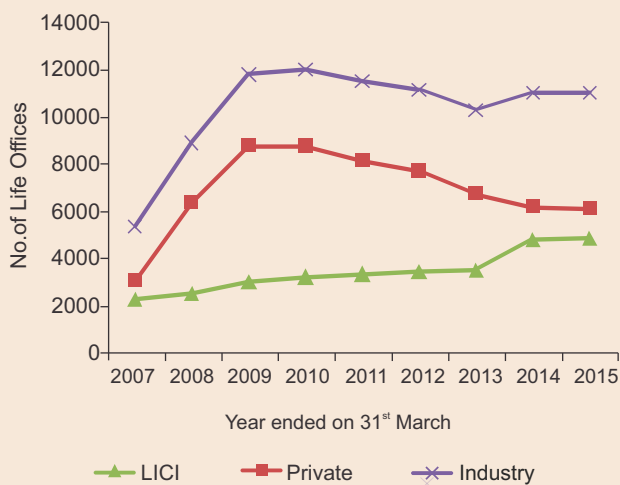
**CHART I.12: GEOGRAPHICAL DISTRIBUTION OF LIFE INSURANCE OFFICES-PRIVATE SECTOR**



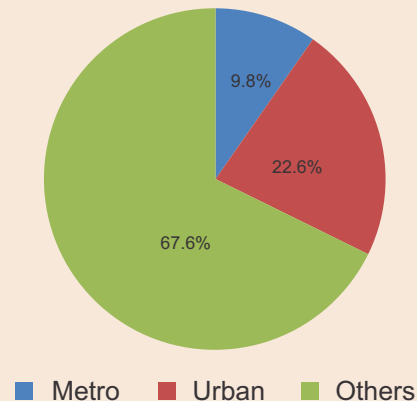
**CHART I.13: GEOGRAPHICAL DISTRIBUTION OF OFFICES-LICI**



**CHART I.11**  
**NUMBER OF LIFE INSURANCE OFFICES**



**CHART I.14: GEOGRAPHICAL DISTRIBUTION OF LIFE INSURANCE OFFICES-INDUSTRY**

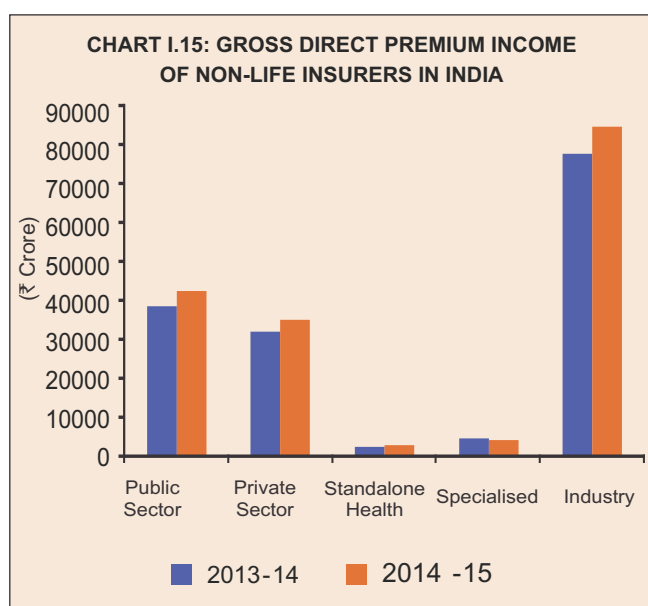


## NON-LIFE INSURANCE

**I.3.33** As on 31<sup>st</sup> March, 2015, 28 general insurance companies have been granted registration for carrying on non-life insurance business in the country. Of these, six are in public sector and the rest are in private sector. Of the private sector insurers, 5 have been granted registration to carry on operations exclusively in the health segment. Among the public sector companies, while the four public sector insurance companies carry on multi line operations, there are two specialized insurance companies: one for credit insurance (ECGC) and the other for crop insurance (AIC).

### Premium:

**I.3.34** The non-life insurance industry underwrote total premium of ₹84684 crore in India for the year 2014-15 as against ₹77554 crore in 2013-14, registering a growth of 9.19 per cent as against an increase of 12.13 per cent recorded in the previous year. The public sector insurers exhibited growth in 2014-15 at 10.23 per cent; over the previous year's growth rate of 10.21 per per cent. The private general insurers registered growth of 9.62 per cent, which is lower than 14.52 per cent achieved during the previous year.



**TABLE I.21  
GROSS DIRECT PREMIUM INCOME IN INDIA:  
NON-LIFE INSURERS**

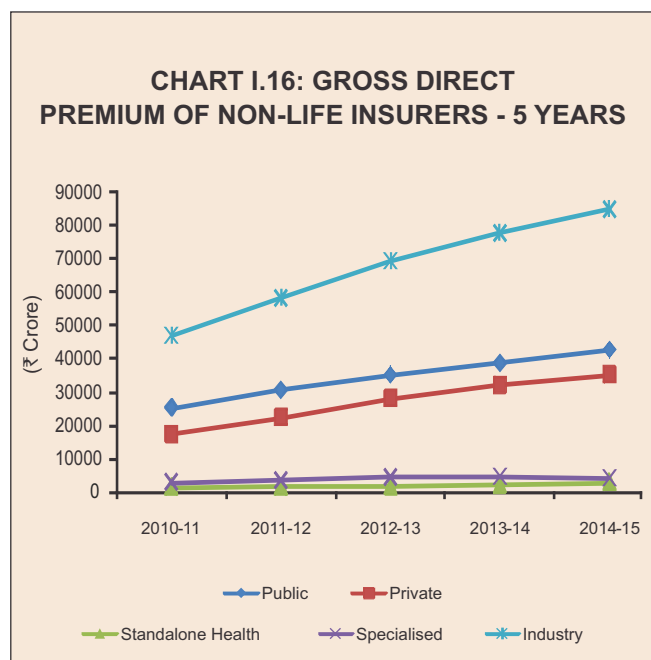
Insurer	(₹ Crore)	
	2013-14	2014-15
Public Sector Insurer	38599.71 (10.21)	42549.48 (10.23)
Private Sector Insurer	32010.30 (14.52)	35090.09 (9.62)
Standalone Health Insurer	2245.05 (30.06)	2942.61 (31.07)
Specialised Insurer	4698.74 (5.48)	4102.10 (-12.7)
<b>Total</b>	<b>77553.80</b> <b>(12.15)</b>	<b>84684.28</b> <b>(9.19)</b>

**Note:** Figures in brackets indicate growth in percent over previous year.

**I.3.35** The premium underwritten by 22 private sector insurers (including standalone health insurers) in 2014-15 was ₹38033 crore as against ₹34255 crore in 2013-14. ICICI Lombard continued to be the largest private sector non-life insurance company, with market share of 7.89 per cent in the current year. It reported the market share in the year 2013-14 with 8.84 per cent. Bajaj Allianz, the second largest private sector non-life insurance company, which underwrote a total premium of ₹5230 crore, reported increase in market share from 5.82 per cent in 2013-14 to 6.18 per cent during the year under review. Out of the 22 private insurers who were operating in the year

2014-15, 19 insurers reported an increase in premium underwritten for the year 2014-15. ICICI Lombard General Insurance Company Limited, Shriram General Insurance Company Limited and Raheja QBE General Company Limited reported decrease in premium underwritten for the year 2014-15. (Table I.22)

**I.3.36** In case of public sector non-life insurers, all four companies expanded their business with an increase in respective premium collections. The market share of New India increased to 15.60 percent in 2014-15 from 14.88 percent in the previous year, National Insurance increased to 13.28 percent in 2014-15 from 13.18 percent in the previous year and United India Insurance increased to 12.62 percent in 2014-15 from 12.52 percent in the previous year. However, the market share of Oriental declined to 8.75 percent in 2014-15 from 9.19 percent in the previous year. New India which collected Direct Premium of ₹13209 crore, once again remained as the largest general insurance company in India.



**TABLE I.22**  
**GROSS DIRECT PREMIUM INCOME IN INDIA :**  
**NON-LIFE INSURERS - COMPANY - WISE**

(₹ Lakh)

	TOTAL PREMIUM		MARKET SHARE(%)	
	2013-14	2014-15	2013-14	2014-15
<b>Public Sector Insurers</b>				
NATIONAL	1022288	1124189	13.18	13.28
NEW INDIA	1154006	1320939	14.88	15.60
ORIENTAL	712785	740794	9.19	8.75
UNITED	970893	1069026	12.52	12.62
<b>Sub-Total</b>	<b>3859972</b>	<b>4254948</b>	<b>49.77</b>	<b>50.24</b>
<b>Private Sector Insurers</b>				
ROYAL SUNDARAM	143704	156920	1.85	1.85
RELIANCE	238882	271584	3.08	3.21
IFFCO-TOKIO	293092	332997	3.78	3.93
TATA AIG	236271	271414	3.05	3.21
ICICI LOMBARD	685616	667780	8.84	7.89
BAJAJ ALLIANZ	451645	522985	5.82	6.18
CHOLAMANDALAM	185511	189043	2.39	2.23
HDFC ERGO	290699	318221	3.75	3.76
FUTURE GENERALI	126256	143825	1.63	1.70
UNIVERSAL SOMPO	54045	70111	0.70	0.83
SHRIRAM	151059	149652	1.95	1.77
BHARTI AXA	142316	145707	1.84	1.72
RAHEJA QBE	2324	2163	0.03	0.03
SBI	118757	157690	1.53	1.86
L&T	25378	33171	0.33	0.39
MAGMA HDI	42493	47360	0.55	0.56
LIBERTY VIDEOCON	12982	28386	0.17	0.34
<b>Sub-Total</b>	<b>3201030</b>	<b>3509009</b>	<b>41.27</b>	<b>41.44</b>
<b>Standalone Health Insurers</b>				
APOLLO MUNICH	69247	80313	0.89	0.95
CIGNA TTK	34	2183	0.00	0.03
MAX BUPA	30885	37266	0.40	0.44
RELIGARE	15231	27580	0.20	0.33
STAR HEALTH	109108	146919	1.41	1.73
<b>Sub-Total</b>	<b>224505</b>	<b>294261</b>	<b>2.89</b>	<b>3.47</b>
<b>Specialised Insurers</b>				
ECGC	130373	136240	1.68	1.61
AIC	339501	273970	4.38	3.24
<b>Sub-Total</b>	<b>469874</b>	<b>410210</b>	<b>6.06</b>	<b>4.84</b>
<b>Grand Total</b>	<b>7755381</b>	<b>8468428</b>	<b>100.00</b>	<b>100.00</b>

**Segment wise premium**

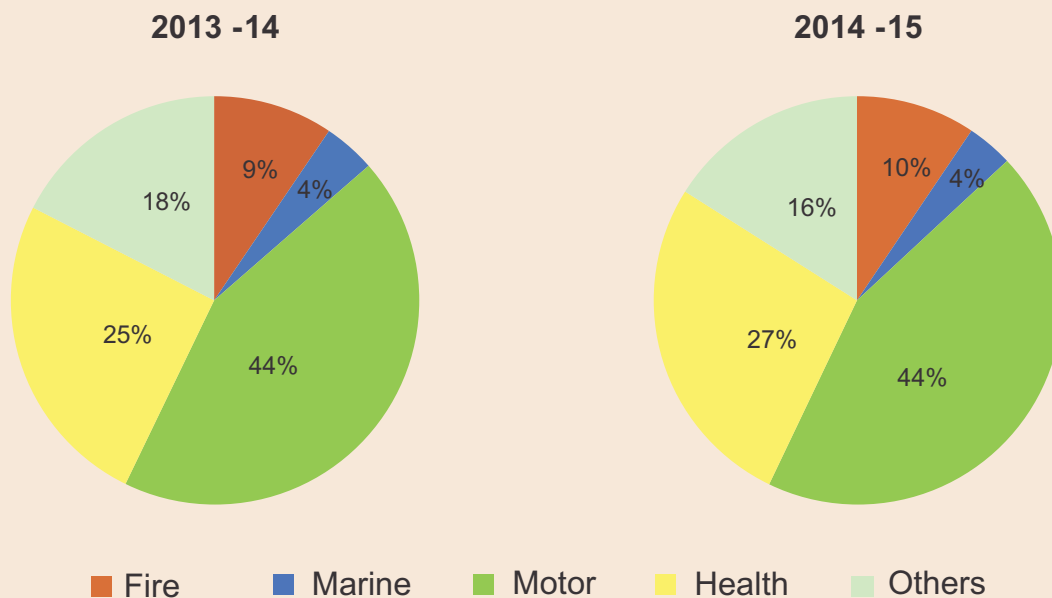
**I.3.37** The Motor business continued to be the largest non-life insurance segment with a share of 44.14 per cent (43.61 per cent in 2013-14). It reported growth rate of 10.52 per cent (14.15 per cent in 2013-14). The premium collection in Health segment continued to surge ahead at ₹22636 crore in 2014-15 from ₹19634 crore of 2013-14, registering growth of 15.29 per cent. However, the market share of health segment which is 26.73 percent has slightly increased from previous year which was 25.32 percent. The premium collection from Fire increased by 9.42 per cent and for Marine segments it has decreased by 4.48 per cent in 2014-15 whereas for the previous year the growth rate in the Fire and Marine segments were 11.04 and 4.13 respectively.

**TABLE I.23 PREMIUM (WITHIN INDIA) UNDERWRITTEN BY NON-LIFE INSURERS - SEGMENT WISE**

(₹ crore)		
Department	2013-14	2014-15
Fire	7363 (9.49)	8057 (9.51)
Marine	3162 (4.08)	3020 (3.57)
Motor	33823 (43.61)	37379 (44.14)
Health	19634 (25.32)	22636 (26.73)
Others	13572 (17.50)	13592 (16.05)
<b>Total Premium</b>	<b>77554</b>	<b>84684</b>

**Note:** 1. Figures in brackets indicate the share (in percent) of respective segment to the Total Premium  
2. The above figures include premium of Specialized insurers and Standalone Health Insurers

**CHART I.17: SEGMENT-WISE PREMIUM OF NON-LIFE INSURERS**



### Premium Underwritten Outside India

**I.3.38** All public sector insurers (except United India) are underwriting non-life insurance business outside India. United India ceased operations outside India in 2003-04. The total premium underwritten outside the country by the three public sector insurers stood at ₹2466 crore in 2014-15 as against ₹2380 crore in 2013-14 registering a growth of 3.61 per cent against 16.13 per cent in the previous year. The premium underwritten outside India accounted for 2.83 per cent of total premium underwritten by the Non Life insurers.

**TABLE I.24**  
**RATIO OF OUTSIDE INDIA PREMIUM**  
**TO TOTAL PREMIUM**

(in per cent)

Insurer	2013-14	2014-15
National	0.37	0.36
New India	15.94	14.67
Oriental	2.12	2.04
United	0.00	0.00

**I.3.39** New India continued to be the largest public sector general insurer underwriting premium outside India, with the premium underwritten outside India constituting 14.67 per cent of the total premium underwritten by the insurer in 2014-15 lower than 15.94 percent in 2013-14. In case of Oriental, the contribution of outside India premium to the total premium works out to be 2.04 per cent in 2014-15, marginally lower than 2.12 per cent in 2013-14. National Insurance continued to have a small component of overseas business at 0.36 per cent in 2014-15, slightly lower than 0.37 per cent reported in 2013-14.

**I.3.40** Of the total premium of ₹2466 crore written outside India in 2014-15, New India underwrote a higher premium of ₹2271 crore (₹2188 crore in

**TABLE I.25**  
**GRASS DIRECT PREMIUM**  
**FROM BUSINESS OUTSIDE INDIA :**  
**NON-LIFE INSURERS**

(₹ lakh)

Insurer	2013-14	2014-15
National	3810 (31.87)	4073 (6.90)
New India	218755 (19.18)	227095 (3.81)
Oriental	15470 (-16.50)	15398 (-0.47)
United	0.00	0.00
<b>Total</b>	<b>238035</b>	<b>246566</b>

**Note :** Figures in bracket indicate the per cent of growth over previous year

2013-14), its market share in the total outside India premium of public general insurers increased to 92.10 per cent in 2014-15 from 91.90 per cent in 2013-14. National underwrote a premium of ₹41 crore in 2014-15 (₹38 crore in 2013-14). The outside India premium underwritten by Oriental Insurance stood at ₹154 crore which is marginally lower than previous year's ₹155 crore, recording a 0.47 per cent decrease. (Table I.25)

### Number of policies issued:

**I.3.41** The non-life insurers underwrote 1182.79 lakh policies in financial year 2014-15 against 1024.52 lakh policies underwritten in financial year 2013-14, reporting a increase of 15.44 per cent over financial year 2013-14. The public sector insurers witnessed considerable increase in the number of policies issued. They reported a 12.95 per cent increase in number of policies issued during the financial year 2014-15 as compared to a 12.99 decrease in financial year 2013-14. The private sector insurers reported a growth of 18.96 per cent in the number of policies issued in the financial year 2014-15 (11.54 per cent in the financial year 2013-14).



**TABLE 1.26**  
**NUMBER OF NEW POLICIES ISSUED :**  
**NON-LIFE INSURERS\***

(₹ lakh)

Insurer	2013-14	2014-15
	600.06	677.82
Public Sector	(-12.99)	(12.95)
Private Sector	424.47	504.97
	(11.54)	(18.96)
<b>Total</b>	<b>1024.52</b>	<b>1182.79</b>
	<b>(-4.27)</b>	<b>(15.44)</b>

\*Excluding standalone Health Private and Specialized Insurers  
**Note :** Figures in brackets indicate the growth ( in per cent) over previous year.

### Paid-up Capital

**I.3.42** The total paid-up capital of non-life insurers as on 31st March, 2014 was ₹10240 crore. During 2014-15, the non-life insurers added ₹1264 crore to their equity capital base. Public sector insurers infused a further capital of ₹50 crore whereas specialized institution ECGC infused a further capital of ₹100 crore. Private sector insurers infused further capital to the extent of ₹746 crore. Standalone health insurers infused a capital of ₹368 crore including ₹100 crore capital infused by Cigna TTK Health Insurance company.

### Underwriting Experience

**I.3.43** The underwriting losses of the non-life insurance companies increased to ₹10127 crore in 2014-15, from ₹7641 crore in the previous year. The underwriting losses increased by 32.54 percent over previous year. The public sector insurers' losses increased by 22.57 percent to ₹6592 crore in 2014-15 from ₹5379 crore in 2013-14. The private sector insurers' losses increased to ₹2495 crore in 2014-15 from ₹1810 crore in 2013-14. The underwriting losses of standalone health insurer increased to ₹611 crore

**TABLE I.27**  
**PAID UP CAPITAL :**  
**NON-LIFE INSURERS AND REINSURER\***

(₹ Crore)

Insurer	2013-14	2014-15
<b>Non -Life</b>		
Public Sector	600	650
Private Sector	6226	6972
<b>Specialized Institutions</b>		
ECGC	1100	1200
AIC	200	200
<b>Standalone Health Insurers</b>		
Star Health	334	362
Apollo MUNICH	331	349
Max BUPA	669	791
Religare Health	250	350
Cigna TTK	100	200
<b>Reinsurer</b>		
GIC	430	430
<b>Total</b>	<b>10240</b>	<b>11504</b>

Note: \* Excludes share premium and share application money.

in 2014-15 from ₹547 crore in 2013-14. Specialized insurers reported significant increase in underwriting losses in 2014-15 which is ₹428 crore as compared to underwriting profit of ₹95 crore in 2013-14.

### Expenses of Non-Life Insurers

**I.3.44** The commission expenses of public insurers, private non-life insurers, standalone health insurers and specialized insurers stood at ₹3105 crore, ₹1761 crore, ₹1028 crore and ₹34 crore respectively for 2014-15, cumulatively amounting to a total commission expense of ₹5928 crore for the non-life industry. The commission expenses continued to be the highest in the Health

segment, which stood at ₹2554 crore, comprising of ₹1001 crore for the public sector, ₹526 crore for the private sector companies and ₹1027 crore for the standalone health insurance companies.

**I.3.45** Commission expenses and operating expenses constitute a major part of the total expenses. The operating expenses of non-life insurance companies stood at ₹20206 crore in 2014-15 as against ₹16251 crore in 2013-14, showing overall increase of 24.34 per cent. The operating expenses of the public sector insurers, private non-life insurers, standalone health insurers and specialized insurers are increased by 27.19 percent, 19.25 percent, 31.90 percent and 24.91 percent respectively over previous year. (Table I. 30)

**TABLE I.28**  
**UNDERWRITING EXPERIENCE :**  
**NON-LIFE INSURERS**

(₹ Crore)

	2013-14	2014-15
Public Sector Insurer	-5378.66 (-16.09)	-6592.47 (-17.14)
Private Sector Insurer	-1810.19 (-8.06)	-2495.42 (-10.23)
Standalone Health Insurer	-546.96 (-35.56)	-611.00 (-28.43)
Specialised Insurer	95.01 (3.63)	-428.44 (-16.77)
<b>Total</b>	<b>-7640.81</b> <b>(-12.72)</b>	<b>-10127.32</b> <b>(-14.99)</b>

**Note :** Figures in brackets indicate ratio of underwriting profit/loss to net earned premium

**TABLE I.29**  
**COMMISSION EXPENSES : NON LIFE INSURERS**

(₹ Crore)

Department	Private Sector Insurer		Public Sector Insurer		Standalone Health Insurer		Specialised Insurer		Total	
	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15
Fire	169.27	192.14	494.66	568.04	0.00	0.00	0.00	0.00	663.93	760.18
Marine	89.58	99.16	179.66	169.37	0.00	0.00	0.00	0.00	269.24	268.53
Motor	743.11	716.53	886.24	870.95	0.00	0.00	0.00	0.00	1629.35	1587.48
Health	370.06	526.02	790.50	1000.52	845.80	1027.49	0.00	0.00	2006.36	2554.03
Others	271.63	226.87	518.66	496.23	0.00	0.00	37.10	34.19	827.39	757.29
<b>Total</b>	<b>1643.65</b>	<b>1760.72</b>	<b>2869.72</b>	<b>3105.11</b>	<b>845.80</b>	<b>1027.49</b>	<b>37.10</b>	<b>34.19</b>	<b>5396.27</b>	<b>5927.51</b>

**I.3.46** As per section 40C of the Insurance Act, 1938 no insurer can spend as expenses of management in any year an amount in excess of the limits prescribed under Rule 17E of the Insurance Rules, 1939. Rule 17E takes into consideration the size and age of the insurer while stipulating the limits of these expenses. The Authority based on the recommendation of the General Insurance Council constituted under Section 64F may enhance the limits in any year.

**TABLE I.30**  
**OPERATING EXPENSES : NON-LIFE INSURERS**

(₹ Crore)

Insurer	2013-14	2014-15
Public Sector Insurer	8791	11181
Private Sector Insurer	6312	7527
Standalone Health Insurer	928	1224
Specialised Insurer	220	274
<b>Total</b>	<b>16251</b>	<b>20206</b>

**I.3.47** The Authority has granted exemption on the limits under Rule 17E to 22 private insurers in the first five years of their operations. The period of five financial years shall be in addition to the first partial financial year.

**I.3.48** Out of the 28 non-life insurers (including the four public sector undertakings and the two specialized insurers) in the year 2014-15, 7 insurers are in the exemption period. 7 insurers are compliant with the limits under Rule 17E and 14 insurers are non compliant with the limits under Rule 17E.

#### **Incurred Claims Ratio**

**I.3.49** The net incurred claims of the non-life insurers stood at ₹55232 crore in 2014-15 as against ₹49179 crore in 2013-14. The incurred claims exhibited an increase of 12.31 per cent during 2014-15. The public sector insurers, private sector non-life insurers, standalone health insurers and specialized insurers reported increase of 13.48 percent, 8.71 percent, 31.55 percent and 17.27 percent respectively in the incurred claims. Overall the increase in incurred claims during 2014-15 is 12.31 per cent which was lower than 15.57 per cent recorded during the previous year.

**I.3.50** The incurred claims ratio (net incurred claims to net earned premium) of the non-life insurance industry was 81.70 per cent during 2014-15 which is marginally less than the previous year figure of 81.98 per cent. The incurred claims ratio for public sector insurers was 82.09 for the year 2014-15 which was reduced from the previous year's incurred claims ratio of 83.20. Whereas for the private sector non-life insurers, standalone health insurers and specialized insurers incurred claims ratio for the year 2014-15 was 79.69 percent, 62.18 percent and 110.68 percent respectively as compared to the previous year's ratio of 79.58 percent, 66.06 percent and 96.69 percent respectively.

**TABLE I.31**  
**NET INCURRED CLAIMS : NON-LIFE INSURERS**  
(₹ Crore)

<b>Insurer</b>	<b>2013-14</b>	<b>2014-15</b>
Public Sector Insurers	27817.96 (11.00)	31567.75 (13.48)
Private Sector Insurers	17874.11 (22.74)	19430.46 (8.71)
Standalone Health Insurer	1016.03 (50.93)	1336.62 (31.55)
Specialised Insurer	2470.52 (9.44)	2897.21 (17.27)
<b>Grand Total</b>	<b>49178.62</b> (15.57)	<b>55232.04</b> (12.31)

**Note:** Figures in brackets indicate percentage growth over previous year.

**I.3.51** Among the various segments, Health insurance and Motor insurance had a high claims ratio at 96.93 per cent and 77.14 per cent respectively. The incurred claims ratio of the Motor segment decreased to 77.14 percent in the year 2014-15 from the previous year's ratio 79.50 percent. However incurred claims ratio of Others segment is increased to 73.91 percent from 72.96 percent in the previous year. In case of Fire segment it is decreased to 73.78 percent from 76.54 percent in the previous year. Thus the incurred claims ratio of Non-life industry as a whole was less than 100 percent for all the segments in the year 2014-15. (Table I. 32)

#### **Investment Income: Non-Life Insurers**

**I.3.52** The investment income of all non-life insurers during 2014-15 was ₹16767 crore (₹14319 crore in 2013-14) registering a growth of 17.10 per cent as against 15.24 per cent in the previous year. During the year under review, the investment income of standalone health insurers

**TABLE I.32**  
**INCURRED CLAIMS RATIO : NON-LIFE INSURERS**

(in per cent)

Department	Public Sector Insurer		Private Sector Insurer		Standalone Health Insurer		Specialised Insurer		Total	
	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15
Fire	80.39	75.21	55.45	66.19	-	-	-	-	76.54	73.78
Marine	59.30	57.80	71.24	87.38	-	-	-	-	63.37	67.44
Motor	77.51	72.38	81.40	81.91	-	-	-	-	79.50	77.14
Health	106.19	109.97	87.62	79.17	66.06	62.18	-	-	97.05	96.93
Others	64.55	55.97	63.00	60.61	-	-	96.69	110.68	72.96	73.91
<b>Total</b>	<b>83.20</b>	<b>82.09</b>	<b>79.58</b>	<b>79.69</b>	<b>66.06</b>	<b>62.18</b>	<b>96.69</b>	<b>110.68</b>	<b>81.98</b>	<b>81.70</b>

has increased significantly by 34.98 percent. The private sector insurers and specialized insurers reported a growth of 23.91 percent and 14.77 percent respectively. On the other hand the investment income for the public sector insurers had shown a growth of 14.17 per cent.

**TABLE I.33**  
**INVESTMENT INCOME : NON-LIFE INSURERS**  
(₹ Crore)

Insurers	2013-14	2014-15
Public Sector	9394.29 (9.08)	10725.02 (14.17)
Private Sector	3979.64 (32.09)	4931.01 (23.91)
Standalone Health Insurers	132.29 (41.74)	178.56 (34.98)
Specialised Insurers	812.69 (15.00)	932.75 (14.77)
<b>Grand Total</b>	<b>14319</b> <b>(15.24)</b>	<b>16767</b> <b>(17.10)</b>

**Note:** Figures in brackets indicate growth rate (in percent) of the respective sectors

### Net Profits of Non-life Insurers

**I.3.53** During the year 2014-15, the total net profit of non-life insurance industry was ₹4639 crore as against a profit of ₹4649 crore in 2013-14. The public sector insurance companies reported a net profit of ₹3094 crore. The private sector insurers reported a net profit of ₹1644 crore and specialized insurers have reported ₹348 crore. However, the standalone health insurers reported ₹447 crore net loss.

**I.3.54** All the four public sector insurers reported net profits during the year 2014-15. New India reported a net profit of ₹1431 crore during the year 2014-15 against a profit of ₹1089 crore in 2013-14 and thus increased 31.40%. Net profit of National has increased to ₹970 crore from ₹823 crore in the year 2013-14, with an increase of 17.86 percent over previous year. Oriental reported a net profit of ₹392 crore during 2014-15 against ₹460 crore in 2013-14 thus decreased by 14.78%. United India reported a net profit of ₹301 crore during 2014-15 against the ₹528 crore in 2013-14, thus decreased by 42.99%.

**I.3.55** Among the seventeen private insurance companies, thirteen companies reported net

profits, the remaining four companies incurred net losses during 2014-15. The net profit of Bajaj Allianz during the year 2014-15 was ₹562 crore against net profit of ₹409 crore in the year 2013-14. The net profit of ICICI Lombard was ₹536 crore in 2014-15 against the net profit of ₹511 crore during the year 2013-14. The four insurers which reported net losses were SBI General, Bharti AXA, L&T General and Liberty Videocon. All the standalone health insurers except Apollo Munich reported net losses during the year 2014-15 whereas in the year 2013-14 all the standalone health insurers reported losses. Apollo Munich reported net profit of ₹0.66 crore during the year 2014-15. Both the specialized insurer have reported net profit during the year 2014-15.

### Returns to Shareholders

**I.3.56** Of the four public sector non-life insurance companies New India paid dividend of ₹300 crore during the year 2014-15 against ₹220 crore paid in the year 2013-14. National Insurance paid dividend of ₹193.53 crore during the year 2014-15 against ₹164.66 crore dividends during the year 2013-14. Oriental Insurance paid dividend of ₹110 crore in the year 2014-15 against ₹108 crore in the previous year. United India paid dividend of ₹61 crore in the year 2014-15 against ₹106 crore paid in the year 2013-14.

Insurer	2013-14	2014-15
Public Sector	289976	309399
Private Sector	153914	164351
Standalone Health Insurer	-40310	-44651
Specialised Insurer	61326	34814
<b>Total</b>	<b>464906</b>	<b>463913</b>

Among the private sector insurers, four paid dividend during the year 2014-15. TATA AIG paid dividend of ₹37.88 crore, HDFC ERGO paid dividend of ₹40.40 crore, ICICI Lombard paid dividend of ₹89.12 crore and Shriram General paid dividend of ₹43.62 crore.

**I.3.57** GIC paid ₹540 crore dividend during the year 2014-15 against ₹449.35 crore dividend paid during the year 2013-14. ECGC paid ₹48 crore during the year 2014-15 against ₹88 crore in the year 2013-14. AIC paid ₹20 corer dividend in 2014-15 against nil in the previous year.

Insurer	2013-14	2014-15
<b>Non -Life</b>		
Public sector	599	665
Private Sector	77	211
<b>Standalone Health Insurers</b>	<b>0</b>	<b>0</b>
<b>Specialized Insurers</b>		
ECGC	88	48
AIC	0	20
<b>Reinsurer</b>		
GIC	449	540
<b>Total</b>	<b>1213</b>	<b>1484</b>

### Number of Offices – Non-Life Insurers

**I.3.58** As on 31st March 2015, the non-life insurance companies were operating from 10,407 offices all over the country, of which public sector and private sector companies had 8,207 and 2,200 offices respectively.

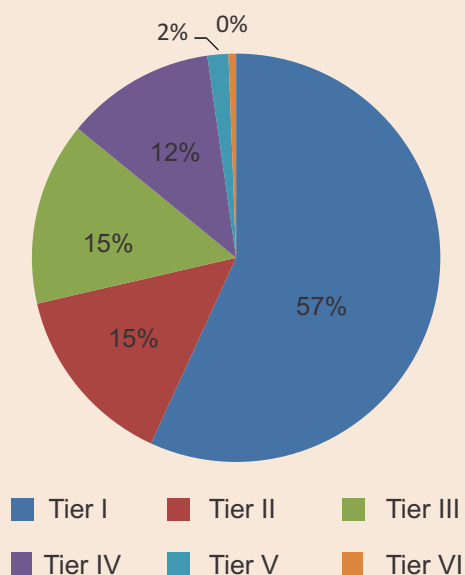
Insurer	2014	2015
Public Sector *	7,869	8207
Private Sector	2,003	2200
<b>Total</b>	<b>9,872</b>	<b>10407</b>

\* Includes specialized Insurers AIC and ECGC

**TABLE I.37  
NUMBER OF NON-LIFE OFFICES - TIER WISE**

Non Life Insurers	Year	Tier I	Tier II	Tier III	Tier IV	Tier V	Tier VI	Total
Public Sector	2014	3747	1361	1257	1298	80	43	7786
	2015	3866	1282	1517	1233	170	52	8120
Private Sector	2014	1337	124	147	0	0	0	1608
	2015	1706	28	6	2	0	0	1742
Standalone Health	2014	394	1	0	0	0	0	395
	2015	255	203	0	0	0	0	458
Specialised Insurers	2014	82	1	0	0	0	0	83
	2015	87	0	0	0	0	0	87
<b>Total</b>	<b>2014</b>	<b>5560</b>	<b>1487</b>	<b>1404</b>	<b>1298</b>	<b>80</b>	<b>43</b>	<b>9872</b>
	<b>2015</b>	<b>5914</b>	<b>1513</b>	<b>1523</b>	<b>1235</b>	<b>170</b>	<b>52</b>	<b>10407</b>

**CHART I.18: NUMBER OF  
NON LIFE INSURANCE OFFICES  
TIER- WISE FOR 2014-15**



#### District Level Coverage:

**I.3.59** When compared to life insurance, the proportion of districts covered by non-life insurers is less. While the four public sector non-life insurers have offices at 606 districts out of 640 districts in

the country (94.68 per cent), the private sector cover only 44.53 per cent of the districts in the country by having offices in 285 districts. There are 34 districts (5.3 per cent of districts) in the country, which do not have any non life insurance office. Private sector non-life insurers have not yet opened any offices in 355 districts. 23 states/ union territories (out of 36 states/ union territories) have non life insurance offices in all of their districts. This lower level of coverage of districts by non life insurers might also have let for the low non life insurance penetration in the country, as compared to penetration of the life insurance.

#### SPECIALISED INSURERS

##### **ECGC Ltd. (Formerly Export Credit Guarantee Corporation of India Ltd.)**

**I.3.60** ECGC Ltd. is a specialised insurer underwriting business in export credit insurance. The company underwrote gross direct premium of ₹1362 crore in 2014-15, reporting a growth of 4.48 per cent against ₹1304 crore in 2013-14. The insurer reported an underwriting loss of ₹291.91 crore against ₹62.62 crore underwriting profit in the previous year. The insurer's Net Earned

Premium is to the tune of ₹1019 crore as against ₹907 crore in the previous year. The net profit of the company decreased to ₹180 crore from ₹365 crore in the previous year. The insurer reported incurred claims ratio of 114% in 2014-15 (82.23% in 2013-14).

**I.3.61** The Company had 11,236 short term export credit insurance policies in force in 2014-15 (11,109 in 2013-14) including transfer guarantees. Premium income earned on short term policies during the year was ₹383.87 crore (₹389 crore in 2013-14). The Premium income earned on short term ECIB during the year was ₹942.29 crore (₹870 crore in 2013-14). The premium income from the medium and long term business during 2014-15 was ₹36.24 crore as against ₹45.48 crore in 2013-14.

#### **Agricultural Insurance Company of India Ltd.**

**I.3.62** Agriculture Insurance Company of India Ltd (AIC) is a specialized insurer underwriting business in agriculture insurance. The company underwrote gross direct premium of ₹2740 crore during the year 2014-15, reporting a negative growth of 19 percent as against ₹3395 in crore 2013-14. The insurer's Net Earned Premium for the year 2014-15 is ₹1598 crore as against ₹1648 crore in the previous year. The insurer reported underwriting loss of ₹158 in 2014-15 against a profit of ₹32 crore in 2013-14. The net profit of the company was decreased to ₹168 crore from ₹249 crore in the previous year. The company's incurred claims ratio has increased to 108.47% in 2014-15 as against 104.65% in 2013-14.

#### **General Insurance Corporation of India**

**I.3.63** GIC is the sole national reinsurer, providing reinsurance to the direct general insurance companies in India. The Corporation's reinsurance program has been designed to meet the objectives of optimizing the retention within the country, ensuring adequate coverage for exposure

and developing adequate capacities within the domestic market. It is also administering the Indian Motor Third Party Declined Risk Insurance Pool - a multilateral reinsurance arrangement in respect of specified commercial vehicles and where the policy issuing member insurer cede insurance premium to the Declined Risk pool based on underwriting policy approved by IRDAI.

**I.3.64** The total net premium written by GIC during 2014-15 increased by 4.87 per cent to ₹13857 crore from ₹13213 crore in 2013-14. The net earned premium of the Reinsurer (the net premium after adjustments for Reserve for Unexpired Risks) during 2014-15 is decreased to ₹13558 crore from ₹13609 crore in 2013-14. The net incurred claim ratio has decreased to 87.70 per cent in 2014-15 from 89 percent in 2013-14. The company reported a net profit of ₹2694 crore in 2014-15 as against net profit of ₹2253 crore in 2013-14.

The national re-insurer, General Insurance Corporation (GIC Re), reported a solvency ratio of 3.04 as on 31<sup>st</sup> March, 2015 as against 2.73 as on 31<sup>st</sup> March, 2014.

#### **I.4 REVIEW**

##### **I.4.1 PROTECTION OF INTERESTS OF POLICYHOLDERS**

**I.4.1.1 Draft Protection of policyholder's interest's regulation:** - The basic framework for protection of policyholder's interests is contained in the IRDA (Protection of policyholder's Interests) Regulations 2002. Since then, the insurance industry has witnessed numerous changes such as introduction of new type of products like micro insurance products, ULIP products, Health Insurance etc, new categories of Distribution Channels like Corporate Agents, Insurance Brokers, web-aggregators and Insurance Marketing Firms (IMF) have been permitted to carryout insurance distribution activities. It is observed that with increase in competition the

need to bring in more transparency in insurance sales process, strict enforcement of code of conduct by agents and intermediaries has arisen. This also led to setting up of Integrated Grievance Redressal Mechanism and Integrated Grievance Call Centre by the Authority in order to facilitate resolution of grievances as per the specified time limits. This has helped in setting competitive standards in servicing of insurance policies in the industry.

The FSLRC recommendations relating to consumer protection also call for regulations to provide for greater consumer protection at all stages of financial transactions. Therefore the need to examine the current regulations in line with changing times was felt necessary. And as such IRDAI constituted a standing advisory committee to have a relook at the existing regulations pertaining to consumer protection, review of TATs for various services, contemplating introduction of a Citizen's Charter for the insurance industry prescribing timelines for various services in each line of business. Based on the recommendations of the committee, Draft IRDA (Protection of Policyholder's Interests) Regulations 2014 were placed in the public domain for comments. Considering the comments and suggestions received, IRDA (Protection of Policyholder's Interests) Regulations would be issued in due course. They supersede the existing policyholder's protection framework. The endeavor is to ensure protection of interests of policyholders without any deviation and setting minimum bench marks in servicing of insurance policies.

**I.4.1.2** Spurious calls in the name of officials of IRDAI and other financial institutions have been grave concern for the Insurance Industry. In order to check such threat, IRDAI has issued several public notices, press releases, advertisements in leading newspapers, directions to Insurance Companies to caution public against spurious calls etc at various touch points and in media as well. Further to inform the public about nature of

spurious calls, common modus operandi followed by the fraudsters and measures to be taken by the public in case they receive such calls, IRDAI issued a public notice cautioning the public against spurious calls and fictitious offers on August 26, 2014.

**I.4.1.3** As a customer education initiative on August 15, 2014, IRDAI issued an advertisement in English in leading newspapers with the title "Real value of Insurance through right buying – A few Tips". The advertisement also cautioned public from falling prey to spurious calls made in the name of IRDAI and making payments to unlicensed Intermediaries.

**I.4.1.4** In a press release on September 4<sup>th</sup>, 2014, IRDAI while cautioning public about spurious calls informed the public about the new patterns of spurious calls reported and released audio clips on spurious calls.

**I.4.1.5** The Authority constituted an 'Expert Committee on Health Insurance' on 29<sup>th</sup> December, 2014 to examine the existing regulatory framework governing Health Insurance Business in the areas such as Products, Distribution, and Protection of Policyholders Interests etc. The Committee submitted its report on 27<sup>th</sup> April, 2015 which is published for the information of all the stakeholders.

**I.4.1.6** IRDAI issued press release on February 9, 2015 regarding E-mail spoofing using the domain irda.gov.org to caution public about the conduct of some anonymous persons allegedly making an attempt to cheat public by impersonation as representatives of IRDAI and sending mails to public from fake email ids. Public was advised to report to cyber crime branch of law enforcement agencies in case they receive any suspicious e-mails with details.



### **Financial literacy and consumer awareness initiatives of IRDAI**

**I.4.1.7** In spite of opening of the insurance sector for private participation, the levels of insurance penetration and density are very low. The main reason for low penetration is lack of awareness about the insurance products and its benefits.

Financial literacy and consumer awareness are essential components of financial inclusion. The objective of consumer awareness initiatives of IRDAI is to educate general public about the benefits of insurance, how to select an insurance product and to educate them about the grievance redress mechanism in case they are not satisfied with the services provided and have a complaint against financial service providers.

The Authority has embedded the principles of insurance awareness and consumer education as a means of protection of policyholders' interests in its regulatory framework. Some of the important regulatory provisions in this regard are given below:

- i) Enclosing Insurance Awareness Policy of the new companies while making application for entry into the insurance sector under IRDA (Registration) Regulations, 2000.
- ii) Specifying requirements of disclosures under IRDA (Advertisements) Regulations, 2000 and putting in place the Guidelines on Advertisements, Promotion and Publicity of Insurance Companies;
- iii) Mandating disclosures to be made at the point of sale to the prospect under IRDA (Protection of the interests of the Policyholders) Regulations, 2002
- iv) Mandating setting up of Policyholder Protection Committee under Corporate Governance Guidelines and placing emphasis relating to keeping the policyholders well informed of and

educated about insurance products, and complaint handling procedures by insurers and etc.

Further, to provide impetus to consumer education, IRDAI has adopted multi-pronged approach and encouraged all stakeholders to promote insurance awareness among the public.

**I.4.1.8** During the FY 2014-15, IRDAI has taken a number consumer education initiatives under the Bima Bemisaal brand.

In an attempt to increase the insurance awareness at grass root level, IRDAI mandated all insurers to have Board approved Insurance Awareness Policy. Accordingly, insurers brought out the policy approved by their respective Boards for the financial year 2014-15 and the same was submitted to the Authority. The activities of the annual calendar as per the Board approved Insurance Awareness policy was implemented by insurers during the financial year and IRDAI had a review meeting with them to ensure implementation of the guidelines in letter and spirit, thereby, promoting best practices of insurance education across the industry.

IRDAI has brought out following handbooks during the financial year 2013-14:

- i) The book titled as "Introduction to Insurance" released targeting school children to make them understand insurance in a simplified manner.
- ii) "A Handbook on Insurance" was released containing frequently asked questions about right buying of insurance.
- iii) Handbook on "Employment opportunities in insurance sector" was meant for college goers to make them aware about the job potential of insurance market.
- iv) A handbook on "Crop Insurance" was released focussing on the rural segment.

The first three books have been converted into E-books, which are available on IRDAI's Consumer Education Website i.e. [www.policyholder.gov.in](http://www.policyholder.gov.in)

Insurance awareness campaigns through electronic and print media have been carried out to educate the general public during the year. IRDAI has produced the following three TV Advertisements educating the general public against spurious callers and fictitious offers with the advice to register complaint in the nearest police station.

1. Cautioning neighbor (Sharma Ji) about the fraud calls in the name of IRDAI with the tagline 'Sach or Jhoot Mein Janiye fark - rahiye satark'.
2. Giving message through Policeman/Hero – 'IRDAI Bima aur Bonus ki ghoshna nahi karta' with the tagline 'Sach or Jhoot Mein Janiye fark - rahiye satark'
3. Cautioning about fictitious offer in the cafeteria on the theme of 'Bach ke baba rahena tu...' with the tagline 'IRDAI aap ke shubh chintak'.

IRDAI also sponsored six episodes of Satyamev Jayate-III broadcast by All India Radio. Print campaign on an all India basis was also carried out during the year on the topic "Real value of insurance through right buying- a few tips" in English and 12 regional languages including Hindi.

In an attempt to curb the menace of spurious callers at National Capital Region, from where most of the grievances about spurious callers are emanating from, a focussed Insurance Awareness Campaign was carried out by displaying messages against spurious callers inside Metro Trains, Metro Stations and outside the Stations making the public aware about the role of IRDAI, Grievance Redressal Mechanism available for policyholders and spurious callers.

The Insurance Awareness Campaign in the State of Tripura was launched by Hon'ble Chief Minister of Tripura, Shri Manik Sarkar on 8th January, 2015 at Agartala. The campaign is a joint effort of IRDAI and Government of Tripura. The objective of campaign is to make the citizens aware about the benefits of insurance.

IRDAI has celebrated its foundation day (19th April) as Insurance Awareness Day. On this occasion, IRDAI conducted various programmes including organising In-house Quiz Competition for the employees of IRDAI, and 2nd Pan India Insurance Quiz Competition for the insurance industry. A panel discussion on the topic of "Financial inclusion and Insurance literacy" was also organised where eminent speakers from the financial sector have shared their views on the subject.

**1.4.1.9** IRDAI is playing an active role as a member of Core Committee of National Centre for Financial Education, an institution, jointly formed by all financial sector regulators in India for implementation of the National Strategy for Financial Education (NSFE), and supporting the initiatives of NCFE viz. National Test for Assessment of Financial Literacy, launching of NCFE web portal and in organizing National Survey to measure Financial Awareness etc., to name a few. The financial education syllabus has been developed by the Committee which is being considered for inclusion in the CBSE text books. Both as member of NCFE and also as a sectoral regulator for insurance sector in India, IRDAI is working with schools, colleges and institutions for dissemination of financial education in general and insurance education in particular.

#### **Initiatives towards policyholder protection:**

**1.4.1.10** With a view to look after the policyholders' interest, IRDAI has taken a number of initiatives. The framework of regulations to protect the

interests of prospects and policyholders are contained in the IRDA (Protection of Policyholders' Interests) Regulations, 2002. The Regulations contain procedure to be followed at the point of sale; disclosures to be made in life insurance and general insurance policy document, claim procedure in respect of life insurance and general insurance policy; and Turn around Time (TATs) for various functions under policy servicing.

**I.4.1.11** IRDA (Advertisement and Disclosure) Regulations, 2000 and other guidelines relating to advertisements are aimed at ensuring that any communication (including that on the internet) which directly or indirectly results in eventual sale or solicitation of policy should not be unfair or misleading but should contain fair information about the product on offer so that the customer can take an informed decision about choosing the insurance product according to his need.

**I.4.1.12** Since insurance is a subject matter of solicitation; intermediaries are involved in soliciting insurance. In order to ensure that only licensed persons or institutions engage in prospecting and sale of insurance products, IRDA has issued regulations for licensing. These regulations are IRDA (Licensing of Insurance Agents) (Amendment) Regulations, 2013 for individual insurance agents; IRDA (Licensing of Corporate Agents) Regulations, 2002 for corporate agents; IRDA (Insurance Brokers) Regulations, 2013 for insurance brokers; IRDA (Web Aggregators) Regulations, 2013 for web aggregators; and IRDAI (Registration of Insurance Marketing Firm) Regulations, 2015 for Marketing Firms. These regulations mandate compliance of the agents, corporate agents, brokers, web aggregators and IMFs with the code of conduct prescribed therein to ensure that the persons soliciting insurance business should be eligible persons and that they disseminate the requisite information in respect of insurance products offered for sale, understand the policy being sold and should be capable of

making suitable advice based on the customer needs so that the policy offered / sold meets the requirements of the prospect. They are also required to provide after sales service like renewal, assistance in making claim etc.

**I.4.1.13** With the increasing recourse taken by insurers, corporate agents and brokers to solicit policies (including lead generation) through modes like tele-calling, SMS, email, internet, DTH, postal mail which do not involve communication in person but in distance mode; IRDA issued Distance Marketing Guidelines. The requirements to be complied with at the time of offer, negotiation and conclusion of sale are aimed at affording protection to prospects and policyholders taking recourse to distance marketing channels.

**I.4.1.14** Since the benefit of insurance can be reaped only if appropriate products are sold; IRDA has issued guidelines on File and Use of products both in life and non-life. In terms of these guidelines every insurer is required to seek approval of products by making an application to IRDA. Along with the application, the insurer should furnish specimen policy bond, specimen proposal forms, specimen sales literature and statement of financial projections. Similar procedure has to be followed for change in terms and conditions. Even in case an insurer wants to withdraw a product, it can do so only after informing IRDA and giving reasons for withdrawal. These guidelines ensure that only approved products are sold to public.

**I.4.1.15** The IRDA (Non-Linked Product) Regulations 2013 and IRDA (Linked Product) Regulations 2013 governing non-linked and linked life insurance products are aimed at ensuring consistency in terms of products respectively and features offered by the insurers and bringing in transparency in terms of benefit payouts thereby enabling the customers to choose the right policy.

**I.4.1.16** IRDA (Health Insurance) Regulations 2013 lay greater emphasis on features of the

product, standard declaration in the proposal form, greater transparency and disclosures in sales literature and disclosures on the web portals to disseminate suitable information for decision making, etc. The guidelines on standardization in health insurance provide standardization of several aspects in health insurance such as definitions for commonly used terms in health policies, nomenclature and procedure for critical illness, pre-authorization and claim form, list of excluded expenses in hospitalization benefit to policies, file and use application, customer information sheet and agreement between Insurer & Third party Administrator and Insurer & Provider (Hospital). These guidelines prevent ambiguity and ensure greater consistency in interpretation, which is in the general interest of policyholders.

**I.4.1.17** In addition to the various measures aimed at protecting the interests of insurance customers as indicated above, if there is a cause for complaint regarding deficiency of service by an insurer, a system for expeditious resolution is imperative. The grievance redressal guidelines direct the insurers to have a board approved Policyholder's protection committee at the apex level for approving and reviewing Grievance Redressal mechanism in the company and a uniform system for receiving, acknowledging and resolving grievances within specified time limits; and to appoint an officer designated as Grievance Redressal Officer at not only the Head Office/Corporate office level but also at every other office.

**I.4.1.18** In order to facilitate customers to reach the insurers for their grievances, IRDAI has provided channels for customers to raise their grievances against insurers. These include online grievance portal [www.igms.irda.gov.in](http://www.igms.irda.gov.in) and a toll free grievance call centre (155255). The complaints registered through these channels also are taken up with insurers for resolution.

**I.4.1.19** As IRDAI facilitates grievance redressal but does not adjudicate upon grievances, the institution of Insurance Ombudsman functioning under the Redressal of Public Grievances Rules, 1998 serves as a simple, inexpensive and expeditious conciliatory and adjudicatory mechanism for settlement of complaints on certain grounds of complaint relating to personal lines of insurance.

**I.4.1.20** Thus, IRDA's role in policyholder protection goes much beyond the IRDA (Protection of Policyholders' Interests) Regulations, 2002. Further, the above measures are in addition to and not exclusive of other regulatory requirements of entry point norms, licensing, maintenance of solvency margins, investment norms, and public disclosures etc. and supervisory mechanisms like on-site inspection and off-site monitoring through regulatory returns, market intelligence, audit etc.

**I.4.1.21** Considering the fact that IRDA (Protection of Policyholders' Interests) Regulations are issued in the year 2002 and that several changes have occurred in the insurance landscape, there is an urgent need for revisiting the regulations to enhance the policyholder protection. IRDAI will be issuing amendments to the IRDA (Protection of Policyholders' Interests) Regulations to strengthen the Policyholder Protection Regulations. Apart from the regulations a Model Citizen Charter for insurance companies is also being contemplated.

#### **Grievance Redressal and Consumer Education:**

**I.4.1.22** The Consumer Affairs Department of IRDAI facilitates resolution of policyholder grievances by monitoring the insurers' policy of Grievance redressal and takes several initiatives towards consumer education in insurance. Grievance Redressal Guidelines of IRDA mandate that all insurers should have a Board approved grievance redressal policy, designate a Grievance

Redressal Officer at the senior management level at the Head Office/Corporate Office/Principal Office and a Grievance Redressal Officer at every other office and constitute a policyholder protection committee as per the corporate governance guidelines for receiving and analyzing reports relating to grievances. The guidelines mandate each insurer to put in place automated systems for online registration and tracking of complaints as well as systems of receiving grievances by call or emails and integrate these systems with IRDAI. Further, the guidelines contain timelines for various activities relating to grievances like acknowledgement, redressal, closure etc. Grievance redressal guidelines and the corporate governance guidelines direct to have a policyholder protection committee as a mandatory committee for protection of interests of policyholders.

**I.4.1.23** In order to provide alternative channels to receive complaints against insurers, IRDAI has set up IRDA Grievance Call Centre (IGCC) which receives and registers complaints through a toll free number and also furnishes the status of resolution. IRDA has also put in place the Integrated Grievance Management System (IGMS) as an online system for grievance management that is not only a gateway for registering and tracking grievances online but also act as an industry-wide grievance repository for IRDAI to monitor disposal of grievances by insurance companies. IGCC has an interface with IGMS; and through IGMS, IRDAI has an interface with grievance systems of insurers.

**I.4.1.24** The Consumer Affairs Department receives complaints Insurance companies from prospects and policyholders; and takes up these grievances with insurers for resolution. Prospects and policyholders are advised to first file their complaints with the respective insurance companies. If the insurance companies do not attend to the complaints within the stipulated time

of 15 days or the complainant is not satisfied with the resolution, he/she may escalate the complaint to IRDAI. IRDAI facilitates resolution through review/reexamination by taking up the matter with the respective insurance companies. However, IRDAI does not investigate into or adjudicate upon each complaint received or escalated to IRDAI. In case the complainants are not satisfied with the resolution, they may have to take up the matter for adjudication by the insurance ombudsman or any other appropriate forum or court as the case may be.

**I.4.1.25** The Department examines the level of compliance with IRDA (Protection of Policyholders Interests) Regulations, 2002. Since IGMS provides a central repository of complaints across the industry, this helps IRDA as well as insurance companies to carry out root cause analysis of grievances to identify systemic and policy related issues. This has helped the Authority to identify the concerns of policyholders and issue suitable instructions / suggest measures to insurers to reduce cause for customer grievances.

**I.4.1.26** Consumer Affairs Department is also actively engaged in consumer education with a view to spread insurance awareness. Insurance, being a complex financial product, requires special knowledge to understand the nature of insurance products on offer, their utility and the terms and conditions. The consumer education initiatives of IRDA are aimed at ensuring that the consumer identifies his needs, understands the insurance products and the risks involved therewith so that he takes an informed decision while purchasing insurance. Insurance awareness campaigns by IRDA are carried out through all possible channels including print and electronic media viz. newspaper ads and publication of handbooks/comic books, radio/television, internet, seminars, social websites like You tube, facebook, twitter etc. The consumer education website [www.policyholder.gov.in](http://www.policyholder.gov.in) hosts a lot of insurance

related information of interest to the public in simple language. In order to enhance the reach of the material, IRDAI has launched a Hindi site and also prepared the books in major regional languages so that the information can be made available to the people across the country in the language of their choice. IRDAI is focusing now on the distribution of the material developed for which IRDAI is collaborating with the insurance industry, other regulatory bodies, Financial Literacy Centres, Common Service Centres etc., and using all available alternative channels used to reach people across the nation for spreading insurance awareness, thereby creating the demand push for enhancing the levels of insurance inclusion. IRDAI is also an active participant in implementing the National Strategy on Financial Education by working with other financial sector regulators towards imparting financial literacy from early stages of one's life.

#### **I.4.2 MAINTENANCE OF SOLVENCY MARGINS OF INSURERS**

**I.4.2.1** Every insurer is required to maintain a Required Solvency Margin as per Section 64VA of the Insurance Act, 1938. Every insurer shall maintain an excess of the value of assets over the amount of liabilities of not less than an amount prescribed by the IRDA, which is referred to as a Required Solvency Margin. The IRDA (Assets, Liabilities and Solvency Margin of Insurers) Regulations, 2000 describe in detail the method of computation of the Required Solvency Margin.

**I.4.2.2** In the case of life insurers, the minimum Required Solvency Margin is rupees fifty crore (rupees one hundred crore in the case of reinsurer) and arrived at in the manner specified by the Authority. The insurance Laws(Amendment) Act, 2015 specifies a level of solvency margin known as control level of solvency, on the breach of which, the Authority shall direct the insurer to submit a financial plan indicating a plan of action to correct

the deficiency within a specified period not exceeding six months.

**I.4.2.3** In the case of non-life insurers, the Required Solvency Margin shall be the maximum of the fifty crore of rupees (one hundred crore of rupees in the case of reinsurer); or higher of RSM-1 and RSM-2 computed as under:

- RSM-1 means the Required Solvency Margin based on net premiums, and shall be determined as twenty per cent of the amount which is higher of the Gross Premiums multiplied by a Factor A and the Net Premiums. For the purpose of calculation of RSM1, premium of the last 12 months on rolling basis will be taken into account.
- RSM-2 means the Required Solvency Margin based on net incurred claims, and shall be determined as thirty per cent of the amount which is the higher of the Gross Net Incurred Claims multiplied by a factor B and the Net Incurred claims.

#### **Life Insurers**

**I.4.2.4** At the end of March 2015, 23 Life insurers complied with the stipulated solvency ratio of 1.5. The information from Shahara Life is awaited.

**TABLE I. 38 NET RETENTIONS (GIC) 2014-15**

<b>Line of Business</b>	<b>Domestic Business %</b>	<b>Foreign Business %</b>
Fire	67.9	92.6
Marine Cargo	84.3	100.0
Marine Hull	68.9	88.7
Engineering	79.9	100.0
Aviation	88.8	85.2
Motor	100.0	100.0
Misc	93.3	100.0
Life	74.3	84.7
<b>Total</b>	<b>88.8</b>	<b>94.5</b>

However, as on 31<sup>st</sup> March, 2014, the solvency ratio of Sahara Life was 684%.

#### **Solvency Ratio of Non-life insurers:**

**I.4.2.5** As at 31<sup>st</sup> March, 2015, out of 22 private sector non-life insurers (including the health insurers) 21 insurers have complied with the stipulated Solvency Ratio of 1.50. However, Magma HDI General Insurance company Ltd. has reported solvency ratio of 1.24.

All the Four public sector insurers complied with the stipulated Solvency Ratio of 1.50 as at 31<sup>st</sup> March, 2015.

**I.4.2.6** As at 31<sup>st</sup> March, 2015, the specialized insurers, i.e. AIC and ECGC reported a solvency ratio of 3.18 and 6.61 respectively as against 2.60 and 11.02 as at 31<sup>st</sup> March, 2014.

#### **Reinsurer**

**I.4.2.7** The national re-insurer, General Insurance Corporation of India, reported a solvency ratio of 3.04 as on 31<sup>st</sup> March 2015 (2.73 on 31<sup>st</sup> March, 2014).

#### **I.4.3 Monitoring of Re-insurance**

**I.4.3.1** The mandate to the Authority in respect of reinsurance lies in the provisions of Section 14(1) and 14(2) Sub Section (f) of the IRDA Act, 1999 as well as Sections 34F, 101A, 101B and 101C of the Insurance Act, 1938. In addition, the Authority has framed regulations pertaining to re-insurance by both life and non-life insurers which lay down the ground rules for placing re-insurance with the reinsurers. Under the provisions of the Insurance Act, 1938, the General Insurance Corporation of India has been designated as the “Indian re-insurer” which entitles it to receive obligatory cessions of 5% from all the direct non-life insurers. The limits have been laid down in consultation with the Reinsurance Advisory Committee.

**I.4.3.2** Every insurer needs a comprehensive and efficient re-insurance program to enable it to

operate within the constraints of its financial strength. This is important to maintain the solvency of the insurer and to ensure that the clauses are honored as and when they arise. Hence the Authority has stipulated that every insurer shall obtain the approval of its Board for its reinsurance program. The regulatory framework also provides for filing of the reinsurance program for the next financial year with the Authority at least 45 days before the commencement of the said year. The insurers are further required to file the treaty slips or cover notes relating to the reinsurance arrangements with the Authority within 30 days of the commencement of the financial year. These measures highlight the importance attached to the existence of adequate and efficient reinsurance arrangements for an insurance company. It would be recalled that the solvency position of an insurance company is assessed on a “net of re-insurance” basis.

**I.4.3.3** The Regulations also require that every insurer should maintain the maximum possible retention commensurate with its financial strength and volume of business. The guiding principles in drawing up the reinsurance program have been stated as under:

1. Maximize retention within the country;
2. Develop adequate capacity;
3. Secure the best possible protection for the reinsurance costs incurred; and
4. Simplify the administration of business.

**I.4.3.4** IRDAI effected amendments to the Reinsurance Regulations, 2002 and notified the same in March 2013. The regulations mandated Insurers/reinsurers to place reinsurance business with insurers/reinsurers outside India, after taking into consideration their Credit rating, Claims experience, Claims paying ability and solvency margin. Accordingly, limit on the total reinsurance which an insurer could place with an insurer/reinsurer outside India was prescribed by

IRDAI. Further, in respect of reinsurance of Catastrophe risks, all insurers/reinsurers were mandated to ensure that the reinsurance arrangements in respect of catastrophe accumulations, using various realistic disaster scenario testing, are adequate and approved by their Board of Directors before filing the same is with the Authority along-with their reinsurance program.

### **Cross Border Reinsurers**

**I.4.3.5** The Authority, under the powers granted to it under Section 114 (zd) of the Insurance Act, 1938 has issued guidelines on “Cross Border Reinsurer”. These guidelines were effective from April 1<sup>st</sup>, 2012. The guidelines are applicable to those “Cross Border Reinsurers” who do not have any physical presence in India but carry on reinsurance business with Indian Insurance Companies.

All the reinsurers are required to provide information as per format prescribed by the Authority along with their audited annual report. It was mandated to all the insurer and reinsurer that the cross border reinsurers should be legal entity in their home country and are regulated and supervised by their home supervisors. The solvency of the reinsurer should not be lower than standards prescribed for Indian insurers and their financial strength, quality of the management and adequacy of their technical reserving methodologies should be monitored by their home supervisory Authority. Authority shall register foreign firms domiciled in countries who have either signed DTAA agreements to Tax information Exchange Agreement with India as per list maintained with IT Department, Govt. of India and will provide a Unique Identification Number (UIN Number) to these reinsurers which will be valid for a period of one year.

**I.4.3.6** In the year 2014-15, 238 reinsurers and 87 Lloyds Syndicates were allotted Unique

Identification Number (UIN) and in 2015-16 the Authority has issued 343 UINs to 244 reinsurers and 90 Lloyds Syndicates and 9 Incidental Syndicates.

All Insurers/Reinsurers were directed to strictly comply with these guidelines and no Insurer/Reinsurer can place reinsurance business with any entity which is not registered and no Unique Identification Number has been allotted by IRDAI.

The Authority has categorically stated in the guidelines that the onus of placing reinsurance business with registered cross border reinsurers is on the Indian insurers or Indian reinsurers. It will be the responsibility of Indian insurer or Indian reinsurer to ensure before placing reinsurance business that the cross border reinsurer meets the requirements as specified by the Authority from time to time.

### **I.4.4. Insurance Pools**

#### **Terrorism Pool**

**I.4.4.1** The Indian Market Terrorism Risk Insurance Pool was formed as an initiative by all the non-life insurance companies in India in April 2002, after terrorism cover was withdrawn by international reinsurers post 9/11. The Pool has thus completed 13 years of successful operations. All Indian non-life insurance companies and GIC Re are members of the Pool. The Pool is administered by GIC Re. The Pool is applicable to insurance of terrorism risk covered under property insurance policies.

**I.4.4.2** The limit of indemnity per location has been enhanced to ₹1,500 crores w.e.f 1<sup>st</sup> April 2014, against the previous level of ₹1000 Crores. The premium rates have been revised downward under the Terrorism Pool arrangement w.e.f the same date.

**I.4.4.3** In order to improve the market penetration for Terrorism Risk Insurance with better marketing



by Brokers / Agents, Brokerage /Agency commission of upto 5% on Terrorism premium was allowed w.e.f. 01.01.2014 for Terrorism Insurance business procured through Brokers/Agents.

**I.4.4.4** The Pool's premium income for 2014-15 was ₹472.33 crore compared to ₹471.13 crore in 2013-14. The claims paid by the Pool during 2014-15 were ₹ 2.58 crore. No major losses were reported to the Pool during 2014-15.

#### **I.4.4.5 Obligatory Cession to GIC Re : Act provisions**

- a) Section 101 A of the Insurance Act 1938 stipulates that every insurer shall reinsure with the Indian reinsurer such percentage of the sum insured on each general insurance policy as may be specified by the Authority, which are also known as 'obligatory cessions' or 'statutory cessions', with the previous approval of the Central Government, after consultation with the Reinsurance Advisory Committee constituted under section 101B of the Act.
- b) The Authority may by notification specify the percentages of the sum insured on each policy to be reinsured with the Indian reinsurer and different percentages may be specified for different classes of insurance provided that no percentage so specified shall exceed 30 per cent of the sum insured on such policy.
- c) Section 101A (4) provides that a notification under sub-section (2) of Section 101A of the Insurance Act, 1938 may also specify the terms and conditions in respect of any business of re-insurance required to be transacted under this section and such terms and conditions shall be binding on Indian re-insurers and other insurers.

#### **I.4.4.6 Obligatory Cession to GIC Re for 2015-16**

1. The percentage cessions of the sum insured on each General Insurance policy to be reinsured with the Indian Reinsurer shall be 5% in respect of insurances attaching during the year 1<sup>st</sup> April 2015 to 31<sup>st</sup> March 2016.
2. For the year 2013-14, the obligatory cession was reduced to 5% on all lines of business as against 10% (except motor & health - including Personal Accident & Travel where the rate was 7.5%) in 2012-13. The rate of obligatory cession is maintained at 5% for the year 2014-15 and 2015-16 also.

#### **I.4.4.7 Re-insurance Advisory Committee**

As per Section 101A of the Insurance Act, 1938, every insurer shall reinsure with the Indian reinsurer such percentage of the sum insured on each general insurance policy as may be specified by the Authority, which are also known as 'obligatory cessions' or 'statutory cessions', with the previous approval of the Central Government, after consultation with the Reinsurance Advisory Committee.

For this purpose, the Authority may by notification

- a) specify the percentages of the sum insured on each policy to be reinsured with the Indian reinsurer and different percentages may be specified for different classes of insurance provided that no percentage so specified shall exceed 30 per cent of the sum insured on such policy; and
- b) specify the proportion in which said percentage shall be allocated among the Indian reinsurer.

TABLE I. 39 MEMBERS SHARE IN INDIAN MARKET TERRORISM RISK INSURANCE POOL

S.No	Member Company	2014-15		2015-16	
		Per risk Capacity (₹ In crore)	Share (in Percent)	Per risk Capacity (₹ In crore)	Share (in Percent)
1	General Insurance Corporation of India	237.615	15.841	237.615	15.841
2	National Insurance Co. Ltd.	178.215	11.881	178.215	11.881
3	The New India Assurance Co. Ltd.	237.615	15.841	237.615	15.841
4	The Oriental Insurance Co. Ltd.	178.215	11.881	178.215	11.881
5	United India Insurance Co. Ltd.	188.865	12.591	188.865	12.591
6	Bajaj Allianz General Insurance Co. Ltd.	74.640	4.976	74.640	4.976
7	Bharti AXA General Insurance Co. Ltd.	15.105	1.007	15.105	1.007
8	Cholamandalam General Insurance Co. Ltd.	29.505	1.967	29.505	1.967
9	Future Generali General Insurance Co. Ltd.	15.000	1.000	15.000	1.000
10	Govt. Insurance Fund, Gujarat	15.000	1.000	15.000	1.000
11	HDFC Ergo General Insurance Co. Ltd.	15.105	1.007	15.105	1.007
12	ICICI Lombard General Insurance Co. Ltd.	118.815	7.921	118.815	7.921
13	IFFCO-Tokio General Insurance Co. Ltd.	59.400	3.960	59.400	3.960
14	L&T General Insurance Co. Ltd.	15.105	1.007	15.105	1.007
15	Liberty Videocon General Insurance Co. Ltd.	15.105	1.007	15.105	1.007
16	Magma HDI General Insurance Co. Ltd.	7.500	0.500	7.500	0.500
17	Raheja QBE General Insurance Co. Ltd.	0.750	0.050	0.750	0.050
18	Reliance General Insurance Co. Ltd.	29.700	1.980	29.700	1.980
19	Royal Sundaram Alliance Insurance Co. Ltd.	15.000	1.000	15.000	1.000
20	SBI General Insurance Co. Ltd.	4.995	0.333	4.995	0.333
21	Shriram General Insurance Co. Ltd.	15.000	1.000	15.000	1.000
22	Tata-AIG General Insurance Co. Ltd.	23.760	1.584	23.760	1.584
23	Universal Sompo General Insurance Co. Ltd.	9.990	0.666	9.990	0.666
	<b>Total</b>	<b>1,500.000</b>	<b>100.000</b>	<b>1,500.000</b>	<b>100.000</b>

Note: - The share of Members for 2015-16 continues to remain the same as in the expiring year i.e. 2014-15.

**TABLE I.40**  
**REINSURANCE CEDED OUTSIDE INDIA**  
**ON INDIAN BUSINESS (Excluding GIC)**

(₹ crore)

Class	2013-14		2014-15	
	Premium Ceded	Net Profit Ceded	Premium Ceded	Net Profit Ceded
Fire	1,692.74	-412.49	2,220.44	-1,442.36
Marine Cargo	299.88	91.93	375.84	-5.33
Marine Hull	534.60	-69.54	628.55	-207.02
Motor	55.67	68.75	73.01	-28.36
Aviation	301.73	217.27	242.14	98.69
Engineering	590.55	-8.83	646.75	3.39
Other	2,822.46	545.10	3,021.31	211.93
Miscellaneous				
<b>Total</b>	<b>6,297.62</b>	<b>432.18</b>	<b>7,208.05</b>	<b>-1,369.08</b>

**TABLE I. 41**  
**REINSURANCE PLACED WITHIN INDIA**  
**AND OUTSIDE INDIA AS PER CENT OF GROSS**  
**DIRECT PREMIUM IN INDIA (Excluding GIC)**

Class	2013-14		2014-15	
	Placed In India	Placed Outside India	Placed In India	Placed Outside India
Fire	31.07	24.64	29.86	28.98
Marine Cargo	12.21	14.99	9.34	16.90
Marine Hull	32.78	49.68	21.89	59.70
Motor	9.12	0.22	8.35	0.20
Aviation	48.68	68.56	36.95	57.86
Engineering	32.01	24.45	27.24	27.30
Other	12.90	10.08	12.14	11.09
Miscellaneous				
<b>Total</b>	<b>14.14%</b>	<b>8.82%</b>	<b>12.76%</b>	<b>9.31%</b>

**TABLE I. 42**  
**NET RETAINED PREMIUM ON INDIAN BUSINESS**  
**AS PER CENT OF GROSS DIRECT PREMIUM (Excluding GIC)**

(In per cent)

Class	2013-14			2014-15		
	Public Sector	Private Sector	Total	Public Sector	Private Sector	Total
Fire	66.13	35.35	55.02	63.76	31.31	50.94
Marine Cargo	83.29	64.49	74.66	84.12	65.41	75.44
Marine Hull	24.11	7.22	22.63	26.15	8.71	24.53
Motor	93.46	90.06	91.72	95.30	89.17	92.04
Engineering	66.89	25.59	54.61	69.24	26.62	55.73
Aviation	-11.52	52.16	0.04	10.45	50.77	18.25
Other Misc	83.88	70.3	79.08	86.23	68.16	78.60
<b>Total</b>	<b>82.38</b>	<b>76.28</b>	<b>79.83</b>	<b>84.74</b>	<b>75.24</b>	<b>80.34</b>

#### I.4.4.8 Formation of Indian Motor Third Party Declined Risk Insurance Pool (DR Pool):

1. The Authority vide its order no. IRDA/NL/ORD/MPL/277/12/2011 dated 23<sup>rd</sup> December 2011 created a declined risk pool for Liability only commercial vehicle third party insurance with effect from 1<sup>st</sup> April 2012.

2. The purpose of creating the Indian Motor Third Party Declined Risk Insurance Pool (DR Pool) for commercial vehicles (liability only insurance) is to ensure equitable and fair sharing by all insurers; there are no supply side constraints; administering is simple; and also to bring claims management efficiency.

**TABLE I.43**  
**NET RETENTIONS OF NON LIFE INSURERS**  
**AS PER CENT OF GROSS DIRECT PREMIUM**  
**(INCLUDING GIC)**

(In per cent)

Class	2013-14	2014-15
Fire	69.24	64.54
Marine Cargo	85.99	81.59
Marine Hull	31.94	35.47
Motor	100.0	99.67
Engineering	71.07	71.80
Aviation	1.00	38.91
Other Misc	89.43	88.14
<b>Total</b>	<b>90.32</b>	<b>89.57</b>

- Under the DR Pool arrangements, each company will have its own underwriting manual having the underwriting parameters for accepting or ceding the risk to the pool, which shall be filed with the Authority.
- For the year 2014-15, the ceded risk shall be shared in the proportion of 20:5:75 by the ceding company, GIC (obligatory cession, for the year 2014-15: 5%) and the pool respectively.
- The Authority also stipulated that at no instance shall the insurer refuse to write the risk and any such refusal shall be seen as a violation of the Insurance Act, 1938 and shall invite penalty as per the Act.
- The declined risk premium for the year 2014-15 is ₹423.20 crore (100%), and the premium ceded to DR pool for the year 2014-15 is ₹317.40 crore (75%). The break-up of premium between public sector companies and private sector companies is as under: ₹423.20 crore (100%), and the premium ceded to DR pool for the year 2014-15 is ₹317.40

crore (75%). The break-up of premium between public sector companies and private sector companies is as under:

- The Authority vide its order no IRDA/NL/ORD/MPL/251/11/2014 dated 27<sup>th</sup> November 2014 declared the Ultimate Loss

**TABLE I.44**  
**PREMIUM UNDER DECLINED RISK POOL**  
**FOR THE YEAR 2014-15**

	Premium Ceded to DR Pool (75 %) ( ₹ crore)
Public Sector	288.31
Private Sector	29.09
<b>TOTAL</b>	<b>317.40</b>

Ratio for the year 2013-14 in respect of Declined Risk Pool at 175%, and accordingly, the pool administrator completed the final settlement for the year 2013-14 based on the ULR at 175%.

#### **1.4.4.9 Revision in Motor Third Party Premium Rates:**

- As per the notification no. IRDA/NL/NTFN/MOTP/066/04/2011 dated 15<sup>th</sup> April 2011, the Authority had to review the premium rates for motor third party liability only cover and adjust them annually using the formula specified therein.
- Accordingly, the formula has been applied on each of the classification codes as contained in the erstwhile All India Motor Tariff.
- However, looking into the sudden and adverse impact on the policyholders of increase in rates, the Authority moderated the rate by increasing or decreasing the rate accordingly in some of the classes of motor insurance, and notified the revised premium rates for motor third party insurance cover for the year

2015-16 vide notification no. IRDA/NL/NTFN/MOTP/054/03/2015 dated 31<sup>st</sup> March 2015.

#### I.4.5 MONITORING OF INVESTMENTS BY THE INSURERS

**I.4.5.1** All Insurers are required to adhere to the pattern of investments as stipulated under the investment regulations. The details of investments made by life and non-life insurance sector are given below:

##### Total Investment of the Insurance sector

**I.4.5.2** As on 31<sup>st</sup> March 2015, the accumulated total amount of investments made by the insurance sector was ₹24,08,236 Crore. During the year, it

#### Investments of Life Insurers

**I.4.5.3** The various sources of funds available for investment by life insurers can be classified as funds from traditional products and funds from ULIP products. The total amount of funds invested by life insurers as on 31<sup>st</sup> March 2015 was ₹22,47,522 crore. In that, ₹3,62,740 crore (16.14 per cent of total funds) has come from ULIP funds and the remaining ₹18,84,782 crore (83.86 per cent) was contributed by traditional products. The share of ULIP during last four years is facing a downward trend and its share last year went down by 0.80% when compared to its previous year. During the year under review, the ULIP Fund has increased in absolute number by ₹31,079 crore.

**TABLE I.45**  
**TOTAL INVESTMENTS OF THE INSURANCE SECTOR**  
(As on 31<sup>st</sup> March)

( ₹ crore)

INSURER	Life		Non-Life		Total	
	2014	2015	2014	2015	2014	2015
Public	1574296 (12.21)	1786312 (13.37)	93785 (12.12)	103561 (10.42)	1668081 (12.21)	1889873 (13.30)
Private	383169 (12.07)	461210 (20.37)	46025 (16.97)	57153 (24.18)	429194 (12.58)	518363 (20.78)
<b>Total</b>	<b>1957466</b> <b>(12.18)</b>	<b>2247522</b> <b>(14.82)</b>	<b>139809</b> <b>(13.67)</b>	<b>160714</b> <b>(14.95)</b>	<b>2097275</b> <b>(12.28)</b>	<b>2408236</b> <b>(14.83)</b>

**Note:** Figures in brackets represent growth in percentage over the previous year

has grown by 14.83 per cent. Life insurers continue to contribute a major share of total investments made by the industry with a share of 93.33 per cent of total investments. Similarly, public sector companies continue to contribute a major share (78.48 per cent) in total investments though investments by private sector insurers are growing at a fast pace in recent years.

**I.4.5.4** The pattern of investments made by life insurers witnessed not much change as on 31<sup>st</sup> March 2015 when compared to 31<sup>st</sup> March 2014. Central Government Securities and Approved Investments are two major avenues of investments by life insurers.

**TABLE I.46**  
**TOTAL INVESTMENTS OF LIFE INSURERS : INSTRUMENT-WISE**  
 (As on 31<sup>st</sup> March)

(₹ crore)

Investments From	2014		2015	
	Amount	Percentage	Amount	Percentage
<b>Traditional Products</b>				
1 Central Govt. Securities	604651	37.19	722955	38.36
2 State govt. and other approved securities	333951	20.54	430554	22.84
3 Housing & Infrastructure	155026	9.54	174512	9.26
4 Approved Investments	503059	30.94	530568	28.15
5 Other Investments	29118	1.79	26193	1.39
<b>A Total (1+2+3+4+5)</b>	<b>1625804</b>	<b>100.00</b>	<b>1884782</b>	<b>100.00</b>
<b>ULIP Funds</b>				
6 Approved Investments	322456	97.22	352371	97.14
7 Other Investments	9205	2.78	10369	2.86
<b>B Total (6+7)</b>	<b>331661</b>	<b>100.00</b>	<b>362740</b>	<b>100.00</b>
<b>Grand Total (A+B)</b>	<b>1957466</b>		<b>2247522</b>	

**TABLE I.47**  
**INVESTMENTS OF LIFE INSURERS : FUND-WISE**  
 (As on 31<sup>st</sup> March)

(₹ crore)

Insurer	Life Fund		Pension and General Annuity & Group Fund		Unit Linked Fund		Total of all Funds	
	2014	2015	2014	2015	2014	2015	2014	2015
LIC	1181000	1359829	298818	343812	94479	82671	1574296	1786312
Private	107225	135480	38761	45660	237183	280069	383169	461210
<b>Total</b>	<b>1288225</b>	<b>1495309</b>	<b>337579</b>	<b>389472</b>	<b>331661</b>	<b>362740</b>	<b>1957466</b>	<b>2247522</b>
	<b>(65.81)</b>	<b>(66.53)</b>	<b>(17.25)</b>	<b>(17.33)</b>	<b>(16.94)</b>	<b>(16.14)</b>	<b>(100.00)</b>	<b>(100.00)</b>

**Note:** Figures in brackets is percentage of respective funds to the total funds.

**I.4.5.5** Based on the method of classification of funds, Life fund contributed ₹14,95,309 crore (66.53 per cent), Pension and General Annuity & Group Fund ₹3,89,472 crore (17.33 per cent) and ULIP fund ₹3,62,740 (16.14 per cent) in total

investments. During 2014-15, the share of Pension/Annuity funds in total investment has gone up from 17.25 per cent to 17.33 per cent. Further, the shares of Life funds have moved up from 65.81 per cent to 66.53 per cent.

Correspondingly, the share of ULIP fund has come down from 16.94 per cent to 16.14 per cent.

#### Investments of Non-Life Insurers

**I.4.5.6** Non-Life insurers have contributed only 6.68 per cent of total investments made by the insurance industry. The total amount of investments made by the sector, as on 31<sup>st</sup> March 2015, was ₹1,60,714 crore. During 2014-15, the

net increase in investments was ₹20,905 crore (14.95 per cent growth over previous year).

**I.4.5.7** The pattern of investments made remained the same as was in the previous year. As on 31<sup>st</sup> March 2015, non-life insurers have invested ₹53,734 crore (33.43 per cent) and ₹42,904 crore (26.70 per cent) in Approved Investments and Central Government Securities respectively.

**TABLE I.48**  
**GROWTH OF INVESTMENTS: FUND-WISE**  
(As on 31<sup>st</sup> March)

(₹ crore)

Fund	2014		2015	
	Total	Growth in %	Total	Growth in %
Life	1288225	15.02	1495309	16.08
Pension & General Annuity & Group Fund	337579	19.55	389743	15.37
Traditional (A)	1625804	15.93	1884782	15.93
Unit Linked Funds (B)	331661	-3.17	362740	9.37
<b>Total (A+B)</b>	<b>1957466</b>	<b>12.18</b>	<b>2247522</b>	<b>14.82</b>

**TABLE I.49**  
**TOTAL INVESTMENTS OF NON-LIFE INSURERS : INSTRUMENT-WISE**  
(As on 31<sup>st</sup> March)

(₹ crore)

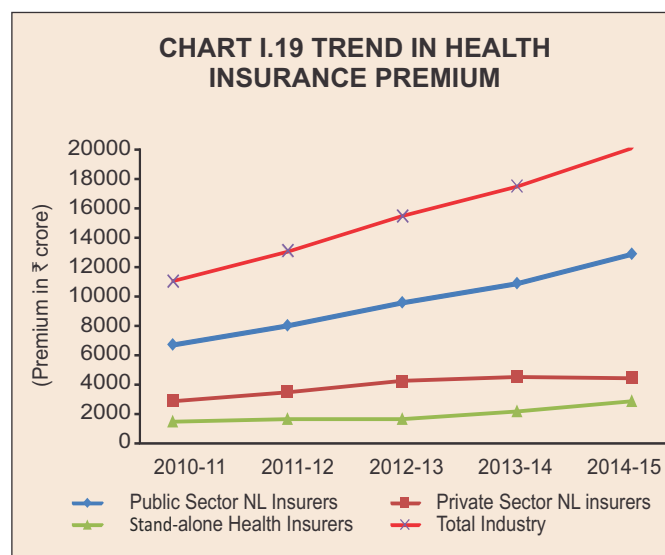
Pattern of Investments	2014		2015	
	Total	% to Fund	Total	% to Fund
Central Govt. Securities	35877	25.66	42904	26.70
State govt. and other approved securities	14326	10.25	17120	10.65
Housing and Loans to State Govt for Housing & FFE	12742	9.11	14834	9.23
Infrastructure Investments	24544	17.56	27277	16.97
Approved Investments	49264	35.24	53734	33.43
Other Investments	3056	2.19	4845	3.01
<b>Total</b>	<b>139809</b>	<b>100.00</b>	<b>160714</b>	<b>100.00</b>

**Note :** 1. Investments of CHNB, ECGC and AIC of India have not been included  
2. FFE : Fire Fighting Equipment

## I.4.6 Health Insurance Business

### Trend in Health Insurance Premium

**I.4.6.1** During 2014-15, the gross health insurance premium collected by non-life insurance companies was ₹20,096 crore. The premium has registered 14.87 per cent growth when compared to previous year's gross health insurance premium of ₹17,495 crore. The four public sector non-life insurance companies continue to contribute a major share of health insurance premium at 64 per cent of total health segment in 2014-15, registering a marginal increase of 2% of the market share over the preceding year. Stand-alone health insurers contributed 14 per cent of total health insurance premium during 2014-15, which is increased by 2%



**TABLE I.50 TREND IN HEALTH INSURANCE PREMIUM OVER THE PAST FIVE YEARS**

(₹ crore)(% of market share)

Market share	2010-11	2011-12	2012-13	2013-14	2014-15
Public Sector Non-Life Insurers	6689 (61%)	8015 (61%)	9580 (62%)	10841 (62%)	12882 (64%)
Private Sector Non-Life insurers	2850 (26%)	3445 (27%)	4205 (27%)	4482 (26%)	4386 (22%)
Stand-alone Health Insurers	1492 (13%)	1609 (12%)	1668 (11%)	2172 (12%)	2828 (14%)
<b>Total Non-Life Industry</b>	<b>11,031</b>	<b>13,070</b>	<b>15,453</b>	<b>17,495</b>	<b>20,096</b>

Note: Figures in the bracket indicates the market-share of various sectors in total HI Premium.

over the previous year's market share. While there is a marginal increase in the share of Public Sector and Stand-alone health insurers, there is a drop in the share of Private non-life insurers, whose market share has come down from 26 per cent in 2013-14 to 22 per cent in 2014-15.

### Classification of Health Insurance Business:

**I.4.6.2** Health insurance business is classified into Group health insurance (Other than Government Sponsored), Government Sponsored health insurance and Individual health insurance. Over

the past five years, there is a marked increase in the share of individual health insurance premium in total health insurance premium - increasing from 35 per cent in 2010-11 to 44 per cent in 2014-15. On the other hand, the share of Government sponsored health insurance business in total health insurance premium has come down from 20 per cent in 2010-11 to 12 per cent in 2014-15. However, the share of group health insurance business (other than Government business) in total health insurance premium remains static around 45 per cent for the past five financial years.



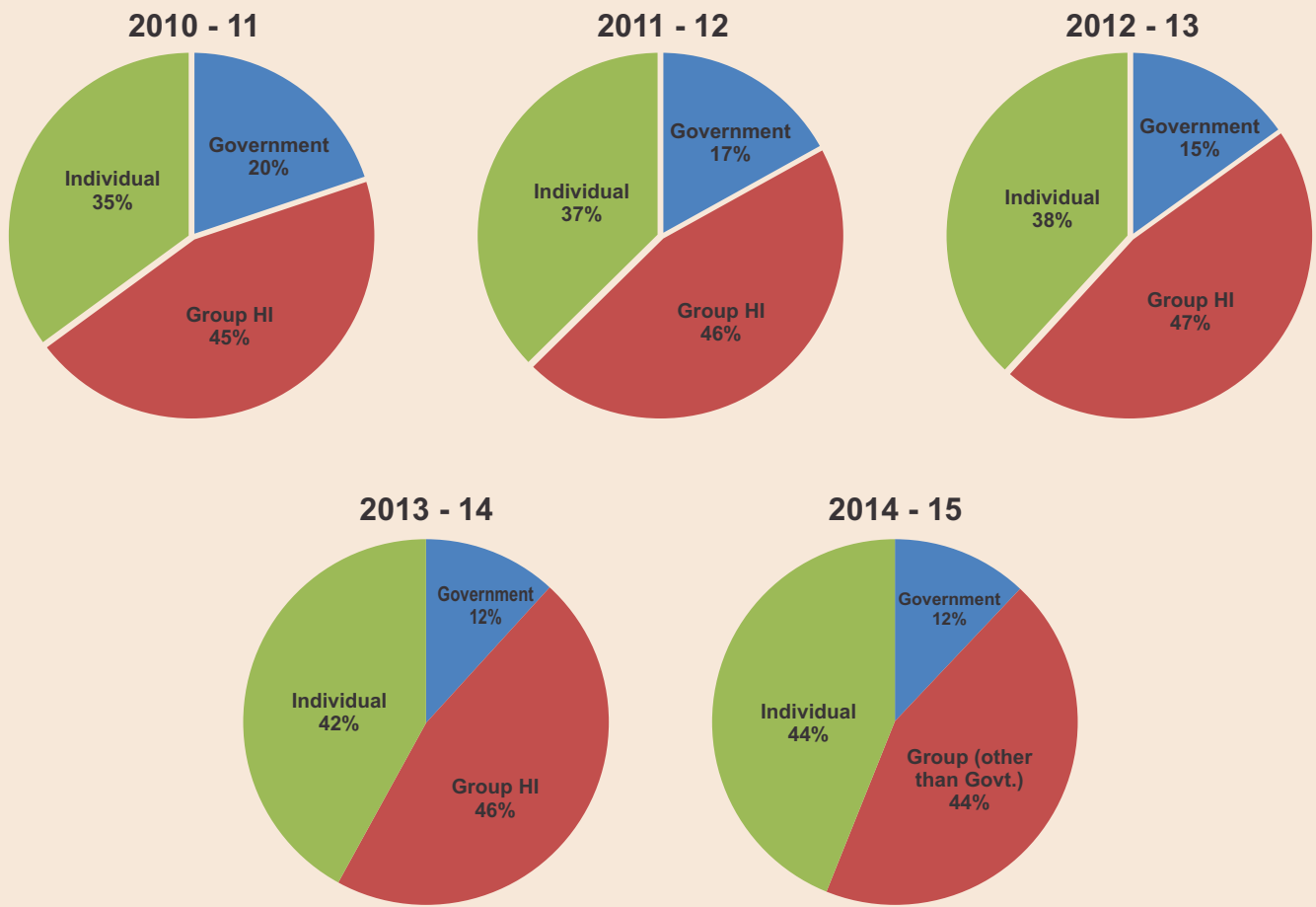
TABLE I.51 CLASSIFICATION OF HEALTH INSURANCE PREMIUM

(₹ crore)

Class of Business	2010-11	2011-12	2012-13	2013-14	2014-15
Government	2198 (20%)	2225 (17%)	2347 (15%)	2082 (12%)	2425 (12%)
Group (other than Govt.)	4952 (45%)	5948 (46%)	7186 (47%)	8058 (46%)	8899 (44%)
Individual	3881 (35%)	4897 (37%)	5919 (38%)	7355 (42%)	8772 (44%)
<b>Total</b>	<b>11031</b>	<b>13070</b>	<b>15453</b>	<b>17495</b>	<b>20096</b>

Note: Figures in bracket indicates the share of each class of business in total health insurance premium.

CHART I.20 CLASSIFICATION OF HEALTH INSURANCE BUSINESS (IN TERMS OF GROSS PREMIUM)



**Number of policies issued & Number of persons covered under Health insurance business:**

**I.4.6.3** During 2014-15, the non-life insurance industry has issued around 1.09 crore health insurance policies which covered a total number of 28.80 crore persons. While Government Sponsored health insurance schemes covered a total population of 21.43 crore (74 per cent of total number of persons covered), health insurance

policies underwritten by non-life / standalone health insurers on commercial lines, covered a total of 7.37 crore persons (26 per cent of all persons covered). The business data reveals that there is a significant increase in the number of persons covered through both Government Schemes and Group Insurance business, while the number of persons covered through individual insurance business registered a marginal decline.

**CHART I.21 NUMBER OF PERSONS COVERED SHARE OF DIFFERENT CLASS OF BUSINESS**

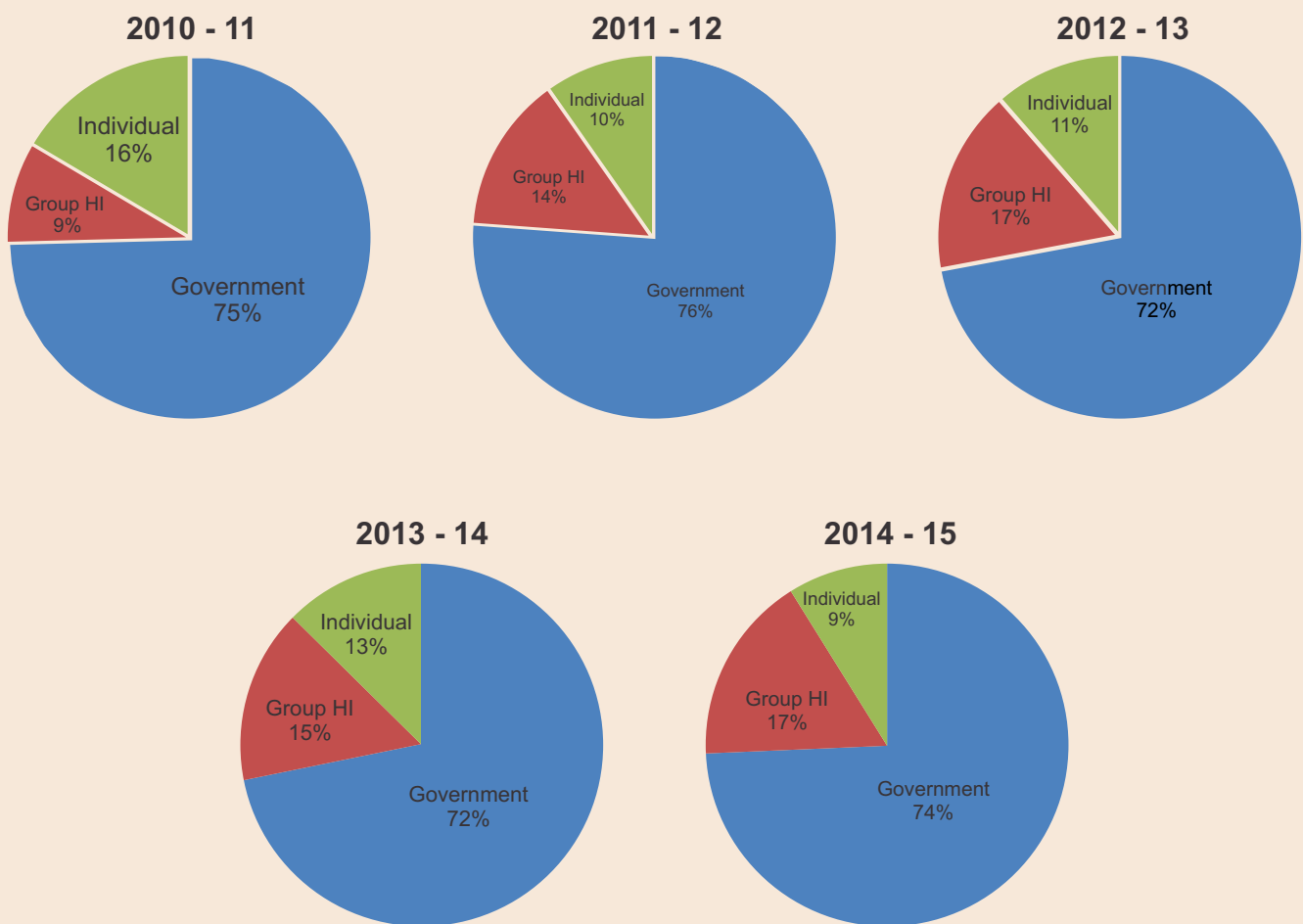


TABLE I.52 NUMBER OF PERSONS COVERED UNDER HEALTH INSURANCE

(In lakh)

Class of Business	2010-11	2011-12	2012-13	2013-14	2014-15
Government	1891	1612	1494	1553	2143
Group (other than Govt.)	226	300	343	337	483
Individual	418	206	236	272	254
<b>Total</b>	<b>2535</b>	<b>2118</b>	<b>2073</b>	<b>2162</b>	<b>2880</b>

### Trend in Incurred Claims Ratio

**I.4.6.4** One of the concerns of health insurance segment has been the persistence of high Incurred Claims Ratio (ICR), which is witnessing increasing trend over the years. While the net ICR was 94 per cent for 2011-12 and 2012-13, it went up to 97 per cent in 2013-14 and it was 101 per cent for the year 2014-15.

Among the various class of health insurance business, the net ICR is high particularly for Group (Other than Government) business which was more than 100 per cent for each of the preceding four years and it is also consistently increasing over the years. During 2014-15, the net ICR of Government sponsored health insurance business has witnessed a significant rise to 108 per cent breaching its average level of 90 per cent

witnessed during the preceding three years.

### Personal Accident Business:

**I.4.6.5** During 2014-15, the Non-Life Insurance industry has covered a total of 32.31 crore persons under the Personal Accident Insurance. Over the previous year, the number of persons covered under PA policies has gone up by 14.85 crore (85 per cent growth), mainly on account of 14.07 crore number of persons covered under Pradhan Mantri Jan-Dhan Yojana (PMJDY) Scheme by M/s HDFC Ergo General Insurance co. Ltd. There is a decreasing trend in the number of persons covered under Personal Accident insurance by public sector insurers while there is an increasing trend in the number of persons covered through private sector insurers.

During the FY 2014-15, the gross premium income from Personal Accident insurance business was ₹2153 crore, growing at the rate of 24.59 per cent over previous year. Private sector non-life insurers contributed 63 per cent of total premium. While public sector non-life insurers contributed 33 per cent of premium, the rest 4 per cent was contributed by the stand-alone health insurers.

The Incurred Claims Ratio (ICR) for this line of business was 58.82 per cent for FY 2014-15.

TABLE I.53 NET INCURRED CLAIMS RATIO OF HEALTH INSURERS

(In Per cent)

Class of Business	2011-12	2012-13	2013-14	2014-15
Government	90%	87%	93%	108%
Group (other than Govt.)	100%	104%	110%	116%
Individual	85%	83%	83%	81%
<b>Total</b>	<b>94%</b>	<b>94%</b>	<b>97%</b>	<b>101%</b>

TABLE I. 54 NUMBER OF PERSONS COVERED UNDER PERSONAL ACCIDENT INSURANCE BUSINESS

(In lakh)

	2011-12	2012-13	2013-14	2014-15
Public Sector Non-Life Insurers	1578	1265	753	764
Private Sector Non-Life insurers	456	698	972	2437
Stand-alone Health Insurers	18	21	21	30
<b>Total Industry</b>	<b>2052</b>	<b>1984</b>	<b>1746</b>	<b>3231</b>

TABLE I.55 TREND IN PERSONAL ACCIDENT INSURANCE PREMIUM

(in ₹ crore)

	2011-12	2012-13	2013-14	2014-15
Public Sector Non-Life Insurers	682 (49%)	650 (41%)	614 (36%)	708 (33%)
Private Sector Non-Life insurers	672 (49%)	918 (57%)	1,060 (61%)	1351 (63%)
Stand-alone Health Insurers	34 (2%)	39 (2%)	55 (3%)	94 (4%)
<b>Total Industry</b>	<b>1,388</b>	<b>1,609</b>	<b>1,729</b>	<b>2153</b>

**Note:** Figures in Bracket indicates the share of each sector in total PA business

### Overseas Travel Insurance:

**I.4.6.6** During 2014-15, non-life insurance sector has issued 22.62 lakh overseas travel insurance policies, covering 2.04 crore persons. The Gross Premium income from Overseas Travel Insurance business for FY 2014-15 was ₹465 crore. The same was ₹457 crore during the previous FY 2013-14. In this line of business, the share of Public sector insurers was small at 9 per cent. While Private non-life insurers have 87 per cent

share in gross premium, the share of Stand-alone health insurers in this line of business was 4 per cent. Though there are ten insurers selling Overseas Travel insurance policies, only three insurers namely Tata AIG (35 per cent market share), Bajaj Allianz (22 per cent) and ICICI Lombard (17 per cent) contributed three-fourth of total market share in this line of business.

The Incurred Claims Ratio (ICR) for this line of business was 50.69 per cent for the FY 2014-15.

TABLE I.56 TREND IN OVERSEAS TRAVEL INSURANCE PREMIUM

(in ₹ crore)

	2011-12	2012-13	2013-14	2014-15
Public Sector Non-Life Insurers	30	43	46	41
Private Sector Non-Life insurers	295	325	393	402
Stand-alone Health Insurers	17	19	18	21
<b>Total Industry</b>	<b>342</b>	<b>387</b>	<b>457</b>	<b>465</b>

## HEALTH INSURANCE AS A CLASS OF BUSINESS

Historically Health insurance is recognized as one of the important elements of health care. While the prevalence of health infrastructure and the technological advancements in medical field may offer a succor, they do not completely substitute for health insurance. The insurance sector in India which initially covered certain areas like life, motor, marine insurance is gradually making rapid strides to cover the exclusive health risks contingent on human lives. Health insurance premiums have been registering a significant CAGR of 24.6 per cent in the preceding ten years. The Gross health insurance premium underwritten which was ₹ 2221 crore in the year 2005-06 has increased to ₹ 20,096 crore by 2014-15. The number of lives covered under Health insurance policies during FY 2014-15 was 28.80 crore. As per the Census of India 2011, the population of India was 121.02 crore. As such, assuming that only one policy has been issued to one person, it may be estimated that approximately 24 per cent of India's total population has been covered under any of the health insurance policies during the FY 2014-15.

It is projected that the non life industry has the potential to reach ₹ 4, 80,000 crore of Gross Written Premium by 2025. With about 25% market share in the non life industry at present, the health insurance segment has a significant role in covering various sections of Indian population who are otherwise insurable, but not covered with any health insurance scheme. With a projected insurable population of about 1 billion for health insurance by 2025, the average life expectancy expected to be reaching 74 years by 2020 (from the existing 66 years) and about 75% of medical expenses of average households at present being met out of pocket, it is widely considered that health insurance has a rewarding role to play.

Report of the committee on India Vision 2020 constituted by the then Planning Commission in its report in December 2002 has already recognized that health insurance can play an invaluable role in improving health care system in India. With the draft 'National Health Policy of 2015' targeting to influence the growth of the private health care industry and medical technologies to ensure alignment with public health goals; it is expected that there will be significant development in the availability of health infrastructure. Availability of health infrastructure also spurs the demand for health insurance.

With an increase in the number of non-life insurers, there has been a significant improvement in the product innovation in the health insurance segment. Innovation in product development also offers ample opportunity to various categories of the population to get covered with much needed and specific health insurance solutions. Products are being brought out by various players for various non communicable diseases such as diabetes, cancer etc. The demand for specific health insurance solutions also leads to product innovation, which in turn enhances the penetration of health insurance. During the year 2014-15, under various Governments sponsored health insurance schemes (including RSBY) 21.25 crore lives (provisional figures) were covered. This is a potential market base down the line. When income earning capacity of these persons improves they will turn as the potential market segment to buy the voluntary insurance from the insurance companies.

Under these circumstances; keeping in view both the need and the potentiality of the sector, Insurance Laws (Amendment) Act, 2015 recognized Health Insurance as a class of business enabling the incorporation of standalone health insurance companies.

Section (6) (c) of the Act defined health insurance business as 'effecting of contracts which provide for sickness benefits or medical, surgical or hospital expense benefits, whether in-patient or out-patient travel cover and personal accident cover'. It is a milestone for the Indian Insurance Business and to all the stakeholders to recognize health insurance as a standalone class.

Recognition of health insurance as a standalone class of business is sure to usher in an era of improving an access to the health services to the entire range of population, thereby reducing the share of 'out of pocket' expenses in the overall expenses incurred towards health expenses. Recognizing health insurance as a class may result in a number of players entering this field as standalone health insurers. Insurance being the business of large numbers, it is essential that there is a demand from a wide range of the targeted population to enable the insurers to offer the range of products that cater to their health insurance needs. Availability of a number of players who offer health insurance solutions also enhances health insurance awareness leading to a reasonable demand that in turn helps in offering health insurance products at economical prices. Incidentally, the Government has also increased the maximum Foreign Direct Investment cap to 49% in the year 2014-15. This increase in FDI cap, coupled with recognizing Health Insurance as a special class, is likely to attract a number of players offering a range of health insurance solutions to the Indian insuring public.

**Domestic Travel Insurance:**

**I.4.6.7** The gross premium income from Domestic Travel insurance business was ₹16.06 crore during FY 2014-15. While none of the stand-alone health insurers sell domestic travel insurance policies, this line of business has been generated by six private non-life insurers and one public sector insurer namely National Insurance company. Two private insurers namely ICICI Lombard and TATAAIG hold major market share in this line of business at 54 per cent and 44 per cent respectively. During 2014-15, the industry has issued 14 lakh insurance policies covering 14 lakh individuals.

The ICR for this line of business for the entire industry was 1.14 per cent for FY 2014-15.

**State-wise distribution of health insurance business**

**I.4.6.8** State-wise distribution of health insurance business has shown much skewed distribution of health business across various States & Union territories of India. While five states namely Maharashtra, Tamil Nadu, Karnataka, Delhi UT and Gujarat contributed 71 per cent of total health insurance premium, the rest 31 States/UTs contributed 29 per cent of total Health insurance premium. The state of Maharashtra alone contributed ₹6575 crore (33 per cent) of total

health insurance premium. On the other hand, the health insurance premium from 8 sister States of North Eastern India (including the state of Sikkim) was only ₹158 crore (0.79 per cent) for 2014-15.

**Channel wise distribution of Health insurance premium**

**I.4.6.9** Among the various channels of distribution, individual agents continue to contribute a major share of total health insurance premium at 35 per cent. Their share in individual health insurance premium was still higher at 70 per cent.

“Direct sales –other than online” is the second major channel for distribution of health insurance business. This channel contributed 29 per cent in total health insurance premium. The share of this channel was very high at 45 per cent in group health insurance premium.

Another important channel for distribution of health insurance business is Brokers, who contributed 26 per cent in total health insurance premium. Here again, the share of Brokers was high at 43 per cent in group health insurance premium.

Bancassurance contributed 7 per cent of total health insurance premium and Online sale of health insurance policies contributed 1 per cent of total health insurance premium.

**TABLE I.57 TREND IN DOMESTIC TRAVEL INSURANCE GROSS PREMIUM**

(in ₹ crore)

	2011-12	2012-13	2013-14	2014-15
Public Sector Non-Life Insurers	0.03	0.04	0.03	0.01
Private Sector Non-Life insurers	14.22	15.43	12.32	16.05
Stand-alone Health Insurers	0.0	0.0	0.0	0.0
<b>Total Industry</b>	<b>14.25</b>	<b>15.47</b>	<b>12.35</b>	<b>16.06</b>

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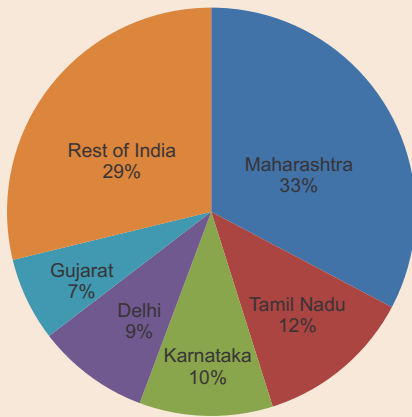
**TABLE I.58 SHARE OF TOP 5 STATES IN HEALTH INSURANCE PREMIUM FOR FY 2014-15**

State/ UT	Group Business (other than RSBY & Govt Sponsored Schemes)		Government Business (only of RSBY & Other Govt Sponsored Schemes)		Individual Business		Total HI Business	
	(Amount in ₹ Crore)	% age share in National premium	(Amount in ₹ Crore)	% age share in National premium	(Amount in ₹ Crore)	% age share in National premium	(Amount in ₹ Crore)	% age share in National premium
Maharashtra	3,468	39%	750	31%	2,357	27%	6,575	33%
Tamil Nadu	1,237	14%	482	20%	768	9%	2,487	12%
Karnataka	1,521	17%	92	4%	509	6%	2,123	10%
Delhi	853	10%	7	0%	923	11%	1,783	9%
Gujarat	123	1%	69	3%	1,140	13%	1,331	7%
Rest of India	1,696	19%	1,026	42%	3,076	35%	5,798	29%
<b>Total</b>	<b>8,898</b>	<b>100%</b>	<b>2,425</b>	<b>100%</b>	<b>8,772</b>	<b>100%</b>	<b>20,096</b>	<b>100%</b>

**TABLE I.59 SHARE OF VARIOUS CHANNELS OF DISTRIBUTION - NUMBER OF POLICIES ISSUED AND AMOUNT OF PREMIUM FOR FY 2014-15**

Name of the Channel	Individual Business		Group Business		Total (Individual + Group)	
	No. of policies Issued	Gross Premium	No. of policies Issued	Gross Premium	No. of policies Issued	Gross Premium
Brokers	3%	3%	7%	43%	3%	26%
Corporate Agent - Banks	15%	12%	52%	4%	16%	7%
Corporate Agent - Other than Banks	2%	4%	11%	1%	3%	2 %
Direct Sale - Online	2%	3%	0%	0%	2%	1%
Direct Sale - Other than Online	9%	8%	17%	45%	9%	29%
Individual Agents	69%	70%	13%	8%	67%	35%
Micro-insurance Agents	0.005%	0.000%	0%	0.008%	0.013%	0.004%
<b>Total of all channels</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

**CHART I.22 SHARE OF STATES IN TOTAL HEALTH INSURANCE PREMIUM FY 2014-15**

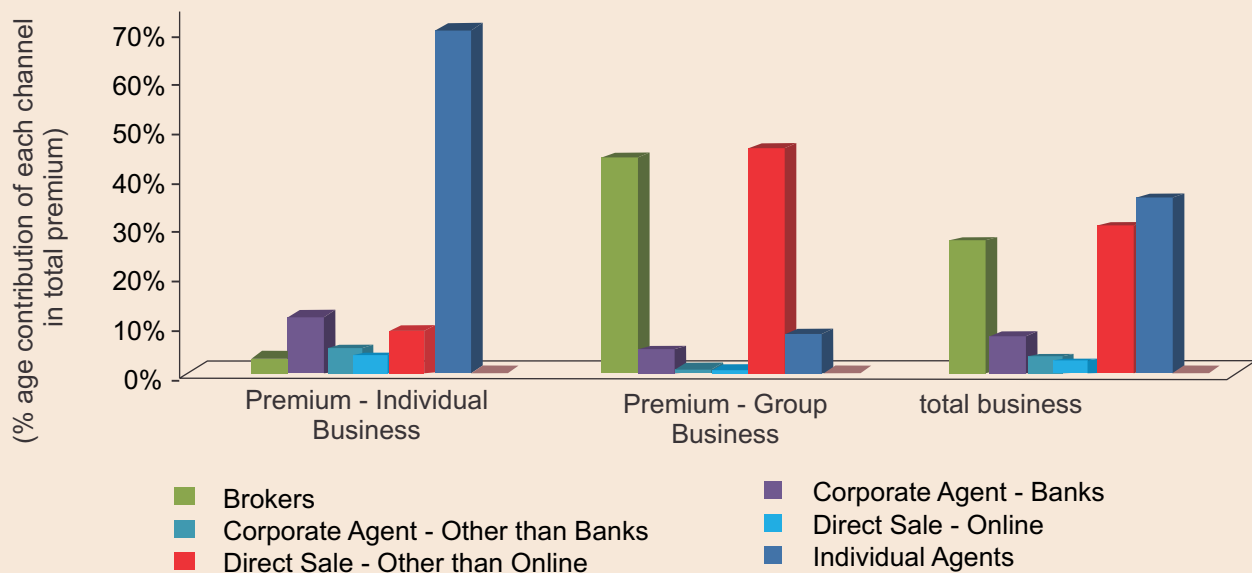


The following are the observations from the analysis of table Nos. I.60, I.61, I.62.

- During the FY 2014-15, the non-life insurance sector has settled 92.36 lakh number of health insurance claims and paid an amount of ₹18,223 crore towards health insurance claims.
- Among them, 55 per cent of the claims were settled through TPAs and the balance were settled through in-house.

- In terms of number of claims settled, 65 per cent of the total claims were settled by cashless mode. The remaining 35 per cent of the claims are settled through reimbursement mode.
- The share of cashless claims settled in total number of claims settled is high at 82 per cent in case of in-house settlement, whereas in case of TPA the same is 52 per cent.
- The number of claims pending at the end of the year at 6.50 lakh is much lower than the number of claims pending at the beginning of the year at 10.07 lakh indicating improvement in claims service of insurers.
- During the year, insurers have repudiated 8 per cent of the number of claims handled. Claims repudiation was high for benefit based policies at 22 per cent. While insurers have repudiated 13 per cent of claims submitted under reimbursement, they have repudiated only 5 per cent of claims submitted under cashless claims.

**CHART I.23 CONTRIBUTION OF VARIOUS CHANNELS IN HI PREMIUM**





## HEALTH INSURANCE CLAIMS DEVELOPMENT DURING 2014-15

**TABLE I. 60**  
**CLAIMS HANDLED THROUGH TPAs**

(Numbers in Actual) (Amount in ₹ Lakh)

Particulars	Cashless		Reimbursement		Benefit Based		Total	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Claims pending at the beginning of the period	2,14,691	25,957	1,41,908	37,705	162	60	3,56,761	63,722
New claims registered during the period	29,48,225	8,93,386	27,43,720	9,05,460	1,108	195	56,93,053	17,99,041
Claims settled during the period	26,81,472	6,67,282	24,38,734	6,34,613	611	144	51,20,817	13,02,039
Claims repudiated during the period	1,87,695	76,773	3,05,101	1,08,203	476	76	4,93,272	1,85,052
Claims pending at the end of the year	2,93,749	1,75,288	1,41,793	2,00,348	183	35	4,35,725	3,75,672

**TABLE I. 61**  
**CLAIMS HANDLED DIRECTLY BY THE INSURERS IN - HOUSE**

(Numbers in Actual) (Amount in ₹ Lakh)

Particulars	Cashless		Reimbursement		Benefit Based		Total	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Claims pending at the beginning of the period	5,74,592	19,037	73,570	82,394	1,873	4,551	6,50,035	1,05,982
New claims registered during the period	30,93,065	2,53,136	9,40,609	3,72,422	19,122	32,057	40,52,796	6,57,615
Claims settled during the period	33,61,565	2,15,294	7,39,047	2,81,385	14,351	23,575	41,14,963	5,20,253
Claims repudiated during the period	1,68,769	36,656	2,00,771	1,03,541	4,382	6,992	3,73,922	1,47,188
Claims pending at the end of the year	1,37,323	20,223	74,361	69,891	2,262	6,040	2,13,946	96,155

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**TABLE I. 62  
CLAIMS HANDLED DIRECTLY BY THE INSURERS (BOTH THROUGH TPAs AND IN-HOUSE)**

(Numbers in Actual) (Amount in ₹ Lakh)

Particulars	Cashless		Reimbursement		Benefit Based		Total	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Claims pending at the beginning of the period	7,89,283	44,994	2,15,478	1,20,099	2,035	4,611	10,06,796	1,69,704
New claims registered during the period	60,41,290	11,46,522	36,84,329	12,77,882	20,230	32,252	97,45,849	24,56,656
Claims settled during the period	60,43,037	8,82,576	31,77,781	9,15,998	14,962	23,719	92,35,780	18,22,293
Claims repudiated during the period	3,56,464	1,13,428	5,05,872	2,11,744	4,858	7,068	8,67,194	3,32,240
Claims pending at the end of the year	4,31,072	1,95,512	2,16,154	2,70,239	2,445	6,076	6,49,671	4,71,827

**HEALTH INSURANCE - AGING OF SETTLED CLAIMS DURING 2014-15**

**TABLE I. 63  
AGING OF CLAIMS HANDLED THROUGH TPAs**

(Numbers in Actual) (Amount in ₹ Lakh)

Claims pending for	Cashless		Reimbursement		Benefit Based		Total	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
< 1 Month	21,90,358	4,95,263	18,31,059	3,34,443	350	54	40,21,767	8,29,760
1 to 3 months	4,07,339	1,42,313	4,10,911	1,75,762	179	39	8,18,429	3,18,113
3 to 6 months	60,796	22,712	1,49,255	94,191	61	37	2,10,112	1,16,940
6 to 12 months	21,095	5,884	37,537	25,505	15	11	58,647	31,401
1 to 2 years	1,474	936	7,203	3,461	3	1	8,680	4,398
> 2 years	410	175	2,769	1,252	3	1	3,182	1,428
<b>Total</b>	<b>26,81,472</b>	<b>6,67,282</b>	<b>24,38,734</b>	<b>6,34,614</b>	<b>611</b>	<b>144</b>	<b>51,20,817</b>	<b>13,02,040</b>

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**TABLE I. 64 AGING OF CLAIMS HANDLED BY THE INSURERS IN-HOUSE**

(Numbers in Actual) (Amount in ₹ Lakh)

Claims pending for	Cashless		Reimbursement		Benefit Based		Total	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
< 1 Month	29,20,013	1,93,826	5,96,635	2,31,219	10,512	10,421	35,27,160	4,35,465
1 to 3 months	3,75,939	17,735	1,01,294	32,540	2,508	8,193	4,79,741	58,468
3 to 6 months	63,262	2,798	32,830	11,649	953	3,621	97,045	18,068
6 to 12 months	2,210	883	6,519	4,572	306	1,121	9,035	6,577
1 to 2 years	109	41	1,096	506	54	201	1,259	748
> 2 years	32	12	673	898	18	18	723	927
<b>Total</b>	<b>33,61,565</b>	<b>2,15,294</b>	<b>7,39,047</b>	<b>2,81,385</b>	<b>14,351</b>	<b>23,575</b>	<b>41,14,963</b>	<b>5,20,254</b>

**TABLE I. 65 AGING OF CLAIMS HANDLED DIRECTLY BY THE INSURERS (BOTH THROUGH TPAs AND IN-HOUSE)**

(Numbers in Actual) (Amount in ₹ Lakh)

Claims pending for	Cashless		Reimbursement		Benefit Based		Total	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
< 1 Month	51,10,371	6,89,088	24,27,694	5,65,662	10,862	10,475	75,48,927	12,65,226
1 to 3 months	7,83,278	1,60,047	5,12,205	2,08,302	2,687	8,232	12,98,170	3,76,581
3 to 6 months	1,24,058	25,510	1,82,085	1,05,840	1,014	3,658	3,07,157	1,35,008
6 to 12 months	23,305	6,767	44,056	30,078	321	1,132	67,682	37,977
1 to 2 years	1,583	977	8,299	3,967	57	202	9,939	5,146
> 2 years	442	186	3,442	2,150	21	19	3,905	2,355
<b>Total</b>	<b>60,43,037</b>	<b>8,82,576</b>	<b>31,77,781</b>	<b>9,15,999</b>	<b>14,962</b>	<b>23,719</b>	<b>92,35,780</b>	<b>18,22,293</b>

The following are the details of analysis of table Nos. I.63, I.64, I.65.

- 82 per cent of claims were settled within 1 month of submission of claim.
- Only in 0.15 per cent of the cases, claims settlement delayed by more than one year.

#### **I.4.6.10 Third Party Administrators (TPAs)**

During the year 2014-15, certificate of registration was granted to only one TPA, namely Health Insurance TPA of India Ltd. and the registrations were renewed for fourteen TPAs, the details of which are given in Table I.66

As on 31<sup>st</sup> March, 2015 there are thirty TPAs registered with the Authority rendering health services in the insurance industry. The physical presence of TPAs was also augmented by opening branches at various locations and during the year TPAs have 161 branch offices in the country.

The number of network hospitals as at 31st March, 2015 are increased to 50,118 as against 40,521 network hospitals as at 31st March, 2014. The enrollment of more number of network hospitals indicates the efforts of the TPA industry to facilitate accessing of health services with ease by various categories of health insurance policyholders.

As the health insurance segment showed

significant growth during the financial year 2014-15, the number of claims serviced by TPAs also increased. During 2014-15, all 30 TPAs settled 51,20,817 claims, of which 66.48% claims were settled within one month.

**TABLE I.66  
NAMES OF TPAs WHOSE  
REGISTRATIONS WERE RENEWED DURING 2014-15**

Sl. No.	Name of TPA
1	Medi Assist India TPA Pvt. Ltd.
2	Raksha TPA Pvt. Ltd.
3	MD India Healthcare (TPA) Services (Pvt.) Ltd.
4	Safeway TPA Services Pvt. Ltd
5	E Meditek (TPA) Services Ltd.
6	Medicare TPA Services (I) Pvt. Ltd.
7	Paramount Health Services (TPA) Pvt. Ltd.
8	Vidal Health TPA Private Limited
9	Family Health Plan (TPA) Ltd.
10	Focus Health Services TPA Pvt. Ltd.
11	Heritage Health TPA Pvt. Ltd.
12	Med Save Health Care TPA Ltd.
13	Anmol Medicare TPA Ltd.
14	Alankit Health Care TPA Limited

## I.4.7 BUSINESS IN THE RURAL AND SOCIAL SECTORS

### Gist of existing Regulations

**I.4.7.1** The Regulations framed by the Authority on the obligations of the insurers towards rural and social sector stipulated targets to be fulfilled by insurers on an annual basis. In terms of these regulations, insurers are required to cover year wise prescribed targets (i) in terms of number of lives under social obligations; and (ii) year wise prescribed targets in terms of percentage of policies to be underwritten and percentage of total gross premium income written direct by the life and non-life insurers respectively under rural

obligations. The regulations require insurers to underwrite business in these segments based on the year of commencement of their operations and the applicable targets are linked to the year of operations of each insurer. For meeting these obligations, the regulations further provide that, if an insurance company commences operations in the second half of the financial year and is in operations for less than six months as at 31st March of the relevant financial year (i) no rural or social sector obligations shall be applicable for the said period; and (ii) the annual obligations as indicated in the Regulations shall be reckoned from the next financial year which shall be considered as the first year of operations for the purpose of compliance. In cases where an insurance company commences operations in the first half of the financial year, the applicable obligations for the first year shall be 50 per cent of the obligations as specified in these Regulations.

### Fulfillment of Obligations of life insurers during 2014-15

#### Rural Sector Obligations

**I.4.7.2** During 2014-15, all the twenty three private sector life insurance companies had fulfilled their rural sector obligations. The number of policies underwritten by them in the rural sector as a percentage of the total policies underwritten in the year 2014-15 was as per the obligations applicable to them.

**I.4.7.3** The lone public sector insurer, Life Insurance Corporation of India was compliant with its obligations in the rural sector, by writing a higher percentage of policies in rural sector than the prescribed 25 per cent for 2014-15.

**I.4.7.4** The life insurers underwrote 65.34 lakh policies in the rural sector, viz., 25.3 percent of the new individual policies (258.74 lakh policies) underwritten by them in 2014-15. LIC underwrote 25.65 per cent of the new policies and private insurers underwrote 23.9 per cent of their new individual policies in the rural sector.

TABLE I.67  
TPA - CLAIMS DATA FOR THE FY 2014-15

Claims outstanding at the beginning of the year		Claims re-opened during the year			Claims received during the year			Total Claims(A) + (B) + (C)			
(A)		(B)			(C)			(D)			
Cashless	Reimbursement	Total	Cashless	Reimbursement	Total	Cashless	Reimbursement	Total	Cashless	Reimbursement	Total
2,14,691	1,42,070	3,56,761	23233	74650	97883	29,24,992	26,70,178	55,95,170	31,62,916	28,86,898	60,49,814

CLAIMS SETTLED DURING THE YEAR (DURATION WISE)											
<= 1 Month		>1 to >= 3 Months			>3 <= 6 Months			> 6 Months			
Cashless	Reimbursement	Total	Cashless	Reimbursement	Total	Cashless	Reimbursement	Total	Cashless	Reimbursement	Total
21,90,358 (69.25)	18,31,409 (63.44)	40,21,767 (66.48)	4,07,339 (12.88)	4,11,090 (14.24)	8,18,429 (13.53)	60,796 (1.92)	1,49,316 (5.17)	2,10,112 (3.47)	22,979 (0.73)	47,530 (1.65)	70,509 (1.17)

Total Claims Settled		Claims repudiated during the year			Claims Outstanding at the end of the year			
(E)		(F)			(G)=(A+B+C-E-F)			
Cashless	Reimbursement	Total	Cashless	Reimbursement	Total	Cashless	Reimbursement	Total
26,81,472 (84.78)	24,39,345 (84.50)	51,20,817 (84.64)	1,87,695 (5.93)	3,05,577 (10.58)	4,93,272 (8.15)	2,93,749 (9.29)	1,41,976 (4.92)	4,35,725 (7.20)

Figure in the brackets indicate the ratio (in per cent) of claims settled / rejected / closed to the total of Column 'D' of the table.

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**TABLE I.68  
TPA INFRASTRUCTURE FOR F.Y. 2014-15**

<b>Sl. No</b>	<b>Name of the TPA</b>	<b>No. of Hospitals in the Network at the beginning of the year</b>	<b>No. of Hospitals added to the Network during the year</b>	<b>No. of Hospitals withdrawn / removed from Network during the year</b>	<b>* Total No. of Hospitals in the Network at the end of the year</b>	<b>No. of Branches at the end of the year</b>	<b>Manpower at the end of the year</b>
1	Alankit Health Care TPA Ltd.	4008	9	8	4009	10	33
2	Anmol Medicare TPA Ltd.	1162	958	93	148	1	28
3	Anyuta TPA in Health Care Pvt. Ltd.	86	22	0	108	3	15
4	Dedicated Healthcare Services TPA (India) Pvt. Ltd.	3457	294	255	3496	23	404
5	E Meditek (TPA) Services Ltd.	5242	212	36	5418	82	768
6	East West Assist TPA Pvt. Ltd.	4126	24	5	4145	5	92
7	Ericson TPA Healthcare Pvt. Ltd.	2902	362	0	3264	0	44
8	Family Health Plan (TPA) Ltd.	4162	551	150	4563	18	682
9	Focus Health Services TPA Pvt. Ltd.	1482	132	15	1599	2	14
10	Genins India TPA Ltd.	3676	206	40	3842	19	246
11	Good Health TPA Services Ltd.	4647	416	346	4717	13	285
12	Grand Health Care TPA Services Pvt Ltd	1631	51	0	1682	10	75
13	Happy Insurance TPA Services	808	438	0	1246	2	10
14	Health India TPA Pvt. Ltd.	3574	592	52	4114	38	749
15	Heritage Health TPA Pvt. Ltd.	3281	766	16	4031	16	406
16	MD India Healthcare Services (TPA) Pvt. Ltd.	8804	706	115	9395	72	2512
17	Med Save Health Care TPA Ltd.	6131	720	18	6833	55	330
18	Medi Assist India TPA Pvt. Ltd.	5162	664	432	5394	41	2628
19	Meidcare TPA Services (I) Pvt. Ltd.	3795	794	193	4396	18	337
20	Paramount Health Services (TPA) Pvt. Ltd.	5181	5765	300	10646	22	1375
21	Park Mediclaim TPA Pvt Ltd	1893	33	4	1926	5	124
22	Raksha TPA Pvt. Ltd.	3229	378	40	3567	45	550
23	Rothshield Healthcare (TPA) Services Ltd	1898	235	0	2133	8	30
24	Safeway TPA Services Pvt. Ltd.	3928	358	15	4271	5	148
25	Spurthi Meidtech (TPA) Solutions Pvt. Ltd.	3444	260	1	3704	5	48
26	Sri Gokulam Health Services TPA (P) Ltd.	1409	189	0	1598	6	26
27	United Healthcare Parekh TPA Pvt. Ltd.	3260	836	41	4055	4	178
28	Vidal Health TPA Pvt. Ltd.	6013	185	52	6146	16	1287
29	Vipul Med Corp TPA Private Ltd.	6471	1205	136	7676	26	630
30	Health Insurance TPA of India Ltd.	0	0	0	0	1	13
	<b>TOTAL</b>	<b>40521</b>	<b>10238</b>	<b>782</b>	<b>50118</b>	<b>161</b>	<b>4746</b>

\* Hospitals may be repeated under different TPAs

## Social Sector Obligations

**I.4.7.5** All the 23 private life insurers had fulfilled their social sector obligations during 2014-15. The number of lives covered by them in the Social Sector was above that stipulated in the IRDA (Obligations of Insurers to Rural or Social Sectors) Regulations 2002.

**I.4.7.6** LIC was compliant with its social sector obligations, having covered more number of lives (205.96 lakhs) than the prescribed 20 lakh lives as obligations for 2014-15. Private Life insurers had covered 97.40 lakh social lives.

## Obligations of non-life insurers

### Rural Sector Obligations

**I.4.7.7** Except Max Bupa, All the twenty one private non life insurance companies were compliant with their rural sector obligations in the financial year 2014-15. The gross direct premium underwritten by them in the said sector, as a percentage of total premiums underwritten by them in the financial year 2014-15, was above the prescribed stipulations.

**I.4.7.8** The Gross Direct Premium underwritten by Max Bupa in the Rural Sector is 3.93% of Total Gross Premium Underwritten by them in the financial year 2014-15. The Authority is initiating penal action against this insurer for the non-compliance under section 105A of the insurance Act, 1938.

**I.4.7.9** All the public sector insurers complied with the rural sector obligations for the financial year 2014-15. With respect to public sector insurers, their obligations was seven per cent of the quantum of insurance business written by them in the financial year 2014-15

**I.4.7.10** All the non life insurers underwrote a gross direct premium of ₹9602 crore in the rural sector viz. 11.97 per cent of the gross direct premium underwritten ( ₹80243 crore) by them in the

financial year 2014-15. Public and Private insurers underwrote 11.96 per cent and 11.98 per cent of their gross direct premium respectively in the rural sector.

## Social Sector Obligations

**I.4.7.11** All other twenty two private non life insurance companies were compliant with the social sector obligations during the financial year 2014-15. The number of lives covered by them in the social sector was higher than the regulations prescribed.

**I.4.7.12** The four public sector insurers complied with the social sector obligations for the financial year 2014-15. With respect to the public sector insurers, their obligations for the financial year 2014-15 were same as those applicable for in the financial year 2012-13 and 2013-14 in terms of number of lives covered by the respective insurers in the social sector or 5.50 lakh lives whichever is higher

**I.4.7.13** In the social sector 2832.56 lakh lives was covered during the financial year 2014-15. The contribution of private sector was 262.03 lakh lives and public sector accounted for 2570.53 lakh lives.

## I.4.8 FINANCIAL REPORTING AND ACTUARIAL STANDARDS

### Appointed Actuary System

**I.4.8.1** The Appointed Actuary system is in place for more than a decade in Indian Insurance Industry. Every Insurer is required to appoint an actuary known as Appointed Actuary. The Appointed Actuary is responsible for rendering actuarial advice to the management of the insurer, in particular in the areas of product design and pricing. Insurance contract wording, investments and reinsurance; ensuring solvency of the company and complying with the Authority's directions from time to time. The Appointed Actuary has access to all the information or documents in possession or under control of the insurer if such

access is necessary for the proper and effective performance of the functions and duties of the Appointed Actuary.

#### **I.4.9 ANTI-MONEY LAUNDERING/ COUNTER FINANCE OF TERRORISM (AML/CFT) PROGRAMME**

##### **AML/CFT GUIDELINES**

**I.4.9.1** Empowered by the Prevention of Money Laundering Act (PMLA) and the rules framed there under, the AML/CFT guidelines (the guidelines) to the insurance sector were first issued in March 2006. Since then the insurance sector has been working towards an effective AML/CFT regime in India. The guidelines emphasize the importance of the customer due diligence processes, reporting obligations and record keeping requirements as required under the PMLA.

**I.4.9.2** Insurers have laid down systems and processes towards implementation of various requirements under the broad oversight of their Board through the audit committee. There is a regular review of the effectiveness of the systems through the insurer's internal audit/inspection departments. Compliance with the guidelines is also monitored by IRDAI through both on-site and off-site processes.

##### **Cash Acceptance Threshold**

**I.4.9.3** The insurance sector is very similar to the banking sector in that both are vehicles and instrumentalities for encouraging savings amongst the people in the country. The insurance laws in the country also mandate that a certain proportion of every company's business must emanate from the rural sector. Given the vast number of villages in India, compared to which the spread of banks is limited, to remove the hindrances posed by the restrictions on acceptance of cash, the IRDAI had aligned the stipulation with that prevalent in the banking sector. This was also aimed at encouraging insurance companies to tap rural

business effectively, consequently improving on insurance penetration and density.

**I.4.9.4** The requirement was also in line with the CBDT notification S.O. 1214 (E) dated 26th May, 2011 amending Rule 114B of the Income-tax Rules, 1962, inserting clause (q) which requires every person to quote his permanent account number (PAN) in all documents pertaining to the transactions where there is a payment of an amount aggregating to fifty thousand rupees or more in a year as life insurance premium to an insurer as defined in clause (9) of section 2 of the Insurance Act 1938 (4 of 1938).

**I.4.9.5** In order to have tighter controls as regards 'acceptance of premium in cash', the IRDAI has mandated stringent controls like the requirement of verification of the PAN number so obtained from the customer. Insurers are also required to lay down proper mechanisms to check any kind of attempts to avoid disclosure of PAN details. In case of possible attempts to circumvent the requirements, insurers are directed to report the same as suspicious activity to Financial Intelligence Unit India (FIU-IND).

##### **AML/CFT guidelines applicable to non-life insurance companies**

**I.4.9.6** Considering the fact that AML/CFT requirements applicable to non-life insurance companies differ from those applicable to life insurance companies, the guidelines have been modified to meet the nuances of typical characteristics of the non-life insurance business. Various related aspects were widely deliberated with all the non-life insurance companies through the General Insurance Council. A consolidated circular on various stipulations/requirements of AML/CFT framework, as applicable to non-life insurance companies, was issued in February 2013. Through this circular, insurers have been advised to apply the AML/CFT requirements based on their risk assessment of each of the product's



profile. The earlier exemption given to standalone medical and health insurance policies now stands withdrawn.

### **International Cooperation/Information Sharing**

**I.4.9.7** Post India's membership into the Financial Action Task Force (FATF) in June 2010, India has been working on the Action Plan committed to FATF Secretariat. The IRDAI has accomplished various action points committed. Effective May 2013, IRDAI is a signatory to the Multilateral Memorandum of Understanding (MMOU) of International Association of Insurance Supervisors (IAIS) which provides an international platform for cooperation and sharing of information. Further, the IRDAI (Sharing of Confidential Information Concerning Domestic or Foreign Entity) Regulations, 2013 are in place which provides for the manner in which / bodies with which confidential information can be shared with other regulatory bodies.

### **Coordination with various agencies/ departments**

**I.4.9.8** IRDAI is in active coordination with various agencies/departments in ensuring effective implementation of AML/CFT regime in India and is part of the Steering Committee and Core Working Group for Anti-Money Laundering constituted by the Department of Revenue. IRDAI is also part of the Core Working Group (CWG) constituted by the Department of Economic Affairs (FATF Cell) for implementation of revised recommendations of FATF.

**I.4.9.9** In addition, the IRDAI is also actively associated with the Eurasian Group on Combating Money Laundering and Financing of Terrorism (EAG), a FATF style regional body. The IRDAI had actively participated in the 17th EAG Plenary and Working Group meetings held in New Delhi in November 2012 and the project of 'best practices paper on information exchange' has been assigned to India.

**I.4.9.10** IRDAI has initiated regular interaction with the Financial Intelligence Unit-India (FIU-IND) and actively took part in the working group constituted with industry representatives on finalization of report on the 'Red Flag Indicators for Insurance Sector'. IRDAI is also part of the Department of Financial Services, initiative of building Central KYC Registry.

**I.4.9.11** IRDAI and FIU-IND signed a Memorandum of Understanding (MoU) on Mutual Cooperation on 29th January 2014 as part of continued coordinated efforts in effective implementation of requirements of the Prevention of Money Laundering Act and the rules framed thereunder.

According to the MoU, IRDAI and FIU-IND will cooperate with each other in areas of mutual interest including the following:

- a) Sharing of intelligence and information available in their respective databases.
- b) Laying down procedure and manner in which the reporting entities report to FIU-IND under the PML (Maintenance of Records) Rules.
- c) Conducting outreach and training for reporting entities.
- d) Upgradation of AML/CFT skills reporting entities regulated by IRDAI.
- e) Assessment of Anti-Money laundering/ Combating Financing of Terrorism (AML/CFT) risks and vulnerabilities in the insurance sector.
- f) Identification of red flag indicators for Suspicious Transaction Reports (STRs) in the insurance sector.
- g) Supervising and monitoring the compliance of reporting entities with their obligations under PMLA.

h) Compliance with each other's obligations under the relevant international standards.

#### I.4.10 CROP INSURANCE:

The various flagship programmes of AIC and performance under such programmes are detailed as under:-

##### National Agricultural Insurance Scheme (NAIS):

**I.4.10.1** The Scheme was introduced during Rabi 1999-2000 season replacing Comprehensive Crop Insurance Scheme (CCIS). The Scheme was implemented by Agriculture Insurance Company of India limited, on behalf of Ministry of Agriculture. The main objective of the Scheme was to protect the farmers against the losses suffered by them due to crop failure on account of natural calamities, such as drought, flood, hailstorm, cyclone, fire, pest/ diseases, etc., so as to indemnify the losses and restore their credit worthiness for the ensuing season. The Scheme was available to all the farmers both, loanee and non loanee irrespective of the size of their holding. The Scheme envisages coverage of all crops including cereals, millets, pulses, oilseeds and annual commercial and horticultural crops in respect of which past yield data is available.

**I.4.10.2** As per provisions of NAIS, the flat and capped premium rates were charged for food crops

and oilseeds and actuarial rates were charged for annual commercial and horticultural crops. Premium subsidy of 10% was allowed for small and marginal farmers, shared equally by Central and State Government. However, some State and Union Territory Governments were also providing higher subsidy to small and marginal farmers and subsidy to other farmers.

**I.4.10.3** During Kharif 2014 season under NAIS, 0.97 crore farmers spread over 216 Districts of 10 States/UTs were covered insuring 1.15 crore hectare with sum insured of ₹24387.84 crore with gross premium of ₹844.65 crore.

**I.4.10.4** Since introduction in 1999 till Kharif 2014 season, NAIS covered about 23.33 crore farmers insuring 34.85 crore hectare area for sum insured of ₹365389.75 crore against premium of ₹11026.18 crore. Claims amounting to ₹35692.08 crore out of the reported claims of ₹37050.74 crore have so far been settled benefitting 6.44 crore farmers. Claims figure are likely to increase as some claims for Kharif 2014 season have yet to be finally settled.

**I.4.10.5** The Government of India withdrew this Scheme from Rabi 2013-14 season and introduced National Crop Insurance Programme (NCIP). However, GOI continued NAIS in 2015-16 on request from State/UT Governments.

**TABLE I.69**  
**NATIONAL AGRICULTURAL INSURANCE SCHEME (NAIS)**

(In ₹ lakh)

S.No.	Season	No. of Farmers Insured	Sum Insured	Premium	Claims Reported
1	Rabi 2011-12	5239299	1128393.63	25767.81	54320.16
2	Kharif 2012	10649354	2719906.05	87874.18	278578.90
3	Rabi 2012-13	6141677	1571008.05	44769.98	205254.95
4	Kharif 2013	9749600	2900218.30	97752.19	310027.16
5	Rabi 2013-14	3973588	1255204.10	29752.22	104275.74
6	Kharif 2014	9683529	2438783.90	84465.84	289683.52

**National Crop Insurance Programme (NCIP):**

**I.4.10.6** The most important change is the introduction of NCIP from 1st November 2013 consequent to the withdrawal of NAIS. NCIP has three component Schemes viz. Modified National Agriculture Insurance Scheme (MNAIS), Weather Based Crop Insurance Scheme (WBCIS) and Coconut Palm Insurance Scheme (CPIS). MNAIS and WBCIS are being implemented by AIC and 10 other insurance companies.

**Modified National Agricultural Insurance Scheme (MNAIS):**

**I.4.10.7** The Scheme before incorporation in NCIP was piloted from Rabi 2010-11 to Kharif 2013. The modified version has many improvements viz. Insurance Unit for major crops are village panchayat or other equivalent unit; in case of prevented / failed sowing claims up to 25 percent of the sum insured is payable, post-harvest losses caused by cyclonic rains are assessed at farm level for the crop harvested and left in 'cut & spread' condition up to a period of 2 weeks in coastal areas; individual farm level assessment of losses in case of localized calamities, like hailstorm and landslide; on-account payment up to 25% of likely claim as advance, for providing immediate relief to farmers

in case of severe calamities; threshold yield based on average yield of past seven years, excluding up to two years of declared natural calamities; minimum indemnity level of 80 percent is available (instead of 60 percent in NAIS); and premium rates are actuarial supported by up-front subsidy in premium, which ranges from 40% to 75%, equally shared by Centre and States. Insurer is responsible for the claims liabilities. AICIL has been implementing MNAIS since its inception. During Kharif 2014, the MNAIS was implemented by AIC in 133 Districts across 13 States and during Rabi 2014-15 in 87 Districts across 9 States.

**I.4.10.8** During Kharif 2014 season, 0.23 crore farmers were covered insuring 0.31 crore hectare with sum insured of ₹4054.12 crore with gross premium of ₹ 469.76 crore.

Since introduction as pilot in Rabi 2010-11 to Kharif 2014, MNAIS covered about 0.97 crore farmers insuring 1.08 crore hectare area for sum insured of ₹22195.89 crore against premium of ₹2377.81 crore. Claims amounting ₹2111.36 crore were reported benefitting more than 26.61 lakhs farmers.

**TABLE I.70**  
**MODIFIED NATIONAL AGRICULTURAL INSURANCE SCHEME (MNAIS)**

(In ₹ lakh)

S.No.	Season	No. of Farmers Insured	Sum Insured	Gross Premium	Claims Reported
1	Rabi 2011-12	617328	163181.19	15506.86	7264.40
2	Kharif 2012	1605822	438424.52	51101.60	61077.94
3	Rabi 2012-13	805609	162406.22	17948.57	4626.48
4	Kharif 2013	1429499	429557.29	53280.57	61951.09
5	Rabi 2013-14	2163549	441179.85	37314.38	43924.88
6	Kharif 2014	2347611	405412.47	46976.92	23022.86

### Weather Based Crop Insurance Scheme (WBCIS):

**I.4.10.9** Apart from the above two yield guarantee insurance Schemes, the Government of India had introduced another Pilot namely, Pilot Weather Based Crop Insurance Scheme (WBCIS) with effect from Kharif 2007, which became full-fledged Scheme as a component of NCIP with its introduction. The Scheme operates on an actuarial basis with premium subsidy which ranges from 25% to 50% equally shared by Centre and States. AIC has since implemented the Scheme in various States during all previous Kharif and Rabi seasons starting Kharif 2007. WBCIS is a parametric insurance product designed to provide insurance protection to the cultivator against adverse weather incidence during the cultivation period, such as deficit & excess rainfall, frost, heat (temperature), relative humidity, wind speed etc., which are deemed to adversely impact the crop yield.

**I.4.10.10** Crops and 'Reference Unit Areas (RUA)' are notified before the commencement of the season by the State Government Each RUA is linked to a Reference Weather Station (RWS), on

the basis of which payout/ claims are processed. The payouts are made on the basis of adverse variations in the current season's weather parameters as measured at Reference Weather Station (RWS). Claim under WBCIS is area based and automatic. The Company insured more than 35 different crops including perennial crops like Apple, Citrus crops, Grapes, Mango, Pomegranate, Cashew nut, Oil palm, etc. During Kharif 2014, the scheme was implemented by AIC in 102 Districts across 14 and during Rabi 2014-15 in 88 Districts across 11 States.

**I.4.10.11** During Kharif 2014 season, 0.24 crore farmers were covered insuring 0.27 crore hectare with sum insured of ₹6008.99 crore with gross premium of ₹ 621.23 crore.

Since introduction as pilot in Kharif 2007 to Kharif 2014, WBCIS covered about 3.45 crore farmers insuring 4.63 crore hectare area for sum insured of ₹63501.19 crore against premium of ₹6022.31 crore. Claims amounting ₹4701.73 crore became payable benefitting more than 216.32 lakhs farmers.

**TABLE I.71  
WEATHER BASED CROP INSURANCE SCHEME (WBCIS)**

(In ₹ lakh)

S.No.	Season	No. of Farmers Insured	Sum Insured	Gross Premium	Claims Reported
1	Rabi 2011-12	3169918	669577.58	55754.43	58211.10
2	Kharif 2012	3547463	724009.97	72647.97	54697.44
3	Rabi 2012-13	3706834	646623.46	57562.09	77740.13
4	Kharif 2013	5000339	891262.43	89820.20	66692.59
5	Rabi 2013-14	1287898	311593.89	28610.78	29798.38
6	Kharif 2014	2455421	600899.01	62123.08	55089.77

**Coconut Palm Insurance Scheme (CPIS):**

**I.4.10.12** AIC in collaboration with Coconut Board designed Scheme for coconut i.e. Coconut Palm Insurance Scheme (CPIS) is now a component of NCIP. The Scheme is available to all Coconut growing States/UTs in the country. Dwarf and Hybrid coconut palms in age range of 4 to 60 year and Tall variety coconut palms in age range of 7 to 60 year are eligible for coverage. On premium, 50% subsidy will be paid by Coconut Development Board (CDB) and 25% by State Government concerned and balance 25% of the premium will be paid by farmer / grower. In case, the State Government does not agree to bear 25% share of premium, farmers / growers will be required to pay 50% of premium, if interested in insurance Scheme.

**I.4.10.13** Besides, the above AIC has developed various crop insurance products for risk mitigation of various crops viz. Rainfall Insurance Scheme-Coffee (RISC) in collaboration with Coffee Board, Rubber Plantation Insurance, Bio-Fuel Plants Insurance, Grapes Insurance, Mango Weather Insurance, Potato Contract Farming Insurance, Pulpwood Tree Insurance, Rabi Weather Insurance, and Varsha Bima / Rainfall Insurance.

**Utilisation of agency network of GIPSA companies:**

**I.4.10.14** In order to increase the penetration of crop insurance it has been decided to use the agency network of the four GIPSA Companies to sell crop insurance. In this regard IRDA has given its approval for the Co-Insurance arrangement between AIC and the four GIPSA Companies which will cover only Non-Loanee farmers under WBCIS and MNAIS in addition to some In House products.

As per the Co-Insurance agreement and MOU, business will be co-shared in the ratio of 51:49 with AIC and the four GIPSA Companies. Also, the Company shall be solely and exclusively responsible for claim assessment and payment so as to ensure smooth implementation of the Schemes. Claim paid are also co shared between AIC and GIPSA Companies.

**I.4.11 Micro Insurance**

**I.4.11.1** In order to facilitate penetration of micro insurance to the lower income segments of population, IRDA has formulated the micro insurance regulations. Micro Insurance Regulations, 2005 provide a platform to distribute

**TABLE I.72**  
**COCONUT PALM INSURANCE SCHEME (CPIS)**

(In ₹ lakh)

S.No.	Year	No. of Farmers Insured	Sum Insured	Gross Premium	Claims Reported
1	2009-10	45	112.32	0.66	0.00
2	2010-11	35019	19904.24	106.08	30.26
3	2011-12	8454	5510.95	29.77	92.47
4	2012-13	12279	7843.90	40.57	76.80
5	2013-14	13970	8694.60	70.87	95.49
6	2014-15	2845	2500.56	17.60	30.75

insurance products, which are affordable to the rural and urban poor and to enable micro insurance to be an integral part of the country's wider insurance system.

**I.4.11.2** The main thrust of micro insurance regulations is protection of low income people with affordable insurance products to help cope with and recover from common risks with standardized popular insurance products adhering to certain levels of cover, premium and benefit standards. These regulations have allowed Non Government Organizations (NGOs) and Self Help Groups (SHGs) to act as agents to insurance companies in marketing the micro insurance products and have also allowed both life and non-life insurers to promote combi-micro insurance products.

**I.4.11.3** The Authority has reviewed the Micro Insurance Regulations, 2005 comprehensively and notified IRDAI (Micro Insurance) Regulations, 2015 permitting several more entities like Business Correspondents of Scheduled commercial banks, District Co-operative banks, Regional Rural Banks, Urban Co-operative banks, Primary agricultural co-operative societies, other co-operative societies, RBI regulated NBFC-MFI's to improve penetration of Micro Insurance.

## Life Insurance Sector

**I.4.11.4** While the individual new business premium under the micro insurance segment for the year 2014-15 stood at ₹28.89 Crore for 8.16 lakh new policies, the group business premium amounted to ₹315.60 crore covering 2.31 crore lives.

LIC contributed to a significant component of the business procured in this portfolio by garnering ₹16.40 crores of individual new business premium under 4 lakh policies and ₹281.93 crore of group premium covering 2.06 Crore lives.

**I.4.11.5** The number of micro insurance agents at the end of March 2015 stood at 20855; of which 19379 agents pertained to the LIC and the remaining represented the private sector companies. Thirteen life insurers had 21 micro insurance products as at 31.3.2015. Of these 21 products, 13 were Individual products and the remaining 8 were Group products.

## Non-Life Sector

**I.4.11.6** The Government of India set up a consulting group in 2003 to examine the existing insurance schemes for the rural poor; and on the basis of the group's recommendations, the

**TABLE 1.73**  
**NEW BUSINESS UNDER MICRO-INSURANCE PORTFOLIO FOR 2014-15**

(Premium in ₹ Lakh)

	Individual		Group		
	Policies	Premium	Schemes	Premium	Lives covered
Private Total	416027	1249.22	62	3366.22	2531436
LIC	400341	1640.23	5417	28193.80	20596725
<b>Industry Total</b>	<b>816368</b>	<b>2889.45</b>	<b>5479</b>	<b>31560.02</b>	<b>23128161</b>

**Note:** New business premium includes first year premium and single premium.

Authority issued IRDA ( Micro insurance ) Regulations, 2005.

**I.4.11.7** In case of non-life business, there are a number of products offered (e.g. Janata Personal Accident Policy, Gramin Personal Accident Policy, Cattle/Livestock insurance, etc.) by the non-life insurance companies targeting the lower income segment.

**I.4.11.8** There are a number of products offered by all registered non-life insurance companies targeting low income segment of the population, e.g. Janata Personal Accident Policy, Gramin Personal Accident Policy, Cattle/Livestock insurance, etc. Further, there are a number of

tailor-made/group micro insurance policies offered by private and public insurers for the benefit of these segments. Micro insurance being a low price-high volume business, its success and sustainability depends mainly on keeping the transaction costs down.

**I.4.11.9** Section 32B and 32C of the Insurance Act, 1938 and IRDA (Obligations of insurers to rural or social sectors) Regulations stipulate obligations to insurers in respect of rural and social sector, which have also contributed a lot in development and promotion of micro insurance products by insurers in India.

**TABLE I.74  
DETAILS OF MICRO-INSURANCE AGENTS OF LIFE INSURERS - 2014 - 15**

<b>Insurer</b>	<b>As on 1<sup>st</sup> April, 2014</b>	<b>Additions</b>	<b>Deletions</b>	<b>As on 31<sup>st</sup> March, 2015</b>
Private Total	1656	53	233	1476
LIC	18401	1790	812	19379
<b>Industry Total</b>	<b>20057</b>	<b>1843</b>	<b>1045</b>	<b>20855</b>

**TABLE I.75  
INDIVIDUAL DEATH CLAIMS UNDER MICRO- INSURANCE PORTFOLIO - 2014-15**

(Benefit Amount in ₹ Lakhs)

<b>Life Insurer</b>	<b>Total Claims</b>		<b>Claims paid</b>		<b>Claims repudiated</b>		<b>Claims pending at end of year</b>	
	<b>No of Policies</b>	<b>Benefit Amount</b>	<b>No of Policies</b>	<b>Benefit Amount</b>	<b>No of Policies</b>	<b>Benefit Amount</b>	<b>No of Policies</b>	<b>Benefit Amount</b>
Private Total	1814	405.39	1773	339.86	40	63.83	1	1.69
			97.74%	83.84%	2.21%	15.75%	0.06%	0.42%
LIC	11582	1845.48	11365	1817.67	207	25.45	9	2.35
			98.13%	98.49%	1.79%	1.38%	0.08%	0.13%
<b>Industry Total</b>	<b>13396</b>	<b>2250.87</b>	<b>13138</b>	<b>2157.53</b>	<b>247</b>	<b>89.28</b>	<b>10</b>	<b>4.04</b>
			<b>98.07%</b>	<b>95.85%</b>	<b>1.84%</b>	<b>3.97%</b>	<b>0.07%</b>	<b>0.18%</b>

**Note:** The percentages indicate the those of the respective total claims.

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**TABLE I.76 GROUP DEATH CLAIMS UNDER MICRO-INSURANCE PORTFOLIO - 2014-15**

(Benefit Amount in ₹ Lakhs)

Life Insurer	Total Claims		Claims paid		Claims repudiated		Claims written back		Claims pending at end of year	
	No of Lives	Benefit Amount	No of Lives	Benefit Amount	No of Lives	Benefit Amount	No of Lives	Benefit Amount	No of Lives	Benefit Amount
Private Total	5655	1252.09	5517	1218.38	18	4.96	0	0.00	120	28.75
			97.56%	97.31%	0.32%	0.40%			2.12%	2.30%
LIC	127836	41477.61	127751	41443.90	76	31.28			9	2.43
			99.93%	99.92%	0.06%	0.08%			0.01%	0.01%
<b>Industry Total</b>	<b>133491</b>	<b>42729.70</b>	<b>133268</b>	<b>42662.28</b>	<b>94</b>	<b>36.24</b>	<b>0</b>	<b>0.00</b>	<b>129</b>	<b>31.18</b>
			<b>99.83%</b>	<b>99.84%</b>	<b>0.07%</b>	<b>0.08%</b>			<b>0.10%</b>	<b>0.07%</b>

**Note:** The percentages indicate the those of the respective total claims.

**TABLE I.77 DURATION-WISE OF DEATH CLAIMS SETTLED IN MICRO-INSURANCE INDIVIDUAL CATEGORY - 2014-15**

(No. of Policies)

Life Insurer	Duration since intimation					Total Claims Settled
	Within 30 Days	31 to 90 Days	91 to 180 Days	181 Days to 1 Year	More than 1 Year	
Private Total	1691	70	10	0	2	1773
	95.38%	3.95%	0.56%	0.00%	0.11%	100.00%
LIC	11365	0	0	0	0	11365
	100.00%	0.00%	0.00%	0.00%	0.00%	100.00%
<b>Industry Total</b>	<b>13056</b>	<b>70</b>	<b>10</b>	<b>0</b>	<b>2</b>	<b>13138</b>
	<b>99.38%</b>	<b>0.53%</b>	<b>0.08%</b>	<b>0.00%</b>	<b>0.02%</b>	<b>100.00%</b>

**Note:** The percentages indicate the those of the respective total claims settled.

**TABLE I.78 DURATION-WISE DEATH CLAIMS SETTLED IN MICRO-INSURANCE GROUP CATEGORY - 2014-15**

(No. of Lives)

Life Insurer	Duration					Total Claims Settled
	Within 30 Days	31 to 90 Days	91 to 180 Days	181 Days to 1 Year	More than 1 Year	
Private Total	2695	2937	83	43	0	5758
	46.80%	51.01%	1.44%	0.75%	0.00%	100.00%
LIC	127079	672	0	0	0	127751
	99.47%	0.53%	0.00%	0.00%	0.00%	100.00%
<b>Industry Total</b>	<b>129774</b>	<b>3609</b>	<b>83</b>	<b>43</b>	<b>0</b>	<b>133509</b>
	<b>97.20%</b>	<b>2.70%</b>	<b>0.06%</b>	<b>0.03%</b>	<b>0.00%</b>	<b>100.00%</b>

**Note:** The percentages indicate the those of the respective total claims settled.



#### I.4.12 DIRECTIONS, ORDERS AND REGULATIONS ISSUED BY THE AUTHORITY

**I.4.12.1** The Authority issued a number of circulars, directions and orders during 2014-15. The list of all such circulars, directions and orders which were issued during the period 1<sup>st</sup> April, 2014 to 31<sup>st</sup> March, 2015 are placed at Annexure No. 8. In addition, the details of all regulations notified by the Authority till 31<sup>st</sup> March, 2015 are placed at Annexure No. 9.

#### I.4.13 Right to Information (RTI) Act, 2005

**I.4.13.1** During the year 2014-15, the designated officers shown in Table 1.69 below, continued as

the Central Public Information Officer (CPIO) of the Authority in terms of Section 5(1) of the RTI Act, 2005.

**I.4.13.2** During the same period, Shri Rakesh Bajaj, Joint Director continued as Central Assistant Public Information Officer for its Delhi Office in terms of Section 5(2) of the RTI Act, 2005 and Shri H Ananthkrishnan, Joint Director (Legal) continued as Appellate Authority in terms of Section 19(1) of the RTI Act, 2005.

**TABLE I.79**  
**LIST OF CENTRAL PUBLIC INFORMATION OFFICERS**

SI No	Name of the CPIO	Department
1	Mr. DNKLNK Chakravarthy	Actuarial
2	Mr. Chandrasekhar V	Life
3	Mr. Venkata Raju K	Non-life
4	Mr. R Pardhasaradhi	Health including TPAs
5	Mrs. M Saritha	Consumer Affairs
6	Mr. K Srinivas	Admn/HR/IT/Legal/Sectoral Development
7	Mr. P Himakiran	Intermediaries
8	Mr. RajeshwarGangula	Agency Distribution
9	Mr. Ammu Venkata Ramana	F & A (Life and Non-life)
10	Mr. BiswajitSamaddar	Internal Accounts
11	Mr. Mahesh Agarwal	Investments
12	Mrs. Nimisha Srivastava	Surveyors (Delhi Office)
13	Mrs. Manju Arora	Delhi Office- Liaison work

## PART - II

### REVIEW OF WORKING AND OPERATIONS

#### II.1 Regulation of Insurance and Reinsurance Companies

During the year under review, the Authority has brought out significant changes in the regulatory stipulations for the purpose of orderly growth of the insurance sector. The important regulatory changes include:

##### IRDAI (Licensing of Insurance Marketing Firm) Regulations, 2014.

**II.1.1** A seminar on “Ideas for Development of New Distribution Channels for Insurance” was held at Hyderabad on 20th January 2014 under the auspices of Life & General Insurance Councils. Brain storming sessions were also conducted at various places across India during February 2014 and reports were submitted. Consequently a committee was set up with 5 CEOs of Life companies and 5 CEOs from General Insurance Companies to recommend the regulatory framework of IMF. Basing on the report, an Exposure Draft on regulatory framework of IMF was published on 2nd April 2014 on the IRDAI web site and comments were sought. After considering the feedback received, final regulations were approved by the Authority and IRDAI (Insurance Marketing Firm) **Regulations, 2015** were notified on 21st January 2015.

##### IRDAI (Registration of Corporate Agents) Regulations, 2015

**II.1.2** Consequent to the amendment to the Insurance Act, 1938, the Corporate Agents have been defined as intermediary and insurance intermediary as per section 2(1)(f) of the IRDA Act, 1999. This necessitated for issuance of new set of regulations for this segment. In this direction, the Authority has issued two exposure drafts on the proposed regulations for Corporate Agents for the

comments of the stakeholders. The draft regulations have been discussed in the Insurance Advisory Committee as well as in the Authority’s meeting. The same have been approved by the Authority. The regulations will be notified very shortly.

**II.1.3** Insurance Regulatory and Development Authority of India (Micro Insurance) Regulations, 2015 have been notified on 13th March 2015 amending 2005 Regulations. The following are highlights

- **Expanding the definition of who can be a Micro Insurance Agent** to include Business Correspondents of scheduled commercial banks, District Cooperative Banks, Regional Rural Banks, Urban co-operative banks, Primary Agricultural Cooperative Societies, Other Cooperative Societies, RBI regulated NBFC-MFIs
- **Facilitating Crop Insurance:** In addition to One Life Insurance Company and one General Insurance Company, a Micro Insurance Agent may work with Agriculture Insurance Company of India Ltd and with one standalone health insurance company
- **Enhancement of maximum cover** to ₹2 lacs to qualify as MI in Life and Health Ins, ₹1 lac in dwelling, livestock, crop insurance.
- **Other Product related improvements:** Guaranteed Surrender Value (after 3 years) if at least one Yearly Premium is paid, Allowing the flexible premium payment options, Allowing remittances of premiums in advance, Allotment of lapsed policies of terminated agents to another MI agent.

● **Market Conduct related prescriptions:**

MI Agents shall issue acknowledgements on collection of premiums and Insurers are accountable to premium collections of MI Agents, Agents responsibility for Claim intimation, settlement

● **Making available Policy documents in the languages recognized under constitution**

**Issuance of Guidelines on Interest Rate Derivatives**

**II.1.4** Insurers were permitted to deal in Financial Derivatives only to the extent permitted and in accordance with the guidelines issued by the Authority vide Regulation 11 which got inserted in 2004 in the IRDA (Investment) Regulations, 2000. Accordingly, the Authority issued detailed Guidelines on Fixed Income Derivatives vide Circular no. INV/GLN/008/2004-05dt.24/08/2004. The said guidelines, inter-alia, permits the Insurers to enter Forward Rate Agreements (FRAs), Interest Rate Swaps (IRS), Exchange Traded Interest Rate Futures (IRF) with a maximum tenure of 1 year to hedge the Interest Rate risk on Investments and the forecasted transactions. With the changing Investment environment, product structures, change in guidelines by other regulators, Authority felt the need to withdraw the earlier guidelines and issues fresh guidelines under Reg. 15 of IRDA (Investment) Regulations, 2000 vide Cir. No IRDA/F&I/INV/CIR/138/06/2014 dated 11th Jun,2014 to address the need of longer term Interest Rate Derivatives.

**Permission to Insurers for membership in SEBI approved Stock Exchanges for Proprietary trading**

**II.1.5** Securities and Exchange Board of India (SEBI) vide circular no. CIR/MRD/DP/03/2013 dated 24<sup>th</sup> January, 2013 issued guidelines for providing dedicated debt segment on stock exchanges. The said circular provides for trading, clearing & settlement, risk management

framework and creation of centralized repository for trades in debt instruments.

Ministry of Finance (MOF), Government of India has amended the Securities Contracts (Regulations) Rules, 1957 w.e.f 16<sup>th</sup> January, 2014 allowing all insurance companies to become member of SEBI approved stock exchanges.

Accordingly, Insurers were allowed to become a proprietary trading member of a SEBI approved stock exchange for carrying out trades in the debt segment.

**Permission to invest in Onshore Rupee Bonds issued by Asian Development Bank (ADB) and International Finance Corporation(IFC)**

**II.1.6** The Authority was in receipt of representation from IFC to permit Insurers to invest in Onshore Rupee Bonds are being issued by them. IFC proposed to raise \$5 billion equivalent fund in next 10 years and the bond proceeds to be used to fund IFC's projects in India that require Rupee financing.

The Central Government, in exercise of the powers conferred under clause (iia) of sub section (h) of Section 2 of SCRA, 1956 declared "onshore rupee bonds" issued by multilateral institutions like the Asian Development Bank and the International Finance Corporation as securities within the meaning of subsection (h) of Section 2 of the SCRA, 1956 vide Gazette notification dated 1<sup>st</sup> August, 2014.

In light of the above gazette notification, Authority examined the request and decided that "onshore rupee bonds" issued by Asian Development Bank and International Finance Corporation are 'approved investments' by exercising the powers conferred by Insurance Act, 1938 vide sec27A(1)(S) for Life Insurers and vide 27B(1)(j) for General Insurers subject to the stipulations mentioned in the circular.

## Permission to invest in Long Term Bonds by Banks for Financing of Infrastructure and Affordable Housing

**II.1.7** RBI vide circular no. DBOD.bp.BC.NO. 25/08.12.014/2014-15 dt. 15<sup>th</sup> July, 2014 has permitted Banks to issue Long Term Bonds for Financing Infrastructure and Affordable Housing. The definition of Infrastructure facility was already synchronised by both IRDAI and RBI with "Harmonized Master List of Infrastructure sub-sectors" notified by the Government of India on 27<sup>th</sup> March, 2012.

IRDAI had examined the circular of RBI with respect to the Long Term Bonds and permitted Insurers to reckon such Investments in the Long Term Bonds issued by Banks towards mandatory 'Infrastructure & Housing sector' exposure requirements in case of Life Insurer and 'Infrastructure or Housing sector', as the case may be, in case of General Insurer subject to the stipulations mentioned in the circular.

## II.2 INTERMEDIARIES ASSOCIATED WITH THE INSURANCE BUSINESS

### Insurance Agents

**II.2.1** The year 2014-15 witnessed a decline of 5.6 per cent in the number of individual agents. The number had decline from 21.89 lakhs as on 31<sup>st</sup> March, 2014 to 20.68 lakhs as on 31<sup>st</sup> March, 2015. While the private life insurers recorded a decline of 9 per cent, LIC recorded a decline of 2.7 per cent. LIC had a higher number of individual agents than all private life insurers put together. At the end of the year 2014-15, the number of agents with LIC stood at 11.64 lakhs, the corresponding number for private sector insurers was 9.04 lakhs.

**II.2.2** In 2014-15, the total number of agents appointed was 6.56 lakhs and the number of agents terminated was as high as 7.76 lakhs. While private insurers appointed 3.14 lakhs, 4.02 lakhs agents were terminated. On the other hand, in the case of LIC, 3.42 lakhs agents were appointed whereas 3.74 lakhs agents were terminated.

Reduction in the number of agents may adversely affect the life insurers' business, persistency and public perception of the agency channel as a stable career. It is, therefore, in the interest of the stakeholders to work on reducing the turnover of agents and build a stable and growing agency force.

**TABLE II.1  
DETAILS OF INDIVIDUAL AGENTS OF  
LIFE INSURERS 2014-15**

Insurer	As on 1 <sup>st</sup> April 2014	Additions	Deletions	As on 31 <sup>st</sup> March 2015
<b>Private Total</b>	992584	313668	401949	904303
<b>LIC</b>	1195916	342048	374360	1163604
<b>Industry Total</b>	<b>2188500</b>	<b>655716</b>	<b>776309</b>	<b>2067907</b>

### Corporate Agency

**II.2.3** As on 31.03.2015, there were 503 Corporate Agents. While 79 new corporate agents were added during 2014-15, licenses of 265 corporate agents were cancelled. LIC had terminated 21 corporate agents and issued 14 new licenses. The private insurers had terminated 244 corporate agents and while adding 65 new corporate agents.

**TABLE II.2  
DETAILS OF CORPORATE AGENTS OF  
LIFE INSURERS 2014-15**

Insurer	As on 1 <sup>st</sup> April 2014	Additions	Deletions	As on 31 <sup>st</sup> March 2015
<b>Private Total</b>	540	65	244	361
<b>LIC</b>	149	14	21	142
<b>Industry Total</b>	<b>689</b>	<b>79</b>	<b>265</b>	<b>503</b>

### Channel wise New Business Performance:

#### II.2.4 Individual New Business-Life

The contribution of individual agents to the individual NB premium has declined to 71.42% during 2014-15 compared to 78.40% in 2013-14.

LIC had procured 95.97% of its individual NB premium through individual agents while for the private sector the share of individual agents was 35.73%.

**II.2.5** The share of corporate agents, which was at 16.95 per cent during 2012-13, had increased to 22.32 per cent in the year 2014-15. The share of corporate agents in the new business premium

The contribution of Brokers channel, MI Agents channel and Common Service Centres (CSCs) channel are 1.84%, 0.03% and 0.001% to the industry NB premium under individual business.

**Group New Business**

**II.2.6** Direct selling continues to be the dominant channel of distribution for group business, with a share of 93.05 per cent of premium during 2014-

**TABLE II.3**  
**INDIVIDUAL NEW BUSINESS PERFORMANCE OF LIFE INSURERS FOR 2014-15 - CHANNEL WISE**

(Figures in percent of Premium)

Life Insurer	Individual Agents	Corporate Agents		Brokers	Direct Selling	MI Agents	Common Service Centres (CSCs)	Total Individual New Business	Referrals
		Banks	Others*						
Private Total	35.73	47.37	3.35	4.49	9.06	0.003	0.001	100.00	0.04
LIC#	95.97	2.60	0.12	0.02	1.24	0.05	0.00	100.00	0.00
<b>Industry Total</b>	<b>71.42</b>	<b>20.84</b>	<b>1.44</b>	<b>1.84</b>	<b>4.42</b>	<b>0.03</b>	<b>0.001</b>	<b>100.00</b>	<b>0.01</b>

\* Any entity other than banks but licensed as a corporate agent.

# Does not include its overseas new business premium.

**Note:** 1) New business premium includes first year premium and single premium.

2) The leads obtained through referral arrangements have been included in the respective channels.

procured by the private life insurers was significant at 50.72 per cent in 2014-15 (46.63 per cent in 2013-14). On the other hand, as LIC had 95.97 per cent of the new business premium from individual agents, the contribution of corporate agents for LIC had been a mere 2.72 per cent.

Between bank and other corporate agency channels, the share of Banks in total new business had gone up from 15.62 per cent in 2013-14 to 20.84 per cent in 2014-15.

There had been an increase in the share of direct selling in the total individual new business. Its share had gone up from 3.09 per cent in 2013-14 to 4.42 per cent in 2014-15. While private insurers had procured 9.06 per cent of their new business through direct selling, LIC had procured 1.24 per cent of their new business through this channel.

15. The corresponding share in the previous year was 93.91 per cent. This channel had contributed 76.62% and 97.47% of the group NB premium of the private and public sectors respectively.

Another important channel for the private insurers was Banks. During the year 2014-15, Banks contributed 10.36 per cent of the total group business in case of the private insurers. This figure stood at 17.22 per cent in the previous year.

LIC had procured 2.47 per cent of the group business through its traditional individual agency force while private insurers procured 4.52 per cent through this channel.

The contribution of Brokers channel was 0.75% to the industry NB premium under group business. The contribution of MI Agents channel and

Common Service Centres (CSCs) is at zero percent.

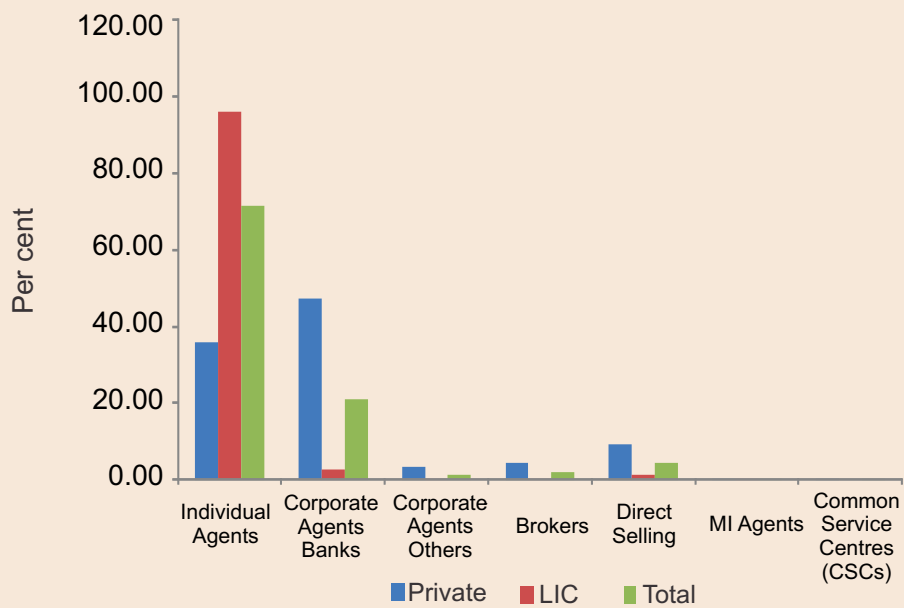
**Total of Individual and Group Business**

**II.2.7** At the aggregate level (individual and group business together), 'Direct Selling' had contributed 49.67 per cent of the total new business compared to 47.84 percent in 2013-14. The share of individual agents to the aggregate premium had

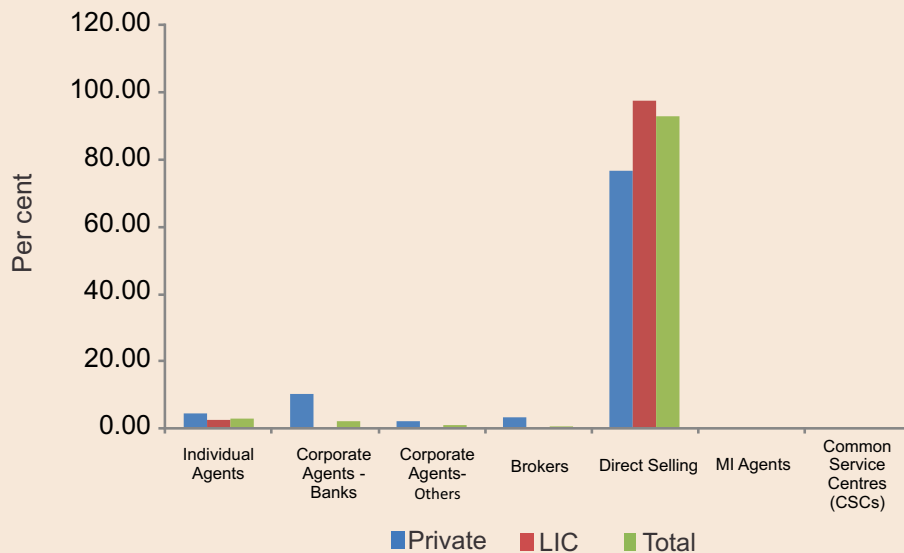
decreased to 36.44 percent from 40.64 percent of 2013-14.

The contributions made by Banks and Corporate Agents other than Banks were 11.34 percent and 1.26 percent respectively. The contribution of Brokers was 1.28%. The contribution of MI Agents and Common Service Centres (CSCs) was at 0.02% and zero percent respectively.

**CHART II.1: INDIVIDUAL NEW BUSINESS PREMIUM OF LIFE INSURERS CHANNEL WISE**



**CHART II.2: GROUP NEW BUSINESS PREMIUM OF LIFE INSURERS - CHANNEL WISE**



## INSURANCE MARKETING FIRM

The Insurance Regulatory and Development Authority (IRDAI) had recently brought in the new concept of intermediaries in the insurance distribution known as Insurance Marketing Firm (IMF). The authority had formulated the regulations which came into effect from the date of gazette notification dated 21.01.2015. IMFs are expected to help in increasing insurance penetration.

The salient features of this intermediary are as follows:

- The applicant must be either
  - a) Company: public limited company or private company (or)
  - b) A limited Liability Partnership (or)
  - c) Co-operative society.
- a) IMF should employ Insurance Sales Persons (**ISPs**) for soliciting and procuring insurance products from **TWO life, TWO general and TWO health insurance companies at any point of time**. In case of general insurance only retail lines of business is allowed.
  - b) IMF can undertake Insurance Servicing Activities.
  - c) IMF can market other financial products through Financial Service Executives (FSEs)
- The jurisdiction for its operations is restricted to a district. However the business can be solicited pan India. ISP should be domiciled in that district.
- There shall be a Principal Officer (PO) for IMF who is responsible for all activities and whose qualification, experience etc are envisaged in the regulations.
- The PO and ISPs shall complete prescribed training and examination requirements.
- Eligibility for becoming ISP is Pass in 12<sup>th</sup> Standard.
- FSEs engaged shall possess valid license/certificate/authorization issued by respective authorities.
- Non refundable application fee of ₹ 5000/-
- Net worth (not less than 10 lakhs).
- Professional Indemnity Insurance Cover throughout the validity period as per the requirements prescribed.
- Remuneration payable to IMF by the Insurer is as per Sec. 40(1) and 40(2) as specified by the authority. Apart from the above, the IMF may receive service charges for recruiting, training and mentoring ISPs which shall not exceed 50% of First Year Commission and 10% of Renewal Commission.

**TABLE II.4**  
**GROUP NEW BUSINESS PERFORMANCE OF LIFE INSURERS FOR 2014-15 - CHANNEL WISE**

(Figures in percent of Premium)

Life Insurer	Individual Agents	Corporate Agents		Brokers	Direct Selling	MI Agents	Common Service Centres (CSCs)	Total Group New Business	Referrals
		Banks	Others*						
Private Total	4.52	10.36	5.10	3.40	76.60	0.00	0.00	100.00	0.00
LIC#	2.47	0.03	0.00	0.03	97.47	0.00	0.00	100.00	0.00
<b>Industry Total</b>	<b>2.90</b>	<b>2.22</b>	<b>1.08</b>	<b>0.75</b>	<b>93.05</b>	<b>0.00</b>	<b>0.00</b>	<b>100.00</b>	<b>0.00</b>

\* Any entity other than banks but licensed as a corporate agent.

# Does not include its overseas new business premium.

**Note:** 1) New business premium includes first year premium and single premium.

2) The leads obtained through referral arrangements have been included in the respective channels.

**TABLE II.5**  
**NEW BUSINESS PREMIUM (INDIVIDUAL AND GROUP) OF LIFE INSURERS FOR 2014-15 - CHANNEL-WISE**  
 (Figures in percent of Premium)

Life Insurer	Individual Agents	Corporate Agents		Brokers	Direct Selling	MI Agents	Common Service Centres (CSCs)	Total New Business	Referrals
		Banks	Others*						
Private Total	24.75%	34.35%	3.96%	4.11%	32.83%	0.00%	0.00%	100.00%	0.02%
LIC#	41.64%	1.11%	0.05%	0.03%	57.15%	0.02%	0.00%	100.00%	0.00%
<b>Industry Total</b>	<b>36.44%</b>	<b>11.34%</b>	<b>1.26%</b>	<b>1.28%</b>	<b>49.67%</b>	<b>0.02%</b>	<b>0.0003%</b>	<b>100.00%</b>	<b>0.01%</b>

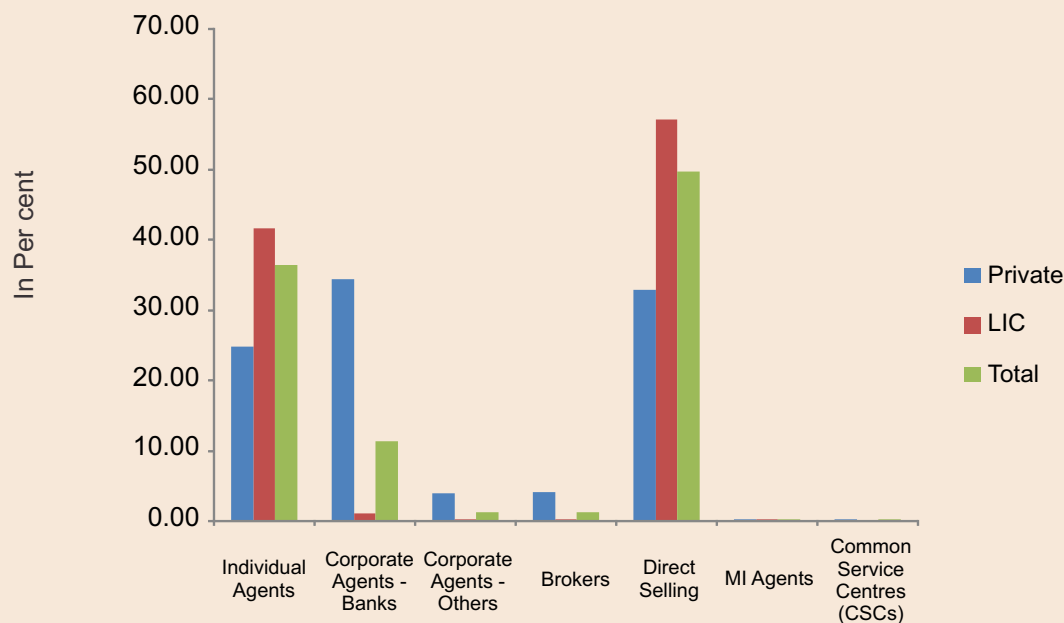
\* Any entity other than banks but licensed as a corporate agent.

# Does not include its overseas new business premium.

**Note:** 1) New business premium includes first year premium and single premium.

2) The leads obtained through referral arrangements have been included in the respective channels.

**CHART II.3: NEW BUSINESS PREMIUM (INDIVIDUAL & GROUP) OF LIFE INSURERS**



### Surveyors And Loss Assessors

**II.2.8** As per Section 64 UM of Insurance Act, 1938 amended vide The Insurance Laws (Amendment) Act, 2015, academic qualification as specified by the Authority and membership of Indian Institute of Insurance Surveyors and Loss Assessors (IIISLA) are statutory requirements for a person to act as a surveyor and loss assessor.

Further, sub-section 4 of Section 64 UM of the Act states that "No claim in respect of a loss which has occurred in India and requiring to be paid or settled in India equal to or exceeding an amount specified in the regulations by the Authority in value on any policy of general insurance, arising or intimated to an insurer, be admitted for payment or settled unless a report is obtained on the loss occurred, from any person who holds a licensed issued



under this section to act as Surveyor or Loss assessor (also referred to as “**Approved surveyor or loss assessor**”).

**II.2.9** With the enactment of IRDA Act, in 1999, IRDAI was made the authority to grant surveyor licenses and the power to grant and regulate surveyors, vested with IRDAI. IRDAI grants license to individuals and companies/firms to act as Surveyors and Loss Assessors.

The Insurance Surveyors and Loss Assessors (Licensing, Professional Requirements and Code of Conduct) Regulations, 2000 (as amended in 2013) lays down the process of application for procurement of license, code of conduct and . Vide Second Amendment to the Insurance Surveyors and Loss Assessors (Licensing, Professional Requirements and Code of Conduct) Regulations, 2000, the licensing fee applicable to surveyors and loss assessor has been substantially reduced. Effective from 28.01.2014, an applicant is required to pay a fee of ₹1000+applicable service tax for obtaining license and ₹100+applicable service tax for renewing the license to work as surveyor and loss assessor.

**II.2.10** Surveyor department is the first department of Authority to have implemented web based Integrated Licensing Management System w.e.f. 1st April 2013 to facilitate online submission of application by individuals and corporate for grant of fresh/renewal/modified license online on the portal [www.irdabap.org.in](http://www.irdabap.org.in). The web based registration system enables all time accessibility to surveyor registration, licensing, renewals, movements, and alterations in a simple, efficient and transparent manner.

Subsequent to inauguration of New Delhi Regional Office of Insurance Regulatory and Development Authority (IRDA) on 24.01.2014, Surveyor Department started operating from Delhi Regional Office w.e.f. 3rd February 2014.

**II.2.11** The following are the details of trainee enrolments, grant of fresh and renewal license to individual and corporate surveyors and loss assessors during the period April 2014 to March 2015.

**TABLE II.6  
LICENCES ISSUED TO SURVEYORS AND  
LOSS ASSESSORS**

	2013-14	2014-15
<b>Fresh licenses</b>		
Individual	480	182
Corporate	55	5
<b>Sub total</b>	<b>535</b>	<b>187</b>
<b>Renewals</b>		
Individual	1784	2137
Corporate	158	20
<b>Sub-total</b>	<b>1942</b>	<b>2157</b>
<b>Trainee Enrollments</b>	536	753

#### **Grievances - Surveyors and Loss Assessors**

**II.2.12** Surveyor Licensing Department of the Authority receives grievances from surveyors regarding empanelment for survey jobs, non-payment of survey fee by insurance companies etc. Such complaints are forwarded to respective insurance companies for resolution at their end. Policyholders also complain against surveyors/surveyors firms on non receipt of copy of survey report, delay in issuance of survey report, misconduct, violation of IRDA Surveyor Regulations etc, such complaints are forwarded to surveyors for speedy disposal of the issues. Apart from above, various RTI's and Ministry grievances are also received by the department against surveyors and corporate surveyor firms.

**II.2.13** During the year 2014-15, the authority received 46 complaints, 61 have been addressed and 12 are outstanding

**SURVEYORS AND LOSS ASSESSORS**

The Insurance Laws (Amendment) Act, 2015 has been promulgated to amend the Insurance Act, 1938, the General Insurance Business (Nationalisation) Act, 1972 and the Insurance Regulatory and Development Authority Act, 1999. The Act has substantially changed the statutory framework of section 64UM laid down for surveyors and loss assessors and has empowered IRDA to prescribe qualification, code of conduct and other professional requirements by way of regulations.

The key amendments brought in section 64 UM include:

- (i) Academic qualification specified by the Authority and membership of IISLA shall be the two statutory requirements for a person to act as surveyor and loss assessor.
- (ii) The limit of claim amount exceeding which an insurer requires survey report from a licensed surveyor shall be specified in the regulations by IRDA.
- (iii) The statutory provision on fee, academic requirement, period of validity of license are removed from the Act and IRDA is empowered to prescribe the same vide regulations.
- (iv) The provision of automatic disqualification in absence of academic qualification and professional body membership is introduced in section 64UM.
- (v) Statutory requirement of notification of cancellation of license in the Official Gazette is removed.
- (vi) Period for which a person may act as a surveyor or loss assessor shall be specified by the IRDA.

As a result of the amendments in the Act the existing Insurance Surveyors and Loss Assessors regulations would undergo a change. The draft regulations along with schedules uploaded on IRDA website on 6th April, 2015 seeking comments/ suggestions/ views from all stakeholders. Based on the comments received, the important changes in the Insurance Surveyors and Loss Assessors Regulations are as follows:

- 1) license period reduced to 3 years in line with the Act requirements
- 2) Qualifications to be prescribed in the regulations.
- 3) limit of survey introduced - motor - above ₹ 50,000 and other than motor - above ₹ 1 lakh. This limit shall be reviewed every three years.
- 4) cooling off period after suspension/cancellation reduced from 3 to 1 year
- 5) appeal against the decision of Authority to SAT
- 6) Foreign investment allowed upto 49% as per the Rules of Central Government read with Regulations of the Authority
- 7) Appeal against the decision of Indian Institute of Insurance Surveyors and Loss Assessors (IISLA) in granting membership shall lie with the Authority
- 8) In case IISLA does not grant membership to the applicant, the applicant can appeal to Chairman, IRDAI whose decision shall be binding on IISLA. In case IISLA does not still comply, the Authority may grant surveyor & loss assessor license on merits.
- 9) Fit & Proper criteria for directors/ partners of corporate surveyors introduced
- 10) Surveyor and loss assessor not to undertake any advisory or consultancy work or any other job which can give rise to conflict of interest
- 11) Transitory provision – all those surveyors and loss assessor who are currently holding surveyors license shall comply with the requirements of academic qualifications and obtain IISLA membership with 3 years from date of notification of revised regulations.
- 12) In cases where the survey report is pending due to non completion of document or any other reasons, the surveyor may issue the final report based on the available documents on record after giving minimum three reminders in writing to the insured.
- 13) corporate surveyor company/ firm shall maintain records in the format specified by the Authority which shall capture claim-wise and licensed surveyor-wise details wherein each claim surveyed by the company/ firm is tagged to the licensed surveyor in the company/ firm.
- 14) corporate surveyor company/ firm shall put in place systems which allow regular access to such records and details by the Authority.

## Insurance Brokers

**II.2.14** The Authority allowed Insurance Brokers to operate in the Indian market from 2003 and the first Broking license was issued on 30th January, 2003 pursuant to the provisions of the IRDA (Insurance Brokers) Regulations, 2002. These regulations were superseded by IRDA(Insurance Brokers) Regulations, 2013 in the year 2013-14. The Regulations stipulated a capital requirement of ₹50 lakh for direct insurance brokers, ₹200 lakh for reinsurance brokers and ₹250 lakh for composite

**II.2.16** During the period under report, the Authority has renewed 101 insurance broker licenses. As per the revised regulations, an insurance broker may apply for renewal 90 days in advance prior to the expiry of their licence. The Authority has been taking steps to improve the quality of compliance levels of the insurance brokers. Some of them include conduct of workshops, regular interaction with Insurance Brokers Association of India.

**TABLE II.7**  
**GRIEVANCES RELATING TO SURVEYORS AND LOSS ASSESSORS**

For the period	Outstanding at the beginning of period	Received	Addressed	Outstanding at the end of the period
April 2013 - March 2014	3	69	45	27
April 2014 - March 2015	27	46	61	12

brokers. The regulation prescribes a limit of 26% on foreign equity participation in insurance broking. However, this limit has been raised to 49% by the Government of India which has been notified vide Indian Insurance Companies (Foreign Investment) Rules, 2015. The Insurance Broking is steadily popularizing and the number of registrations increased to 419 since 2003( as on 31.03.2015).

**II.2.15** Out of the total number of licenses issued as on 31-03-2015, 365 are direct brokers, 47 are composite brokers and 7 are reinsurance brokers. The total number of broker licenses issued includes cancellation of licenses also and the Authority so far cancelled 51 such licenses. It may be noted that majority of cancellation of licenses fall under the category of voluntary surrender of license. The Authority has issued 35 new licenses during the period under report and upto 31st March, 2014, out of which 33 licenses are in Direct Category and 1 license is in Composite Category and 1 in Reinsurance Category. The licenses of 4 insurance brokers have been upgraded from direct broking to composite broking.

The state wise distribution of licenses is as follows.

**TABLE II.8**  
**STATE WISE LIST OF INSURANCE BROKERS**  
**AS ON 31-03-2015**

S.No	State	No. of Brokers
1	Maharashtra	132
2	New Delhi	85
3	West Bengal	36
4	Tamil Nadu	36
5	Andhra Pradesh & Telangana	29
6	Uttar Pradesh	23
7	Gujarat	18
8	Karnataka	17
9	Punjab	12
10	Kerala	13
11	Rajasthan	7
12	Chandigarh	4
13	Madhya Pradesh	4
14	Haryana	3
	<b>Total</b>	<b>419</b>

## Web Aggregators

**II.2.17** The Authority had taken the initiative to develop a system, known as Web Aggregator, for comparing and distribution of Insurance Policies online. This was an initiative taken for the benefit of prospective buyers' of the Insurance Policy keeping in mind developing trends in e-commerce. The Authority initially issued guidelines in November, 2011 to enable enthusiastic entrepreneurs to leverage technological advancements to apply for licence for comparison of insurance products of various insurance companies. Based on the guidelines, the Authority had issued licenses to 6 Web Aggregators.

Subsequently the Authority came out with "IRDA (Web Aggregators) Regulations, 2013 and licensed 5 Web Aggregators under the regulations. At present there are 11 Web Aggregators (Table II.9).

## Common Service Centres

**II.2.18** The Department of Electronics and Information Technology (DeITY), Government of India has implemented the Common Service Centers (CSCs) on a Public-Private-Partnership (PPP) model as a part of National e-Governance Plan (NeGP). CSCs are the front-end delivery points for government, private and Social Sector Services to the citizen of India. M/s. CSC e-Governance Services India Limited, a Special Purpose Vehicle (SPV) was formed to enable delivery of services through the CSC Network.

The Authority had a pilot launch of this on 6th August, 2014 in Hyderabad, subsequently the Authority is in the process of releasing the IRDAI's (Insurance Services by Common Service Centres) Regulations, 2015. At present there are 6142 Common Service Centers running across India. There are 3087 Rural Authorised Persons for distribution of insurance through this network. So far, CSC SPV signed agreements with 33 insurance companies for distribution of their

**TABLE II.9**  
**WEB AGREGATORS APPROVED BY**  
**THE AUTHORITY (AS AT 31 MARCH, 2015)**

S No.	Name
1	iGear Financial Services Pvt. Ltd.
2	Great Indian Marketing & Consulting Services Pvt. Ltd.
3	Voila Consultancy Services India Private Limited
4	Policy Mantra Insutrade Pvt. Ltd.
5	Deztination Insurance Solutions Pvt. Ltd.
6	Commet Insurance Web Aggregator Pvt Ltd.
7	PolicyX.com Insurance Web Aggregator Pvt Ltd
8	Fingoole Insurance Web Aggregator Pvt Ltd.
9	OA Insurance Web Aggregators Pvt Ltd.
10	Easy Policy Insurance Web Aggregator Pvt Ltd
11	Policybazaar Insurance Web Aggregator Pvt Ltd.

products through this network. As on 31<sup>st</sup> August, 2015, this network has collected a total premium of ₹137,36,12,622/- (includes new business and renewal business) and have serviced 4,86,976 customers.

## II. 3 PROFESSIONAL INSTITUTES CONNECTED WITH INSURANCE EDUCATION

**II.3.1** Indian Institute of Insurance Surveyors and Loss Assessors (IIISLA), an institute promoted and established by the Authority and incorporated under Section 25 of the Companies Act, 1956. Membership of the institute is mandatory for grant of surveyor license. The institute works as self-regulatory body.

**II.3.2** The Authority in association with Andhra Pradesh government established a professional institute viz., Institute of Insurance and Risk Management (IIRM) in the year 2002 for training and imparting professional courses in insurance and related subjects. The Authority continues to support the institute in its endeavours.

**II.3.3** The Authority also has statutory representation in the council of the Institute of Actuaries of India (IAI), a statutory and professional body for actuaries. The council is responsible for the management of the affairs of the institute. The erstwhile Actuarial Society of India (ASI) established in 1944 was dissolved; and IAI is a statutory body established under The Actuaries Act, 2006 for regulation of profession of actuaries in India.

**II.3.4** The Insurance Institute of India (III) is the examining body for agents' pre-recruitment examinations. The institute has also been preparing course content for various surveyor examinations and is also conducting the surveyors' examinations. Recently, the institute has come up

with the course for village level entrepreneurs under Common Service Center guidelines.

**II.3.5** Also, the Authority remains in touch with other reputed professional institutes and organizations related to insurance education in India and abroad.

## II. 4 LITIGATIONS, APPEALS AND COURT PRONOUNCEMENTS

**II.4.1** The details of the litigation in terms of cases filed before the Supreme Court, various high courts, consumer courts, civil courts, Motor Accident Claims Tribunal (MACT), and Lok Adalat, as also cases disposed/dismissed during 2014-15 are provided below:

**TABLE II.10 DETAILS OF CASES FILED FOR THE PERIOD 2014-15**

Sl.No	Particulars cases filed	Non Life	HR	Health	CAD	Life	Brokers	Total
1.	Supreme Court	1	0	1	0	1	0	3
2.	Writ Petitions filed in various High Courts	16	5	1	10	5	13	50
3.	Writ Appeals ,LPAs filed in various High Courts	0	9	0	0	0	0	9
4.	Review/Restoration Petitions filed in various High Courts	0	0	0	0	0	0	0
5.	Contempt Petitions filed in High Courts	0	1	1	0	0	0	2
6.	Consumer Cases (DCF+SCDRC)	2	0	0	24	20	0	46
7.	Civil & Lok Adalat cases	2	0	0	5	2	0	9
8.	MACT cases	0	0	0	0	0	0	0
9.	PILs	0	1	0	0	0	0	1
10.	Criminal Petitions	0	1	0	0	0	0	1
11.	State Minorities Commission	0	0	0	1	0	0	1
	<b>Total</b>	<b>21</b>	<b>17</b>	<b>3</b>	<b>40</b>	<b>28</b>	<b>13</b>	<b>122</b>

### BOX ITEM 4

#### INSURANCE LAWS (AMENDMENT) ACT, 2015

The process of revision of the Insurance Laws which started with the recommendations of the 190th Report of Law Commission in June 2004 culminated with the enactment Insurance Laws (Amendment) Act, 2015 effective from 26.12.2014, the date of promulgation of the Insurance Laws (Amendment) Ordinance 2014. The Amendment Act made amendments to the Insurance Act, 1938, the General Insurance Business (Nationalization) Act, 1972 and the Insurance Regulatory and Development Authority (IRDA) Act, 1999.

**INSURANCE LAWS (AMENDMENT) ACT, 2015**

The major highlights of the amendments are:

- Providing for enhancement of the foreign investment cap in an Indian Insurance Company from 26% to an explicitly composite limit of 49% with the safeguard of Indian ownership and control
- Empowering IRDAI to frame regulations on several aspects which were earlier a part of the Insurance Act so as to provide IRDAI with greater flexibility to discharge its functions more effectively and efficiently e.g. payment of commission, control of management expenses, opening and closing of branches
- Defining 'health insurance business' as a separate vertical by retaining capital requirements for health insurers at the level of ₹100 Crore.
- Enabling foreign reinsurers to set up branches in India and excluding possibility of 100% ceding of risk to a re-insurer
- Facilitating entry of Lloyds of London and its members to operate in India through joint venture with Indian Insurance Company or by setting up of branches for the purpose of reinsurance business
- Allowing insurers to raise capital through newer instruments
- Allowing public sector general insurers to raise capital from market to meet future capital requirements provided Government's shareholding does not come below 51 per cent at any point of time
- Replacing licensing of insurers with registration and doing away with the requirement of annual renewal
- Prohibiting multi-level marketing of insurance products to curtail the practice of mis-selling
- Expanding of the scope of insurance intermediaries to include corporate agents, third party administrators, surveyors and loss assessors allowing the flexibility to IRDAI to notify other entities as intermediaries from time to time.
- Providing for higher penalties ranging from up to ₹ 1 Crore to ₹ 25 Crore for various violations including mis-selling and misrepresentation by agents / insurance companies.
- Confining the period during which a life insurance policy can be repudiated on any ground, including mis-statement of facts, to 3 years from commencement of risk or revival or rider to the policy, whichever is later, beyond which no policy can be repudiated on any ground.
- Making provision for absolute or conditional assignment of life insurance policies
- Entrusting the responsibility of appointing insurance agents to insurers on the basis of eligibility, qualifications and other aspects specified by IRDAI
- Making it obligatory for all non-life insurance companies, other than standalone or monline insurers operating in health, reinsurance agriculture, export credit guarantee, to underwrite third party motor vehicle insurance as per IRDAI regulations
- Empowering IRDAI to regulate the functions, code of conduct, etc. of surveyors and loss assessors more effectively
- Empowering IRDAI to grant prior approval for insuring properties in India with a foreign insurer which was hitherto done by Central Government
- Prohibition for investment of funds outside India
- The Life Insurance Council and General Insurance Council made self-regulating bodies by empowering them to frame bye-laws for elections, meetings and levy and collect fees etc. from its members. Inclusion of representatives of self-help groups and insurance cooperative societies in
- Providing for enhancement of equity capital of General Insurance companies.
- Providing for additional avenues of capital so that greater availability of capital for greater distribution and reach to un-served areas, more innovative product formulations to meet diverse insurance needs of citizens, efficient service delivery through improved distribution technology and enhanced customer service standards.
- Providing for powers of adjudication for imposing penalty for certain violations.
- Providing for appeals to the Securities Appellate Tribunal (SAT) against the orders of IRDAI
- Removing archaic and redundant provisions in the Insurance Act relating to Tariff Advisory Committee, provident societies, insurance cooperative societies and mutual insurance companies and cooperative life insurance societies.

Thus, the amendments have enabled the Insurance Laws to be aligned to the evolving insurance sector scenario and regulatory practices across the globe. The changes would facilitate IRDAI to create an operational framework for greater innovation, competition and transparency and to enable the insurance sector to achieve its full growth potential and contribute towards the overall growth of the economy and job creation.

**TABLE II.11  
DETAILS OF CASES DISPOSED/DISMISSED FOR THE PERIOD 2014-15**

SI.No.	Particulars	Non Life		HR		Health		CAD		Life		Brokers		Total	
		A	B	A	B	A	B	A	B	A	B	A	B	A	B
1.	Supreme Court	0	1	0	0	0	1	0	0	0	0	0	0	0	2
2.	Writ Petitions disposed in various High Courts	0	10	8	2	0	0	0	0	1	0	2	4	11	16
3.	Writ Appeals ,LPAs disposed in various High Courts	0	0	1	0	0	0	0	0	0	0	0	0	1	0
4.	Review/Restoration Petitions disposed in various High Courts	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5.	Contempt Petitions disposed in High Courts	0	0	0	0	0	1	0	0	0	0	0	1	0	2
6.	Consumer Cases	0	0	0	0	0	0	0	1	0	0	0	0	0	1
7.	Civil & Lok Adalat cases	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8.	MACT cases	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	<b>Total</b>	<b>0</b>	<b>11</b>	<b>9</b>	<b>2</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>2</b>	<b>5</b>	<b>12</b>	<b>21</b>

**A** - with directions to IRDAI

**B** - without directions to IRDAI

## II.5 INTERNATIONAL COOPERATION IN INSURANCE

### International Association of Insurance Supervisors (IAIS)

**II.5.1** Established in 1994, the International Association of Insurance Supervisors (IAIS) is the international standard setting body responsible for developing principles, standards and other supporting material for the supervision of the insurance sector and assisting in their implementation. The IAIS also provides a forum for Members to share their experiences and understanding of insurance supervision and insurance markets. Its objectives are to promote effective and globally consistent regulation and supervision of the insurance industry in order to develop and maintain fair, safe and stable insurance markets for the benefit and protection of policyholders; and to contribute to global financial stability. Over the years, the membership, which includes insurance regulators and supervisors,

has grown to over 200 jurisdictions representing nearly 140 countries thus covering 97 per cent of insurance premiums collected all over the world.

The IAIS conducts its activities through a Committee system designed to achieve its mandate and objectives. The Executive Committee (EC) established under the IAIS By-Laws is the governing body of the IAIS which comprises members elected from different regions across the globe. There are Five Members representing Asian region in the Executive Committee and the Chairman, IRDAI, is one of the Members representing from the region, others being the insurance regulators from China, Japan, Korea and Singapore. Implementation Committee oversees the implementation of all the activities of IAIS as per the mandate approved in the EC. The day-to-day business and affairs of the IAIS are taken care of by its Secretariat, located at the Bank for International Settlements in Basel, Switzerland.

### **IAIS – Organisational Restructuring:**

**II.5.2** The Executive Committee is supported by five committees established – the Audit and Risk, Budget, Financial Stability, Implementation, and Technical Committees as well as by the Supervisory Forum. The Financial Stability, Implementation and Technical Committees have established various Working Parties (Subcommittees/ Task Forces) to help carry out their duties.

During the year 2014-15, the IAIS has worked towards strengthening its governance and operations with an aim to make the Association stronger, more efficient and better adjust to emerging needs. Broadly these include creation, merger and disbandment of the existing committees / subcommittees; new process for development of supervisory and supporting material; more efficient meeting and operating procedures; redefining the manner in which the observer input is received; promoting decision-making culture with its voting system to resolve matters when needed; and guiding principles for strategic decisions/ priority setting. Consequent to the organizational level changes both at IAIS and IRDAI, the Authority has reviewed its representation on IAIS Committees / Subcommittees and made fresh nominations to the various working groups and committees.

The IRDAI has representation on various committees and working groups of the IAIS and actively participating and contributing to the standard setting activities. The representatives of the Authority have made contributions to these activities specifically in areas of financial stability, market conduct supervision, financial inclusion, corporate governance etc. Besides, IRDAI's officials are also part of the IAIS Expert teams for conduct of Self Assessment and Peer Review (SAPR) on the thematic topics of Solvency, Macroprudential Surveillance and Reinsurance.

The SAPRs are used to assess the observance of Insurance Core Principles (ICPs) and standards by IAIS members that involve development and review of an online survey questionnaire for circulation to all IAIS members and review the response from them.

### **IAIS – Standard Setting Activities**

**II.5.3** IAIS is working on important projects which include revision of Insurance Core Principles, Common Framework (ComFrame) for Internationally Active Insurance Groups (IAIG), the Insurance Capital Standards (ICS), Higher Loss Absorbency (HLA) requirements and Global Systemically Important Insurers (G-SIIs).

### **Insurance Core Principles**

**II.5.4** The Insurance Core Principles (ICPs), established by the IAIS, comprise essential principles that need to be adhered for an insurance supervisory system to be effective. These principles set out the framework for insurance supervision, identify subject areas that should be addressed in legislation or regulation in each jurisdiction, and provide a basis for the IAIS on which it develops more detailed international standards and guidance.

The ICPs apply to the supervision of insurers and reinsurers, whether private or government-controlled insurers that compete with private enterprises, wherever their business is conducted, including through e-commerce. So far the IAIS has issued 26 Insurance Core Principles (ICPs). These 26 Core Principles also constitute the globally accepted frame work used in the evaluation of insurance supervisory regime in a jurisdiction under the Financial Sector Assessment Program (FSAP) conducted jointly by the World Bank and International Monetary Fund (IMF). According to latest Indian FSAP assessment report by IMF-World Bank team, the Indian Insurance Sector was compliant with the most of the IAIS Insurance Core



Principles (version 2003) and there is no as such “non-compliant” ICP.

The IAIS considers that the ICPs apply to insurance supervision in all jurisdictions regardless of the level of development or sophistication of the insurance markets and the type of insurance products or services being supervised. At the same time, IAIS recognises that supervisors need to adjust certain supervisory requirements and actions in accordance with the nature, scale and complexity of risks posed by individual insurers (i.e. the “proportionality principle”). The IAIS has planned to review all the ICPs by end of 2017 and also propose to address proportionality issue in the ICP review. The revisions seek to update these ICPs based on Jurisdictions' experience with implementing the ICPs from 2011 and following Self-Assessment and Peer Reviews undertaken on those ICPs. In this regard, the IAIS has set up ICP Review Task Force with representatives from IAIS members including IRDAI to review and draft amendments to the existing ICPs.

### **Global Systemically Important Insurers (G-SIIs)**

**II.5.5** The (IAIS) is a partner in a global initiative to identify global systemically important financial institutions (G-SIFIs). The focus of IAIS is in relation to potential global systemically important insurers (G-SIIs). To this end, the IAIS has developed assessment methodology to identify G-SIIs and a set of policy measures that will apply to them. G-SIIs are designated by the Financial Stability Board (FSB) following consultation with the IAIS and national authorities.

The Financial Stability Board (FSB) in consultation with the IAIS and national authorities and had identified for 2014 the nine G-SIIs identified in 2013. These are Allianz SE, American International Group Inc., Assicurazioni Generali S.P.A., Aviva plc, Axa S.A., MetLife Inc., Ping An Insurance (Group) Company of China Ltd., Prudential Financial Inc. and Prudential plc.

Other than the insurers operating in China, all other GSIs have joint venture tie-up with Indian entities and have presence in the Indian insurance market.

### **G-SII Assessment methodology:**

**II.5.6** The assessment methodology involves three steps: the collection of data, a methodical assessment of that data and a supervisory judgment and validation process. The assessment methodology is indicator-based and has similarities to the approach developed by the Basel Committee for G-SIBs. However, insurers vary significantly from banks in their structures and activities and, consequently, in the nature and degree of risks they pose to the global financial system. Thus, the particular indicators and the category weightings are selected for identifying G-SIIs to reflect different drivers of possible negative externalities.

The IAIS assessment methodology identifies five categories to measure relative systemic importance: non-traditional insurance and non-insurance (NTNI) activities; interconnectedness; substitutability; size; and global activity. Within these five categories, there are 20 indicators, including: intra-financial assets and liabilities, gross notional amount of derivatives, Level 3 assets, non-policyholder liabilities and non-insurance revenues, derivatives trading, short term funding and variable insurance products with minimum guarantees. NT and NI activities of G-SIIs are regarded as those most likely to cause or amplify systemic risk events. For this reason, the NTNI indicator is heavily weighted in the current IAIS methodology.

### **IAIS Policy measures applicable to G-SII:**

**II.5.7** The IAIS framework of policy measures applicable to G-SIIs is in line with the recommendations from the FSB, which include:

- (1) Enhanced Supervision: Applying more intensive and co-ordinated supervision of

SIFIs and supplementary prudential and other requirements as determined by the national authorities.

- (2) Effective resolution: Improve supervisors' ability to resolve SIFIs in an orderly manner without destabilising the financial system and exposing the taxpayer to the risk of loss.
- (3) Higher Loss Absorbency (HLA): Requiring higher loss absorption (HLA) capacity for G-SIFIs to reflect the greater risks that these institutions pose to the global financial system.

The IAIS proposes further revise and develop the G-SII assessment methodology as needed to ensure, among other things, that it appropriately addresses all types of insurance and reinsurance, and other financial activities of global insurers. The revised G-SII assessment methodology proposed to be applied from 2016.

### **Group-Wide Global Insurance Capital Standards:**

**II.5.8** As a foundation for HLA requirements, the IAIS has developed the Basic Capital Requirements (BCR) to apply to all group activities, including noninsurance activities, of G-SIFIs. The development of the BCR is the first step of a long-term project to develop risk-based, group-wide global insurance capital standards. The second step is the development of HLA requirements to apply to G-SIFIs, due to be completed by the end of 2015. The final step is the development of a risk-based group-wide global insurance capital standard (ICS).

### **Common Framework (ComFrame) for IAIGs**

**II.5.9** Internationally Active Insurance Group (IAIG) is the designation to be given to insurance groups or financial conglomerates that exceed thresholds on size and international activity. IAIGs engage in activities in and across several countries and markets. Their activities include the

transferring of risks from one part of the group to another, often on a cross-border basis. In order to fully understand the operations and risks of an IAIG and its entities in the involved jurisdictions, the involved supervisor needs to cooperate and coordinate with each other.

The IAIS has introduced the concept of Common Framework (ComFrame), a regulatory framework for the Supervision of IAIGs in the year 2011. ComFrame sets out a comprehensive range of qualitative and quantitative requirements specific to IAIGs, as well as the supervisory processes and prerequisites for their supervisors to implement ComFrame. ComFrame is structured in three Modules:

- **Module 1, Scope of ComFrame** includes the criteria and process for the identification of IAIGs by supervisors, the breadth of supervision of IAIGs (which legal entities are included) and the identification of the group-wide supervisor.
- **Module 2, The IAIG** contains the requirements that an IAIG will need to meet.
- **Module 3, The Supervisors** covers the process of supervision, highlighting the role of the group-wide supervisor and other relevant supervisors' responsibilities within the process. The module covers the supervisory process, enforcement, cooperation and interaction requirements

Though the IAIS sets out the criteria and process for identifying IAIGs, it will be the supervisory colleges that identify IAIGs. Under ComFrame, supervisory colleges and group-wide supervisors will be established for all IAIGs. A supervisory college is a set up of involved supervisors connected with the supervision of entities belonging to an insurance group which will facilitate decision-making in identifying an IAIG, including the possible application of discretion in the application of the ComFrame criteria. The IAIG group-wide supervisor will be selected by the

relevant supervisors. The group-wide supervisor is responsible for promoting effective co-ordinated supervision of an insurance group including co-ordinating the input of insurance legal entity supervision. In principle, the role of group-wide supervisor is undertaken by the supervisor in the jurisdiction where:

- the Head of the IAIG is based,
- the insurance operations of the IAIG are actually controlled, and
- the supervisor has the statutory responsibility to supervise the Head of the IAIG.

IRDAI is also participating in the supervisory colleges set up in respect of foreign entities having presence in India in the insurance sector. The supervisory colleges are useful for sharing & obtaining important regulatory information among international insurance regulators to better assess risks that are emerging beyond their borders and outside their respective authorities.

The Development Phase of ComFrame began in 2010. The IAIS finalised ComFrame for the purposes of Field Testing in 2013. The Field Testing Phase of ComFrame began in 2013. During field testing, ComFrame will be evaluated in practice so that it can be modified as necessary prior to formal adoption.

### **Insurance Capital Standards (ICS)**

**II.5.10** Within Comframe, the IAIS has agreed to develop a risk-based global insurance capital standard (ICS) and to include it within ComFrame. The ICS is being designed to measure the capital adequacy of an IAIG. The ICS should be used by group wide supervisors to assess the financial condition of an IAIG. The ICS is designed to establish minimum standards for setting levels of capital for IAIGs, including methods of calculating the ICS capital requirement and ICS capital resources.

The IAIS is planning to develop the ICS Version 1.0 by June 2017. Full implementation (ICS Version 2.0) is scheduled to begin in 2020 after testing and refinement with supervisors and IAIGs. Ongoing work is intended to lead to improved convergence over time on the key elements of the ICS i.e., valuation, capital resources and capital requirements.

### **International Activities of IRDAI**

**II.5.11** The IRDAI has been actively extending and arranging for training programmes to other jurisdiction supervisors particularly from African region. The training capsules are designed to suit specific requirements and to improve and enhance knowledge on various aspects of insurance. In general the training sessions are conducted at the office of IRDAI, Hyderabad and officials who deal with relevant areas of insurance supervision are assigned to conduct these training programmes through lectures, presentations and discussions to give practical perspective.

During the period 2014-15, the IRDA had hosted study teams from National Insurance Commission, Nigeria, National Bank of Ethiopia and Bank of Zambia.

National Insurance Commission (NIC), Nigeria, in continuation of previous study visits in 2012 and 2013, had deputed two senior officials to IRDAI from September 01-04, 2014 to undertake study of IRDA's Insurance Repository System and Insurance Sales/ distribution mechanism. During the exposure training, they were introduced with the Insurance Repository System, technical structure and implementation issues encountered. They also visited Central Index Server of Insurance Repository System (called "Itrex") hosted in Insurance Information Bureau (IIB), Hyderabad, a body set up IRDA for data storage and analytics. Itrex is a digital platform for Insurers and Insurance repositories to look up e-Insurance Account Details and exchange e-KYC and Policy data between Insurance Repositories and Insurance

Companies. The team was also exposed on the topics of Business Analytics Project and Integrated Grievance Management System (IGMS).

During October 27-31, 2014, a team of two officials National Bank of Ethiopia (NBE), Ethiopia have participated in a four day exposure training programme with a focus on reinsurance company supervision in Indian jurisdiction. The visiting team was exposed to the areas of reinsurance market structure including Licensing procedure & requirements, regulatory framework on solvency regime, risk rating of reinsurers, on-site and off Site surveillance mechanisms, reporting of financial and non-financial transactions, regulatory interventions, reinsurance brokers licensing, regulation and supervision issues.

On January 29, 2015, another team consisting eight officials from NBE have visited office of the IRDAI for a half-a-day to get exposure on 'Micro Insurance Innovations: Learning from India' in order to design effective mechanism for their own insurance industry. They were exposed to the regulatory framework and supervision mechanism undertaken by IRDAI for the micro insurance sector, the processes and control mechanisms adopted for micro insurance-in both life and non life segment.

The IRDAI had also hosted a study team of three senior officials from Financial Sector Development Plan (FSDP) Unit, Bank of Zambia from November

20-21, 2014. They were given first hand industry experience and challenges since inception of the Authority. Besides, they were explained about the IRDAI's mandate, establishment and structure, regulatory and supervisory activities, funding, levies, audit, and legal framework and other related issues.

The overall feedback from the participants brings out the fact that these programmes have been very useful and informative to all concerned. The Training schedule was very well balanced and detailed and the participants have appreciated the IRDAI's cooperation to conduct such training programmes and also appreciated hospitality provided by IRDAI.

## II.6 PUBLIC GRIEVANCES

### Integrated Grievance Management System (IGMS)

**II.6.1** The IGMS is the repository of the insurance industry complaints providing not only a platform to raise customer grievances with insurers but also to generate various analytical reports on public grievances in insurance.

**II.6.2** IRDAI also regularly accesses the portal of the Department of Administration and Public Grievances (DARPG), Government of India and ensures that complaints relating to the insurance sector are downloaded and necessary action to get them examined by the insurers is taken.

**TABLE II. 12**  
**STATUS OF GRIEVANCES - LIFE INSURERS DURING 2014-15**

Insurer	Outstanding as on 31 <sup>st</sup> March, 2014	Grievances Reported during 2014-15	Resolved during 2014-15	Outstanding as on 31 <sup>st</sup> March, 2015
LIC	0	80944	80944	0
PRIVATE	1180	198048	193119	6109
<b>TOTAL</b>	<b>1180</b>	<b>278992</b>	<b>274063</b>	<b>6109</b>

**Life Insurers**

**II.6.3** As on 31<sup>st</sup> March, 2015, there were 6109 complaints pending for resolution by life insurance companies. During the year 2014-15, the life insurance industry received 278992 complaints out of which 80944 complaints related to LIC and 198048 complaints related to private sector life insurers.

**II.6.4** During 2014-15, the insurance companies resolved 97.82 per cent of the complaints handled. The private life insurers resolved 96.93 per cent of the complaints reported, while LIC resolved 100 per cent of the complaints as a result of which there were no pending complaints of LIC as on 31.3.2015.

**II.6.5** The IGMS data has shown patterns of complaints in the life insurance industry based on the classifications prescribed by the Authority in terms of grievance redressal guidelines. Unfair business practice complaints constituted the largest class of complaints accounting for 52 per cent of the complaints in life sector during 2014-15 as against 56 per cent during 2013-14; followed

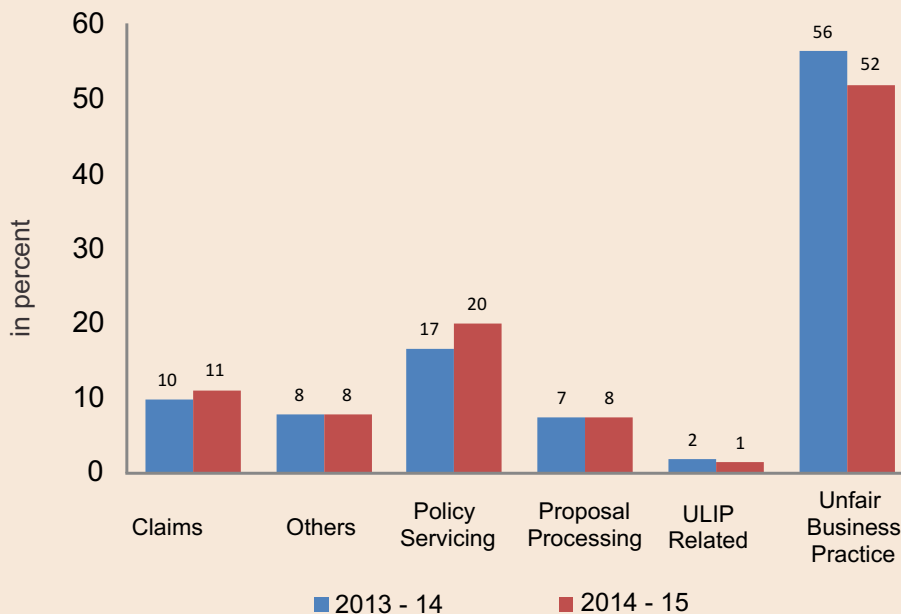
by Policy servicing related complaints constituted 20 per cent of the total complaints in the life sector during 2014-15 as compared to 17 per cent of such complaints in 2013-14.

**Non-Life Insurers**

**II.6.6** The non-life insurance companies resolved 96.59 per cent of the complaints handled during the year 2014-15. The private non-life insurance companies resolved 96.31 per cent and public non-life insurance companies resolved 97.36 per cent of the complaints handled by them. As on 31st March, 2015, a total of 2099 complaints were pending with the companies for resolution, out of which 1662 belong to private sector and 487 pertain to public sector non-life insurance companies.

**II.6.7** The pattern of complaints in IGMS data as regard to non-life insurance industry indicates that claims related complaints constitute major chunk of the complaints during 2014-15. In class-wise complaints, Health insurance related complaints are having the highest number of complaints.

**CHART II.4: CLASSIFICATION OF LIFE COMPLAINTS DURING 2013 - 14 and 2014 - 15**



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TABLE II. 13  
STATUS OF GRIEVANCES - NON LIFE INSURERS DURING 2014-15

Insurer	Outstanding as on 31 <sup>st</sup> March, 2014	Grievances Reported during 2014-15	Resolved during 2014-15	Outstanding as on 31 <sup>st</sup> March, 2015
PUBLIC	682	15860	16105	437
PRIVATE	152	44828	43318	1662
<b>TOTAL</b>	<b>834</b>	<b>60688</b>	<b>59423</b>	<b>2099</b>

CHART II.5: CLASSIFICATION OF NON-LIFE COMPLAINTS DURING 2013 -14 and 2014-15

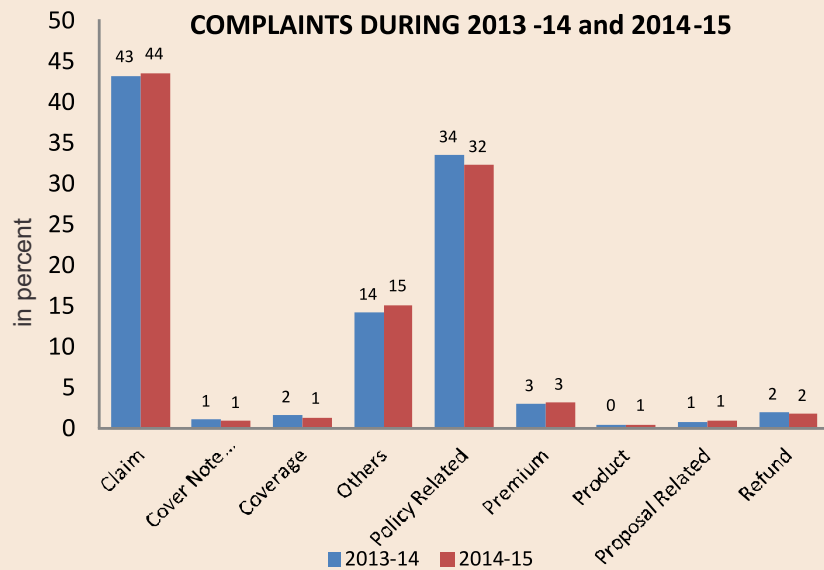
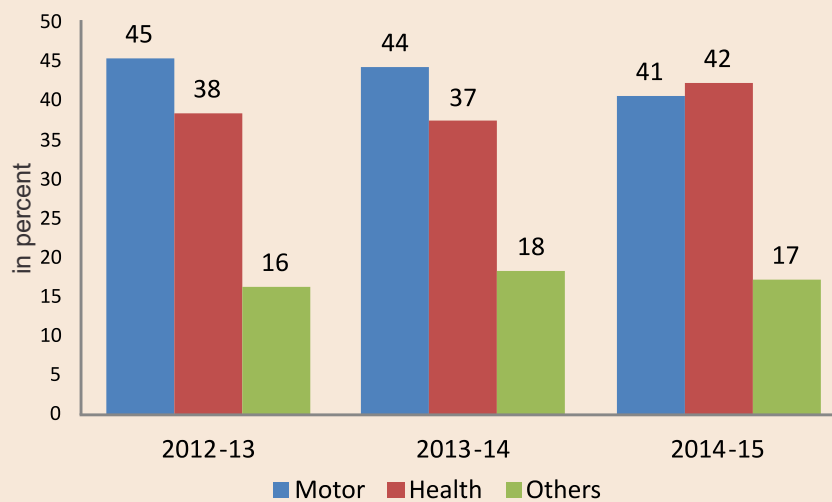


CHART II.6: CLASS-WISE NON-LIFE COMPLAINTS DURING 2012-13 to 2014-15



## II.7. INSURANCE ASSOCIATIONS AND INSURANCE COUNCILS

### II.7.1 Life Insurance Council in 2014-15

Life Insurance Council is a body set up under section 64C of the Insurance Act 1938. All registered life insurers are members and are represented by CEOs. The Secretary General functions as the Chief Executive of the Council. During the Financial Year 2014-15 the Council met 2 times. The Council has formed several sub-committees to handle issues arising out of various developments concerning the industry. In addition as and when needed specific areas of work are taken up at meetings of 'working groups' constituted to discuss emerging issues from time to time. In most sub-committees members choose a Chairman from among themselves. The committee-based approach ensured participation by and valuable contribution from, a wide cross-section of senior executives from the industry in very diverse areas of life insurance.

Ordinance on Insurance Amendment Bill 2014 was passed on December 26, 2014 by Govt of India. Subsequent to that life council Secretariat called upon a meeting of Open session of CEOs to discuss the formation of life council EC as mentioned in the new Insurance Amendment Bill. Messrs. Khaitan and Co. was appointed by council as recommended by the core group of legal heads of companies to prepare Bye laws for council. The committee met several times for discussing the draft bye laws and the final draft of bye laws was placed before all CEOs of member companies in a meeting held on April 07, 2015.

The Insurance Amendment Act 2015 got notified in the Official Gazette on 23rd March 2015 wherein amended Section 64(F)(1) prescribed that the Executive Committee of Life Insurance council shall consist of four elected members of the Life Insurance Council, an eminent person not connected with life insurance, three persons to

represent insurance agents, intermediaries and policy holders, one each from self-help groups and Insurance cooperative societies.

### II.7.2 Brief outline of activities carried out by Council in 2014-15.

- **Meeting with Select Committee of Rajya Sabha on Insurance Amendment Bill** – Life Insurance Council made a presentation highlighting the Industry Key Concerns, to the Select Committee of Rajya Sabha on Insurance Amendment Bill on 26th September 2014 at New Delhi.
- **194DA of Finance Act 2014** - Life Insurance Council made a representation to Tax Planning and Legislation on August 22, 2014 requesting clarity on certain aspects. Life Council also wrote letter to Hon. Finance Minister of India in September 2014 requesting that the date of implementation of the provisions of section 194DA be provided as two months from the issuance of necessary clarification by CBDT.
- **Pre budget meeting for Union Budget 2015-16** Life Council was given a opportunity to make a pre budget 2015-16 presentation on 11th December 2014 at New Delhi. Secretary General, life council was accompanied by a select tax heads of member companies to make the Pre budget presentation.
- **Goods and Service Tax (GST)** - Life Council organised a meeting on GST with two consultants i.e. KPMG on 21<sup>st</sup> January 2015 and ELP (Economic Laws Practice) on February 24<sup>th</sup>, 2015. All the member companies were invited to attend both the meeting and tax heads of member companies duly attended both the meeting.

Basis the above two meetings with KPMG and ELP, it was unanimously agreed by the members that council should hire the services of ELP for representing life industry on GST. The duly

reviewed and revised proposals of ELP were tabled for approval of all CEOs of member companies in a meeting scheduled on April 07, 2015.

- **Insurance Awareness Programme of IRDAI** - Life Insurance Council not only participated in the inaugural ceremony on 8<sup>th</sup> Jan 2015 but also is in process of co-ordinating with the Authority and its members for smooth conduct of these planned district level seminars.
- **CSC - On Boarding Charges in CSC – SPV Model**  
Life Insurance Council being the custodian of the “On Boarding Corpus Fund” transfers ₹ 5,000 per Licensed RAP (Rural Authorized Person) to CSC e-Governance services India Ltd on behalf of life insurers. The details of CSC-SPV activated centers along with the amount withdrawn from the Corpus Fund are displayed accordingly on the Life Insurance Council website as per the list of activated Rural Authorized Person (RAP) provided by CSC-SPV to Life Insurance Council.
- Discussions with CRISIL and ICRA- for Valuation services for fixed income securities Life Insurance Council conducted series of discussions on behalf of the industry with service providers such as CRISIL and ICRA for their Valuation services for fixed income securities. Life Insurance Council was successful in negotiating a uniform cost structure from both services providers and members have subscribed to the same.
- **Derivatives Workshop** – Life Insurance Council organised a Workshop on Interest Rate Derivatives for member companies on August 21-22, 2014 in Mumbai.
- **NIC Classification** - A committee comprising of Life Insurance and General Insurance Companies was constituted for this purpose.

The committee developed the Guidelines that will govern the mapping of companies as per the NIC Classification and the same was sent to IRDAI for their consideration.

- **Legal and Compliance sub-committee** – Legal and Compliance Sub-committee of life council met twice during the FY 2014-15 and discussed the challenges faced by them in implementing regulatory circulars, notifications, etc. Based on the discussions, life council sent appropriate representations to IRDAI and other government authorities. Members also discussed the Insurance Laws (Amendment) Ordinance, 2014.
- The Council’s website continues carrying statistical data, latest news and other information. The number of hits from different geographies – national and international increased significantly after upgrading its design and interlinking it with websites of IRDAI and all life insurers. Council has also started displaying in its website the following data from this financial year 2014-15.
  - Data on number of products of life companies
  - Data on Individual Agents of Life Companies
  - New Business Data of Life Companies

As per IRDAI’s directive, since November 2011 life council’s website hosts daily NAV’s of all its members.
- **e-Repository meeting** - Life Council organised the meeting to discuss on Delay of Pilot Project of e-repository in the month of September 2014 in Mumbai. Senior officials from IRDAI were present in the meeting and representatives from all Member Companies and all repositories were present.



- **NOS-QP for life insurance agents-** Life Insurance Council has agreed to contribute capital to BFSI SSC on suggestion by IRDAI.

As regards implementation part of the above programme, the responsibility to oversee the methodology of training including delivery methodology to be given to Life Council. The Life Insurance Council discussed the matter of development of NOS- QP,( the qualification pack for Life Insurance Agents based on the National Occupational Standards) in its Core Committee meeting and approved the NOS QP proposed by BFSI SSC with some suggestions. The Authority has reviewed proposed NOS QP and accorded it approval while making suggestions.

- **Life council made a number of representations to IRDAI and Govt. of India and some of the key representations are as follows:**

- Guidelines on Replacement of Life Insurance Policies
- Submission of Approach Paper on certain queries relating to Assignment of Policies (Section 38)
- Proposed IRDAI seminar on Regulatory Compliance
- Representation to IRDAI on Insurance Laws (Amendment) Ordinance 2014
- Representation for reconsideration of Section 45 under the Insurance Laws (Amendment) Ordinance 2014
- Appeal to IRDAI to consider reasonable fee/remuneration to the Corporate Agent/Agents for participation in the sale of online insurance products.
- Representation on “Minimum Group Size” as envisaged in the guidelines on Group Insurance Policies,2005

- Representation on the Finance (No. 2) Bill, 2014 – Life Insurance Industry
  - Representation on "Requisition for relaxation in Clause 7 of the Group Guidelines of IRDAI"
  - Representation on "Confiscation of Insurance policies under Prevention of Money Laundering Act and Rule there under".
  - Representation to Member Non life, IRDAI on Health Insurance Products – Seeking Level Playing Ground
  - Representation on Disclosure of Persistency by Product Category
  - IRDA Circular on Pilot Launch of Insurance Repository System.
  - Fraud Risk Management Guidelines.
  - Remuneration to Web Aggregators under IRDAI Regulations, 2013
  - Transfer of licenses of Specified Persons (SPs) of Corporate Agents (CAs)
  - Electronic Issuance of Insurance Policies
  - Delay of Pilot Project of e-repository
  - Confiscation of Insurance policies under Prevention of Money Laundering Act and Rule there under.
  - Request for issue of invoice for service tax collected by IRDAI on the fees paid by member companies.
  - Transfer of licenses of Specified Persons (SPs) of Corporate Agents (CAs)
- Council has been actively involved in meetings with and conferences organised by CII, FICCI, ASSOCHAM, etc.

## **GENERAL INSURANCE COUNCIL**

**II.7.3** General Insurance Council is a body set up under Section 64C of the Insurance Act, 1938 (as

amended by the Insurance Laws (Amendment) Act, 2015. All registered non-life insurers are members of the Council and are represented by their Chairman-cum-Managing Directors / Chief Executive Officers. The Secretary General functions as the Chief Executive of the Council.

**II.7.4** During the year 2014-15, the Executive Committee of the Council comprised, apart from the nominees of Insurance Regulatory & Development Authority (IRDA) [viz. Member, Non-Life] as Chairman of the Council. Sr. JD, Non-Life, IRDA and the Secretary General, the Chief Executive Officers and Chairman-cum-Managing Directors of all 21 Non-life Insurance Companies, 5 stand alone health insurance companies, and two specialist insurance companies (AIC and ECGC) who are licensed by IRDA to carry on general insurance business in India, and India's National Reinsurer, General Insurance Corporation of India (GIC Re). The current membership strength of the Council is 29.

**II.7.5** Three formal meetings of the Executive Committee of the Council were held during the period April 2014 to March 2015. A Conclave of CEOs & CMDs was held in July 2014 to identify critical industry issues. A meeting of all CEOs & CMDs was also held in March 2015 to discuss issues relating to the G I Council reorganization as mandated by the Insurance Laws (Amendment) Bill 2015. The Council also met Chairman, IRDA on five occasions during the year under review.

The key issues discussed with Chairman IRDA included Dynamic BC for select occupancies, Standardized RFQ for Property & Group Health portfolios, Coinsurance UW slip and ETASS project, Motor TP price revision for 2015-16, Use & File guidelines, Collaboration with IIB on thematic reports, Stand alone NAT CAT perils policy, etc.

**II.7.6** During the year, Council provided a platform for the Heads of various Underwriting

Departments, CFOs, and other Senior Executives of the member-Companies for exchange of their views, experiences and common concerns affecting the industry in various spheres. These forums also built the camaraderie and rapport amongst their counterparts in competing companies. The activities of these forums are the basic foundation for the industry to enhance the adoption of best practices and standards in core business activities, enhancing customer service standards, maintaining market discipline and development of non-life insurance market in a healthy manner. In all there were 15 formal meetings were held under the aegis of the Council covering ETASS, Health, Motor, Property, Taxation and Compliance issues.

**II.7.7** The Council has participated in the meetings of various Committees constituted by the IRDA and contributed in terms of bringing out the concerns and requirements of the Non-Life Insurance industry.

Council was represented in the conferences / seminars / meetings of various forums like FICCI, CII, ASSOCHAM, III, IBAI and other public initiatives in different cities as well as on the various Committees constituted by IRDA.

Council has put forth the Industry's view point and opinions on various matters referred to by different Ministries like Ministry of Finance (Insurance Division), Ministry of Road Transport and Highways, Ministry of Finance (Revenue Division), Ministry of Home Affairs, Ministry of Statistics and Programme implementation, CBDT and CBCE officials. SG participated in a total of 18 meetings with various Ministry officials during the year under review. This included a presentation made to the Select Committee of Parliament on Insurance Laws (Amendment) Bill, 2014.

The Council continued to implement various special projects already initiated for the benefit of

its Members. It also pursued the Legal matters at the SC as well as Mumbai High Court to put forth the industry viewpoints in respect of Uninsured vehicles, and Package rates for Health insurance policies.

Acting as the one-point contact for various institutions and trade bodies, Council has deliberated over the matters referred to it by IRDA, Member Companies and others and acted upon the various actionable points decided during the EC meetings.

In all, GI Council (Secretary General and other senior officers) attended / participated in 92 meetings in various places in pursuit of various activities and projects.

#### **II.7.8 Major activities of the Council: 2014-15**

- 1) **Taxation issues** as well as the suggestion to take measures to improve the penetration of insurance in the country. Due to persistent follow up, one significant development has been that the Income-tax exemption limit has been enhanced to ₹ 25,000/- for Health Insurance premium.
- 2) **TDS on Motor Vehicles compensation:** The Finance Bill 2015 has amended Section 194 (A), clause ix of the Income-Tax Act that provided for deduction of TDS on payment of compensation to victims of road accidents under MACT awards. Previously, TDS was deducted on accrual basis; now it is proposed to be deducted when interest is credited or actually paid. This amendment will take effect from 1st of June 2015.
- 3) **Disaster Relief & Risk Transfer through Insurance:** Council had assisted IRDAI and NDMA to come out with specific achievable points for Disaster Relief & Risk Transfer through Insurance. All the suggestions made in the Report were accepted by Govt.

of India. The emphasis was mainly on insurance solutions for reconstruction of the damaged economy while relief & rehabilitation is being provided by the existing Govt. regulations. Based on the follow up efforts of the G I Council, Ministry of Home Affairs, Dept. of Disaster Management has already addressed letters to various Secretaries in the Central Govt. requesting them to explore the possibility of insuring their critical assets and infrastructure against natural disasters with a view to raising funds for reconstruction activities.

- 4) **National Health Assurance Mission:** Following the reorganization of Ministries at the Central Government, RSBY which was hitherto being handled by the Ministry of Labour & Employment has been transferred to the Ministry of Health & Family Welfare (MoH&FW). As the Govt. is considering universal National Health Assurance Mission (NHAM) for all citizens, Council led a delegation of CEOs and CMDs to meet Joint Secretary, MoH&FW to request Ministry to include insurance solutions into the NHAM. This was also followed up by submitting to DGS a comprehensive White Paper on the contribution the insurance industry has made through the RSBY scheme towards penetration of health insurance as well as products required for ensuring critical care to the masses.
- 5) **Insurance Laws Amendment:** From the legislative point of view the Council strongly represented the views points of the industry to the Select Committee set up to examine the Insurance Laws (Amendment) Bill. Many of the suggestions made have been taken into account while passing the Bill in its final version.

- 6) **Ministry of Road Transport & Highways (MoRTH):** Ministry has been working on a new Road Safety and Transport Bill (RSTB). Council has been very actively discussing the Bill from the draft stage itself with the officials of MoRTH. With assistance and support from member companies, Council met the Union Minister of Road Transport & Highways and Dept. officials on more than one occasion and emphasized the need for introducing limitation on the liability for victims of road accidents as well as introducing the concept of voluntary liability limits over and above the statutory cap. In addition, the need for time limit for filing of claims have also been emphasized. The Council is pursuing its efforts further and ensured that the industry concerns relating to defences available to insurance companies as well as the Authority to decide the premium. Council considers that work done in respect of both the Insurance Act as well as RSTB is a good achievement during the year under review.
- 7) **ETASS-** G I Council is thankful to the Authority providing an opportunity for the pilot module of ETASS for Fire line of business, as a first step, to bring efficiency among inter-company transactions and balances. The first module was soft launched by Chairman, IRDAI on 27th April 2015 and based on the feedback and success of the module, this system would be extended to other lines of business as well as other stakeholders such as Brokers, Reinsurers, etc. Council would consider this as one of the main activities for 2015-16 and this activity would involve time, effort as well as coordination with member companies to make it a success.

- 8) **Reorganization of the Council:** Finally, with the passage of the Insurance Laws (Amendment) Bill the Council is in the process of reorganizing itself, including drafting of suitable Bye-laws for self regulating its activities. As of now, the Steering Committee set up for reorganizing the Council has met more than once and have briefed the legal consultants who are preparing the draft Bye-laws. The entire activity of reorganizing the Council and having a full-fledged EC as per the Act provisions is expected to be completed before 31st May 2015.

## II.8 FUNCTIONING OF OMBUDSMEN

**II.8.1** During 2014-15, the twelve Ombudsmen centers' spreads across India have received a total of 21484 complaints. While 14339 complaints (66.74 per cent) pertained to life insurers, the remaining 7145 complaints (33.26 per cent) related to non-life insurers. This was in addition to 9617 complaints pending with various offices of Ombudsmen as at the end of March 2014.

**II.8.2** During 2014-15, the Ombudsmen disposed of 24319 complaints. Out of these complaints, Ombudsmen declared 53.48 per cent of the complaints as non-acceptable/not-entertainable. Awards/recommendations were issued for 25.04 per cent of total complaints. Other than this, 8.64 per cent of the complaints were withdrawn, while nearly 12.84 per cent of the complaints were dismissed. 6782 complaints were pending as on 31st March, 2015.

**TABLE II. 14  
DISPOSAL OF COMPLAINTS BY OMBUDSMAN DURING 2014-15**

Insurer	Complaints O/S as on 31.3.2014	Received during 2014-15	Total	Complaints disposed during 2014-15	No. of Complaints disposed by way of				Complaints O/S as on 31.3.2015
					(I)	(II)	(III)	(IV)	
<b>Life</b>	5724	14339	20063	15666	3402 [21.72]	1329 [8.48]	1718 [10.97]	9217 [58.83]	4397
<b>Non-Life</b>	3893	7145	11038	8653	2687 [31.05]	773 [8.93]	1404 [16.23]	3789 [43.79]	2385
<b>Combined</b>	<b>9617</b>	<b>21484</b>	<b>31101</b>	<b>24319</b>	<b>6089</b> [25.04]	<b>2102</b> [8.64]	<b>3122</b> [12.84]	<b>13006</b> [53.48]	<b>6782</b>

O/S : Outstanding

**Notes:**

(I) Recommendations / Awards    (III) Dismissal

(II) Withdrawal / Settlement        (IV) Non-acceptance / Not-entertainable

Figure in brackets indicates percentages to the respective complaints disposed.

## PART - III

### STATUTORY AND DEVELOPMENTAL FUNCTIONS OF THE AUTHORITY

Section 14 of the IRDA Act, 1999 (IRDA Act) lays down the duties of the Authority to regulate, promote and ensure orderly growth of the insurance business and reinsurance business. Sub-section (2) of the said section lays down the powers and functions of the Authority. Chapter III of the Annual Report covers the activities of the Authority in 2014-15 while carrying out its functions and exercising the powers conferred on it.

#### **III.1 Issue to the applicant a certificate of registration, renew, modify, withdraw, suspend or cancel such registration**

**III.1.1** Registration, renewal, modification and suspension of certificate of registration of insurance companies is primarily regulated by the IRDA (Registration of Indian Insurance Companies), Regulations, 2000, as amended from time to time and various circulars and guidelines issued by the Authority.

**III.1.2** During 2014-15, the Authority has not issued new certificate of registration to any insurance company. The certificates of registration issued to all the existing life and non-life insurance companies have been renewed in terms of Section 3A of the Insurance Act, 1938.

**III.1.3** The Compliance Wing within the Inspection Department was set up in Feb 2014. As per the prescribed procedure, on-site inspection of regulated entities is the responsibility of the Inspection Wing. The completed reports are being forwarded to the inspected entities for comments/compliance and thereafter the final inspection report is passed on to the Compliance wing. The responses/compliances received from the inspected entities are analyzed in the Compliance wing. The proposed course of action

finalised by the Compliance wing is submitted to the concerned Whole Time Members (WTM) for their comments/inputs within 10 days time. After taking care of the comments from the WTMs, the proposed course of action would be submitted to the Chairman for approval. Thus all the inspection reports are being closed through show cause notice, personal hearing, final actions like penalty, warning etc. The compliance wing was rechristened as Enforcement Department in January 2015 and made a separate department. The Government of India has promulgated the Insurance Laws (Amendment) Ordinance 2014 on 26th December 2014 which was later on replaced with the Insurance Laws (Amendment) Bill 2015 and passed in both the houses of Parliament and finally enacted on 22nd March 2015. As per this, the penalty provisions were amended and the imposition of penalties would be by a process of adjudication in respect of some sections of the Act. The adjudicating officer would be appointed who would be at least at the level of Joint Director in IRDAI. Basic factors to be taken into account before deciding on the quantum of penalty are provided in the Act. All appeals against the orders of IRDAI would lie with the Securities Appellate Tribunal. The details of monetary penalties levied are given in Annexure 10.

**III.1.4** Apart from monetary penalty levied as above, other penal actions were also initiated on non-compliances observed with other entities. Further, the Authority also issued warnings, specific orders / directions to the regulated entities who were found to be non-compliant with the regulatory stipulations.

**III.2 Protection of the interests of policyholders in matters concerning assigning of policy, nomination by policyholders, insurable interest, settlement of insurance claim, surrender value of policy and other terms and conditions of contracts of insurance.**

**III.2.1** The Authority has brought out regulations providing for various do's and don'ts for insurers and intermediaries at the point of sale, point of claim, etc. The Authority has also prescribed Time frames for rendering various services to policyholders under the regulations. Further, the regulations mandate insurers to have in place an effective mechanism for redressal of policyholder grievances. The Authority, through its Consumer Affairs Department has set up a "Grievances Cell" for policyholders of life and non-life insurance companies. Apart from playing a facilitative role in helping policyholders getting their grievances redressed by insurers within the stipulated time, the Authority also examines on a continuous basis, the underlying issues that cause grievances and works towards rectifying the systemic issues involved. The Authority has also issued Guidelines for Grievance Redressal by Insurers vide its Circular Ref no.3/CA/GRV/YPB/10-11 dated 27.07.2010 which mandate all insurers to have in place a Board approved Grievance Redressal policy and a Policyholders protection committee as stipulated in the guidelines for Corporate Governance. The Guidelines also prescribe Grievance Redressal Procedures, Turn Around Times, and lay down the circumstances in which complaint is treated as closed.

**III.2.2** The Authority has advised all the life and non-life insurance companies not to reject the genuine claims intimated or submitted at a later date than the time specified in the policy, due to unavoidable circumstances. The insurer's decision, to reject a claim due to delay in submission of intimation or documents, shall have to be based on sound logic and valid grounds as

the time limitation clause is neither absolute nor does work in isolation. As such an insurer shall not repudiate any claim unless and until the reasons of delay are specifically ascertained, recorded and insurers satisfy themselves that those claims would have otherwise been rejected even if reported in time.

**III.2.3** To enable access to data relating to insurance status of motor vehicles with a view to assisting road accident victims or claimants of motor third party insurance, the Authority, through the Insurance Information Bureau, has provided a web based facility. The facility provides the users the details of the vehicle, insurance status and address of the policy issuing office.

**III.2.4** Keeping in mind the gap created by the exit of insurance agents in servicing the life insurance policies and also to promote the persistency of insurance policies, the Authority has prescribed that insurance companies allot lapsed orphan life insurance policies to individual insurance agents whose license is in force. The allotted agent's details would be intimated by the insurer to the policyholder concerned.

**III.2.5** While health insurance is growing rapidly; there are complaints in regard to variable interpretations of key policy terms. In order to address the expectation of the prospect/policyholder, the Authority has standardized definition of 46 commonly used terms in health insurance policies, nomenclature and coverage for 11 critical illnesses and list of exclusion expenses under indemnity policies. Also, Health Insurance Regulations, 2013 have been notified which, inter alia, prescribe free look period of 15 days for health policies, a time limit of 30 days from the date of receipt of last document for conveying a decision on claims, provisions relating to portability, standard definitions and special provisions for senior citizens.

### III.3 Specifying requisite qualifications, code of conduct and practical training for intermediaries or insurance intermediaries and agents.

**III.3.1** The licensing and code of conduct for all the intermediaries in the Insurance business are specified clearly in the regulations framed under the IRDA Act, 1999 vide Insurance Surveyors and Loss Assessors (Licensing, professional requirements and code of conduct), Regulations, 2000, Insurance Regulatory and Development Authority (Insurance Brokers Regulations, 2002, Insurance Regulatory and Development Authority (Licensing of Insurance Agents) Regulations, 2000, and its subsequent amendments in 2002, 2007 & 2013 and Insurance Regulatory and Development Authority (Licensing of Corporate Agents) Regulations, 2002 and its amendment in 2010.

**III.3.2** The Authority has issued Guidelines on Qualifications of Corporate Insurance Executives and Faculty of Agent's training Institutes vide circular no. IRDA/ AGENTS/ ORD/17 /JULY 2009 dated 3rd July, 2009. The Authority has also issued Guidelines on licensing of corporate agents vide circular no. 017/IRDA/Circular/CA Guidelines/2005 dated 14th July, 2005.

**III.3.3** The following Regulatory frame work has been prescribed by the Authority to further strengthen the regulatory supervision.

- 1) Regulations namely Insurance Regulatory and Development Authority (Licensing of Corporate Agents) (Amendment) Regulations, 2010 to further amend the Insurance Regulatory and Development Authority (Licensing of Corporate Agents) Regulation, 2002 to incorporate regulatory provisions for non compliance of Regulatory frame work prescribed for corporate agents.
- 2) IRDA (Sharing of Database for Distribution of Insurance Products) Regulations, 2010 to

streamline the tie-ups between insurers and referral companies. It also prescribes ceilings of remuneration payable to referral entities and lays down the frame work under which the referral entities and insurers have to conduct insurance business.

- 3) Circular no. IRDA/CAGTS/CIR/LCE/092/06/2010 dated 7th June, 2010 and Circular no: IRDA/CAGTS/CIR/142/ 07/2013 dated 25.07.2013 to streamline the procedure for Transfer of Corporate Agents from one Insurer to Other Insurer. Vide the said Circular the Authority has barred agents having less than one year service from seeking transfer to other insurer. Further the Authority has also mandated time frame for designated persons of insurer for issuing NOC's failing which after elapse of one month from the date of request for NOC, it will be deemed that the agent has been issued NOC.
- 4) Circular no. IRDA/CAGTS/CIR/LCE/093/2010 on Inspection of Corporate Agents by Insurer.
- 5) Issued Standard instructions and guidelines vide circular dated 03/06/2010 & 29/07/2013, applicable for fresh/ renewal accreditation of On- Line and Off-Line Agents training Institutes.
- 6) Order no. IRDA/AGTS/ORD/TRNG/109/07/2010 constituting a committee to recommend examination fee to be charged from the candidates appearing in pre recruitment examination for Insurance Agents and to finalize financial arrangements between III and NSE-IT for conducting the above pre recruitment examination.
- 7) Issued Circular IRDA/CAGTS/GTL/LCE/106/06/2010 dated 28.06.2010 laying down the procedure for issue/renewal of corporate agency licenses. Vide the above



circular the Authority has mandated corporate designated persons of insurers to obtain its prior approval before granting/ renewing corporate agency licenses.

- 8) Issued a notice dated 08/06/2010 withdrawing 4261 corporate agency licenses from the Authority's database as they were in lapse state as at 31.03.2010.
- 9) Issued guidelines Vide Circular no. IRDA /CAGTS/ CIR/LCE /039/03/2010 dated 02/03/2010 to deal with applications received for corporate agency license from 'persons' belonging to groups which are already engaged as corporate agents/brokers.
- 10) Issued Standard Instructions and Guidelines for approval/Renewal of Agents Training Institutes vide Circular dated 07.12.2011 to ensure that only serious professional players come into the business of ATI's.
- 11) Issued Circular no: IRDA/CAGTS/GDL/ 028/02/2013 dated 18.02.2013 permitting standalone health insurance companies to utilize services of other life and/or non-life insurance companies to distribute their products.
- 12) Issued Circular no: IRDA/DIST/GDL/ MISC/183/09/2013 dated 11.09.2013 permitting Agriculture Insurance Company to utilize services of other life and/or non-life insurance companies to distribute their products.
- 13) The Agency Distribution Department has Automated administrative procedures involved in granting prior approvals for issue/renewal of corporate agency licenses. The Automated system is in place w.e.f.01.09.2013. The new system ensures smooth process flows and stringent due diligence.
- 14) Issued Circular no: IRDA/AGT/GDL/CIR/ 108/05//2013 dated 30.05.2013 reducing bench mark of passing Agent's pre-recruitment test to 35% from the earlier bench mark of 50%. The above concession was given to justify the standard of IC-33 book developed by CII and competencies of candidates available in market for insurance agency.
- 15) Issued Circular no: IRDA/AGT/GLD/CIR/ 66/04//2013 dated 03.04.2013 allowing insurers to renew agency licenses archived in portal on account of being in lapsed state for more than one year. This permission was given to provide agents holding lapsed license an opportunity to come back to insurance industry again.
- 16) Issued Circular no: IRDA/AGTS/MISC/ CIR/041/01/2014 dated 28.01.2014 notifying new IC-34 syllabus for Non-Life Insurance Agent's pre-recruitment examination.
- 17) Issued Circular No: IRDA/AGTS/CIR/ LCE/164/07/2014 dated 11.06.2014 notifying new IC-33 syllabus for Life Insurance Agent's pre-recruitment examination.
- 18) Issued Circular No. IRDA/AGTS/CIR/ GLD/046/03/2015 dated 16.03.2015 notifying the "Guidelines on Appointment of Insurance Agents,2015" which shall come into force with effect from 01.04.2015
- 19) As per Circular No. IRDA/AGTS/CIR/ GLD/081/04/2015 dated 22.04.2015 new course material IC 32 is launched w.e.f. 01.07.2015. Candidates who qualify in IC-32 shall be eligible to be appointed by Standalone Health Insurer as agents. Also new syllabus for IC 33 with Health Insurance chapters launched w.e.f. 01.07.2015.

**Online Broker Examinations:**

**III.3.4** The conduct of insurance broker examinations has been made on-line w.e.f. 16<sup>th</sup> June, 2014. The NIA, Pune in association with NSEiT is conducting these examinations online across the country. The mandatory requirement of training has also been made online which has resulted in significant reduction in cost of training. This has been made available from June 2015. At present the Insurance Institute of India, Mumbai has been entrusted with the responsibility of conducting training for insurance brokers as well as employees of Insurance Marketing Firm. It is also contemplated to make the mandatory renewal training of the insurance brokers online very soon. The efforts of the Authority in reforming of the training requirements for insurance brokers have been received well by all stakeholders and it is noticed that the number of enrolment for training has increased.

**Online Training and Examination for IMF**

**III.3.5** The Authority has approved Insurance Institute of India, Mumbai as approved training institute for on line training for Principal Officer and Insurance Sales Persons for the prospecting IMF. The syllabus is based on the business requirements of IMF. The module has been so designed that the candidate can download the digital training material on to the PC and completes the lessons. At the end of each lesson, self assessment tests are available and the candidate has to complete the same. For each such completion one hour training credit is given. After completion of requisite number of hours of training, as per the eligibility of the candidate, a training completion certificate is issued which enables the candidate to take on line examination at NIA, Pune.

**III.3.6** National Insurance Academy, Pune in association of NSEiT conducts the examination for IMF on line at five locations. The pass percentage for Principal Officer is 50% where as for ISP is 35%.

**III.4 Specifying the code of conduct for surveyors and loss assessors**

**III.4.1** The duties and responsibilities of a surveyor and loss assessor are specified in Chapter IV of the Insurance Surveyors and Loss Assessors (Licensing, Professional Requirements and Code of Conduct) Regulations, 2000. The Regulation 13 inter alia states that:

- Major duty and responsibility of a surveyor and loss assessor shall be to investigate, manage, quantify, validate and deal with losses arising from any contingency and report there upon.
- All licensed surveyors and loss assessors shall work with competence, objectivity and professional integrity by strictly adhering to the code of conduct envisaged in the Regulations.

The code of conduct regarding the professional and ethical requirements for conduct of their professional work is specified in Chapter VI of the Regulations. The Regulation 15 elaborates on the code which, inter alia, stipulates that a surveyor and loss assessor shall:

- behave ethically and with integrity in the professional pursuits;
- strive for objectivity in professional and business judgment;
- act impartially when acting on instructions from an insurer in relation to a policyholder's claim under a policy issued by that insurer; and
- conduct himself with courtesy and consideration with all people he comes into contact during the course of his work, etc.

The code of conduct further states that a surveyor shall not accept or perform work which he is not competent to undertake, unless he obtains some advice and assistance, as will enable him to carry out the work competently; and will carry out his

professional work with due diligence, care and skill and with proper regard to technical and professional practice.

**III.4.2** Further, in order to protect the interest of policyholders, the Authority has framed the IRDA (Protection of Policyholders' Interest) Regulations, 2002. Adherence to code of conduct by surveyors and loss assessors has been further emphasized under Regulation 9 of the said Regulation, while dealing with settlement of claims in respect of non-life insurance policy.

During the year 2014-15, the Authority has issued the following Circulars/Orders:

- Order no. IRDA/SUR/MISC/ORD/ 189/2014 dated 11th August, 2014 on Appointment of Election Officer to conduct Council Elections of Indian Institute of Insurance Surveyors and Loss Assessors (IIISLA). Vide this order Mr. K. V. Krishnan, General Insurance Council was nominated as Election Officer for conducting full council election of IIISLA.
- Notice no. IRDA/SUR/NTC/MISC/ 269/12/2014 dated 23rd January, 2015 on Online System for Licensing and Renewal. Vide this notice all surveyors were informed to apply for license online alongwith details of IIISLA membership. Vide this notice, contact details of surveyor department at New Delhi Regional Office and applicable fee were also published for information.
- Exposure Draft dated 7th April, 2015 on draft Surveyors and Loss Assessors Regulations, 2015 for comments/ suggestions of stakeholders. Consequent upon promulgation of Insurance Laws Amendment Act, 2015, section 64 UM of Insurance Act, 1938 was amended necessitating significant changes in existing Insurance Surveyors and Loss Assessors Regulations. Accordingly, Surveyors Regulations were amended and

placed on website for comments and suggestions from stakeholders and public.

- Order no. IRDA/SUR/REG/ORD/0711/04/2015 dated 10th April, 2015 on Weblist of Surveyors and Loss Assessors (Individual & Corporate) with IIISLA Membership. Vide this notice surveyors and insurance companies were informed about Authority has published the weblist of individual and corporate surveyors and loss assessors with IIISLA membership details and eligible departments were ticked with '##' sign. The surveyors and loss assessors were also advised to show/submit their IIISLA membership certificate alongwith license to the underwriters/insurers for the purposes of empanelment and survey work allocation.

### **III.5 Promoting efficiency in the conduct of insurance business**

#### **Insurance Repositories**

**III .5.1** The Insurance Repository System is an initiative of the Authority to de-materialise insurance policies. To achieve this objective, the Authority issued the guidelines on Insurance Repositories and electronic issuance of insurance policies in April, 2011. The Authority granted certificates of registration to five entities to act as Insurance Repositories

**III.5.2** The Authority has further issued "Guidelines on Pilot launch of the Insurance Repository System" for boosting the existing system and understanding the market trend. The feedback on this initiative was very positive and an approximate 1.8 lakh eIA (electronic Insurance Accounts) have been opened. Further, around 50,000 policyholders evinced interest for conversion of their hard copy in electronic form.

**III.5.3** Subsequently in May, 2015, the Authority has issued the "Revised Guidelines on Insurance Repositories and electronic issuance of Insurance

**TABLE III.1 INSURANCE REPOSITORIES APPROVED BY THE AUTHORITY**  
(AS AT 31<sup>st</sup> MARCH, 2015)

S No.	Name
1	National Insurance-policy Repository, NSDL Database Management Limited
2	Central Insurance Repository Limited
3	CAMS Repository Services Limited, Chennai
4	SHCIL Projects Limited, Navi Mumbai
5	Karvi Insurance Repository Limited, Hyderabad

policies". At present, there are total 7,41,481 eIA accounts and a total of 3,38,065 policies converted into electronic mode.

The list of approved Insurance Repositories is given (Table III. 5.1).

### **Electronic Transaction Administration and Settlement System**

**III.5.4** The Electronic Transaction Administration and Settlement System (ETASS) is a clearing house system that facilitates sharing of documents and accounting statements pertaining to the coinsurance and reinsurance transactions and is designed to aid easy reconciliation of inter-entity balances.

**III.5.5** As a by product to this system, faster settlement, greater discipline and efficiency in conduct of the coinsurance and reinsurance transactions will also be achieved. The Authority had entrusted responsibility of developing and implementing the ETASS system to the General Insurance (GI) Council.

**III.5.6** Since the scope of development is huge and time consuming, the pain point of coinsurance transactions that primarily involves Indian Insurers and contributes significantly to the inter-company balances is prioritised over the reinsurance transactions. Also, within the coinsurance space, 'Fire' Line of Business (LOB) that majorly contributes to the coinsurance transactions is

taken up for development and implementation during the initial phase.

The GI Council had involved the Non-life insurers during the development, testing and implementation of the ETASS system. In its first phase, the ETASS is designed to support the 'Fire' coinsurance transactions and was formally launched on 27th April, 2015. The Authority in order to facilitate smooth operationalization of the ETASS and for its continued development and patronage had issued 'Guidelines for ETASS Administration' on 11th May, 2015. The GI Council has been designated as the 'Administrator' and is entrusted with the responsibility of extending the ETASS system to support the needs of other lines of coinsurance business and later to reinsurance.

The GI council is expected to come out with a detailed project plan soon. As the system stabilizes, ETASS would support settlements and would support seam-less transaction exchange between multiple players – Insurers, Reinsurers and Intermediaries.

### **Data Standards**

**III.5.7** The Authority had embarked on the task of compiling the data standards to facilitate easy interfacing of IT systems of multiple entities in the insurance sector. The data standards bring about common definitions for the information exchange. This helps in easy interfacing of multiple systems both within and outside an organization.

**III.5.8** In order to support the Insurance Repository System, standard Extensible Markup Language (XML) schema consisting of the field definitions, field properties and message content was earlier shared for exchange of data between multiple players for the Life Segment. Similarly, schemas have been finalized to support the needs of 'Health' and 'Motor' lines of business. These schemas would support the 'individual lines' of Non-life insurance transactions in the Insurance Repository System. Schemas would soon be devised to support other lines of Non-life business so as to enable the complete on-boarding of the Non-life insurers onto the IR system.

### **III.5.9 International Financial Service Centre**

The Government of India with the objective of creating high value jobs from financial services production in the country and to create an avenue into financial globalisation had set up International Financial Service Centre (IFSC) at GIFT City, Gujarat. One of the objectives of the IFSC is also to provide an environment where controlled experiments with new ideas in policy can take place.

As a part of this initiative, Government of India had identified Reinsurance to be allowed under the regulatory supervision of the Authority. In furtherance of this objective the Authority had issued the International Financial Service Centre Guidelines, 2015 that provides the enabling regulatory framework for registration and conduct of reinsurance business in India.

As per the guidelines issued by the Authority, both Indian registered insurers/reinsurers as well as insurers/reinsurers will be eligible to register with the Authority to transact foreign and domestic reinsurance business by setting up an IFSC Insurance Office (IIO).

Foreign registered insurers/reinsurers besides fulfilling other criteria will have to demonstrate an

assigned capital of ₹10 crores and a minimum net owned funds of ₹ 5000 crores to be eligible to apply for a registration to open an IIO.

The Government of India had granted several exemptions to the entities operating in the IFSC. The IFSC would thus provide the required platform for the creation of "Reinsurance Hub" in the country where domestic as well as foreign reinsurance business can be transacted.

### **III.6 Promoting and regulating professional organizations connected with the insurance and reinsurance business**

**III.6.1** The Life Insurance Council and the General Insurance Council which are statutory bodies under the Insurance Act, 1938, represent the life insurance companies and non-life insurance companies respectively. These councils contribute towards healthy growth of the industry by way of discussions, representations before various authorities, spreading insurance awareness, providing inputs on existing/ proposed regulatory stipulations. Development of these self-regulatory bodies augurs well for the industry to put across their view points on critical areas for the growth of the industry.

In the same vein, brokers licensed by the Authority are necessarily required to be members of the Insurance Brokers Association of India (IBAI).

**III.6.2** Indian Institute of Insurance Surveyors and Loss Assessors (IIISLA), an institute promoted and established by Authority and incorporated under Section 25 of the Companies Act, 1956. Membership of the institute is mandatory for grant of surveyor license. The institute works as a self-regulatory body.

### **Health Insurance Forum**

**III.6.3** The Health Insurance Forum which was originally constituted on 02nd February 2012 with representation from various stakeholders of the

health insurance business was reconstituted during December, 2014 by drawing members from Department of Financial Services, MoF, Gol, President Indian Medical Association, Secretary General, General Insurance Council, Secretary General Life Insurance Council, Apollo Hospitals, Hyderabad and Bharathi Axa Life Insurance Com. With this newly inducted members the total membership of the forum was stood at 24.

**III.6.4** During the financial year 2014-15, the forum met twice in August 2014 and February 2015. During the meeting held in the month of August, 2014 the forum, inter alia, deliberated on the matters of 'promoting quality in health care through Health Insurance and Categorization of Health care providers' and 'Insurance structure for Chronic Care and Elderly Care'. On 'promoting quality health care' there were views for harmonizing the government and private space to facilitate de-duplication and cost reduction. With regard to insurance structure for elderly care it was considered that due to increasing longevity the care cost burden may not be manageable and it was suggested that OPD costs of Health care providers should follow a protocol.

During the meeting held in February, 2015, the forum, inter alia, discussed the FICCI's concept note on 'Categorization of Network Hospitals', CII's concept note on Claims and Medical Inflation. The forum deliberated on the need for identifying certain factors such as the technological change and relative price increase, age-dependent consumption of medical services etc. The forum members decided to further discuss on the matter.

The forum aims to work further on these areas in consonance with various stakeholders for enhancing the availability of affordable Health Insurance Coverage to all the people.

**III.6.5** Recognising the need for availability of talent pool on a continuous basis for the insurance

industry, the Authority in association with Andhra Pradesh government established a professional institute, Institute of Insurance and Risk Management (IIRM) in the year 2002 for training and imparting professional courses in insurance and related subjects. The Authority continues to support the institute in its endeavours.

**III.6.6** The Authority has also recognised the need to have reliable, timely and accurate data for the efficient functioning of the insurance companies and also in the interest of the policyholders. To process the available transaction level data and disseminate it for the benefit of various stakeholders, the Authority constituted the Insurance Information Bureau (IIB) in 2009 in the form of an advisory board to obtain, process and disseminate the transaction level data relating to insurance industry. In 2012-13, the Bureau was registered as a society making it a separate legal entity.

**III.6.7** The Authority also has statutory representation in the council of the Institute of Actuaries of India, a statutory and professional body for actuaries. The erstwhile Actuarial Society of India established in 1944 was dissolved in 2006 and Institute of Actuaries of India (IAI) was established as a statutory body under the Actuaries Act, 2006 for regulation of profession of actuaries in India. The council is responsible for the management of the affairs of the Institute.

### **III.7 Levying fees and other charges for carrying out the purposes of the Act**

**III.7.1** The existing fee structure for insurers and intermediaries is indicated in Annexure 2.

### **III.8 Calling for information from, undertaking inspection of, conducting enquiries and investigations including audit of the insurers, intermediaries, insurance intermediaries and other organizations connected with the insurance business**

**III.8.1** The Authority, through the Inspection Department, pursues its on-site supervision of the regulated entities with regard to their observance of prescribed laws, regulations, guidelines, standards, etc. Thus, inspections aim at fulfilling the Authority's mission of protection of interests of existing and prospective policyholders including their beneficiaries.

**III.8.2** The IRDA Act, 1999 lays down the statutory provisions to carry out on-site inspections including investigation of insurance companies, intermediaries, insurance intermediaries and other organizations connected with the insurance business. Supervisory oversight, at the minimum involves a two-pronged approach, viz., off-site examination and on-site inspection. Based on the policy approach for inspections, the outcomes of off-site analysis of various financial and statistical information submitted by the insurance entities and information collected from other functional departments in the Authority, comprehensive and focused inspections are undertaken at the site of the regulated entities for assessment of their functioning by examination of relevant records, books of accounts and business activities. The standard guidance notes on inspection are suitably customized to meet assessment needs of the specific characteristics of the inspected entity based on such parameters as size, nature of business-mix, complexity of various internal processes, solvency ratio, distribution system, risk appetite of the promoters/directors, business planning, risk management and corporate governance framework and overall risk profile.

**III.8.3** During 2014-15, the Inspection Department has conducted 66 inspections out of which 18 were Insurance companies (5 Life insurers and 13 Non-Life insurers), 27 were Brokers, 6 were TPAs, 9 were Corporate Agents, 2 were Web Aggregator and 4 were Unlicensed Entity. Out of 5 inspected life insurance companies 2 were comprehensive Inspection and remaining 3 were focused

inspection. Similarly, in 13 inspected non-life companies there was 4 comprehensive inspection and 9 focused inspection. Under non-life inspected insurance companies there was 3 standalone health insurers were inspected, out of which one was comprehensive inspection and two were focused inspection. The focus areas of some of the targeted / focused inspections included grievance redressal mechanism of the insurers, payments to specific class of intermediaries and other related entities, specific complaints received by the Authority from external entities/policyholders, etc. Theme based inspections were also conducted in the insurance intermediaries for ex: re insurance brokers, group companies of Motor Dealers and Banks etc.

**III.8.4** It may be recalled that for facilitating the disposal of inspection findings, a separate compliance wing was formed by the Authority in February 2014. The wing got converted to Enforcement Department and was established in the Authority in January 2015. The establishment of the Enforcement Department has been necessitated to undertake actions like Adjudication proceedings envisaged in the Insurance Amendment Act 2015. Thus, henceforth, the Enforcement Department of the Authority will undertake disposal of inspection findings, ensure compliance by the regulated entities of different provisions of Act and Regulations applicable to them and will carry out any other enforcement actions as and when needed to be taken.

**III.8.5** The regulatory action on various inspection findings is decided only after the inspected entity has been given an opportunity to put forth its views / submission. In all cases, the laid down process is followed to take the inspection reports to their logical conclusion.

### **III.9 Control and regulation of rates, advantages, terms and conditions that may be offered by insurers in respect of general insurance business not so controlled and regulated by the Tariff Advisory Committee under section 64U of the Insurance Act, 1938 (4 of 1938)**

**III.9.1** With de-tariffing of non-life industry w.e.f 1st January, 2007, for all classes of tariff business except motor third party cover, the first steps were initiated to ensure that the insurance companies have the freedom in pricing of the products. For motor third party cover, which is a statutory insurance cover required under the provisions of Motor Vehicles Act, 1988, the Authority has retained the powers to determine the rates, terms and conditions. The Authority vide order no. IRDA/NL/NTFN/MOTP/066/04/ 2011 dated 15th April, 2011 notified that long intervals between rate revision puts an avoidable strain on policyholders as well as on the insurance companies and therefore the rates would be reviewed and adjusted annually in line with the formula notified by the Authority. As per the prescriptions, the revision in the premium rates has been pegged to the cost inflation index, average claim amounts, frequency and expenses involved in servicing the motor TP business. The revised premium rates for the third party motor insurance cover for the year 2015-16 were notified by the Authority on 31st March 2015.

### **III.10 Specifying the form and manner in which books of accounts shall be maintained and statements of accounts shall be rendered by Insurers and other insurance intermediaries**

**III.10.1** The books of accounts and financial statements of insurers are maintained in the form and manner prescribed under the IRDA (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002, amended from time to time and also by various circulars and guidelines issued from time to time.

In case of intermediaries, books of accounts and financial statements are required to be maintained in the form and manner prescribed under the respective regulations/ circulars/ guidelines.

Wherever the Authority has not prescribed any specific instructions in the matter of form and manner in which books of accounts are to be maintained, provisions of Companies Act and other relevant Acts are applicable.

### **III.11 Regulating investment of funds by insurance companies:**

**III.11.1** Investment of funds by the insurance companies is regulated by the IRDA (Investment) Regulations, 2000, amended from time to time and by various circulars and guidelines issued from time to time.

#### **III.11.2 Facilitating market development**

During 2014-15, the Authority had undertaken the following steps for market development:

1. Insurers were permitted to deal in Financial Derivatives only to the extent permitted and in accordance with the guidelines on Fixed Income Derivatives vide Circular no. INV/GLN/008/2004-05dt.24/08/2004. With the changing Investment environment, product structures, change in guidelines by other regulators, Authority felt the need to withdraw the earlier guidelines and issued fresh guidelines under Reg. 15 of IRDA (Investment) Regulations, 2000 vide Cir. No IRDA/F&I/INV/CIR/138/06/2014 dated 11th Jun, 2014 to address the need of longer term Interest Rate Derivatives .
2. In line with the Securities and Exchange Board of India (SEBI) guidelines for providing dedicated debt segment on stock exchanges, Insurers were allowed to become a proprietary trading member of a SEBI approved stock exchange for carrying out trades in the debt segment.



### **III.11.3 Providing alternate investment avenues** **During 2014-15, the Authority had permitted the insurers the following alternate investment avenues:**

1. Insurers were allowed by the Authority to invest in “onshore rupee bonds” issued by Asian Development Bank and International Finance Corporation as ‘approved investments’ by exercising the powers conferred by Insurance Act, 1938 vide sec27A(1)(S) for Life Insurers and vide 27B(1)(j) for General Insurers subject to the stipulations mentioned in the related circular.
2. Further, Insurers were permitted to reckon Investments in the Long Term Bonds issued by Banks for Financing Infrastructure and Affordable Housing towards mandatory ‘Infrastructure & Housing sector’ exposure requirements.

### **III.12 Regulating maintenance of margin of solvency**

**III.12.1** Every insurer is required to maintain a Required Solvency Margin as per Section 64VA of the Insurance Act, 1938. Every insurer shall maintain an excess of the value of assets over the amount of liabilities of not less than an amount prescribed by the IRDA, which is referred to as a Required Solvency Margin. The IRDA (Assets, Liabilities and Solvency Margin of Insurers) Regulations, 2000 describe in detail the method of computation of the Required Solvency Margin.

**III.12.2** In the case of life insurers, the minimum Required Solvency Margin is rupees fifty crore (rupees one hundred crore in the case of reinsurer) and arrived at in the manner specified by the Authority. The Insurance Laws (Amendment) Act, 2015 specifies a level of solvency margin known as control level of solvency, on the breach of which, the Authority shall direct the insurer to submit a financial plan indicating a plan of action to correct

the deficiency within a specified period not exceeding six months.

**III.12.3** In case of non-life insurance, the Required Solvency Margin (RSM), shall be the maximum of the fifty crore of rupees (one hundred crore of rupees in the case of reinsurer); or higher of RSM-1 and RSM-2 computed. The RSM-1 is the required solvency margin based on net premiums, and shall be determined as twenty per cent of the amount which is higher of the gross premiums multiplied by a factor and the net premiums. For the purpose of calculation of RSM-1, premium of the last 12 months on rolling basis will be taken into account. The RSM-2 is the required solvency margin based on net incurred claims, and shall be determined as thirty per cent of the amount which is the higher of the gross incurred claims multiplied by a Factor and the Net Incurred claims.

### **III.13 Adjudication of disputes between Insurers and Intermediaries or Insurance Intermediaries**

**III.13.1** As per Regulation 51(2) of IRDA (Insurance Brokers) Regulations, 2002, any disputes arising between an insurance broker and an insurer or any other person either in the course of his engagement as an insurance broker or otherwise may be referred to the Authority by the person so affected; and on receipt of the complaint or representation, the Authority may examine the complaint and if found necessary proceed to conduct an enquiry or an inspection or an investigation in terms of these regulations.

**III.13.2** During the year under review, the Authority has not received any such requests for adjudication.

### **III.14 Supervising the functioning of the Tariff Advisory Committee**

**III.14.1** After the de-tariffing of non-life insurance business w.e.f., 1st January, 2007 the regulatory and administrative role of the Tariff Advisory

Committee in controlling rates, terms and conditions in non-life insurance sphere is no longer in existence. The Central Government had constituted a Committee for distribution of existing employees of TAC, including retired employees' liabilities and surplus among the five general insurance companies. The Order of the Central Government assigned the task of residual activities and court cases of Tariff Advisory Committee to the IRDAI.

**III.14.2** Sections 64U, 64UA, 64UB, 64UC, 64UD, 64UE, 64UF, 64UG, 64UH, 64U-I, 64UJ, 64UK and 64UL of the Insurance Act, which stipulated the provisions pertaining to "Tariff Advisory committee and control of tariff rates" have been omitted under the Insurance laws (Amendment) Act, 2015.

Section ULA has been inserted which reads as follows: 64ULA. (1) Notwithstanding anything contained in this Part, until the rates, advantage and terms and conditions laid down by the Advisory committee under section 64UC are de-notified by the Authority with effect from such date as the Authority may by notification in the Official Gazette determine, and the rates, advantages and terms and conditions are decided by the insurer concerned, the rates, advantages and terms and conditions notified by the Advisory Committee shall continue to be in force and shall always be deemed to have been in force and any such rates, advantages and terms and conditions shall be binding on all the insurers. (2) The Authority shall, in consultation with the Central Government, prepare a scheme for the existing employees of the Tariff Advisory Committee on its dissolution, keeping in view the interests of such employees on such terms and conditions as it may, by order, determine."

**III.15 Specifying the percentage of premium income of the insurer to finance schemes for promoting and regulating professional organizations referred to in para '6'**

**III.15.1** The Authority has not prescribed any percentage of the premium income of the insurer to finance schemes for promoting and regulating professional organizations referred to in para (6).

**III.16 Specifying the percentage of life insurance business and general insurance business to be undertaken by the insurers in the rural and social sector**

**III.16.1** The obligations as stipulated in the IRDA (Obligations of insurers towards the rural or social sector) Regulations, 2002 lay down the requirements to be complied with by the insurers during the first five years of their operations. In case of the public sector insurers these obligations have been linked to their performance in the year 2001-02 in these sectors. With the amendments which were notified in 2007-08, the obligations of the private insurers up to the tenth year of operations have been laid down. Simultaneously, the obligations of the public sector insurers were also revisited.

The obligations of the private insurers are as under:

**III.16.2 Rural sector**

- In respect of a life insurer: Seven per cent of the total policies written direct in the first financial year to twenty per cent in the tenth financial year onwards.
- In respect of a non-life insurer: Two per cent of total gross premium income written direct in the first financial year to seven per cent from the ninth financial year onwards.

**III.16.3 Social Sector**

- In respect of all insurers: Five thousand lives in the first financial year to fifty five thousand lives in the tenth financial year and onwards.

In respect of the existing insurers as on the date of commencement of IRDA Act, 1999 (four non-life insurers and LIC), as indicated above, the

regulations provided that the quantum of insurance business to be done in the rural and social sectors shall not be less than what was recorded by them for the accounting year ended 31st March, 2002.

Based on the amendment regulations notified by the Authority, the obligations of these insurers towards the rural and social sectors for the financial year 2007-08 to the financial year 2009-10 and subsequent financial years were as under:

### III.16.4 Life Insurance Corporation of India (LIC)

#### (a) Rural Sector Obligations

- Financial year 2007-08: twenty four per cent; and
- Financial years 2008-09 and 2009-10: twenty five per cent of the total policies written direct in that year.

The obligations applicable for 2009-10 are also applicable for all financial years thereafter.

#### (b) Social Sector Obligations

Twenty lakh lives should be covered for the years 2007-08 to 2009-10.

The obligations applicable for 2009-10 are also applicable for all financial years thereafter.

### III.16.5 Non-life insurers:

#### (a) Rural Sector Obligations

- Financial year 2007-08: six per cent
- Financial year 2008-09 and 2009-10: seven per cent of the total gross premium income written direct in that year.

The obligations applicable for 2009-10 are also applicable for all financial years thereafter.

#### (b) Social Sector Obligations

For the financial year 2007-08:

- the average of the number of lives covered by the respective insurer in the social sector from the financial years 2002-03 to 2004-05 or

- 5.50 lakh lives whichever is higher.

The obligations of the insurers underwent an increase of ten per cent in each of the financial years 2008-09 and 2009-10, over the number of persons actually covered in the financial year 2007-08.

The obligations applicable for 2009-10, are also applicable for all financial years thereafter.

**III.16.6** In addition, with a view to giving fillip to micro insurance and to aligning the rural and social sector obligations with the micro insurance regulations, the manner of compliance has been linked to the micro insurance regulations. Further, in order to provide time to insurance companies to establish operations to enable them to comply with their obligations towards the rural and social sectors, amendments have been made to the regulations. It has been provided that in cases where an insurance company commences operations in the second half of the financial year and is in operations for less than six months as at 31st March of the relevant financial year:

- No rural or social sector obligations shall be applicable for the said period; and
- The annual obligations as indicated in the regulations shall be reckoned from the next financial year which shall be considered as the first year of operations for the purpose of compliance.

In cases where an insurance company commences operations in the first half of the financial year, the applicable obligations for the first year shall be 50 per cent of the obligations as specified in these Regulations.

## PART IV ORGANISATIONAL MATTERS

### IV.1 Organisation

#### IV.1.1 Change of name of IRDA to IRDA of India

The Insurance Regulatory and Development Authority (IRDA) shall henceforth be known as "Insurance Regulatory and Development Authority of India" (IRDA of India) in view of amendment to section 2 (1) (b) of the Insurance Regulatory and Development Authority Act, 1999 vide Chapter IV, section 105 of "The Insurance Laws (Amendment) Act, 2015"

**IV.1.2** Shri T S Vijayan, appointed as Chairman of the Authority by Government of India with effect from 21<sup>st</sup> February, 2013 is continuing in the post. Shri R K Nair, Whole-time Member had retired from the services of the Authority on 17<sup>th</sup> March, 2015. Ms Pournima Gupte was appointed by Government of India as Whole-time Member (Actuary) of the Authority with effect from 13<sup>th</sup> January, 2015. Shri M. Ramaprasad, Member(Non-Life) and Shri D D Singh, Member(Distribution) continued to be Whole-time Members, of the Authority during the year 2014-15.

**IV.1.3** CA Manoj Fadnis, President of the Institute of Chartered Accountants of India, became Part-time Member of the Authority in the place of CA K.Raghu on 12<sup>th</sup> February, 2015. Shri Anup Wadhwan, Joint Secretary, Department of Financial Services, Ministry of Finance, Prof. V K Gupta, Director, Management Development Institute (MDI) and Shri S B Mathur, Former Chairman, LIC of India continued to be Part-time Members of the Authority during the year.

### IV.2 MEETINGS OF THE AUTHORITY

**IV.2.1** Five meetings of the Authority were held during the financial year 2014-15. Two meetings of the Insurance Advisory Committee were convened during the same period. The details are given hereunder :

#### Authority Meetings :

- 1) 83<sup>rd</sup> Meeting of the Authority held on 27<sup>th</sup> May, 2014
- 2) 84<sup>th</sup> Meeting of the Authority held on 4<sup>th</sup> June, 2014
- 3) 85<sup>th</sup> Meeting of the Authority held on 25<sup>th</sup> September, 2014
- 4) 86<sup>th</sup> Meeting of the Authority held on 23<sup>rd</sup> December, 2014
- 5) 87<sup>th</sup> Meeting of the Authority held on 27<sup>th</sup> March, 2015

#### Insurance Advisory Committee Meetings :

- 1) 24<sup>th</sup> Meeting of the IAC held on 20<sup>th</sup> September, 2014
- 2) 25<sup>th</sup> Meeting of the IAC held on 27<sup>th</sup> March, 2015

### IV.3 HUMAN RESOURCES

**IV.3.1** The staff strength and the need for additional resources are reviewed from time to time. The staff strength of the Authority as on 31-03-2015 is as under:-

Sl. No.	Class	As on 31-03-2014	As on 31-03-2015
1	I	143	142
2	III	3	3

During the year 2014-15, one Officer in the cadre of Assistant Director had resigned from the services of the Authority and no recruitment took place during the year 2014-15.

- With the induction of one Officer on Deputation, the number of Officers on Special Duty stood at 18 as on 31-03-2015.

The following promotions took place during the year 2014-2015:

<b>Feeder cadre</b>	<b>Promoted cadre</b>	<b>Number promoted</b>
Deputy Director	Joint Director	4
Senior Assistant Director	Deputy Director	4
Assistant Director	Senior Assistant Director	22
Junior Officer	Assistant Director	4
Assistant	Junior Officer	24

- Grievance Redressal Committee was reconstituted on 26-08-2014 with the following Members: Shri Justice Gopal Rao, Shri R.K. Nair, Member (F&I), MD,IIRM and Sr. JD (Gen) as the Convener.
- Shri M.S.Jaya Kumar, Deputy Director, was designated as Chief Information Security Officer on 28-08-2014, to act as a point of contact to interface with the Indian Computer Emergency Response Team (CERT) and National Critical Information Infrastructure Protection Centre (NCIIPC), the national nodal agency for all measures to protect nation's critical information infrastructure.
- A consultant each for Consumer Affairs, Information Technology, Communications, Legal and HR areas has been appointed through due process and are continuing.

#### **IV.4 INTERNAL COMMITTEE FOR WOMEN EMPLOYEES**

**IV.4.1** In terms of provisions of 'The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013' an internal Complaints Committee has been set up vide office order ref: IRDA/ADMN/ORD/PER/41/3/2013 dated 1<sup>st</sup> March, 2013 with a view to redressing the complaints in this regard as also to ensure compliance of various provisions laid down in the Act.

**IV.4.2** The Committee felt the need to conduct workshop/s to educate employees on the Act provisions and also orientation programmes for employees.

#### **IV.5 PROMOTION OF OFFICIAL LANGUAGE (O.L.)**

**IV.5.1** In pursuance of Official Language Policy of the Govt. of India efforts are continuing towards increasing the use of Hindi in Official work. To propagate Official Language Hindi, amongst officers and employees, Hindi fortnight was observed in a befitting manner in all spheres of IRDAI, various literary competitions like Official Words/ Clauses Translation, Letter & Office Notes, Essay Writing, Hindi Extempore, Hindi Poem, Song, etc. were conducted during Hindi fortnight celebration in which large number of officers/ employees participated. The in-house Journal "Spandan" was published in bilingual form i.e. Hindi and English. IRDAI's monthly journal for insurance industry has a separate Hindi section.

**IV.5.2** All documents, laid on the table of Parliament, were also brought out in bilingual form. Sustained efforts were made to ensure proper compliance of the Official Language Policy of the Union enshrined in the Constitution of India, the Official Languages Act, the Official Languages Rules, the Annual Programme and orders issued by the Department of Official Language from time to time. All documents coming under the purview of

Sec. 3(3) of the O.L. Act i.e. important notifications/regulations, circulars, orders, administrative and other reports, annual reports, press communiqués, licenses, contracts, agreements were converted into bilingual form. The letters, representations/ appeals/ RTI applications signed in Hindi were replied in Hindi ensuring compliance of Rule 5 and Rule 7 (2) of the O.L. Rules.

**IV.5.3** Rajbhasha Vibhag developed an online tool for submission of data related to “Working Knowledge of Hindi” and “Quarterly Progress Report” and made it available on IRDAI’s Intranet, which can also be submitted with the help of cloud computing. All major notifications which are related to public interest were published on IRDAI website in bilingual form. All official claim forms and annual confidential reports of employees are provided in bilingual form on the intranet. The Authority is making all efforts to promote usage of official language Hindi.

#### **IV.6 RESEARCH & DEVELOPMENT**

**IV.6.1** The Department continues to be the nodal point for the compilation of the Annual Report and the Handbook on Indian Insurance Statistics, which is an annual publication consisting of time-series data.

**IV.6.2** Consequent upon the publication of first edition of the Handbook on Indian Insurance in 2008, the Research & Development department continued to extend the coverage of this publication in order to meet the increasing needs of various stakeholders in the industry. The 7th edition of the handbook was published in March 2014; with Eighty Nine time series data tables included in it. The department continues to strive at improving the coverage and content of the handbook in its 8th edition, which is likely to be released in December 2015.

**IV.6.3** The Government of India has constituted two sub-committees, one for the construction of

‘Service Price Index’ and another for ‘Service Production Index’ for the Insurance services. The first sub-committee (for developing the service price index for the insurance sector) was constituted by the Ministry of Commerce and Industry in December 2011. The second subcommittee (for the development of production index for insurance sector) was constituted by the Ministry of Statistics and Programme Implementation in February 2012.

As on 31.3.2015, the Sub-Committee on Service Production Index held five meetings and the Sub-Committee on Service Price Index held six meetings to deliberate on various issues as given in the terms of references. Considering the commonality of issues between the Insurance Price Index and Insurance Production Index, the third meeting of both the committees was a joint one. Both the reports are likely to be submitted in the following year.

#### **IV.7 STATUS OF INFORMATION TECHNOLOGY**

The focus area during this year was to ensure that the Business Analytics Project which takes care of the data requirement of IRDAI and also automates various functions of the operational departments like licensing, product filing and advertisements etc., was rolled out entirely.

##### **IV.7.1.1 BUSINESS ANALYTICS PROJECT (BAP)**

Many of the modules of this project were made operational during this year after successful completion of user acceptance tests (UAT) by the respective user group/operational departments and the hands on training to the end users.

##### **Progress during the year**

1. More than 90% of the project development works were completed.
2. The following modules were made operational during the year.

1. F&A life
  2. F&A Nonlife
  3. Submission of AAAR, ARA and Re-insurance returns
  4. Office filing – Non-life
  5. Advertisement – Life
  6. Filing of returns – Brokers
  7. Filing of returns – Health
  8. Filing of returns – Non-life
  9. Advertisement – Non Life
  10. Product filing – nonlife
  11. Filing of returns – Life
  12. Advertisement – Health
3. Hands on training to insurers on the above modules
  4. Hands on training for Brokers in all zones on Electronic data filing

Insurers have been advised to submit the data for the past two financial years and also continue the electronic submission along with manual system in parallel. The manual fillings shall be dispensed with gradually once the operations of these modules fully stabilise.

#### **IV.7.1.2 Internal Applications**

The following new applications were developed and implemented during this year.

1. Application for registration of insurance marketing firm
2. HRMS - ERP
  - a. Automation of travel claims
  - b. Display of attendance
  - c. Status of staff reimbursements
3. Application for maintenance of communications to the insurers

Various enhancements were also carried out in the existing internal applications during this year and the abstract of the same are as follows:

1. Renewal of Insurance repositories
2. Renewal of referral applications

#### **IV.7.1.3 Other activities**

In addition to the above, the following activities have also been carried out during the year.

- a) Upgradation of internet leased line to 10 Mbps
- b) Security Audit of IRDAI's website
- c) Implementation of SSL in IRDAI's website
- d) Finalisation of AMC for desktops and UPSs

### **IV.8 ACCOUNTS**

**IV.8.1** The accounts of the Authority for the Financial Year 2014-15 have been audited by the Comptroller and Auditor General of India (C&AG). Pursuant to the provisions of Section 17 of IRDA Act, 1999, the audited accounts along with the audit report are required to be forwarded to the Government of India to be placed in both the houses of Parliament.

The audited accounts for the financial year 2013-14 were laid before the Lok Sabha on 5th December 2014 and before the Rajya Sabha on 9th December 2014.

### **IV.9 IRDAI JOURNAL**

**IV.9.1** IRDAI Journal is a 'Professional Journal' published by IRDAI every month is a collection of scholarly articles and industry related information pertaining to the area of insurance. Articles for the IRDAI Journal are usually written by specialist and experts in the area of Insurance. IRDAI Journal strives to gather, process, and disseminate information and news related to the Insurance for its audience and aims to publish articles that are Insurance information-based.

The list of contributors for the Journal in the form of articles, research papers, etc., has been going up steadily with several new authors evincing a keen interest in writing for the Journal; and this has resulted in a good source of varied opinion - both domestic as well as international. The demand for the Journal has been growing as always, thereby indicating the continued interest of various stakeholders in the Journal as also endorsing the fact that it is serving its purpose. The web copy of the Journal continues to be the source for an increasing number of readers.

**IV.9.2** During the year 2014-15, several topical and relevant issues have been captured by the Journal such as: “The Insurance Laws (Amendment) Act, 2015 (A Game - Changer for the Insurance Industry)”, “Disaster Management- Things to know & learn”, “Mis-Selling in Insurance Industry- Things to know & learn”, “Increasing Insurance Penetration to Rural and Informal Sector of the Economy”, “Jan Dhan to Jan Suraksha - Role of Insurance”, etc. Apart from covering the widest range of thoughts and ideas in a particular domain,

the practice has also enabled the coverage of articles from various contributors; thereby widening the scope of intellectual content in the Journal.

#### **IV.10 ACKNOWLEDGEMENTS**

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# STATEMENTS

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## INTERNATIONAL COMPARISON OF INSURANCE PENETRATION\*

(In Per Cent)

Countries	2013**			2014**		
	Total	Life	Non-Life	Total	Life	Non-Life
Australia	5.2	3.0	2.1	6.0	3.8	2.2
Brazil	4.0	2.2	1.8	3.9	2.1	1.9
France	9.0	5.7	3.2	9.1	5.9	3.1
Germany	6.7	3.1	3.6	6.5	3.1	3.4
Russia	1.3	0.1	1.2	1.4	0.2	1.2
South Africa	15.4	12.7	2.7	14.0	11.4	2.7
Switzerland	9.6	5.3	4.4	9.2	5.1	4.1
United Kingdom	11.5	8.8	2.8	10.6	8.0	2.6
United States	7.5	3.2	4.3	7.3	3.0	4.3
<b>Asian Countries</b>						
Hong Kong	13.2	11.7	1.5	14.2	12.7	1.4
<b>India#</b>	<b>3.9</b>	<b>3.1</b>	<b>0.8</b>	<b>3.3</b>	<b>2.6</b>	<b>0.7</b>
Japan#	11.1	8.8	2.3	10.8	8.4	2.4
Malaysia#	4.8	3.2	1.7	4.8	3.1	1.7
Pakistan	0.7	0.5	0.3	0.8	0.5	0.3
PR China	3.0	1.6	1.4	3.2	1.7	1.5
Singapore	5.9	4.4	1.6	6.7	5.0	1.6
South Korea#	11.9	7.5	4.4	11.3	7.2	4.1
Sri Lanka	1.1	0.5	0.7	1.1	0.5	0.7
Taiwan	17.6	14.5	3.1	18.9	15.6	3.3
Thailand	5.5	3.8	1.7	5.8	3.6	2.2
<b>World</b>	<b>6.3</b>	<b>3.5</b>	<b>2.8</b>	<b>6.2</b>	<b>3.4</b>	<b>2.7</b>

**Source:** Swiss Re, Sigma Volumes 3/2014 and 4/2015.

\* Insurance penetration is measured as ratio of premium (in US Dollars) to GDP (in US Dollars)

\*\* Data pertains to the calendar year 2013 and 2014.

# Data relates to financial year 2013-14 & 2014-15.

## INTERNATIONAL COMPARISON OF INSURANCE DENSITY\*

(In US Dollar)

Countries	2013**			2014**		
	Total	Life	Non-Life	Total	Life	Non-Life
Australia	3528	2056	1472	3736	2382	1354
Brazil	443	246	197	422	222	200
France	3736	2391	1345	3902	2552	1350
Germany	2977	1392	1585	3054	1437	1617
Russia	199	19	180	181	20	161
South Africa	1025	844	181	925	748	176
Switzerland	7701	4211	3490	7934	4391	3542
United Kingdom	4561	3474	1087	4823	3638	1185
United States	3979	1684	2296	4017	1657	2360
<b>Asian Countries</b>						
Hong Kong	5002	4445	557	5647	5071	575
<b>India#</b>	<b>52</b>	<b>41</b>	<b>11</b>	<b>55</b>	<b>44</b>	<b>11</b>
Japan#	4207	3346	861	3778	2926	852
Malaysia#	518	341	176	524	338	186
Pakistan	9	6	3	11	7	4
PR China	201	110	91	235	127	109
Singapore	3251	2388	863	3759	2840	919
South Korea#	2895	1816	1079	3163	2014	1149
Sri Lanka	36	16	21	40	17	23
Taiwan	3886	3204	682	4072	3371	701
Thailand	310	214	96	323	198	125
<b>World</b>	<b>652</b>	<b>366</b>	<b>285</b>	<b>662</b>	<b>368</b>	<b>294</b>

**Source:** Swiss Re, Sigma Volumes 3/2014 and 4/2015.

\* Insurance density is measured as ratio of premium (in US Dollar) to total population.

\*\* Data pertains to the calendar year 2012 and 2013.

# Data relates to financial year 2013-14 & 2014-15.

## STATEMENT 3

## FIRST YEAR LIFE INSURANCE PREMIUM (INCLUDING SINGLE PREMIUM)

(₹ Crore)

INSURER	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
Aegon Religare	--	--	--	--	--	--	--	--	31.21	150.37	274.87	207.65	135.90	147.22	207.50
Aviva	--	--	13.47	76.96	192.29	407.12	721.35	1053.98	724.56	798.37	745.39	801.86	687.40	593.76	556.89
Bajaj Allianz	--	7.14	63.39	179.55	857.45	2716.77	4302.74	6674.48	4491.43	4451.10	3465.82	2717.31	2987.90	2592.03	2702.10
Bharti AXA	--	--	--	--	--	--	7.78	113.24	292.93	437.43	347.78	224.59	248.92	375.61	474.20
Birla Sunlife	0.32	28.11	129.57	449.86	621.31	678.12	882.72	1965.01	2820.85	2960.01	2080.30	1926.17	1836.51	1697.49	1937.94
Canara HSBC	--	--	--	--	--	--	--	--	296.41	622.62	817.29	687.10	606.72	608.07	476.98
DHFL Pramerica	--	--	--	--	--	--	--	--	3.37	37.38	74.15	103.16	140.01	172.95	578.01
Edelweiss Tokio	--	--	--	--	--	--	--	--	--	--	--	10.88	47.33	80.72	122.42
Exide Life	--	4.19	17.66	72.10	282.42	283.98	467.66	704.44	688.95	642.43	660.49	638.14	638.20	567.81	644.75
Future Generali	--	--	--	--	--	--	--	2.49	149.97	486.08	448.61	345.03	240.43	224.90	252.41
HDFC Standard	0.002	32.78	129.31	209.33	486.15	1042.65	1648.85	2651.11	3257.51	3257.51	4059.33	3857.47	4436.07	4038.93	5492.10
ICICI Prudential	5.97	113.33	364.11	750.84	1584.34	2602.50	5162.13	8034.75	6811.83	6333.92	7862.14	4441.09	4808.62	3759.59	5332.13
IDBI Federal	--	--	--	--	--	--	--	11.90	316.78	400.56	444.95	311.01	345.14	315.69	484.50
IndiaFirst	--	--	--	--	--	--	--	--	--	201.59	704.77	982.31	1316.42	1681.36	1538.67
Kotak Mahindra	--	7.58	35.21	125.51	373.99	396.06	614.94	1106.62	1343.03	1333.98	1253.14	1164.27	1188.10	1271.81	1540.18
Max Life	0.16	38.80	67.31	137.28	233.63	471.36	912.11	1597.83	1842.91	1849.08	2061.39	1901.72	1899.34	2261.60	2572.60
PNB Metlife	--	0.48	7.70	23.41	57.52	148.53	340.44	825.35	1144.70	1061.85	706.22	1076.97	840.08	675.89	829.06
Reliance	--	0.28	6.32	27.21	91.33	193.56	932.11	2751.05	3513.98	3920.78	3034.94	1809.29	1376.57	1933.99	2069.69
Sahara	--	--	--	--	1.74	26.34	43.00	122.12	134.01	124.83	91.83	71.14	61.43	65.09	38.44
SBI Life	--	14.69	71.88	207.05	484.85	827.82	2563.84	4792.82	5386.64	7040.74	7589.58	6531.32	5182.88	5065.48	5529.16
Shriram Life	--	--	--	--	--	10.33	181.17	309.99	314.47	419.50	571.99	390.99	420.65	389.83	498.52
Star Union Dai-ichi	--	--	--	--	--	--	--	--	50.19	519.87	758.69	964.77	744.80	562.85	629.93
Tata AIA	--	21.14	59.77	181.59	297.55	464.53	644.82	964.51	1142.67	1322.01	1332.21	939.55	560.16	433.76	312.05
<b>Private Total</b>	<b>6.45</b>	<b>268.51</b>	<b>965.69</b>	<b>2440.71</b>	<b>5564.57</b>	<b>10269.67</b>	<b>19425.65</b>	<b>33715.95</b>	<b>34152.00</b>	<b>38372.01</b>	<b>39385.84</b>	<b>32103.78</b>	<b>30749.58</b>	<b>29516.43</b>	<b>34820.23</b>
LIC	9700.98	19588.77	15976.76	17347.62	20653.06	28515.87	56223.56	59996.57	53179.08	71521.90	87012.35	81862.25	76611.50	90808.79	78507.72
<b>Industry Total</b>	<b>9707.43</b>	<b>19857.28</b>	<b>16942.45</b>	<b>19788.32</b>	<b>26217.64</b>	<b>38785.54</b>	<b>75649.21</b>	<b>93712.52</b>	<b>87331.08</b>	<b>109893.91</b>	<b>126398.18</b>	<b>113966.03</b>	<b>107361.08</b>	<b>120325.22</b>	<b>113327.95</b>
		<b>(104.56)</b>	<b>(-14.68)</b>	<b>(16.80)</b>	<b>(32.49)</b>	<b>(47.94)</b>	<b>(95.04)</b>	<b>(23.88)</b>	<b>(-6.81)</b>	<b>(25.84)</b>	<b>(15.02)</b>	<b>(-9.84)</b>	<b>(-5.80)</b>	<b>(12.08)</b>	<b>(-5.82)</b>

Note: 1) Figures in the brackets represent the growth over the previous year in per cent.

2) -- represents business not started.

3) Previous years figures revised by insurers

## STATEMENT 4

## TOTAL LIFE INSURANCE PREMIUM

(₹ Crore)

INSURER	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
Aegon Religare	--	--	--	--	--	--	--	--	31.21	165.65	388.61	457.32	430.50	453.00	559.20
Aviva	--	13.47	13.47	81.50	253.42	600.27	1147.23	1891.88	1992.87	2378.01	2345.17	2415.87	2140.67	1878.10	1796.25
Bajaj Allianz	--	7.14	69.17	220.80	1001.68	3133.58	5345.24	9725.31	10624.52	11419.71	9609.95	7483.80	6892.70	5843.14	6017.30
Bharti AXA	--	--	--	--	--	--	7.78	118.41	360.41	669.73	792.02	774.16	744.52	872.65	1053.32
Birla Sunlife	0.32	28.26	143.92	537.54	915.47	1259.68	1776.71	3272.19	4571.80	5505.66	5677.07	5885.36	5216.30	4833.05	5233.22
Canara HSBC	--	--	--	--	--	--	--	--	296.41	842.45	1531.86	1861.08	1912.15	1823.42	1657.02
DHFL Pramerica	--	--	--	--	--	--	--	--	3.37	38.44	95.04	167.01	236.79	305.86	735.10
Edelweiss Tokio	--	--	--	--	--	--	--	--	--	--	--	10.88	54.83	110.90	193.08
Exide Life	--	4.19	21.16	88.51	338.86	425.38	707.20	1158.87	1442.28	1642.65	1708.95	1679.98	1742.36	1830.67	2027.48
Future Generali	--	--	--	--	--	--	--	2.49	152.60	541.51	726.16	779.58	678.29	634.16	604.25
HDFC Standard	0.002	33.46	148.83	297.76	686.63	1569.91	2855.87	4858.56	5564.69	7005.10	9004.17	10202.40	11322.68	12062.90	14829.90
ICICI Prudential	5.97	116.38	417.62	989.28	2363.82	4261.05	7912.99	13561.06	15356.22	16528.75	17880.63	14021.58	13538.24	12428.65	15306.62
IDBI Federal	--	--	--	--	--	--	--	11.90	318.97	571.12	811.00	736.70	804.68	826.25	1069.62
IndiaFirst	--	--	--	--	--	--	--	--	--	201.60	798.43	1297.93	1690.08	2143.36	2034.11
Kotak Mahindra	--	7.58	40.32	150.72	466.16	621.85	971.51	1691.14	2343.19	2868.05	2975.51	2937.43	2777.78	2700.79	3038.05
Max Life	0.16	38.95	96.59	215.25	413.43	788.13	1500.28	2714.60	3857.26	4860.54	5812.63	6390.53	6638.70	7278.54	8171.62
PNB Metlife	--	0.48	7.91	28.73	81.53	205.99	492.71	1159.54	1996.64	2536.01	2508.17	2677.50	2429.52	2240.59	2461.19
Reliance	--	0.28	6.47	31.06	106.55	224.21	1004.66	3225.44	4932.54	6604.90	6571.15	5497.62	4045.39	4283.40	4621.08
Sahara	--	--	--	--	1.74	27.66	51.00	143.49	206.47	250.59	243.41	225.95	205.38	204.63	166.86
SBI Life	--	14.69	72.39	225.67	601.18	1075.32	2928.49	5622.14	7212.10	10104.03	12945.29	13133.74	10450.03	10738.60	12867.11
Shriram Life	--	--	--	--	--	10.33	184.16	358.05	436.17	611.27	821.52	644.16	618.07	594.24	734.66
Star Union Dai-ichi	--	--	--	--	--	--	--	--	50.19	530.37	933.31	1271.95	1068.80	948.75	1134.68
Tata AIA	--	21.14	81.21	253.53	497.04	880.19	1367.18	2046.35	2747.50	3493.78	3985.22	3630.30	2760.43	2323.70	2121.79
<b>Private Total</b>	<b>6.45</b>	<b>272.55</b>	<b>1119.06</b>	<b>3120.33</b>	<b>7727.51</b>	<b>15083.54</b>	<b>28253.00</b>	<b>51561.42</b>	<b>64497.43</b>	<b>79369.94</b>	<b>88165.24</b>	<b>84182.83</b>	<b>76398.91</b>	<b>77359.36</b>	<b>88433.49</b>
LIC	34892.02	49821.91	54628.49	63533.43	75127.29	90792.22	127822.84	149789.99	157288.04	186077.31	203473.40	202889.28	208803.58	236942.30	239667.65
<b>Industry Total</b>	<b>34898.47</b>	<b>50094.46</b>	<b>55747.55</b>	<b>66653.75</b>	<b>82854.80</b>	<b>105875.76</b>	<b>156075.84</b>	<b>201351.41</b>	<b>221785.47</b>	<b>265447.25</b>	<b>291638.64</b>	<b>287072.11</b>	<b>287202.49</b>	<b>314301.66</b>	<b>328101.14</b>
		<b>(43.54)</b>	<b>(11.28)</b>	<b>(19.56)</b>	<b>(24.31)</b>	<b>(27.78)</b>	<b>(47.41)</b>	<b>(29.01)</b>	<b>(10.15)</b>	<b>(19.69)</b>	<b>(9.87)</b>	<b>(-1.57)</b>	<b>(0.05)</b>	<b>(9.44)</b>	<b>4.39</b>

Note: 1) Figures in the brackets represent the growth over the previous year in per cent.

2) -- represents business not started.

3) Previous years figures revised by insurers

## STATEMENT 5

## LINKED AND NON-LINKED PREMIUM OF LIFE INSURERS FOR 2014-15

(Premium in ₹ Crore)

Insurer	Total Premium				Linked Premium				Non-Linked Premium				Total		
	Regular	Single	First Year	Renewal	Total	Regular	Single	First Year	Renewal	Total	Regular	Single		First Year	Renewal
	AEGON RELIGARE	206.28	1.22	207.50	351.69	559.20	32.95	0.45	33.40	160.48	193.89	173.33		0.77	174.10
AVIVA	546.04	10.86	556.89	1239.36	1796.25	113.53	4.71	118.24	615.39	733.63	432.51	6.15	438.65	623.97	1062.62
BAJAJ ALLIANZ	1501.02	1201.07	2702.10	3315.20	6017.30	331.27	643.57	974.84	771.03	1745.88	1169.75	557.50	1727.25	2544.17	4271.42
BHARTI AXA	350.48	123.73	474.20	579.12	1053.32	6.10	1.92	8.02	236.22	244.24	344.37	121.80	466.18	342.90	809.08
BIRLA SUNLIFE	1896.37	41.57	1937.94	3295.28	5233.22	665.13	12.57	677.70	2322.42	3000.12	1231.24	29.01	1260.25	972.86	2233.10
CANARA HSBC	336.35	140.63	476.98	1180.04	1657.02	249.22	4.90	254.12	964.08	1218.19	87.13	135.73	222.86	215.96	438.82
DHFL PRAMERICA	178.58	399.43	578.01	157.09	735.10	8.54	0.23	8.77	30.38	39.15	170.04	399.20	569.24	126.70	695.95
EDELWEISS TOKIO	105.30	17.12	122.42	70.66	193.08	17.64	4.95	22.58	5.10	27.69	87.66	12.17	99.84	65.56	165.40
EXIDE LIFE	429.09	215.67	644.75	1382.72	2027.48	20.94	9.31	30.25	181.95	212.20	408.15	206.36	614.51	1200.77	1815.28
FUTURE GENERALI	245.89	6.52	252.41	351.84	604.25	21.80	4.32	26.12	69.72	95.84	224.09	2.20	226.29	282.11	508.40
HDFC STANDARD	2927.90	2564.20	5492.10	9337.80	14829.90	1845.36	530.68	2376.04	5950.92	8326.96	1082.54	2033.51	3116.06	3386.88	6502.94
ICICI PRUDENTIAL	4573.17	758.96	5332.13	9974.49	15306.62	3884.90	480.25	4365.15	6799.21	11164.35	688.27	278.71	966.98	3175.28	4142.26
IDBI FEDERAL	257.64	226.86	484.50	585.12	1069.62	17.30	105.24	122.54	84.57	207.11	240.34	121.62	361.96	500.56	862.52
INDIAFIRST	155.67	1383.01	1538.67	495.43	2034.11	91.74	76.24	167.98	444.98	612.96	63.93	1306.77	1370.69	50.45	1421.14
KOTAK MAHINDRA	1061.42	478.76	1540.18	1497.88	3038.05	269.02	137.95	406.98	622.47	1029.45	792.40	340.80	1133.20	875.41	2008.61
MAX LIFE	1924.78	647.82	2572.60	5599.02	8171.62	521.52	38.69	560.21	1553.96	2114.18	1403.26	609.13	2012.39	4045.05	6057.44
PNB METLIFE	812.90	16.16	829.06	1632.12	2461.19	307.22	9.53	316.75	674.92	991.67	505.68	6.63	512.31	957.21	1469.52
RELIANCE	1971.09	98.59	2069.69	2551.40	4621.08	505.52	21.74	527.26	668.46	1195.72	1465.57	76.86	1542.43	1882.93	3425.36
SAHARA	10.35	28.10	38.44	128.41	166.86	0.10	2.89	2.99	13.99	16.99	10.24	25.21	35.45	114.42	149.87
SBI LIFE	3330.72	2198.44	5529.16	7337.95	12867.11	1379.84	555.29	1935.12	3351.78	5286.90	1950.88	1643.15	3594.03	3986.17	7580.21
SHRIRAM LIFE	273.46	225.06	498.52	236.13	734.66	2.04	24.38	26.42	32.65	59.07	271.42	200.68	472.10	203.49	675.59
STAR UNION DAHCHI	551.74	78.19	629.93	504.75	1134.68	218.41	34.70	253.11	284.37	537.48	333.33	43.48	376.81	220.39	597.20
TATA AIA	293.91	18.14	312.05	1809.74	2121.79	54.44	1.44	55.88	630.34	686.22	239.48	16.69	256.17	1179.41	1435.58
<b>PRIVATE TOTAL</b>	23940.13	10880.10	34820.23	53613.26	88433.49	10564.52	2705.96	13270.48	26469.41	39739.89	13375.61	8174.14	21549.75	27143.85	48693.60
LIC	23112.20	55395.51	78507.72	161159.94	239667.65	0.68	1.36	2.04	1875.01	1877.05	23111.52	55399.15	78505.67	159284.93	237790.60
<b>GRAND TOTAL</b>	47052.34	66275.61	113327.95	214773.20	328101.14	10565.21	2707.32	13272.53	28344.42	41616.94	36487.13	63568.29	100055.42	186428.78	286484.20

Note: 1) First Year Premium = Regular Premium + Single Premium  
2) Total Premium = First Year Premium + Renewal Premium



## LINKED AND NON-LINKED PREMIUM OF LIFE INSURERS FOR 2013-14

(Premium in ₹ Crore)

Insurer	Total Premium				Linked Premium				Non-Linked Premium				Total		
	Regular	Single	First year	Renewal	Total	Regular	Single	First year	Renewal	Total	Regular	Single		First year	Renewal
AEGON RELIGARE	144.18	3.04	147.22	305.78	453.00	30.00	2.10	32.10	184.19	216.29	114.19	0.94	115.13	121.59	236.72
AVIVA	581.53	12.23	593.76	1284.34	1878.10	68.15	5.99	74.14	776.50	850.63	513.39	6.24	519.63	507.84	1027.47
BAJAJ ALLIANZ	1598.52	993.51	2592.03	3251.11	5843.14	140.98	321.64	462.62	954.20	1416.82	1457.55	671.86	2129.41	2296.91	4426.32
BHARTIAXA	294.85	80.76	375.61	497.05	872.65	15.02	0.23	15.25	322.54	337.79	279.83	80.53	360.36	174.51	534.87
BIRLA SUNLIFE	1638.72	58.77	1697.49	3135.56	4833.05	737.79	12.79	750.58	2399.97	3150.55	900.92	45.98	946.91	735.60	1682.50
CANARA HSBC	299.56	308.50	608.07	1215.35	1823.42	192.47	3.87	196.34	1046.72	1243.06	107.09	304.63	411.72	168.64	580.36
DHFL PRAMERICA	108.27	64.69	172.95	132.91	305.86	5.32	3.42	8.74	37.42	46.16	102.95	61.27	164.21	95.49	259.70
EDELWEISS TOKIO	67.46	13.26	80.72	30.19	110.90	2.87	5.84	8.71	2.96	11.67	64.59	7.42	72.01	27.23	99.23
EXIDE LIFE	493.90	73.91	567.81	1262.86	1830.67	26.20	2.12	28.32	237.66	265.97	467.70	71.79	539.49	1025.21	1564.70
FUTURE GENERALI	175.90	49.00	224.90	409.26	634.16	18.70	46.98	65.68	112.67	178.35	157.19	2.02	159.21	296.59	455.81
HDFC STANDARD	2355.70	1683.23	4038.93	8023.97	12062.90	1198.35	323.39	1521.74	5370.51	6892.25	1157.35	1359.84	2517.19	2653.46	5170.66
ICICI PRUDENTIAL	3285.17	474.42	3759.59	8669.06	12428.65	2200.45	127.59	2328.04	6033.19	8361.22	1084.72	346.83	1431.56	2635.87	4067.43
IDBI FEDERAL	274.89	40.81	315.69	510.55	826.25	0.55	21.94	22.48	119.05	141.53	274.34	18.87	293.21	391.51	684.72
INDIAFIRST	147.64	1533.72	1681.36	462.00	2143.36	108.31	46.14	154.45	430.10	584.56	39.33	1487.57	1526.91	31.89	1558.80
KOTAK MAHINDRA	789.07	482.74	1271.81	1428.98	2700.79	197.35	189.88	387.24	763.34	1150.58	591.72	292.86	884.58	665.64	1550.21
MAX LIFE	1787.43	474.17	2261.60	5016.95	7278.54	392.02	13.63	405.64	1694.60	2100.24	1395.41	460.54	1855.95	3322.35	5178.30
PNB METLIFE	630.44	45.45	675.89	1564.70	2240.59	166.10	15.87	181.97	769.10	951.07	464.33	29.58	493.91	795.60	1289.51
RELIANCE	1836.25	97.74	1933.99	2349.41	4283.40	219.83	51.83	271.66	831.88	1103.54	1616.43	45.91	1662.33	1517.53	3179.86
SAHARA	25.16	39.93	65.09	139.54	204.63	0.09	5.07	5.16	25.41	30.58	25.07	34.86	59.93	114.13	174.06
SBI LIFE	2997.51	2067.97	5065.48	5673.13	10738.60	1002.79	282.14	1284.92	3007.39	4292.31	1994.72	1785.84	3780.56	2665.74	6446.30
SHRIRAM LIFE	188.70	201.13	389.83	204.40	594.24	2.53	74.31	76.84	50.55	127.38	186.18	126.82	313.00	153.86	466.85
STAR UNION DAHCHI	442.68	120.17	562.85	385.90	948.75	142.00	63.82	205.82	263.67	469.49	300.69	56.35	357.03	122.22	479.26
TATA AIA	333.97	99.78	433.75	1889.95	2323.70	62.54	22.81	85.35	808.46	893.81	271.43	76.97	348.40	1081.49	1429.89
<b>PRIVATE TOTAL</b>	20497.51	9018.92	29516.43	47842.93	77359.36	6930.40	1643.39	8573.79	26242.04	34815.83	13567.11	7375.53	20942.64	21600.89	42543.53
LIC	31904.49	58904.30	90808.79	146133.51	236942.30	9.10	34.75	43.85	2684.40	2728.25	31895.39	58869.55	90764.94	143449.12	234214.05
<b>GRAND TOTAL</b>	52402.00	67923.22	120325.22	193976.45	314301.66	6939.50	1678.14	8617.64	28926.44	37544.08	45462.50	66245.07	111707.58	165050.01	276757.58

Note : 1) First Year Premium = Regular Premium + Single Premium  
2) Total Premium = First Year Premium + Renewal Premium  
3) Previous years figures revised by insurers

## STATEMENT 6

## INDIVIDUAL DEATH CLAIMS FOR THE YEAR 2014-15

(Benefit Amount in ₹ crore)

Life Insurer	Claims pending at start of the period		Claims intimated / booked		Total Claims		Claims paid		Claims repudiated / rejected		Claims written back		Claims pending at end of the period		Break up of claims pending - duration wise (Policies)				
	No of Policies	Benefit Amount	No of Policies	Benefit Amount	No of Policies	Benefit Amount	No of Policies	Benefit Amount	No of Policies	Benefit Amount	No of Policies	Benefit Amount	No of Policies	Benefit Amount	<3 mths	3 - < 6 mths	6 - < 1 yr	> 1 yr	Total
Aegon Religare	0	0.00	460	35.76	460	35.76	413	30.73	46	5.14	0	0.00	1	0	1	0	0	0	1
			100%	100%	100%	100%	89.78%	85.93%	10.00%	14.38%	-	-	0.22%	-0.31%	100.00%				100%
Aviva	3	0.80	1680	148.50	1683	149.30	1398	107.48	276	39.76	0.00	0.00	9	2	9	0	0	0	9
			100%	100%	100%	100%	83.07%	71.99%	16.40%	26.63%	-	-	0.53%	1.38%	100.00%				100%
Bajaj Allianz	572	23.33	20089	406.21	20661	429.54	18978	347.85	1059	45.33	0.00	0.00	624	36	616	8	0	0	624
			100%	100%	100%	100%	91.85%	80.98%	5.13%	10.55%	-	-	3.02%	8.47%	98.72%	1.28%			100%
Bharti Axa	23	1.99	1087	47.58	1110	49.57	898	35.16	180	11.13	0.00	0.00	32	3	31	1	0	0	32
			100%	100%	100%	100%	80.90%	70.92%	16.22%	22.45%	-	-	2.88%	6.63%	96.88%	3.13%			100%
Birla Sunlife	246	20.04	8207	299.24	8453	319.28	8056	278.08	255	23.47	0.00	0.00	142	18	98	6	2	36	142
			100%	100%	100%	100%	95.30%	87.10%	3.02%	7.35%	-	-	1.68%	5.55%	69.01%	4.23%	1.41%	25.35%	100%
Canara HSBC OBC	16	3.73	560	32.38	576	36.11	516	28.81	42	4.93	0.00	0.00	18	2	11	4	1	2	18
			100%	100%	100%	100%	89.58%	79.77%	7.29%	13.65%	-	-	3.13%	6.59%	61.11%	22.22%	5.56%	11.11%	100%
DHFL Pramerica	463	15.35	490	15.27	953	30.62	545	14.94	338	12.61	15.00	0.65	55	2	30	10	9	6	55
			100%	100%	100%	100%	57.19%	48.80%	35.47%	41.19%	1.57%	2.14%	5.77%	7.88%	54.55%	18.18%	16.36%	10.91%	100%
Edelweiss Tokio	14	1.32	105	12.15	119	13.47	68	7.24	45	5.20	0	0.00	6	1	5	1	0	0	6
			100%	100%	100%	100%	57.14%	53.76%	37.82%	38.58%	-	-	5.04%	7.66%	83.33%	16.67%			100%
Exide Life	206	9.65	3226	79.79	3432	89.44	2955	60.14	421	24.52	8	0.75	48	4	31	17	0	0	48
			100%	100%	100%	100%	86.10%	67.24%	12.27%	27.41%	0.23%	0.83%	1.40%	4.52%	64.58%	35.42%			100%
Future Generali	231	8.59	1929	36.56	2160	45.15	1808	30.94	314	10.67	0.00	0.00	38	4	33	2	3	0	38
			100%	100%	100%	100%	83.70%	68.53%	14.54%	23.63%	-	-	1.76%	7.84%	86.84%	5.26%	7.89%		100%
HDFC Standard	94	14.48	12095	387.55	12189	402.03	11031	263.52	883	84.96	0.00	0.00	275	54	218	57	0	0	275
			100%	100%	100%	100%	90.50%	65.55%	7.24%	21.13%	-	-	2.26%	13.32%	79.27%	20.73%			100%
ICICI Prudential	123	29.87	12186	413.63	12309	443.50	11546	352.86	667	76.50	0.00	0.00	96	14	65	29	1	1	96
			100%	100%	100%	100%	93.80%	79.56%	5.42%	17.25%	-	-	0.78%	3.19%	67.71%	30.21%	1.04%	1.04%	100%
IDBI Federal	39	2.44	932	41.98	971	44.42	736	31.49	191	9.44	0	0.00	44	3	43	0	0	1	44
			100%	100%	100%	100%	75.80%	70.90%	19.67%	21.26%	-	-	4.53%	7.84%	97.73%				100%
India First	49	2.63	1606	46.72	1655	49.35	1195	29.82	378	13.78	0	0.00	82	6	76	2	4	0	82
			100%	100%	100%	100%	72.21%	60.43%	22.84%	27.92%	-	-	4.95%	11.65%	92.68%	2.44%	4.88%		100%

Note: 1) First row across each insurer shows the absolute figures whereas second row shows percentage of the respective total claims.

2. All the cases where policy claim cannot be considered due to inadmissibility of a claim resulting from the policy conditions shall be classified as rejected while the claims which cannot be considered due to misstatement, misrepresentation etc. coming under the purview of Section 45 of the Insurance Act, 1938 shall be classified as repudiated.

## INDIVIDUAL DEATH CLAIMS FOR THE YEAR 2014-15

(Benefit Amount in ₹ crore)

Life Insurer	Claims pending at start of the period		Claims intimated / booked		Total Claims		Claims paid		Claims repudiated / rejected		Claims written back		Claims pending at end of the period		Break up of claims pending - duration wise (Policies)					Total
	No of Policies	Benefit Amount	No of Policies	Benefit Amount	No of Policies	Benefit Amount	No of Policies	Benefit Amount	No of Policies	Benefit Amount	No of Policies	Benefit Amount	No of Policies	Benefit Amount	3 - < 6 mths	6 - < 1 yr	> 1 yr			
Kotak Mahindra Old Mutual	49	4.21	2637	83.64	2686	87.85	2437	72.17	162	7.49	0.00	0.00	87	8	9	16	34	87		
					100%	100%	90.73%	82.15%	6.03%	8.52%	-	-	3.24%	9.33%	10.34%	18.39%	39.08%	100%		
Max Life	4	0.34	9145	261.93	9149	262.27	8786	245.46	357	14.71	0.00	0.00	6	2	1	0	0	6		
					100%	100%	96.03%	93.59%	3.90%	5.61%	-	-	0.07%	0.80%	83.33%	16.67%		100%		
PNB Met Life	8	10.44	2458	108.59	2466	119.03	2290	102.00	137	10.03	0.26	0.22	37	7	8	0	0	37		
					100%	100%	92.86%	85.70%	5.56%	8.42%	0.08%	0.22%	1.50%	5.66%	78.38%	21.62%		100%		
Reliance Life	1505	33.35	16637	278.02	18142	311.37	15211	229.27	1881	49.22	0.00	0.00	1050	33	43	77	197	1050		
					100%	100%	83.84%	73.63%	10.37%	15.81%	-	-	5.79%	10.56%	69.81%	4.10%	7.33%	18.76%	100%	
Sahara	16	0.21	762	6.89	778	7.10	700	6.38	50	0.45	0.00	0.00	28	0	10	0	0	28		
					100%	100%	89.97%	89.84%	6.43%	6.29%	-	-	3.60%	3.87%	64.29%	35.71%		100%		
SBI Life	528	25.69	14348	339.08	14876	364.77	13303	305.40	1103	27.97	0.00	0.00	470	31	39	24	87	470		
					100%	100%	89.43%	83.72%	7.41%	7.67%	-	-	3.16%	8.61%	68.09%	8.30%	5.11%	18.51%	100%	
Shriram	190	7.69	1770	53.80	1960	61.49	1287	31.49	453	18.51	0.00	0.00	220	11	14	5	12	220		
					100%	100%	65.66%	51.21%	23.11%	30.10%	-	-	11.22%	18.69%	85.91%	6.36%	2.27%	5.45%	100%	
Star Union	9	0.27	1257	36.85	1266	37.12	1191	33.98	71	2.81	0.00	0.00	4	0	1	0	0	4		
					100%	100%	94.08%	91.54%	5.61%	7.58%	-	-	0.32%	0.89%	25.00%	75.00%		100%		
Tata AIA	146	6.55	3727	92.03	3873	98.58	3659	88.27	177	7.84	0.00	0.00	37	2	5	4	13	37		
					100%	100%	94.47%	89.54%	4.57%	7.95%	-	-	0.96%	2.51%	40.54%	13.51%	10.81%	35.14%	100%	
Private Total	4534	222.98	117393	3264.14	121927	3487.12	109007	2733.49	9486	506.45	25	1.66	3409	245.52	2605	146	389	3409		
					100%	100%	89.40%	78.39%	7.78%	14.52%	0.02%	0.05%	2.80%	7.04%	76.42%	7.89%	4.28%	11.41%	100%	
LIC	3962	227.69	751939	9252.80	755901	9480.49	742243	9055.18	8689	194.93	1317	22.75	3652	208	679	1151	1099	3652		
					100%	100%	98.19%	95.51%	1.15%	2.06%	0.17%	0.24%	0.48%	2.19%	18.59%	31.52%	30.09%	100%		
Industry Total	8496	450.67	869332	12516.94	877828	12967.61	851250	11788.67	18231	701.69	1342	24.41	7061	453.15	3284	1297	1488	7061		
					100%	100%	96.97%	90.91%	2.08%	5.41%	0.15%	0.19%	0.80%	3.49%	46.51%	14.05%	18.37%	21.07%	100%	

Note: 1) First row across each insurer shows the absolute figures whereas second row shows percentage of the respective total claims.

2. All the cases where policy claim cannot be considered due to inadmissibility of a claim resulting from the policy conditions shall be classified as rejected while the claims which cannot be considered due to misstatement, misrepresentation etc. coming under the purview of Section 45 of the Insurance Act, 1938 shall be classified as repudiated.

## STATEMENT 7

## GROUP DEATH CLAIMS FOR THE YEAR 2014-15

(Benefit Amount in ₹ crore)

Life Insurer	Claims pending at start of the period		Claims intimated / booked		Total Claims		Claims paid		Claims repudiated / rejected		Claims written back		Claims pending at end of the period		Break up of claims pending - duration wise (Lives)				Total	
	No of Lives	Benefit Amount	No of Lives	Benefit Amount	No of Lives	Benefit Amount	No of Lives	Benefit Amount	No of Lives	Benefit Amount	No of Lives	Benefit Amount	No of Lives	Benefit Amount	< 3 mths	3 - < 6 mths	6 - < 1 yr	> 1 yr		
Aegon Religare	0	0.00	3	0.27	3	0.27	3	0.27	0	0.00	0	0.00	0	0.00	0	0	0	0	0	0
Aviva	0	0.00	3617	14.22	3617	14.22	3523	13.73	94	0.49	0	0.00	0	0.00	0	0	0	0	0	0
Bajaj Allianz	401	14.09	109468	407.68	109869	421.77	107194	389.57	2352	23.05	0	0.00	323	9.16	309	14	0	0	323	100%
Bharti Axa	0	0.00	136	13.45	136	13.45	112	10.08	24	3.38	0	0.00	0	0.00	0	0	0	0	0	0
Birla Sunlife	0	0	1768	89.73	1768	89.73	1768	89.73	0	0.00	0	0.00	0	0.00	0	0	0	0	0	0
Canara HSBC OBC	0	0.00	428	3.48	428	3.48	414	3.19	13	0.29	0	0.00	1	0.00	1	0	0	0	1	100%
DHFL Pramerica	33	0.07	3756	11.35	3789	11.42	3315.00	8.63	42	0.53	0	0.00	432	2.26	415	17	0	0	432	100%
Edelweiss Tokio	6	0.03	636	6.08	642	6.11	632	5.88	2	0.05	0	0.00	8	0.18	6	2	0	0	8	100%
Exide Life	3	0.24	306	2.75	309	2.98	308	2.97	1	0.01	0	0.00	0	0.00	0	0	0	0	0	0
Future Generali	12466	20.81	125	17.78	12591	38.59	154	20.38	2	0.10	0	0.00	12435	18.11	8	3	3	12421	12435	100%
HDFC Standard	0	0.00	5022	58.33	5022	58.33	4957	52.86	65	5.46	0	0.00	0	0.01	0	0	0	0	0	0
ICICI Prudential	22	5.32	2312	74.73	2334	80.05	2308	75.55	18	2.55	0	0.00	8	1.96	2	1	1	4	8	100%
IDBI Federal	2	0.35	1041	11.61	1043	11.96	1035	10.92	7	0.66	0	0.00	1	0.37	1	0	0	0	1	100%
India First	56	2.13	3130	53.59	3186	55.72	2750	42.70	408	11.97	0	0.00	28	1.05	24	0	0	4	28	100%

Note: 1) First row across each insurer shows the absolute figures whereas second row shows percentage of the respective total claims.

## GROUP DEATH CLAIMS FOR THE YEAR 2014-15

Life Insurer	Claims pending at start of the period		Claims intimated / booked		Total Claims		Claims paid		Claims repudiated / rejected		Claims written back		Claims pending at end of the period		Break up of claims pending - duration wise (Lives)				
	No of Lives	Benefit Amount	No of Lives	Benefit Amount	No of Lives	Benefit Amount	No of Lives	Benefit Amount	No of Lives	Benefit Amount	No of Lives	Benefit Amount	No of Lives	Benefit Amount	< 3 mths	3 - < 6 mths	6 - < 1 yr	> 1 yr	Total
Kotak Mahindra Old Mutual	24	2.17	19374	196.52	19398	198.69	19270	190.76	84	4.83	0	0.00	44	3.10	9	7	12	16	44
					100%	100%	99.34%	96.01%	0.43%	2.43%	-	-	0.23%	1.56%	20.45%	15.91%	27.27%	36.36%	100%
Max Life	0	0.00	6088	47.36	6088	47.36	6045	43.15	42	3.68	0	0.00	1	0.53	1	0	0	0	1
					100%	100%	99.29%	91.11%	0.69%	7.78%	-	-	0.02%	1.11%	100.00%	100.00%	-	-	100%
PNB Met Life	1	0.01	1604	91.98	1605	91.98	1593	91.57	8	0.19	0	0.00	4	0.22	4	0	0	0	4
					100%	100%	99.25%	99.55%	0.50%	0.21%	-	-	0.25%	0.24%	100.00%	100.00%	-	-	100%
Reliance Life	6	0.13	2219	33.11	2225	33.25	2221	33.17	1	0.02	0	0.00	3	0.06	2	0	0	1	3
					100%	100%	99.82%	99.76%	0.04%	0.06%	-	-	0.13%	0.18%	66.67%	66.67%	-	33.33%	100%
Sahara	0	0.00	1	0.01	1	0.01	1	0.01	0	0.00	0	0.00	0	0.00	0	0	0	0	0
					100%	100%	100.00%	100.00%	-	-	-	-	100.00%	100.00%	-	-	-	-	0%
SBI Life	128	6.53	10475	298.80	10603	305.33	10169	282.42	255	14.45	0	0.00	179	8.46	121	16	13	29	179
					100%	100%	95.91%	92.50%	2.40%	4.73%	-	-	1.69%	2.77%	67.60%	8.94%	7.26%	16.20%	100%
Shriram	0	0.00	6353	67.21	6353	67.21	6353	67.21	0	0.00	0	0.00	0	0.00	0	0	0	0	0
					100%	100%	100.00%	100.00%	-	-	-	-	100.00%	100.00%	-	-	-	-	0%
Star Union	0	0.00	907	22.24	907	22.24	901	21.57	6	0.48	0	0.00	0	0.19	0	0	0	0	0
					100%	100%	99.34%	96.99%	0.66%	2.15%	-	-	0.66%	0.86%	-	-	-	-	0%
Tata AIA	82	3.04	990	29.22	1072	32.26	988	27.26	48	3.08	0	0.00	36	1.92	27	3	6	0	36
					100%	100%	92.16%	84.49%	4.48%	9.56%	-	-	3.36%	5.95%	75.00%	8.33%	16.67%	-	100%
Private Total	13230	54.92	179759	1551.50	192989	1606.41	176014	1483.55	3472	75.27	0	0.00	13503	47.59	930	63	35	12475	13503
					100%	100%	91.20%	92.35%	1.80%	4.69%	-	-	7.00%	2.96%	6.89%	0.47%	0.26%	92.39%	100%
LIC	928	7.87	272866	2037.11	273794	2044.98	272811	2037.27	98	0.40	0	0.00	885	7.31	596	218	10	61	885
					100%	100%	99.64%	99.62%	0.04%	0.02%	-	-	0.32%	0.36%	67.34%	24.63%	1.13%	6.89%	100%
Industry Total	14158	62.79	452625	3588.61	466783	3651.39	448825	3520.82	3570	75.67	0	0.00	14388	54.90	1526	281	45	12536	14388
					100%	100%	96.15%	96.42%	0.76%	2.07%	-	-	3.08%	1.50%	10.61%	1.95%	0.31%	87.13%	100%

Note: 1) First row across each insurer shows the absolute figures whereas second row shows percentage of the respective total claims.

STATEMENT 8  
(₹ Crore)

## ASSETS UNDER MANAGEMENT OF LIFE INSURERS

Insurer	LIFE FUND											
	Central Government Securities		State Government & Other Approved Securities		Infrastructure Investments		Approved Investments		Other Investments		Total (Life Fund)	
	31.03.2015	31.3.2014	31.03.2015	31.3.2014	31.03.2015	31.3.2014	31.03.2015	31.3.2014	31.03.2015	31.3.2014	31.03.2015	31.3.2014
AEGON RELIGARE	317.64	216.79	4.68	4.69	109.97	64.12	64.87	49.76	35.94	22.21	533.10	357.56
AVIVA	1856.75	1220.31	139.02	181.85	596.10	416.83	246.97	386.63	0.01	0.01	2838.85	2205.62
BAJAJ ALLIANZ	9881.46	6722.18	1427.01	1542.94	3200.89	2767.15	2901.38	2588.74	136.11	248.80	17546.85	13869.82
BHARTI AXA	278.25	270.51	186.45	49.64	149.64	86.09	250.88	127.88	32.59	21.76	897.81	555.88
BIRLA SUNLIFE	1995.60	1507.08	77.96	75.41	1079.14	735.58	552.11	476.38	103.36	208.40	3808.17	3002.85
CANARA HSBC	833.20	653.52	31.35	31.19	395.34	304.91	70.36	125.70	72.47	0.00	1402.72	1115.32
DHFL PRAMERICA	576.39	225.63	20.27	20.30	302.81	105.36	120.27	74.48	3.33	4.06	1023.08	429.82
EDELWEISS TOKIO	168.86	93.80	0.00	0.00	74.19	108.04	404.92	397.97	20.33	18.20	668.30	618.02
EXIDE LIFE	2576.99	2044.60	165.87	175.63	1180.56	887.46	766.16	643.99	92.88	268.35	4782.46	4020.04
FUTURE GENERALI	557.79	433.17	195.47	225.67	378.92	362.38	327.09	216.91	2.33	0.32	1461.60	1238.45
HDFC STANDARD	8067.26	5794.04	292.74	565.74	3513.82	2599.40	4159.49	3131.98	279.76	240.40	16313.07	12331.57
ICICI PRUDENTIAL	10431.94	6602.07	527.10	909.16	3500.40	2630.83	4590.95	4571.01	186.52	761.79	19236.91	15474.86
IDBI FEDERAL	1069.31	687.14	151.00	115.54	575.95	561.62	466.51	249.78	0.00	0.14	2262.76	1614.22
INDIAFIRST	323.25	271.86	61.41	40.74	132.44	86.09	143.12	147.90	1.25	1.25	661.47	547.84
KOTAK MAHINDRA	2927.05	1639.38	192.40	570.76	865.47	809.36	860.33	751.17	171.12	0.31	5016.37	3770.98
MAX LIFE	10230.86	7505.00	1289.68	1183.00	2832.14	2494.00	2544.62	1915.00	92.68	40.00	16989.97	13137.00
PNB METLIFE	3424.25	2644.06	154.09	164.35	1285.19	1004.42	346.39	237.70	0.00	0.00	5209.91	4050.53
RELIANCE	2476.41	2446.90	827.34	1117.91	1512.09	1512.54	1038.34	1979.05	144.69	85.66	5998.86	7142.07
SAHARA	289.99	303.34	188.71	167.47	244.14	214.28	96.96	131.28	31.21	22.49	851.01	838.86
SBI LIFE	9123.22	6143.93	889.25	983.98	3365.59	2371.24	3449.26	2447.47	182.93	115.62	17010.24	12062.24
SHRIRAM LIFE	423.66	306.27	118.40	86.32	203.20	207.34	241.70	141.66	107.20	6.15	1094.16	747.74
STAR UNION DAHCHI	685.29	449.79	86.35	106.73	244.20	174.37	170.72	127.99	1.64	1.00	1188.20	859.88
TATA AIA	5878.60	4707.91	325.94	330.11	1702.44	1216.79	770.83	966.66	6.55	12.69	8684.36	7234.17
<b>PRIVATE TOTAL</b>	<b>74394.02</b>	<b>52889.29</b>	<b>7352.49</b>	<b>8649.13</b>	<b>27444.61</b>	<b>21720.20</b>	<b>24584.24</b>	<b>21887.09</b>	<b>1704.90</b>	<b>2079.61</b>	<b>135480.26</b>	<b>107225.33</b>
LIC	548898.83	465935.19	321376.39	246820.32	147066.38	133305.70	317999.04	307900.22	24488.24	27038.22	1359828.88	1180999.65
<b>INDUSTRY TOTAL</b>	<b>623292.85</b>	<b>518824.47</b>	<b>328728.88</b>	<b>255469.45</b>	<b>174510.99</b>	<b>155025.90</b>	<b>342583.28</b>	<b>329787.31</b>	<b>26193.14</b>	<b>29117.83</b>	<b>1495309.14</b>	<b>1288224.97</b>

## ASSETS UNDER MANAGEMENT OF LIFE INSURERS

## PENSION &amp; GENERAL ANNUITY &amp; GROUP FUND

Insurer	Central Govt - Securities		State Govt & Other Approved Securities		Approved Investments		Total (Pension & General Annuity & Group Fund)	
	31.3.2014		31.3.2014		31.3.2014		31.3.2014	
	31.03.2015	31.3.2014	31.03.2015	31.3.2014	31.03.2015	31.3.2014	31.03.2015	31.3.2014
AEGON RELIGARE	3.74	2.84	0.35	0.35	0.23	0.25	4.32	3.45
AVIVA	352.33	259.96	1.02	69.21	312.65	293.96	666.01	623.12
BAJAJ ALLIANZ	1383.15	1197.85	336.22	267.24	2246.41	1990.32	3965.78	3455.41
BHARTI AXA	48.98	35.70	18.77	3.02	87.82	41.46	155.57	80.18
BIRLA SUNLIFE	728.60	428.92	85.25	54.17	1027.61	639.79	1841.46	1122.87
CANARA HSBC	243.69	314.86	83.40	73.34	433.57	512.53	760.66	900.73
DLF PRAMERICA	128.78	34.78	5.02	5.02	134.48	20.62	268.28	60.41
EDELWEISS TOKIO	14.83	4.95	0.00	0.00	7.38	0.41	22.21	5.36
EXIDE LIFE	573.28	420.69	103.65	103.19	681.59	662.47	1358.52	1186.35
FUTURE GENERALI	101.21	49.95	52.83	39.20	159.75	103.34	313.79	192.49
HDFC STANDARD	1794.90	1050.46	599.15	616.93	3374.96	2340.93	5769.01	4008.32
ICICI PRUDENTIAL	2138.75	1475.25	257.57	368.44	1465.21	1770.49	3861.53	3614.17
IDBI FEDERAL	56.25	35.32	53.58	38.11	131.10	42.10	240.93	115.52
INDIAFIRST	1445.47	923.42	544.17	428.78	1751.33	1426.87	3740.97	2779.07
KOTAK MAHINDRA	171.18	88.91	42.30	15.33	140.96	89.53	354.44	193.77
MAX LIFE	323.86	117.00	56.99	11.00	190.22	38.00	571.07	166.00
PNB METLIFE	130.83	106.84	5.99	60.41	85.86	179.13	222.68	346.38
RELIANCE	305.6002	260.8245	165.82	125.45	569.74	471.85	1041.15	858.13
SAHARA	2.68	2.69	0.00	0.00	0.43	0.50	3.11	3.19
SBI LIFE	7689.10	6361.93	2337.14	2239.23	8927.19	8934.53	18953.43	17535.69
SHIRAM LIFE	68.72	61.63	13.11	11.14	110.36	93.15	192.19	165.92
STAR UNION DAI-ICHI	282.34	267.38	115.99	120.92	375.64	340.56	773.97	728.87
TATA AIA	262.92	209.68	36.9600	66.1477	279.05	340.12	578.93	615.94
<b>PRIVATE TOTAL</b>	<b>18251.19</b>	<b>13711.82</b>	<b>4915.27</b>	<b>4716.63</b>	<b>22493.55</b>	<b>20332.90</b>	<b>45660.00</b>	<b>38761.34</b>
LIC	81411.04	72114.24	96910.06	73764.87	165491.47	152938.98	343812.57	298818.10
<b>INDUSTRY TOTAL</b>	<b>99662.23</b>	<b>85826.06</b>	<b>101825.33</b>	<b>78481.50</b>	<b>187985.02</b>	<b>173271.88</b>	<b>389472.57</b>	<b>337579.44</b>

## ASSETS UNDER MANAGEMENT OF LIFE INSURERS

Insurer	UNIT LINKED FUND						TOTAL (ALL FUNDS)	
	Approved Investments		Other Investments		Total (ULIP Funds)		31.3.2015	31.3.2014
	31.3.2015	31.3.2014	31.3.2015	31.3.2014	31.3.2015	31.3.2014	31.3.2015	31.3.2014
AEGON RELIGARE	1129.02	945.76	46.28	28.69	1175.31	974.45	1712.73	1335.46
AVIVA	5536.92	5219.73	80.94	114.91	5617.85	5334.64	9122.71	8163.39
BAJAJ ALLIANZ	20429.20	19963.29	1215.84	1324.31	21645.04	21287.60	43157.67	38612.83
BHARTI AXA	1741.65	1729.92	167.20	51.90	1908.85	1781.82	2962.23	2417.88
BIRLA SUNLIFE	23348.63	19330.88	1046.77	1220.00	24395.40	20550.87	30045.03	24676.59
CANARA HSBC	7239.68	6205.00	380.33	139.47	7620.01	6344.47	9783.39	8360.51
DLF PRAMERICA	249.54	229.93	1.91	5.46	251.44	235.39	1542.80	725.62
EDELWEISS TOKIO	54.69	26.05	4.92	1.21	59.61	27.26	750.13	650.64
EXIDE LIFE	2310.07	2351.29	158.71	149.76	2468.78	2501.05	8609.76	7707.43
FUTURE GENERALI	865.71	906.45	12.84	25.41	878.55	931.86	2653.94	2362.80
HDFC STANDARD	43332.60	33212.03	1587.72	701.47	44920.32	33913.51	67002.40	50253.39
ICICI PRUDENTIAL	73437.94	57861.06	1339.59	2449.37	74777.54	60310.43	97875.98	79399.46
IDBI FEDERAL	1743.13	1652.50	13.42	6.08	1756.55	1658.58	4260.24	3388.32
INDIAFIRST	3490.13	2765.26	105.36	68.13	3595.49	2833.39	7997.93	6160.30
KOTAK MAHINDRA	9048.67	7918.87	631.44	120.15	9680.11	8039.02	15050.92	12003.77
MAX LIFE	12742.31	10883.00	657.26	447.00	13399.57	11330.00	30960.61	24633.00
PNB METLIFE	7273.07	6370.63	30.54	161.67	7303.62	6532.30	12736.20	10929.21
RELIANCE	8293.98	9943.60	493.77	340.45	8787.75	10284.05	15827.76	18284.25
SAHARA	267.99	329.16	3.54	5.61	271.53	334.77	1125.65	1176.82
SBI LIFE	33994.08	28375.79	815.99	221.49	34810.07	28597.28	70773.75	58195.20
SHRIRAM LIFE	1027.09	956.22	36.59	66.23	1063.68	1022.45	2350.03	1936.11
STAR UNION DAI-ICHI	3389.13	2758.12	33.49	44.38	3422.62	2802.49	5384.79	4391.25
TATA AIA	10021.27	9375.43	238.42	179.46	10259.69	9554.90	19522.98	17405.01
<b>PRIVATE TOTAL</b>	<b>270966.49</b>	<b>229309.96</b>	<b>9102.88</b>	<b>7872.61</b>	<b>280069.37</b>	<b>237182.57</b>	<b>461209.63</b>	<b>383169.24</b>
LIC	81404.95	93146.03	1266.15	1332.57	82671.10	94478.59	1786312.55	1574296.34
<b>INDUSTRY TOTAL</b>	<b>352371.44</b>	<b>322455.98</b>	<b>10369.03</b>	<b>9205.18</b>	<b>362740.47</b>	<b>331661.16</b>	<b>2247522.18</b>	<b>1957465.57</b>



## STATEMENT 9

## EQUITY SHARE CAPITAL OF LIFE INSURERS

(₹ Crore)

Insurer	As on 31 <sup>st</sup> March, 2014	Infusion During the year	As on 31 <sup>st</sup> March, 2015	Foreign Promoter	Indian Promoter	FDI (%)
AEGON RELIGARE	1307.00	3.50	1310.50	340.73	969.77	26.00%
AVIVA	2004.90	0.00	2004.90	521.27	1483.63	26.00%
BAJAJ ALLIANZ	150.71	-0.01	150.70	39.18	111.52	26.00%
BHARTI AXA	1978.20	137.50	2115.70	470.15	1645.55	22.22%
BIRLA SUNLIFE	1901.21	0.00	1901.21	494.31	1406.90	26.00%
CANARA HSBC	950.00	0.00	950.00	247.00	703.00	26.00%
DHFL PRAMERICA	340.38	33.69	374.06	97.26	276.80	26.00%
EDELWEISS TOKIO	180.29	0.00	180.29	46.87	133.41	26.00%
EXIDE LIFE	1600.00	150.00	1750.00	0.00	1750.00	0.00%
FUTURE GENERALI	1452.00	0.00	1452.00	370.26	1081.74	25.50%
HDFC STANDARD	1994.88	0.00	1994.88	518.67	1476.21	26.00%
ICICI PRUDENTIAL	1429.26	2.46	1431.72	370.78	1060.94	25.90%
IDBI FEDERAL	800.00	0.00	800.00	208.00	592.00	26.00%
INDIAFIRST	475.00	0.00	475.00	123.50	351.50	26.00%
KOTAK MAHINDRA	510.29	0.00	510.29	132.68	377.61	26.00%
MAX LIFE	1944.69	-25.88	1918.81	498.89	1419.92	26.00%
PNB METLIFE	2012.88	0.00	2012.88	523.35	1489.53	26.00%
RELIANCE	1196.32	0.00	1196.32	311.04	885.28	26.00%
SAHARA	232.00	0.00	232.00	0.00	232.00	0.00%
SBI LIFE	1000.00	0.00	1000.00	260.00	740.00	26.00%
SHRIRAM LIFE	175.00	4.37	179.37	0.00	179.37	0.00%
STAR UNION DAI-ICHI	250.00	0.00	250.00	65.00	185.00	26.00%
TATA AIA	1953.50	0.00	1953.50	507.91	1445.59	26.00%
<b>Total (Private Sector)</b>	<b>25838.51</b>	<b>305.63</b>	<b>26144.14</b>	<b>6146.87</b>	<b>19997.27</b>	<b>23.51%</b>
LIC	100.00	0.00	100.00	0.00	100.00	0.00%
<b>Total (Life)</b>	<b>25938.51</b>	<b>305.63</b>	<b>26244.14</b>	<b>6146.87</b>	<b>20097.27</b>	<b>23.42%</b>

## QUARTERLY SOLVENCY RATIO OF LIFE INSURERS IN INDIA DURING THE FINANCIAL YEAR 2014-15

S.No	Name of the Life Insurer	30/06/14	30/09/14	31/12/14	31/03/15
1	AEGON RELIGARE LIFE INS. CO. LTD.	1.95	1.94	1.61	2.03
2	AVIVA LIFE INS. CO. PVT. LTD.	4.09	4.04	3.74	3.80
3	BAJAJ ALLIANZ LIFE INS. CO. LTD	7.86	8.03	7.78	7.61
4	BHARTI AXA LIFE INS. CO. LTD	2.03	1.79	1.63	2.07
5	BIRLA SUN LIFE INS. CO. LTD.	2.08	2.13	2.23	2.05
6	CANARA HSBC OBC LIFE INS. CO. LTD.	3.66	3.97	3.15	3.16
7	DHFL PRAMERICA LIFE INS. CO. LTD.	12.50	12.42	12.56	12.69
8	EDELWEISS TOKIO LIFE INS. CO. LTD.	2.08	2.16	1.96	2.54
9	FUTURE GENERALI INDIA LIFE INS. CO. LTD	3.12	2.98	2.86	2.91
10	HDFC STANDARD LIFE INS. CO. LTD.	1.92	2.04	1.87	1.96
11	ICICI PRUDENTIAL LIFE INS. CO. LTD.	3.84	3.57	3.70	3.37
12	IDBI FORTIS LIFE INS. CO. LTD	4.76	5.53	6.03	5.07
13	INDIA FIRST LIFE INS. CO. LTD	2.32	2.18	2.12	2.03
14	EXIDE LIFE INS. CO. LTD.	2.24	2.77	2.69	2.90
15	LIC OF INDIA	1.52	1.53	1.51	1.55
16	MAX LIFE INS. CO. LTD.	5.00	4.87	4.69	4.25
17	PNB METLIFE INDIA INS. CO. PVT. LTD	2.43	2.48	2.40	2.19
18	OM KOTAK MAHINDRA LIFE INS.CO. LTD.	3.06	2.98	3.01	3.13
19	RELIANCE LIFE INSURANCE CO. LTD.	4.28	4.14	4.12	3.55
20	SAHARA INDIA LIFE INS. CO. LTD	6.20	6.91	5.65	Not Available
21	SBI LIFE INS. CO. LTD	2.28	2.35	2.27	2.16
22	SHRIRAM LIFE INS. CO. LTD	6.59	5.10	5.18	4.15
23	STAR UNION DAI-ICHI LIFE INS. CO. LTD.	2.18	2.31	2.30	2.51
24	TATA AIA LIFE INS.CO. LTD	4.33	4.58	4.40	4.17

## GROSS DIRECT PREMIUM OF NON-LIFE INSURERS (WITHIN &amp; OUTSIDE INDIA)

INSURER	(₹ Crore)														
	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
BAJAJ ALLIANZ	--	141.96	296.48	476.53	851.62	1272.29	1786.34	2379.92	2619.29	2482.33	2869.96	3286.62	4001.4	4516.44	5229.84
BHARTI AXA	--	--	--	--	--	--	311.73	--	28.50	310.82	553.90	884.00	1218.43	1423.15	1457.06
CHOLAMANDALAM	--	--	14.79	97.05	169.25	220.18	522.34	685.44	885.44	784.85	967.99	1346.54	1620.89	1855.11	1890.43
FUTURE GENERALI	--	--	--	--	--	--	--	9.81	186.49	376.61	600.16	919.76	1105.39	1262.55	1438.24
HDFC ERGO	--	--	9.49	112.95	175.63	200.94	194.00	220.60	339.21	915.40	1279.91	1839.46	2453.2	2906.98	3182.2
ICICI LOMBARD	--	28.13	211.66	486.73	873.86	1582.86	2989.07	3307.12	3402.04	3295.06	4251.87	5150.14	6133.99	6856.16	6677.79
IFFCO TOKIO	5.83	70.51	213.33	322.24	496.64	892.72	1144.47	1128.15	1374.06	1457.84	1783.18	1975.24	2565.03	2930.92	3329.96
L&T	--	--	--	--	--	--	--	--	--	--	17.24	143.40	182.07	253.78	331.71
RAHEJA QBE	--	--	--	--	--	--	--	--	--	1.32	4.90	14.79	21.3	23.23	21.62
RELIANCE	1.07	77.46	185.68	161.06	161.68	162.33	912.23	1946.42	1914.88	1979.65	1655.43	1712.55	2010.01	2388.82	2715.83
ROYAL SUNDRAM	0.24	71.13	184.44	257.76	330.70	458.64	598.20	694.41	803.36	913.11	1143.99	1479.79	1560	1437.04	1569.2
SBI	--	--	--	--	--	--	--	--	--	--	43.02	250.14	770.85	1187.57	1576.9
SHRIRAM	--	--	--	--	--	--	--	--	113.76	416.93	780.89	1266.44	1541.38	1510.59	1496.51
TATA AIG	--	78.46	233.93	343.52	448.24	572.70	710.55	782.64	823.92	853.80	1173.09	1641.57	2135.08	2362.71	2714.13
UNIVERSAL SOMPO	--	--	--	--	--	--	--	0.48	30.14	189.28	299.10	404.58	534.35	540.44	701.1
MAGWA HDI	--	--	--	--	--	--	--	--	--	0.00	0.00	0.00	95.14	424.93	473.59
LIBERTY VIDEOCON	--	--	--	--	--	--	--	--	--	0.00	0.00	0.00	2.19	129.81	283.85
<b>PRIVATE SECTOR</b>	<b>7.14</b>	<b>467.65</b>	<b>1349.80</b>	<b>2257.83</b>	<b>3507.62</b>	<b>5362.66</b>	<b>8646.57</b>	<b>10991.89</b>	<b>12321.09</b>	<b>13977.00</b>	<b>17424.63</b>	<b>22315.03</b>	<b>27950.70</b>	<b>32010.30</b>	<b>35089.96</b>
NATIONAL	2227.73	(6453.98)	(188.64)	(67.27)	(55.35)	(52.89)	(61.24)	(27.12)	(12.09)	(13.44)	(24.67)	(28.07)	(25.26)	(14.52)	(9.59)
NEW INDIA	3493.05	2439.41	2869.87	3399.97	3810.65	3536.34	3827.12	4021.97	4295.85	4645.99	6245.17	7815.69	9194.6122	10260.96	11282.62
ORIENTAL	2247.10	4198.06	4812.79	4921.47	5103.16	5675.54	5936.78	6151.97	6455.19	7099.14	8225.51	10073.88	11873.4881	13727.6	15480.35
UNITED	2524.00	2498.64	2868.15	2899.74	3090.55	3609.77	4020.78	3900.22	4077.89	4854.67	5569.88	6194.60	6737.6574	7282.53	7561.92
<b>PUBLIC SECTOR</b>	<b>10491.88</b>	<b>11917.59</b>	<b>13520.44</b>	<b>14284.65</b>	<b>14948.82</b>	<b>15976.44</b>	<b>17283.45</b>	<b>17813.71</b>	<b>19107.31</b>	<b>21838.85</b>	<b>26417.21</b>	<b>32263.46</b>	<b>37071.7953</b>	<b>40980.06</b>	<b>45016.62</b>
<b>PUBLIC &amp; PRIVATE TOTAL</b>	<b>10499.02</b>	<b>12385.24</b>	<b>14870.25</b>	<b>16542.49</b>	<b>18456.45</b>	<b>21339.10</b>	<b>25930.02</b>	<b>28805.60</b>	<b>31428.40</b>	<b>35815.85</b>	<b>43841.84</b>	<b>54578.49</b>	<b>65022.4953</b>	<b>72990.36</b>	<b>80106.58</b>
AIC	--	(17.97)	(20.06)	(11.25)	(11.57)	(15.62)	(21.51)	(11.09)	(9.11)	(13.96)	(22.41)	(24.49)	(19.14)	(12.12)	(9.74)
ECGC	--	--	--	369.21	549.72	555.83	564.67	835.11	833.44	1520.40	1950.05	2576.85	3297.42	3395.00	2739.69
<b>SPECIALISED INSURERS</b>	<b>0.00</b>	<b>338.52</b>	<b>374.78</b>	<b>445.48</b>	<b>515.55</b>	<b>577.33</b>	<b>617.66</b>	<b>668.37</b>	<b>744.68</b>	<b>813.00</b>	<b>885.47</b>	<b>1004.83</b>	<b>1157.25</b>	<b>1303.72</b>	<b>1362.39</b>
APOLLO MUNICH	--	--	(10.71)	(117.38)	(30.76)	(6.37)	(4.34)	(27.16)	(4.96)	(47.86)	(21.52)	(26.31)	(24.37)	(5.48)	(-12.7)
CIGNA TTK	--	--	--	--	--	--	--	2.97	48.14	114.66	282.69	475.64	619.99	692.47	803.12
MAX BUPA	--	--	--	--	--	--	--	--	--	0.13	25.53	99.08	207.22	308.85	372.65
RELIGARE HEALTH	--	--	--	--	--	--	--	--	--	--	--	--	38.79	152.30	275.80
STAR HEALTH	--	--	--	--	--	--	22.51	168.19	509.86	961.65	1227.55	1085.06	860.21	1091.07	1469.19
<b>STANDALONE HEALTH INSURERS</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>22.51</b>	<b>171.16</b>	<b>558.01</b>	<b>1076.44</b>	<b>1535.77</b>	<b>1659.78</b>	<b>1726.21</b>	<b>2245.02</b>	<b>2942.58</b>
<b>GRAND TOTAL</b>	<b>10499.02</b>	<b>12723.76</b>	<b>15245.02</b>	<b>17357.18</b>	<b>19521.71</b>	<b>22472.27</b>	<b>27134.86</b>	<b>30480.23</b>	<b>33564.52</b>	<b>39225.68</b>	<b>48213.12</b>	<b>59819.96</b>	<b>71203.38</b>	<b>79934.14</b>	<b>87151.24</b>
	(0)	(21.19)	(19.82)	(13.85)	(12.47)	(15.11)	(20.75)	(12.33)	(10.12)	(16.87)	(22.91)	(24.07)	(19.03)	(12.26)	(9.03)

Note: Figures in the bracket represents the growth over the previous year in per cent.  
-- represents business not started.

## SEGMENT WISE GROSS DIRECT PREMIUM INCOME OF NON-LIFE INSURERS (WITHIN INDIA)

(₹ Lakh)

"Insurer/Segments"	Fire		Marine		Motor		Health		Others		TOTAL	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
<b>PRIVATE INSURERS</b>												
BAJAJ ALLIANZ	43098	38833	12308	12210	291838	269985	79751	79783	95991	50833	522985	451645
BHARTI AXA	7793	8051	3,206	3,352	109,352	105,227	17,623	18,825	7732	6861	145707	142316
CHOLAMANDALAM	12434	10990	6413	6494	127909	124971	23797	25361	18490	17695	189043	185511
FUTURE GENERALI	13312	11738	5779	5117	82810	70635	18930	18255	22994	20510	143825	126256
HDFC ERGO	37469	32073	10669	8745	105165	100406	94285	91622	70633	57852	318221	290699
ICICI LOMBARD	54474	48702	24643	25176	341581	321380	155049	168379	92033	121980	667780	685616
IFFCO TOKIO	23240	21343	11394	11741	214197	176173	39008	31582	45158	52254	332997	293092
L&T	4181	3375	946	833	20,486	13,753	4,856	4,869	2702	2548	33171	25378
RAHEJA QBE	62	46	-	1	42	65	32	47	2027	2165	2163	2324
RELIANCE	18932	17796	4599	4044	164254	144465	51970	49962	31829	22615	271584	238882
ROYAL SUNDARAM	7958	6717	3403	3107	115943	102246	24205	25525	5411	6110	156920	143704
SBI	51469	44613	1,751	994	53,865	46,533	38,694	20,266	11911	6352	157690	118757
SHRIRAM	1595	1106	76	94	146,131	148,104	562	462	1288	1293	149652	151059
TATA AIG	34863	31246	24905	22668	122458	107403	37928	36338	51260	38616	271414	236271
UNIVERSAL SOMPO	11924	10716	1,614	1,816	25,130	23,175	13,891	9,359	17551	8978	70111	54045
MAGMA HDI	2978	1557	1,081	594	40,119	38,849	134	15	3048	1478	47360	42493
LIBERTY VIDEOCON	1941	947	367	112	19,216	9,701	5,405	1,414	1457	809	28386	12982
<b>PRIVATE INSURER TOTAL</b>	<b>327722</b>	<b>289850</b>	<b>113153</b>	<b>107099</b>	<b>1980497</b>	<b>1803069</b>	<b>606120</b>	<b>582064</b>	<b>481514</b>	<b>418949</b>	<b>3509009</b>	<b>3201030</b>
<b>PUBLIC INSURER</b>												
NATIONAL	92133	87816	29859	33350	517748	483897	389597	317691	94852	99534	1124189	1022288
NEW INDIA	164489	141177	66528	71146	536601	460461	412739	348474	140582	132748	1320939	1154006
ORIENTAL	96161	98447	39793	45856	286170	263863	220022	203850	98648	100769	740794	712785
UNITED	125149	118974	52673	58728	416917	370985	340887	286847	133399	135361	1069026	970893
<b>PUBLIC INSURER TOTAL</b>	<b>477932</b>	<b>446413</b>	<b>188853</b>	<b>209081</b>	<b>1757436</b>	<b>1579206</b>	<b>1363245</b>	<b>1156861</b>	<b>467482</b>	<b>468411</b>	<b>4254948</b>	<b>3859972</b>
<b>STANDALONE HEALTH INSURERS</b>												
APOLLO MUNICH	-	-	-	-	-	-	80313	69247	-	-	80313	69247
CIGNA TTK	-	-	-	-	-	-	2183	34	-	-	2183	34
MAX BUPA	-	-	-	-	-	-	37266	30885	-	-	37266	30885
RELIGARE	-	-	-	-	-	-	27580	15231	-	-	27580	15231
STAR HEALTH	-	-	-	-	-	-	146919	109108	-	-	146919	109108
<b>STANDALONE HEALTH INSURERS TOTAL</b>							<b>294261</b>	<b>224505</b>			<b>294261</b>	<b>224505</b>
<b>SPECIALISED INSURERS</b>												
ECGC	-	-	-	-	-	-	-	-	136240	130373	136240	130373
AIC	-	-	-	-	-	-	-	-	273970	339501	273970	339501
<b>SPECIALISED INSURERS TOTAL</b>									<b>410210</b>	<b>469874</b>	<b>410210</b>	<b>469874</b>
<b>Grand Total</b>	<b>805654</b>	<b>736263</b>	<b>302006</b>	<b>316180</b>	<b>3737932</b>	<b>3382275</b>	<b>2263626</b>	<b>1963430</b>	<b>1359206</b>	<b>1357234</b>	<b>8468428</b>	<b>7755381</b>

**HEALTH INSURANCE (EXCLUDING TRAVEL-DOMESTIC/OVERSEAS AND PERSONAL ACCIDENT)  
GROSS PREMIUM AND NUMBER OF PERSONS COVERED (2014-15)**

(No. Of Policies in Actuals) ( No. of Persons in '000) ( Amount in ₹ Lakh)

Name of the Insurance Company	Government Sponsored Schemes including RSBY		Group Insurance Schemes excluding Govt Sponsored Schemes		Family/Floater Insurance excluding Individual Policies		Individual Insurance excluding Family/Floater Policies		TOTAL						
	No. of policies	No. of Persons Covered	Gross Premium	No. of policies	No. of Persons Covered	Premium	No. of policies	No. of Persons Covered	No. of policies	No. of Persons Covered	Premium				
Bajaj Allianz				2056	705	33212.71	238117	465	16921.05	168693	472	12872.82	408866	1641	63006.59
Bharti AXA				2107	1124	15300.68	18152	34	820.82	20259			20259	1158	16121.51
CHOLA MS	9.00	1873.64	3179.64	8666	1012	10533.63	52811	147	2279.10	29937	46	1293.59	91423	3079	17285.96
Future Generali	8.00	1373.24	978.76	925	307	10486.71	14829	49	1040.52	13604	23	810.38	29366	1752	13316.38
HDFC ERGO		2817.78	-99.84	813	381	8910.05	168157	413	15027.01	273341	236	26498.81	442311	3848	50336.03
ICICI Lombard	88.00	8179.95	14475.48	3074	1717	50255.35	106515	304	15632.78	551607	557	54498.17	661284	10758	134861.77
IFFCO Tokio	57.00	12259.20	7439.90	1000	1379	21578.18	55240	237	3709.32	59096	92	2405.43	115393	13967	35132.83
Liberty Videocon				343	180	3679.02	111	0.33	9.99	120	0	5.72	574	180	3694.73
L&T General	8.00	606.23	384.64	87	42	479.56	24321	73	1931.68	24490	35	1940.26	48906	755	4736.13
Magma HDI										1	0.001	0.05	1	0.00	0.05
Raheja QBE										58	0.06	1.40	58	0.06	1.40
Reliance	50.00	17667.79	27107.37	667	486	12921.00	56444	175	3334.75	27079	30	1344.85	84240	18359	44707.97
Royal Sundaram	7.00	1757	2117.32	516	703	5355.68	68010	190	4636.19	123972	236	8327.12	192505	2886	20436.31
SBI General				908	637	9768.45	1264	4	96.77	3851	4	74.44	6023	645	9939.67
Shriram General															
Tata AIG	38.00	1526.00	3401.00	573	331	1929.02	143850	214	4063.93	141177	89	2371.00	285638	2160	11764.95
Universal Sampo				3801	900	7629.25	158001	892	5387.44	20606	22	255.81	182408	1814	13272.50
<b>Private Total</b>	<b>265</b>	<b>48061</b>	<b>58984</b>	<b>25536</b>	<b>9903</b>	<b>192039</b>	<b>1105822</b>	<b>3198</b>	<b>74891</b>	<b>1437632</b>	<b>1840</b>	<b>112700</b>	<b>2569255</b>	<b>63002</b>	<b>438615</b>
National	29501.00	73429.64	94323.22	10061	5051	154077.58	220487	686	17501.56	1448917	4208	107728.32	1708966	83374	373631
New India	82.00	23222.99	43893.06	11964	9405	188098.81	628937	2045	57961.73	989626	2321	103025.31	1630609	36994	392979
Oriental	35.00	15442.44	5289.36	166131	4854	113378.00	687945	1935	55593.84	487493	825	30312.09	1341604	23056	204573
United India	41.00	48869.00	36358.00	84649	17261	196549.00	330580	924	27623.00	767005	2973	56488.00	1182275	68027	317018
<b>Public Total</b>	<b>29659</b>	<b>158964</b>	<b>179864</b>	<b>272805</b>	<b>36571</b>	<b>652103</b>	<b>1867949</b>	<b>5590</b>	<b>158680</b>	<b>3693041</b>	<b>10327</b>	<b>297554</b>	<b>5863454</b>	<b>211451</b>	<b>1288201</b>
Apollo Munich			-6.01	735	786	22784.75	261576	833	32918.06	221708	349	19318.76	484019	1968	75016
Cigna TTK				1	0.35	232.35	9560	29	1210.28	8083	9	681.23	17644	38	2124
Max Bupa	3.00	1045.54	124.33	267	204	2778.10	159372	466	28459.29	72341	72	5843.88	231983	1788	37206
Religare	8.00	1869.30	811.06	1260	384	9911.67	65751	209	7884.09	61742	71	7225.44	128761	2533	25832
Star Health	17.00	4426.00	2761.56	5392	454	9993.54	1048105	1698	91170.27	580575	675	38703.21	1634089	7252	142629
<b>Specialised Health Insurers Total</b>	<b>28</b>	<b>7341</b>	<b>3691</b>	<b>7655</b>	<b>1828</b>	<b>45700</b>	<b>1544364</b>	<b>3234</b>	<b>161642</b>	<b>944449</b>	<b>1176</b>	<b>71773</b>	<b>2496496</b>	<b>13579</b>	<b>282806</b>
<b>Grand Total</b>	<b>29952</b>	<b>214366</b>	<b>242539</b>	<b>305996</b>	<b>48301</b>	<b>889843</b>	<b>4518135</b>	<b>12022</b>	<b>395213</b>	<b>6075122</b>	<b>13343</b>	<b>482026</b>	<b>10929205</b>	<b>288032</b>	<b>2009622</b>

## STATEMENT 14

## INCURRED CLAIMS RATIO-PUBLIC SECTOR NON-LIFE INSURERS 2014-15

INSURER	Net Earned Premium (₹ In Lakh)					Claims Incurred (Net) (₹ In Lakh)					Incurred Claims Ratio (%)								
	Fire	Marine	Motor	Health	Others	Total	Fire	Marine	Motor	Health	Others	Total	Fire	Marine	Motor	Health	Others	Total	
<b>PUBLIC INSURERS</b>																			
NATIONAL	75331	20138	477416	332965	83965	989816	56333	11748	262074	366344	71019	767518	74.78	58.34	54.89	110.02	84.58	77.54	
NEW INDIA	188733	61104	569219	368785	143688	1331529	144152	32167	496170	364302	82012	1118804	76.38	52.64	87.17	98.78	57.08	84.02	
ORIENTAL	59002	30019	263244	200410	89841	642517	42506	12129	203850	234517	33149	526150	72.04	40.40	77.44	117.02	36.90	81.89	
UNITED	80640	30454	368224	299246	103059	881623	60651	25865	252524	356057	49205	744303	75.21	84.93	68.58	118.98	47.74	84.42	
<b>TOTAL</b>	<b>403706</b>	<b>141714</b>	<b>1678103</b>	<b>1201406</b>	<b>420554</b>	<b>3845484</b>	<b>303642</b>	<b>81908</b>	<b>1214618</b>	<b>1321220</b>	<b>235386</b>	<b>3156775</b>	<b>75.21</b>	<b>57.80</b>	<b>72.38</b>	<b>109.97</b>	<b>55.97</b>	<b>82.09</b>	
<b>SPECIALISED INSURERS</b>																			
ECCG	-	-	-	-	101927	101927	-	-	-	-	116350.04	116350.04	-	-	-	-	114.15	114.15	
AIC	-	-	-	-	159838	159838	-	-	-	-	173370.69	173370.69	-	-	-	-	108.47	108.47	
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>261765</b>	<b>261765</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>289720.73</b>	<b>289720.73</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>110.68</b>	<b>110.68</b>	
<b>GRAND TOTAL</b>	<b>403706</b>	<b>141714</b>	<b>1678103</b>	<b>1201406</b>	<b>682319</b>	<b>4107249</b>	<b>303642</b>	<b>81908</b>	<b>1214618</b>	<b>1321220</b>	<b>525106</b>	<b>3446495</b>	<b>75.21</b>	<b>57.80</b>	<b>72.38</b>	<b>109.97</b>	<b>76.96</b>	<b>83.91</b>	

## INCURRED CLAIMS RATIO-PUBLIC SECTOR NON-LIFE INSURERS 2013-14

INSURER	Net Earned Premium (₹ In Lakh)					Claims Incurred (Net) (₹ In Lakh)					Incurred Claims Ratio (%)								
	Fire	Marine	Motor	Health	Others	Total	Fire	Marine	Motor	Health	Others	Total	Fire	Marine	Motor	Health	Others	Total	
<b>PUBLIC INSURERS</b>																			
NATIONAL	72123	19129	421861	259216	95937	868267	52786	13805	292574	270331	75365	704861	73.19	72.17	69.35	104.29	78.56	81.18	
NEW INDIA	178463	46102	458705	284120	152298	1119687	153006	21432	398286	275179	90192	938095	85.74	46.49	86.83	96.85	59.22	83.78	
ORIENTAL	66044	28550	235179	162988	102636	595397	55525	16660	185417	187804	65696	511102	84.07	58.35	78.84	115.23	64.01	85.84	
UNITED	80887	30002	323050	207502	118890	760330	58243	21502	238918	237098	71978	627738	72.01	71.67	73.96	114.26	60.54	82.56	
<b>TOTAL</b>	<b>397516</b>	<b>123783</b>	<b>1438794</b>	<b>913827</b>	<b>469761</b>	<b>3343681</b>	<b>319560</b>	<b>73399</b>	<b>1115196</b>	<b>970412</b>	<b>303230</b>	<b>2781796</b>	<b>80.39</b>	<b>59.30</b>	<b>77.51</b>	<b>106.19</b>	<b>64.55</b>	<b>83.20</b>	
<b>SPECIALISED INSURERS</b>																			
ECCG	0	0	0	0	90735	90735	0	0	0	0	74607	74607	0.00	0.00	0.00	0.00	82.23	82.23	
AIC	0	0	0	0	164786	164786	0	0	0	0	172445	172445	0.00	0.00	0.00	0.00	104.65	104.65	
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>255521</b>	<b>255521</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>247052</b>	<b>247052</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>96.69</b>	<b>96.69</b>	
<b>GRAND TOTAL</b>	<b>397516</b>	<b>123783</b>	<b>1438794</b>	<b>913827</b>	<b>725282</b>	<b>3599202</b>	<b>319560</b>	<b>73399</b>	<b>1115196</b>	<b>970412</b>	<b>550282</b>	<b>3028848</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>75.87</b>	<b>84.15</b>	

## INCURRED CLAIMS RATIO-PRIVATE SECTOR NON-LIFE INSURERS 2014-15

INSURER	Net Earned Premium (₹ In Lakh)						Claims Incurred (Net) (₹ In Lakh)						Incurred Claims Ratio (%)					
	Fire	Marine	Motor	Health	Others	Total	Fire	Marine	Motor	Health	Others	Total	Fire	Marine	Motor	Health	Others	Total
	BAJAJ ALLIANZ	14662	7201	265003	69512	26813	383190	9366	6468	189764	51152	18850	275599	63.88	89.82	71.61	73.59	70.30
BHARTI AXA	1143	808	96669	19117	2648	120384	916	783	81000	18636	1757	103091	80.12	96.88	83.79	97.48	66.35	85.64
CHOLAMANDALAM	4341	2027	116588	19635	5619	148210	2769	1454	92374	10295	3720	110612	63.78	71.74	79.23	52.43	66.21	74.63
FUTURE GENERALI	3347	3999	74933	14192	11441	107912	1649	2639	60276	11345	7519	83428	49.27	65.98	80.44	79.94	65.72	77.31
HDFC ERGO	6840	7169	80860	58145	14395	167409	6015	8152	73058	32843	11720	131788	87.94	113.71	90.35	56.48	81.42	78.72
ICICI LOMBARD	10885	16011	249673	106110	40854	423533	10235	15799	200060	92720	25529	344344	94.03	98.68	80.13	87.38	62.49	81.30
IFFCO-TOKIO	3920	4909	174710	29989	13186	226714	2155	3778	128387	27714	6120	168153	54.97	76.96	73.49	92.41	46.41	74.17
Liberty Videocon	363	105	14570	3747	415	19200	371	209	13345	3843	380	18148	102.17	199.18	91.59	102.56	91.56	94.52
L&T	848	436	14590	3502	1239	20614	692	539	10613	1819	1103	14765	81.59	123.86	72.74	51.93	89.02	71.63
MAGMA HDI	148	(121)	38807	66	1718	40618	584	100	31669	61	1639	34053	394.77	(82.47)	81.61	92.67	95.39	83.84
RAHEJA QBE	47	1	39	35	1831	1953	73	(1)	(46)	41	474	542	154.91	(85.00)	(116.92)	116.54	25.91	27.73
RELIANCE	4839	2187	133026	44927	6868	191847	3650	1861	121289	48291	5340	180430	75.43	85.07	91.18	107.49	77.76	94.05
ROYAL SUNDARAM	1824	1213	103045	22577	1686	130346	933	986	87438	11942	366	101665	51.15	81.26	84.85	52.89	21.72	78.00
SBI	13942	763	48292	24252	3884	91133	5703	1075	49867	19492	2036	78173	40.90	140.91	103.26	80.37	52.41	85.78
SHRIRAM	660	26	137721	214	803	139424	428	(24)	135690	152	335	136580	64.83	(92.08)	98.53	70.91	41.67	97.96
TATA AIG	2423	21088	104757	35591	16365	180224	2032	15458	79233	24892	6001	127616	83.84	73.30	75.63	69.94	36.67	70.81
UNIVERSAL SOMPO	5834	672	22584	9955	6579	45623	2779	572	18669	10176	1863	34060	47.64	85.17	82.67	102.22	28.32	74.65
<b>SUB-TOTAL STANDALONE HEALTH INSURERS</b>	<b>76066</b>	<b>68494</b>	<b>1675866</b>	<b>461565</b>	<b>156343</b>	<b>2438335</b>	<b>50349</b>	<b>59848</b>	<b>1372685</b>	<b>365412</b>	<b>94752</b>	<b>1943046</b>	<b>66.19</b>	<b>87.38</b>	<b>81.91</b>	<b>79.17</b>	<b>60.61</b>	<b>79.69</b>
APOLLO MUNICH	-	-	-	65588	-	65588	-	-	-	41343	-	41343	-	-	-	63.03	-	63.03
CIGNA TTK	-	-	-	667	-	667	-	-	-	429	-	429	-	-	-	64.33	-	64.33
MAX BUPA	-	-	-	31524	-	31524	-	-	-	17388	-	17388	-	-	-	55.16	-	55.16
RELIGARE	-	-	-	15372	-	15372	-	-	-	9397	-	9397	-	-	-	61.13	-	61.13
STAR HEALTH	-	-	-	101793	-	101793	-	-	-	65106	-	65106	-	-	-	63.96	-	63.96
<b>SUB-TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>214,945</b>	<b>-</b>	<b>214,945</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>133,662</b>	<b>-</b>	<b>133,662</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>62.18</b>	<b>-</b>	<b>62.18</b>
<b>GRAND TOTAL</b>	<b>76066</b>	<b>68494</b>	<b>1675866</b>	<b>676510</b>	<b>156343</b>	<b>2653279</b>	<b>50349</b>	<b>59848</b>	<b>1372685</b>	<b>499074</b>	<b>94752</b>	<b>2076708</b>	<b>66.19</b>	<b>87.38</b>	<b>81.91</b>	<b>73.77</b>	<b>60.61</b>	<b>78.27</b>

## INCURRED CLAIMS RATIO - PRIVATE SECTOR NON-LIFE INSURERS 2013-14

INSURER	Net Earned Premium (₹ In Lakh)					Claims Incurred (Net) (₹ In Lakh)					Incurred Claims Ratio (%)							
	Fire	Marine	Motor	Health	Others	Total	Fire	Marine	Motor	Health	Others	Total	Fire	Marine	Motor	Health	Others	Total
BAJAJ ALLIANZ	14465	7989	235627	65513	25712	349306	4506	2991	178150	56733	10148	252528	31.15	37.44	75.61	86.60	39.47	72.29
BHARTIAXA	1208	716	87220	16453	3692	109290	1658	437	68570	14201	2368	87233	137.24	60.93	78.62	86.32	64.12	79.82
CHOLAMANDALAM	4097	2011	108009	21002	8018	143136	2794	1152	93136	12960	3698	113740	68.19	57.30	86.23	61.71	46.12	79.46
FUTURE GENERALI	3046	2124	61511	14401	7809	88892	2020	1846	48346	12218	3954	68385	66.33	86.92	78.60	84.85	50.63	76.93
HDFC ERGO	5282	5228	75412	40606	31966	158493	1521	5957	69111	37725	13188	127502	28.80	113.95	91.64	92.91	41.26	80.45
ICICI LOMBARD	15349	15661	229495	114832	59954	435291	10273	15263	180051	106816	49487	361891	66.93	97.46	78.46	93.02	82.54	83.14
IFFCO TOKIO	3723	4292	152015	19741	15539	195310	2780	4013	112713	17209	11458	148173	74.68	93.51	74.15	87.17	73.74	75.87
L&T	665	433	10903	4404	1398	17803	689	232	9515	3992	821	15250	103.54	53.69	87.27	90.64	58.77	85.66
RAHEJA QBE	46	3	46	2	1751	1847	25	(1)	143	1	978	1146	53.66	(33.66)	313.06	96.45	55.83	62.05
RELIANCE	4109	1931	125828	37663	4444	173976	3655	1798	114829	36827	3254	160362	88.95	93.10	91.26	97.78	73.20	92.17
ROYAL SUNDARAM	1678	958	102310	20603	6024	131572	777	732	85192	11761	1957	100419	46.32	76.42	83.27	57.09	32.48	76.32
SBI	11148	414	36421	912	14177	63073	5582	278	30567	443	16619	53488	50.07	67.07	83.92	48.63	117.22	84.80
SHRIRAM	489	18	141306	143	607	142563	367	16	127711	129	779	129000	75.00	88.00	90.38	90.00	128.31	90.49
TATAAIG	2682	21856	99882	17906	24953	167278	1673	10433	74646	15449	11849	114049	62.38	47.73	74.73	86.28	47.48	68.18
UNIVERSAL SOMPO	4485	426	24195	6481	5608	41194	1864	432	18821	7060	2367	30543	41.56	101.37	77.79	108.94	42.20	74.14
MAGMA HDI	12	(45)	22794	0	57	22819	22	5	19092	0	246	19364	175.32	(10.64)	83.76	0.00	435.01	84.86
LIBERTY VIDEOCON	164	(10)	3580	41	303	4077	79	15	3814	36	393	4337	48.34	(155.11)	106.56	88.29	129.85	106.39
<b>SUB-TOTAL</b>	<b>72647</b>	<b>64005</b>	<b>1516555</b>	<b>380699</b>	<b>212013</b>	<b>2245920</b>	<b>40284</b>	<b>45599</b>	<b>1234406</b>	<b>333561</b>	<b>133562</b>	<b>1787411</b>	<b>55.45</b>	<b>71.24</b>	<b>81.40</b>	<b>87.62</b>	<b>63.00</b>	<b>79.58</b>
<b>STANDALONE HEALTH INSURERS</b>																		
APOLLO MUNICH	-	-	-	54340	-	54340	-	-	-	35644	-	35644	0.00	0.00	0.00	65.59	0.00	65.59
CIGNA TTK	-	-	-	1	-	1	-	-	-	1	-	1	0.00	0.00	0.00	59.68	0.00	59.68
MAX BUPA	-	-	-	23766	-	23766	-	-	-	14040	-	14040	0.00	0.00	0.00	59.07	0.00	59.07
RELIGARE	-	-	-	8164	-	8164	-	-	-	6525	-	6525	0.00	0.00	0.00	79.92	0.00	79.92
STAR HEALTH	-	-	-	67540	-	67540	-	-	-	45395	-	45395	0.00	0.00	0.00	67.21	0.00	67.21
<b>SUB-TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>153811</b>	<b>-</b>	<b>153811</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>101603</b>	<b>-</b>	<b>101603</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>66.06</b>	<b>0.00</b>	<b>66.06</b>
<b>TOTAL</b>	<b>145294</b>	<b>128010</b>	<b>3033111</b>	<b>1069022</b>	<b>424026</b>	<b>4799462</b>	<b>80568</b>	<b>91198</b>	<b>2468811</b>	<b>870329</b>	<b>267124</b>	<b>3778029</b>	<b>55.45</b>	<b>71.24</b>	<b>81.40</b>	<b>81.41</b>	<b>63.00</b>	<b>78.72</b>

Note: Figures in brackets indicates negative amounts.



STATEMENT 16  
(₹ Crore)

## ASSETS UNDER MANAGEMENT OF NON-LIFE INSURERS

Insurer	Central Government Securities		State Government & Other Approved Securities		Housing & Loans to State Government for Housing and FFE*		Infrastructure Investments		Approved Investments		Other Investments		Total Investments	
	31.03.2015	30.03.2014	31.03.2015	30.03.2014	31.03.2015	30.03.2014	31.03.2015	30.03.2014	31.03.2015	30.03.2014	31.03.2015	30.03.2014	31.03.2015	30.03.2014
BAJAJ ALLIANZ	3510.37	2065.60	476.76	544.65	688.31	671.07	1315.63	1786.01	1386.64	1536.44	138.61	37.46	7516.32	6641.21
BHARTI AXA	626.46	513.14	148.53	101.86	316.36	151.08	385.07	262.69	974.61	928.73	9.90	12.95	2460.92	1970.45
CHOLAMANDALAM MIS	684.06	481.09	321.20	276.69	361.48	285.58	409.29	359.20	1388.07	866.21	0.00	60.02	3164.10	2328.78
FUTURE GENERALI	458.93	377.06	239.53	221.84	163.70	98.82	517.88	395.23	592.93	400.20	0.32	0.34	1973.29	1493.49
HDFC ERGO	994.90	845.90	212.70	187.30	282.70	243.73	1073.20	839.22	1091.50	991.37	101.80	34.86	3756.80	3142.38
ICICI LOMBARD	3338.26	3137.86	480.10	180.10	1002.95	875.34	2464.97	2479.22	2374.48	2409.26	187.12	121.66	9847.88	9203.44
IFFCO TOKIO	907.87	793.66	473.18	357.57	491.34	386.40	730.20	555.43	1766.21	1483.00	0.00	0.00	4368.80	3576.06
L&T GENERAL	174.80	86.51	0.00	15.15	49.20	28.99	70.55	48.10	157.35	118.43	18.08	11.52	490.28	308.71
LIBERTY VIDEOCON	314.37	108.80	0.00	0.00	49.95	29.84	120.46	74.74	81.22	66.98	0.00	0.00	566.00	280.37
MAGMA HDI	248.43	193.85	46.56	9.59	81.77	50.10	143.74	70.43	245.50	222.94	0.00	0.00	766.00	546.91
RAHEJA QBE	78.24	78.31	0.00	0.00	30.38	20.25	50.52	30.11	80.64	106.10	0.00	0.00	239.78	234.78
RELIANCE	1612.63	1223.70	72.48	154.54	636.66	371.97	609.49	593.69	2082.63	1479.29	32.98	18.83	5046.87	3642.02
ROYAL SUNDRAM	848.83	641.28	74.64	69.98	306.10	300.05	772.92	775.52	486.10	437.38	0.00	0.00	2488.59	2224.21
SBI GENERAL	587.11	334.46	241.05	167.59	179.77	148.16	311.10	261.38	1323.55	742.96	25.00	0.00	2667.58	1654.54
SHRIRAM	1226.35	987.01	482.43	327.55	948.99	404.07	1941.97	931.08	781.71	460.05	0.01	0.00	5381.46	3109.77
TATA AIG	970.07	1166.85	80.84	0.00	410.69	413.39	1288.00	1048.14	266.35	168.25	0.00	0.00	3015.95	2796.63
UNIVERSAL SOMPO	364.00	293.50	28.76	38.9400	130.85	120.82	220.09	151.63	287.67	284.73	0.00	0.00	1031.37	889.62
<b>PRIVATE TOTAL</b>	<b>16945.68</b>	<b>13328.57</b>	<b>3399.06</b>	<b>2653.35</b>	<b>6131.20</b>	<b>4599.66</b>	<b>12425.08</b>	<b>10661.81</b>	<b>15367.16</b>	<b>12702.32</b>	<b>513.82</b>	<b>297.65</b>	<b>54781.99</b>	<b>44243.37</b>
NATIONAL	3770.28	3602.63	3224.39	2690.91	982.92	997.05	2639.23	2494.55	5469.01	5051.34	396.53	149.60	16482.36	14986.08
NEW INDIA	7576.33	5436.57	2371.67	2177.43	2208.02	1890.34	3124.06	2674.84	9258.26	8589.47	274.77	242.55	24813.11	21011.20
ORIENTAL	2745.21	2714.69	1732.38	1425.32	1058.51	948.79	1981.16	1765.49	4707.86	4375.36	288.40	287.58	12473.52	11517.22
UNITED INDIA	4185.91	3956.35	2148.08	1754.22	1874.05	1713.16	3469.64	3343.25	6884.22	6223.33	735.68	588.81	19097.58	17579.12
<b>PUBLIC TOTAL</b>	<b>18277.73</b>	<b>15710.24</b>	<b>9476.52</b>	<b>8047.88</b>	<b>6123.50</b>	<b>5549.34</b>	<b>11194.09</b>	<b>10278.13</b>	<b>26119.35</b>	<b>24239.50</b>	<b>1675.38</b>	<b>1268.54</b>	<b>72866.57</b>	<b>65093.62</b>
APOLLO MUNICH	175.98	151.01	54.04	49.08	69.10	82.05	81.26	71.36	348.24	273.20	15.27	26.50	743.89	653.20
CIGNA TTK	43.79	53.33	15.44	0.00	14.88	5.01	30.12	10.06	36.87	25.08	2.76	0.00	143.86	93.48
MAX BUPA	128.24	130.66	5.34	0.00	26.75	19.97	50.53	49.84	208.82	129.11	9.89	7.29	429.57	336.87
RELIGARE HEALTH	75.60	57.00	23.30	13.20	36.20	17.00	41.90	42.40	105.90	53.00	22.00	5.00	304.90	187.60
STAR HEALTH	301.97	183.61	0.00	0.00	83.11	63.01	96.56	90.01	267.55	173.55	0.00	0.00	749.19	510.18
<b>STANDALONE HEALTH PRIVATE (TOTAL)</b>	<b>725.58</b>	<b>575.61</b>	<b>98.12</b>	<b>62.28</b>	<b>230.04</b>	<b>187.04</b>	<b>300.37</b>	<b>263.67</b>	<b>967.38</b>	<b>653.94</b>	<b>49.92</b>	<b>38.79</b>	<b>2371.41</b>	<b>1781.32</b>
GIC (Reinsurer)	6955.31	6262.89	4146.69	3562.69	2348.85	2406.35	3357.87	3340.25	11280.33	11668.03	2605.32	1450.91	30694.37	28691.12
<b>NON-LIFE TOTAL</b>	<b>42904.30</b>	<b>35877.31</b>	<b>17120.39</b>	<b>14326.20</b>	<b>14833.58</b>	<b>12742.38</b>	<b>27277.41</b>	<b>24543.86</b>	<b>53734.22</b>	<b>49263.79</b>	<b>4844.44</b>	<b>3055.88</b>	<b>160714.34</b>	<b>139809.42</b>
AIC	996.06	933.92	532.30	445.82	510.01	373.14	589.74	521.22	2079.44	1634.25	4.00	120.22	4711.55	4028.57
ECGC	1516.19	1261.69	960.61	875.03	744.53	601.80	1150.69	784.88	2316.15	2146.56	30.30	28.10	6718.47	5698.06
<b>SPECIALISED INSURERS (TOTAL)</b>	<b>2512.25</b>	<b>2195.61</b>	<b>1492.91</b>	<b>1320.85</b>	<b>1254.54</b>	<b>974.94</b>	<b>1740.43</b>	<b>1306.10</b>	<b>4395.59</b>	<b>3780.81</b>	<b>34.30</b>	<b>148.32</b>	<b>11430.02</b>	<b>9726.63</b>

\* FFE: Fire Fighting Equipments

## EQUITY SHARE CAPITAL OF NON-LIFE INSURERS

(₹ Crore)

Insurer	As on 31st March, 2014	Infusion During the year	As on 31st March, 2015	Foreign Promoter	Indian Promoter	FDI (%)
BAJAJ ALLIANZ	110.22	0.00	110.22	28.66	81.56	26.00%
BHARTI AXA	976.55	262.11	1238.66	275.25	963.41	22.22%
CHOLAMANDALAM MS	298.80	0.00	298.80	77.69	221.11	26.00%
FUTURE GENERALI	710.00	0.00	710.00	181.05	528.95	25.50%
HDFC ERGO	529.28	9.34	538.62	139.17	399.45	25.84%
ICICI LOMBARD	445.05	1.54	446.59	114.49	332.10	25.64%
IFFCO TOKIO	269.32	0.00	269.32	70.02	199.30	26.00%
L&T	495.00	125.00	620.00	0.00	620.00	0.00%
MAGMA HDI	100.00	0.00	100.00	25.50	74.50	25.50%
LIBERTY VIDEOCON	359.35	320.00	679.35	122.90	556.45	18.09%
RAHEJA QBE	207.00	0.00	207.00	53.82	153.18	26.00%
RELIANCE	122.77	0.00	122.77	0.00	122.77	0.00%
ROYAL SUNDARAM	315.00	0.00	315.00	81.90	233.10	26.00%
SBI	175.00	28.00	203.00	52.78	150.22	26.00%
SHRIRAM	258.00	0.09	258.09	0.00	258.09	0.00%
TATA AIG	505.00	0.00	505.00	131.30	373.70	26.00%
UNIVERSAL SOMPO	350.00	0.00	350.00	91.00	259.00	26.00%
<b>PRIVATE TOTAL</b>	<b>6226.37</b>	<b>746.08</b>	<b>6972.45</b>	<b>1445.53</b>	<b>5526.89</b>	<b>20.73%</b>
NATIONAL	100.00	0.00	100.00	0.00	100.00	0.00%
NEW INDIA	200.00	0.00	200.00	0.00	200.00	0.00%
ORIENTAL	150.00	50.00	200.00	0.00	200.00	0.00%
UNITED INDIA	150.00	0.00	150.00	0.00	150.00	0.00%
<b>PUBLIC TOTAL</b>	<b>600.00</b>	<b>50.00</b>	<b>650.00</b>	<b>0.00</b>	<b>650.00</b>	<b>0.00%</b>
<b>TOTAL (NON-LIFE)</b>	<b>6826.37</b>	<b>796.08</b>	<b>7622.45</b>	<b>1445.53</b>	<b>6176.89</b>	<b>18.96%</b>
<b>STANDALONE HEALTH PRIVATE</b>						
APOLLO MUNICH	330.98	18.24	349.22	89.04	260.18	25.50%
CIGNA TTK	100.00	100.00	200.00	52.00	148.00	26.00%
MAX BUPA	669.00	121.50	790.50	205.53	584.97	26.00%
RELIGARE HEALTH	250.00	100.00	350.00	0.00	350.00	0.00%
STAR HEALTH	333.86	28.28	362.14	92.41	269.73	25.52%
<b>STANDALONE TOTAL</b>	<b>1683.84</b>	<b>368.02</b>	<b>2051.86</b>	<b>438.98</b>	<b>1612.88</b>	<b>21.39%</b>
<b>SPECIALISED INSURERS</b>						
AIC	200.00	0.00	200.00	0.00	200.00	0.00%
ECGC	1100.00	100.00	1200.00	0.00	1200.00	0.00%
<b>SPECIALISED TOTAL</b>	<b>1300.00</b>	<b>100.00</b>	<b>1400.00</b>	<b>0.00</b>	<b>1400.00</b>	<b>0.00%</b>
<b>REINSURER</b>						
GIC	430.00	0.00	430.00	0.00	430.00	0.00%
<b>REINSURER TOTAL</b>	<b>430.00</b>	<b>0.00</b>	<b>430.00</b>	<b>0.00</b>	<b>430.00</b>	<b>0.00%</b>
<b>GRAND TOTAL (NON-LIFE)</b>	<b>10240.21</b>	<b>1264.10</b>	<b>11504.31</b>	<b>1884.51</b>	<b>9619.77</b>	<b>16.38%</b>

## SOLVENCY RATIO OF NON -LIFE INSURERS

Sl No.	Insurer	March 2014	June 2014	September 2014	December 2014	March 2015
	<b>PRIVATE INSURERS</b>					
1	BAJAJ ALLIANZ	1.96	2.17	2.08	1.82	1.82
2	BHARTI AXA	1.56	1.62	1.55	1.58	1.57
3	CHOLAMANDALAM MS	1.61	1.60	1.55	1.57	1.59
4	FUTURE GENERALI	1.62	1.66	1.68	1.63	1.66
5	HDFC ERGO	1.60	1.63	1.55	1.59	1.65
6	ICICI LOMBARD	1.72	1.74	1.81	1.96	1.95
7	IFFCO TOKIO	1.67	1.62	1.67	1.60	1.65
8	L&T	1.57	1.59	1.55	1.67	1.97
9	LIBERTY VIDEOCON	4.22	3.35	2.53	7.90	6.71
10	MAGMA HDI	1.97	1.62	1.53	1.54	1.24
11	RAHEJA QBE	4.07	4.08	4.09	4.26	4.26
12	RELIANCE	1.51	1.52	1.53	1.51	1.53
13	ROYAL SUNDARAM	1.61	1.59	1.63	1.71	1.64
14	SBI	2.51	2.09	3.65	3.27	2.80
15	SHRIRAM	1.51	1.59	1.71	1.81	1.79
16	TATA AIG	1.59	1.68	1.69	1.60	1.55
17	UNIVERSAL SOMPO	1.91	2.09	2.12	1.93	1.86
	<b>PUBLIC INSURERS</b>					
18	NATIIONAL	1.55	1.57	1.55	1.52	1.52
19	NEW INDIA	2.61	2.53	2.67	2.60	2.44
20	ORIENTAL	1.64	1.64	1.65	1.62	1.68
21	UNITED INDIA	2.54	2.60	2.63	2.53	2.36
	<b>STANDALONE HEALTH PRIVATE</b>					
22	APOLLO MUNICH	1.84	1.71	1.73	1.68	1.72
23	MAX BUPA	2.13	1.85	1.98	2.13	2.10
24	RELIGARE HEALTH	2.10	1.56	1.55	2.04	2.04
25	STAR HEALTH	1.50	1.18	1.01	1.00	2.40
26	CIGNA TTK	1.70	2.34	2.73	2.10	2.10
	<b>SPECIALISED INSURERS</b>					
27	AIC	2.60	2.52	3.21	3.30	3.18
28	ECGC	11.02	11.50	11.44	10.38	6.61
	<b>REINSURER</b>					
29	GIC	2.73	2.91	3.06	3.15	3.04

## STATUS OF GRIEVANCES - LIFE INSURERS FOR 2014-15

Insurer	2014-15					Duration wise analysis of pending complaints		
	Opening Balance	Reported during the year	Resolved during the year	% Resolved during the year	Pending at the end of the year	Less than 15 days	Between 15 and 30 days	More than 30 days
Aegon Religare	76	6897	6602	94.68	371	256	9	106
Aviva	0	4185	4185	100.00	0	0	0	0
Bajaj Allianz	10	19795	19530	98.61	275	115	76	84
Bharti Axa	16	5642	5307	93.80	351	54	11	286
Birla Sun Life	40	23629	23658	99.95	11	1	1	9
Canara HSBC	0	4559	4500	98.71	59	59	0	0
DHFL Pramerica	42	1593	982	60.06	653	37	14	602
Edleweiss Tokio	0	514	481	93.58	33	27	0	6
Exide Life	13	9488	8867	93.33	634	292	192	150
Future Generali	101	5390	5110	93.06	381	300	4	77
HDFC Standard	666	32214	30582	93.01	2298	229	44	2025
ICICI Prudential	33	11801	11775	99.50	59	39	10	10
IDBI Federal	2	771	773	100.00	0	0	0	0
India First	47	1287	1216	91.15	118	46	1	71
Kotak Mahindra	8	4616	4496	97.23	128	126	0	2
Max Life	0	16553	16549	99.98	4	4	0	0
PNB MetLife	4	4820	4817	99.85	7	6	0	1
Reliance	45	24763	24318	98.02	490	452	25	13
Sahara	0	27	27	100.00	0	0	0	0
SBI Life	5	12273	12263	99.88	15	12	0	3
Shri Ram	8	240	234	94.35	14	4	1	9
Star Union Daichi	9	2301	2215	95.89	95	26	10	59
Tata AIA	55	4690	4632	97.62	113	20	9	84
LIC	0	80944	80944	100.00	0	0	0	0
<b>Total</b>	<b>1180</b>	<b>278992</b>	<b>274063</b>	<b>97.82</b>	<b>6109</b>	<b>2105</b>	<b>407</b>	<b>3597</b>

## STATUS OF GRIEVANCES - NON LIFE INSURERS FOR 2014-15

Insurer	2014-15					Duration wise analysis of pending complaints		
	Opeing Balance	Reported during the year	Resolved during the year	% Resolved during the year	Pending at the end of the year	Less than 15 days	Between 15 and 30 days	More than 30 days
Bajaj Allianz General Insurance	5	4770	4571	95.73	204	14	7	183
Bharati Axa General Insurance	0	4586	4481	97.71	105	49	7	49
Cholamandalam MS General	10	2508	2415	95.91	103	25	2	76
Future Generali India Ins.	0	3727	3727	100.00	0	0	0	0
HDFC ERGO General Insurance	2	2086	2065	98.90	23	23	0	0
ICICI Lombard General Insurance	24	5930	5582	93.75	372	252	36	84
IFFCO Tokio General Insurance	9	2043	1889	92.06	163	19	20	124
L&T General. Insurance	1	431	427	98.84	5	4	1	0
Liberty Videocon Genral Insurance	0	356	350	98.31	6	4	0	2
Magma HDI General Insurance	0	101	92	91.09	9	4	1	4
Raheja QBE	0	0	0	0.00	0	0	0	0
Reliance General Insurance	40	1762	1735	96.28	67	40	5	22
Royal Sundaram Alliance General	2	4976	4912	98.67	66	64	0	2
SBI General Insurance	42	1325	1050	76.81	317	16	11	290
Shriram General Insurance	0	135	135	100.00	0	0	0	0
Tata- AIG General Insurance	0	3963	3926	99.07	37	36	0	1
Universal Sompo General Ins	0	358	358	100.00	0	0	0	0
<b>Total Private Insurers</b>	<b>135</b>	<b>39057</b>	<b>37715</b>	<b>96.23</b>	<b>1477</b>	<b>550</b>	<b>90</b>	<b>837</b>
National Insurance	256	4740	4821	96.50	175	31	15	129
The New India Assurance	99	3204	3201	96.91	102	26	11	65
The Oriental Insurance	66	2165	2172	97.36	59	8	1	50
United India Insurance	218	5705	5868	99.07	55	26	2	27
<b>Total - PSU insurers</b>	<b>639</b>	<b>15814</b>	<b>16062</b>	<b>97.62</b>	<b>391</b>	<b>91</b>	<b>29</b>	<b>271</b>
<b>STANDALONE HEALTH INSURERS</b>								
Apollo MUNICH Health Insurace	3	2061	2051	99.37	13	12	0	1
CignaTTK Health Insurance	0	75	71	94.67	4	4	0	0
Max Bupa Health Insurance	2	427	429	100.00	0	0	0	0
Star Health and Allied Insurance	12	2785	2631	94.07	166	110	1	55
Religare Health Insurance	0	423	421	99.53	2	0	0	2
<b>SPECIALISED INSURERS</b>								
Agriculture Insurance	-	-	-	-	-	-	-	-
ECGC of India	43	46	43	48.31	46	0	0	46
<b>Grand total:</b>	<b>834</b>	<b>60688</b>	<b>59423</b>	<b>96.59</b>	<b>2099</b>	<b>767</b>	<b>120</b>	<b>1212</b>

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# ANNEXURE

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**INSURANCE COMPANIES OPERATING IN INDIA  
LIFE INSURERS\***

Public Sector	Private Sector
1. Life Insurance Corporation of India	1. Aegon Religare Life Insurance Co. Ltd. 2. Aviva Life Insurance Co. Ltd. 3. Bajaj Allianz Life Insurance Co. Ltd. 4. Bharti AXA Life Insurance Co. Ltd. 5. Birla Sun Life Insurance Co. Ltd. 6. Canara HSBC OBC Life Insurance Co. Ltd. 7. DHFL Pramerica Life Insurance Co. Ltd. 8. Edleweiss Tokio Life Insurance Co. Ltd. 9. Exide Life Insurance Co. Ltd. 10. Future Generali Life Insurance Co. Ltd. 11. HDFC Standard Life Insurance Co. Ltd. 12. ICICI Prudential Life Insurance Co. Ltd. 13. IDBI Federal Life Insurance Co. Ltd. 14. India First Life Insurance Co. Ltd. 15. Kotak Mahindra Old Mutual Life Insurance Co. Ltd. 16. Max Life Insurance Co. Ltd. 17. PNB Met Life India Insurance Co. Ltd. 18. Reliance Life Insurance Co. Ltd. 19. Sahara Life Insurance Co. Ltd. 20. SBI Life Insurance Co. Ltd. 21. Shriram Life Insurance Co. Ltd. 22. Star Union Dai-ichi Life Insurance Co. Ltd. 23. TATA AIA Life Insurance Co. Ltd.

\* As on 31st March, 2015



## NON-LIFE INSURERS\*

Public Sector	Private Sector
1 National Insurance Co. Ltd.	1 Bajaj Allianz General Insurance Co. Ltd.
2 New India Assurance Co. Ltd.	2 Bharti AXA General Insurance Co. Ltd.
3 Oriental Insurance Co. Ltd.	3 Cholamandalam MS General Insurance Co. Ltd.
4 United India Insurance Co. Ltd.	4 Future Generali India Insurance Co. Ltd.
	5 HDFC ERGO General Insurance Co. Ltd.
<b>Specialised Insurers</b>	6 ICICI Lombard General Insurance Co. Ltd.
5 Agriculture Insurance Co. Ltd.	7 IFFCO Tokio General Insurance Co. Ltd.
6 Export Credit Guarantee Corporation Ltd.	8 L & T General Insurance Co. Ltd.
	9 Liberty Videocon General Insurance Co. Ltd.
	10 Magma HDI General Insurance Co. Ltd.
	11 Raheja QBE General Insurance Co. Ltd.
	12 Reliance General Insurance Co. Ltd.
	13 Royal Sundaram Alliance Insurance Co. Ltd.
	14 SBI General Insurance Co. Ltd.
	15 Shriram General Insurance Co. Ltd.
	16 TATA AIG General Insurance Co. Ltd.
	17 Universal Sompo General Insurance Co. Ltd.
	<b>Standalone Health Insurers</b>
	18 Apollo Munich Health Insurance Co. Ltd.
	19 Cigna TTK Health Insurance Co. Ltd.
	20 Max Bupa Health Insurance Co. Ltd.
	21 Religare Health Insurance Co. Ltd.
	22 Star Health and Allied Insurance Co. Ltd.

## RE - INSURER\*

General Insurance Corporation of India

\* As on 31st March, 2015

## FEE STRUCTURE FOR INSURERS AND VARIOUS INTERMEDIARIES

Sl. No	Insurer / Intermediary	Processing Fee	Registration Fee	Renewal Fee	Periodicity of Renewal
1	Insurer (Life / Non Life / Reinsurer)	-	₹50,000	1/20th of 1% of Gross Direct Premium written in India subject to a minimum of ₹50,000 and maximum of ₹5 crore	Every year (by 31st December)
2	Third Party Administrator	₹20000	₹30000	₹15000	3 years
3	Brokers-Direct	-	₹20000	₹1,000 as renewal fee+ annual fee of 0.50% of remuneration earned in the preceding financial year subject to a minimum of ₹25,000 and maximum of ₹1,00,000	3 years
	Brokers-Reinsurance	-	₹25000	₹1,000 as renewal fee+ annual fee of 0.50% of remuneration earned in the preceding financial year subject to a minimum of ₹75,000 and maximum of ₹3,00,000	3 years
	Brokers-Composite	-	₹40000	₹1,000 as renewal fee+ annual fee of 0.50% of remuneration earned in the preceding financial year subject to a minimum of ₹1,25,000 and maximum of ₹5,00,000	3 years
4	Surveyors and Loss Assessors (Individual and Corporate)	-	₹1000	₹100, ₹750 penalty within six months of expiry of licence	5 years
5	Corporate Agents	-	₹250 for Corporate Insurance Licence and ₹ 500 for the Certificate to the Specified Person	₹250	3 Years
6	Web Aggregators	-	₹10000	₹10000	3 Years
7	Common Service Centre - Special Purpose Vehicles	-	-	₹1000	3 Years
8	Referrals	-	₹10,000	₹10000	3 Years
9	Amalgamation and transfer of general insurance business	1/10th of 1% of Gross Direct Premium written direct in India by the transacting entities during the financial year preceding the financial year in which the application is filled with the Authority subject to a minimum of ₹50 lakh and maximum of ₹5 crore	-	-	-
10	Insurance Marketing Firm	-	₹5000	₹2000	3 years
11	Insurance Repository	₹10000	₹100000	₹50000	3 Years

**Note:** In addition service tax as per prevailing rate will be levied on the applicable fee amount.

**INDIAN ASSURED LIVES MORTALITY (2006-08) ULT.**

Published Mortality Table, effective 1st April, 2013, within the meaning of Regulation 4 of IRDA (Asset, Liabilities and Solvency Margin of Insurers)

Published with the concurrence of IRDA vide its letter dated 20th February 2013

Age x is defined as age nearest birthday.

Age (x)	Mortality rate (qx)	Age (x)	Mortality rate (qx)
0	0.004445	58	0.009944
1	0.003897	59	0.010709
2	0.002935	60	0.011534
3	0.002212	61	0.012431
4	0.001670	62	0.013414
5	0.001265	63	0.014497
6	0.000964	64	0.015691
7	0.000744	65	0.017009
8	0.000590	66	0.018462
9	0.000492	67	0.020061
10	0.000440	68	0.021819
11	0.000428	69	0.023746
12	0.000448	70	0.025855
13	0.000491	71	0.028159
14	0.000549	72	0.030673
15	0.000614	73	0.033412
16	0.000680	74	0.036394
17	0.000743	75	0.039637
18	0.000800	76	0.043162
19	0.000848	77	0.046991
20	0.000888	78	0.051149
21	0.000919	79	0.055662
22	0.000943	80	0.060558
23	0.000961	81	0.065870
24	0.000974	82	0.071630
25	0.000984	83	0.077876
26	0.000994	84	0.084645

## INDIAN ASSURED LIVES MORTALITY (2006-08) ULT.

Age (x)	Mortality rate (qx)	Age (x)	Mortality rate (qx)
27	0.001004	85	0.091982
28	0.001017	86	0.099930
29	0.001034	87	0.108540
30	0.001056	88	0.117866
31	0.001084	89	0.127963
32	0.001119	90	0.138895
33	0.001164	91	0.150727
34	0.001218	92	0.163532
35	0.001282	93	0.177387
36	0.001358	94	0.192374
37	0.001447	95	0.208585
38	0.001549	96	0.226114
39	0.001667	97	0.245067
40	0.001803	98	0.265555
41	0.001959	99	0.287699
42	0.002140	100	0.311628
43	0.002350	101	0.337482
44	0.002593	102	0.365411
45	0.002874	103	0.395577
46	0.003197	104	0.428153
47	0.003567	105	0.463327
48	0.003983	106	0.501298
49	0.004444	107	0.542284
50	0.004946	108	0.586516
51	0.005483	109	0.634244
52	0.006051	110	0.685737
53	0.006643	111	0.741283
54	0.007256	112	0.801191
55	0.007888	113	0.865795
56	0.008543	114	0.935453
57	0.009225	115	0.985796

## PUBLISHED MORTALITY TABLES

[Within the meaning of Regulation 4 of IRDA (Assets, Liabilities and Solvency Margin of Insurers) Regulations, 2000]

## MORTALITY FOR ANNUITANTS - LIC (A) (1996-98) ULTIMATE RATES

Age (x)	Mortality rate (qx)	Age (x)	Mortality rate (qx)
20	0.000919	51	0.004719
21	0.000961	52	0.005386
22	0.000999	53	0.006058
23	0.001033	54	0.006730
24	0.001063	55	0.007401
25	0.001090	56	0.008069
26	0.001113	57	0.008710
27	0.001132	58	0.009397
28	0.001147	59	0.010130
29	0.001159	60	0.010907
30	0.001166	61	0.011721
31	0.001170	62	0.011750
32	0.001170	63	0.012120
33	0.001171	64	0.012833
34	0.001201	65	0.013889
35	0.001246	66	0.015286
36	0.001308	67	0.017026
37	0.001387	68	0.019109
38	0.001482	69	0.021534
39	0.001593	70	0.024301
40	0.001721	71	0.027410
41	0.001865	72	0.030862
42	0.002053	73	0.034656
43	0.002247	74	0.038793
44	0.002418	75	0.043272
45	0.002602	76	0.048093
46	0.002832	77	0.053257
47	0.003110	78	0.058763
48	0.003438	79	0.064611
49	0.003816	80	0.070802
50	0.004243		

## MORTALITY FOR ANNUITANTS - LIC (A) (1996-98) ULTIMATE RATES

Age (x)	Mortality rate (qx)	Age (x)	Mortality rate (qx)
81	0.077335	100	0.266511
82	0.084210	101	0.279892
83	0.091428	102	0.293614
84	0.098988	103	0.307679
85	0.106891	104	0.322087
86	0.115136	105	0.336836
87	0.123723	106	0.351928
88	0.132652	107	0.367363
89	0.141924	108	0.383139
90	0.151539	109	0.399258
91	0.161495	110	0.415720
92	0.171794	111	0.432524
93	0.182436	112	0.449670
94	0.193419	113	0.467159
95	0.204746	114	0.484989
96	0.216414	115	0.503163
97	0.228425	116	0.521678
98	0.240778	117	0.540536
99	0.253473	118	0.559737

## LIST OF LIFE INSURANCE PRODUCTS &amp; RIDERS APPROVED BY IRDAI IN YEAR 2014-15

SI. No	Company Name	Name of the Product	UIN
1	Bajaj Allianz Life Insurance Co. Ltd.	Bajaj Allianz life Secure	116N130V01
		Bajaj Allianz Lifestyle Secure	116N129V01
		Bajaj Allianz Young Assure	116N128V01
		Bajaj Allianz Elite Assure	116N127V01
		Bajaj Allianz Pension Guarantee	116N036V04
		Bajaj Allianz Retire Rich	116L126V01
		Bajaj Allianz Fortune Gain	116L125V01
		Bajaj Allianz Family Income Benefit Rider	116B037V01
		Bajaj Allianz Accidental Permanent Total/ Partial Disability Benefit Rider	116B036V01
		Bajaj Allianz Critical Illness Benefit Rider	116B035V01
		Bajaj Allianz Accidental Death Benefit Rider	116B034V01
		Bajaj Allianz Waiver of Premium Benefit Rider (Non-Linked)	116B031V01
		Group Accidental Permanent Total/Partial Disability Benefit	116B010V02
		Bajaj Allianz Group Accidental Death Benefit Rider	116B005V03
		Bajaj Allianz UL Family Income Benefit Rider	116A033V01
		Bajaj Allianz UL Critical Illness Rider	116A032V01
		Bajaj Allianz UL Waiver of Premium Benefit Rider	116A030V01
		Bajaj Allianz UL Accidental Permanent Total/Partial Disability Benefit	116A014V02
		Bajaj Allianz UL Accidental Death Benefit Rider	116A013V02
		2	Reliance Life Insurance Co. Ltd.
Reliance Health Total	121N105V01		
Reliance Group Term Assurance Plus	121N104V01		
Reliance Bluechip Savings Insurance Plan	121N103V01		
Reliance Traditional Employee Benefit Plan	121N102V01		
Reliance Life Fixed Savings	121N101V01		
Reliance Group Sarv Samriddhi	121N100V01		
Reliance Traditional Group Superannuation Plan	121N092V03		
3	AVIVA Life Ins. Co. India Pvt. Ltd.	Aviva Corporate Shiled Plus	122N066V03
		Annuity Plus	122N018V04
		Aviva Nayi Grameen Suraksha-Micro Insurance Product	122N108V01

## LIST OF LIFE INSURANCE PRODUCTS &amp; RIDERS APPROVED BY IRDAI IN YEAR 2014-15

Sl. No	Company Name	Name of the Product	UIN
4	Birla Sun Life Insurance Co. Ltd.	BSLI Vision Star	109N096V01
		BSLI Guaranteed Future Plan	109N095V01
		BSLI Vision Money Back Plus Plan	109N093V01
		BSLI Vision Enowment Plus Plan	109N092V01
		BSLI Protect @ Ease	109N091V01
		BSLI Immediate Annuity Plan	109N083V02
		BSLI Future Guard	109N077V02
		BSLI Protector Plus Plan	109N071V02
		BSLI Group Superannuation Plan	109L097V01
		BSLI Empower Pension - SP Plan	109L094V01
		BSLI Fortune Elite Plan	109L090V01
5	ICICI Prudential Life Insurance Co. Ltd.	ICICI Pru Assured Saving Insurance Plan	105N144V01
		ICICI pru Smart Life	105L145V01
6	HDFC Standard Life Insurance Co. Ltd.	HDFC Life Sampoom Samridhhi Plus	101N102V01
		HDFC Life Click 2 Protect Plus	101N101V01
		HDFC Health Assure Plan	101N087V02
		HDFC Life Group Term Insurance	101N005V04
		HDFC Life Sampoom Nivesh	101L103V01
		HDFC Life Click 2 Invest - ULIP	101L100V01
		HDFC Life Income Benefit on Accidental Disability Rider	101B013V01
7	Exide Life Insurance Co. Ltd.	Exide Life Jeevan Uday	114N074V01
		Exide Life Assured Gain Plus	114N073V01
		Exide Life Term Rider	114B007V02
8	Life Insurance Corporation of India	LIC's Single Premium Group Insurance	512N298V01
		LIC's Jeevan Lakshya	512N297V01
		LIC's New Children's Money Back Plan	512N296V01
		LIC's Jeevan Sangam	512N295V01
		LIC's Limited Premium Endowment Plan	512N293V01
		LIC's Bhagya Lakshmi	512N292V01
		LIC's Jeevan Shagun	512N290V01
		LIC's Pradhan Mantri Jan Dhan Yojana(PMJJDY)	512G294V01
		Varishtha Pension Bima Yojana (VPBY 2014-15)	512G291V01
LIC's New Term Assurance Rider	512B210V01		



## LIST OF LIFE INSURANCE PRODUCTS &amp; RIDERS APPROVED BY IRDAI IN YEAR 2014-15

SI. No	Company Name	Name of the Product	UIN
9	Max Life Insurance Co. Ltd.	Max Life Group Super Life Premier	104N088V01
		Max Life Super Term Plan	104N086V01
		Max Guaranteed Income Plan	104N085V01
		Max Life Group Gratuity Premier Plan	104L087V01
		Max Life Accidental Death and Dismemberment Rider	104B027V01
		Max Life Term Plus Rider	104B026V01
10	PNB Met Life India Insurance Co. Pvt. Ltd.	MetLife Major Illness Premium Back Cover	117N090V01
		MetLife Bhavishya Plus	117N089V01
		MetLife Bachat Yojana	117N088V01
		MetLife College Plan	117N087V01
		MetLife Family Income Protector Plus	117N086V01
11	Kotak Mahindra OM Life Insurance Ltd.	Kotak Sampoon Bima Micro-Insurance Plan	107N092V01
		Kotak Preferred e-Term Plan	107N090V01
		Kotak Assured Income Accelerator	107N089V01
		Kotak Preferred Term Plan	107N009V06
		Kotak Gratuity Plus Group Plan	107L091V01
		Kotak Gratuity Group plan - KGGP	107L010V05
12	SBI Life Insurance Co. Ltd.	SBI Life - Smart Money Planner	111N101V01
		SBI Life - CSC Saral Sanchay	111N099V01
		SBI Life - Smart Champ Insurance	111N098V01
		SBI Life -Smart Guaranteed Savings Plan	111N097V01
		SBI Smart Income Protect	111N085V02
		SBI Life - eWealth Insurance	111L100V01
13	TATA AIA Life Insurance Co. Ltd.	Tata AIA Life Insurance Smart 7	110N118V01
		TATA AIA Life Insurance Insta Wealth Plan	110N117V01
		TATA AIA Life Insurance Smart Growth Plus	110N116V01
		TATA AIA Life Insurance Navkalyan Yojna - Micro Insurance Product	110N115V01
		Tata AIA Wealth Maxima	110L114V01
		Tata AIA Fortune Maxima	110L113V01
		Tata AIA Fortune Pro	110L112V01
		Tata AIA Wealth Pro	110L111V01
		Tata AIA Life Insurance Accidental Death and Dismemberment (Long Scale) (ADDL) Linked Rider	110A027V01
		Tata AIA Life Insurance Waiver of Premium (Linked) Rider	110A026V01

## LIST OF LIFE INSURANCE PRODUCTS &amp; RIDERS APPROVED BY IRDAI IN YEAR 2014-15

SI. No	Company Name	Name of the Product	UIN
		Tata AIA Life Insurance Waiver of Premium Plus(Linked) Rider	110A025V01
14	Sahara India Life Insurance Co. Ltd.	Sahara Pay back - Jeevan Bima Sahara Dhanavridhi Jeevan Bima Sahara Shrestha Nivesh Jeevan Bima Sahara Accidental Death Bebenefit Rider	127N035V01 127N034V01 127N033V01 127B005V01
15	Bharti AXA Life Insurance Co. Ltd.	Bharti AXA Life Elite Advantage Bharti AXA Life Samriddhi Bharti AXA e-Protect+	130N060V01 130N061V01 130N062V01
16	Shriram Life Insurance Co. Ltd.	Shriram Easy Life Cover Shriram Guaranteed Wealth Preserver Shriram Life Group Traditional Employee Benefit Plan Shriram Life Assured Income Plan Shriram Accidental Death & Disability Income Rider Shriram Accidental Death & Disability Rider	128N056V01 128N055V01 128N054V01 128N053V01 128A013V01 128A012V01
17	Future Generali India Life Insurance Co. Ltd.	Future Generali Assured Money Back Plan Future Generali Triple Anand Advantage Future Generali Assured Income Plan Future Generali Loan Suraksha Future Generali Care Plus Future Generali Non Linked Accidental Total & Permanent Disability Rider Future Generali Non Linked Accidental Death Rider Future Generali Linked Accidental Total and Permanent Disability Rider Future Generali Linked Accidental Death Rider	133N056V01 133N055V01 133N054V01 133N053V01 133N030V02 133B024V01 133B023V01 133A026V01 133A025V01
18	IDBI Federal Life Insurance Co. Ltd.	IDBI Federal Termsurance Protection Plan IDBI Federal iSurance Online Term Insurance Plan IDBI Federal Termsurance Sampoom Surksha Micro Insurance Plan IDBI Federal Lifesurance Whole Life Savings Insurance Plan IDBI Federal Wealthsurance Future Star Insurance Plan IDBI Federal Wealthsurance Growth Insurance Plan IDBI Federal Wealthsurance Growth Insurance Plan SP	135N040V01 135N039V01 135N037V01 135N035V01 135L038V01 135L036V01 135L034V01

## LIST OF LIFE INSURANCE PRODUCTS &amp; RIDERS APPROVED BY IRDAI IN YEAR 2014-15

SI. No	Company Name	Name of the Product	UIN
19	Canara HSBC Oriental Bank of Commerce Life Insurance Company Ltd.	Canara HSBC Oriental Bank of Commerce Life Insurance - "Smart Monthly Income Plan"	136N029V02
		Canara HSBC Oriental Bank of Commerce Insurance Smart LifeLong Plan	136L032V01
		Canara HSBC Oriental Bank of Commerce Insurance Smart Goals Plan	136L031V01
		Canara HSBC Oriental Bank of Commerce Insurance Smart One Pay Plan	136L030V01
20	DHFL Pramerica Life Insurance Co. Ltd	DHFL Pramerica Premier Gain	140N043V01
		DHFL Pramerica Smart Assure	140N042V01
		DHFL Pramerica Flexi Cash	140N040V01
		DHFL Pramerica Group Term Plan	140N034V02
		DHFL Pramerica Smart Wealth+	140L041V01
		DHFL Pramerica Wealth+ Ace	140L025V02
21	AEGON RELIGARE Life Insurance Company Ltd	Aegon Religare iSpouse Insurance Plan	138N052V01
		Aegon Religare Premier Endowment Insurance Plan	138N051V01
		Aegon Religare iReturn Insurance Plan	138N050V01
		Aegon Religare iMaximize Single Premium Plan	138L049V01
		Aegon Religare iMaximise Plan	138L030V03
		Aegon Religare iCI Rider	138B011V01
22	Star Union Dai-ichi Life Insurance Co Ltd.	SUD Life Group term Insurance Plus	142N046V01
		SUD Life Assured Income Plan	142N045V01
		SUD Life Jeevan Ashray	142N044V01
		SUD Life Group Accidental Benefit Rider	142B006V01
		SUD Life Accidental Death and Total & Permanent Disability Benefit Rider - Traditional	142B005V01
23	India First Life insurance Co . Ltd	India First Cash Back Plan	143N024V01
		India First CSC Shubhlabh Plan	143N023V01
		India First Group Term Plan	143N006V03
24	Edelweiss Tokio Life Insurance Co. Ltd.	Edelweiss Tokio Life - Group Employee Benefit	147N029V01
		Edelweiss Tokio Life - CritiCare+	147N030V01
		Edelweiss Tokio Life - Cashflow Protection Plus	147N028V01
		Edelweiss Tokio Life - My Life+	147N027V01
		Edelweiss Tokio Life - Income Benefit Rider	147B015V01

## LIST OF MICRO INSURANCE PRODUCTS IN OPERATION AS AT 31.03.2015

Insurer	Individual Category	Group Category
	Name of the Product	Name of the Product
AVIVA LIFE	-	Aviva Credit Plus
BHARTI AXA LIFE	-	Bharti AXA Life Jan Suraksha
BIRLA SUNLIFE	BSLI Bima Kavach Yojana	-
	BSLI Bima Suraksha Super	-
	BSLI Bima Dhan Sanchay	-
	BSLI Grameen Jeevan Raksha	-
CANARA HSBC OBC LIFE	-	Canara HSBC Oriental Bank Of Commerce Life Insurance Sampoorna Kavach Plan
DHFL PRAMERICA	-	DHFL Pramerica Sarv Suraksha
EDLEWEISS TOKIO	Edelweiss Tokio Life Raksha Kavach	-
	Edelweiss Tokio Life Dhan Nivesh Bima Yojana	-
HDFC STANDARD	HDFC SL Sarvgrameen Bachat Yojana	-
ICICI PRUDENTIAL	ICICI Pru Sarva Jana Suraksha	-
	ICICI Pru Anmol Bachat	-
IDBI FEDERAL	-	IDBI Federal Group Microsurance Plan
KOTAK MAHINDRA LIFE	Sampoorn Bima Micro- Insurance Plan	-
PNB MET LIFE	Met Grameen Ashray	-
SAHARA LIFE	Sahara Surakshit Pariwar Jeevan Bima	-
SBI LIFE	SBI Life Grameen Bima	SBI Life Grameen Super Suraksha
	-	SBI Life Grameen Shakti
SHRIRAM LIFE	-	Shri sahay SP
TATA AIA	Tata AIA Life Insurance Navkalyan Yojana	-
LIC OF INDIA	New Jeevan Mangal	-
	Bhagya Lakshmi	-

\* All Micro-Insurance products and products falling within the parameters prescribed under the IRDA (Micro-Insurance) Regulations, 2005, but launched prior to the said Regulations.

## NON-LIFE INSURANCE PRODUCTS CLEARED DURING THE FINANCIAL YEAR 2014-15

SI. No	Name of the Insurer	Name of the Product
1	Bajaj Allianz General insurance Company Limited	Stand Alone Motor Long term TP for Two Wheeler Professional Protect D&O and Company Reimbursement Policy Weather Protect Insurance Policy Crop Insurance Jewellers comprehensive protection policy
2	Cholamandalam MS General Insurance Company Limited	Modified National Agriculture Insurance Scheme Project Professional Indemnity Insurance Policy
3	ECGC Limited	ECIB-WTPC(Whole turnover packing credit) ECIB-WTPS(Whole turnover post shipment) Shipment Comprehensive Risk (SCR) Policy Export of Services Comprehensive Risk (SRC) Policy Export Receivables (Factor's Risk) Insurance Agreement Multi buyer Exposure Policy (MBEP) for Gems, Jewellery and Diamond (GJD) Exporters
4	Future Generali General Insurance Company Limited	Deterioration of Stock (DOS) Stand Alone Motor TP for Two Wheeler- Long Term
5	HDFC ERGO General Insurance Company limited	Stand Alone Motor Long term TP for Two Wheeler Business Suraksha Classik - Revision Revision in Pricing of Pvt. Car Package Policy
6	ICICI Lombard General Insurance Company limited	Stand Alone Motor Long term TP for Two Wheeler Extended Warranty Extension of Policy Tenure: Comprehensive Insurance (Two Wheeler) "B" Policy & 3 add-ons
7	IFFCO Tokyo General Insurance Company Limited	Stand Alone Motor Long term TP for Two Wheeler
8	L& T General Insurance Company limited	my: Jeevika Livestock insurance Policy Stand Alone Motor Long term TP for Two Wheeler Revision in Pricing of Pvt. Car Package Policy
9	Liberty Videocon General Insurance Company Ltd.	Marine STP Marine DSU Stand Alone Motor Long term TP for Two Wheeler Livestock and Pet Connect Policy E&O Liability Insurance Policy

## NON-LIFE INSURANCE PRODUCTS CLEARED DURING THE FINANCIAL YEAR 2014-15

SI. No	Name of the Insurer	Name of the Product
10	Magma HDI General Insurance Company Ltd.	Office Package Insurance Policy Stand Alone Motor Long term TP for Two Wheeler
11	National Insurance Company Limited	Stand Alone Motor Long term TP for Two Wheeler
12	New India Assurance Company Limited	Stand Alone Motor Long term TP for Two Wheeler Sheep & Goat Sukshma Bima Policy Poultry Sukshma Bima Policy Farmers PackageSukshma Bima Policy Inland fish Sukshma Bima Policy Hut Sukshma Bima Policy Long term motor 2 wheeler package policy & Long term TW Package Policy with EC
13	Oriental Insurance Company Limited	Stand Alone Motor Long term TP for Two Wheeler Jewellers block insurance policy
14	Raheja QBE General Insurance Company Limited	Excess Liability Insurance Policy
15	Reliance General Insurance Company Limited	Stand Alone Motor Long term TP for Two Wheeler Commercial Care Insurance Policy
16	Royal Sundaram General Insurance Company limited	Commercial General Liability Insurance Policy Stand Alone Motor Long term TP for Two Wheeler Smart Protect-Revision
17	Shriram General Insurance company Limited	Stand Alone Motor Long term TP for Two Wheeler Public Liability (Industrial Risks) Insurance
18	Tata AIG General Insurance Company Limited	Revision in Two Wheeler Pricing Modified National Agriculture Insurance Scheme Stand Alone Motor Long term TP for Two Wheeler Single Project Professional Indemnity Insurance Business Guard-All Risk Section Internet Purchase Protection Personal All Risk Policy
19	United India Insurance Company Limited	Stand Alone Motor Long term TP for Two Wheeler
20	Universal Sompo General Insurance company Limited	Motor-Liability only Long Term

## LIST OF HEALTH INSURANCE PRODUCTS APPROVED DURING 2014-15

Sl. No	Name of the Insurer	Sl. No	UIN.	Name of the Product
I	M/s Apollo Munich Health Insurance Co. Ltd	1	IRDA/NL-HLT/AMHI/P-H/V.II/1/14-15	Optima Restore (Revision)
II	M/s Bajaj Allianz General Insurance Co. Ltd.	2	IRDA/NL-HLT/BAGI/P-T/V.I/37/13-14	Travel Prime Policy
		3	IRDA/NL-HLT/BAGI/P-T/V.I/468/13-14	Travel Prime Holiday Policy (Group)
		4	IRDA/NL-HLT/BAGI/P-P/V.I/8/14-15	Bajaj Allianz Janata Personal Accident Policy (Group)
		5	IRDA/NL-HLT/BAGI/P-P/V.I/16/14-15	Bajaj Allianz Janata Personal Accident Policy (Individual)
III	M/s Cigna TTK Health Insurance Co. Ltd.	6	IRDA/NL-HLT/CTTK/P-H/V.I/5/14-15	Cigna TTK lifestyle Protection-Critical Care
		7	IRDA/NL-HLT/CTTK/P-H/V.I/6/14-15	Cigna TTK Global Health Group Policy
		8	IRDA/NL-HLT/CTTK/P-H/V.I/28/14-15	Cigna TTK Lifestyle Protection-Accident Care
IV	M/s IFFCO-TOKIO General Insurance Co. Ltd.	9	IRDA/NL-HLT/ITGI/P-H/V.I/476/13-14	Health Protector Plus
		10	IRDA/NL-HLT/ITGI/P-H/V.I/50/14-15	Group Medishield Insurance Policy
		11	IRDA/NL-HLT/ITGI/P-H/V.I/51/14-15	Individual Medishield Insurance Policy
		12	IRDA/NL-HLT/ITGI/P-H/V.I/52/14-15	Swasthya Kawach (Family Health) Policy
V	M/s L&T General Insurance Co. Ltd.	13	IRDA/NL-HLT/L&TGI/P-H/V.II/31/14-15	my:health Medisure Super Top Up Insurance (Revision)
VI	M/s Liberty Videocon General Insurance Co. Ltd.	14	IRDA/NL-HLT/LVGI/P-H/V.II/61/14-15	Liberty Health Connect Policy (Revision)
		15	IRDA/NL-HLT/LVGI/P-P/V.II/09/14-15	Liberty Videocon Group Personal Accident Policy (Revision)
VII	M/s Max Bupa Health Insurance Co. Ltd.	16	IRDA/NL-HLT/MBHI/P-H/V.II/2/14-15	Health Companion Health Insurance Plan
		17	IRDA/NL-HLT/MBHI/P-H/V.I/14/14-15	Swasth Pariwar Health insurance Product
VIII	M/s National Insurance Co. Ltd.	18	IRDA/NL-HLT/NI/P-H/V.I/463/13-14	National Mediclaim Plus Policy
IX	M/s Religare Health Insurance Co. Ltd.	19	IRDA/NL-HLT/RHI/P-H/V.I/7/13-14	Joy
		20	IRDA/NL-HLT/RHI/P-T/V.II/23/14-15	Explore (Revision)

## LIST OF HEALTH INSURANCE PRODUCTS APPROVED DURING 2014-15

SI. No	Name of the Insurer	SI. No	UIN.	Name of the Product
X	M/s Royal Sundaram Alliance Insurance Co. Ltd.	21	IRDA/NL-HLT/RSAL/P-H/V.I/32/14-15	Lifeline
XI	M/s SBI General Insurance Co. Ltd.	22	IRDA/NL-HLT/SBIGI/P-H/V.I/473/13-14	Arogya Plus Policy
		23	IRDA/NL-HLT/SBIGI/P-H/V.I/465/13-14	Arogya Premier Policy
		24	IRDA/NL-HLT/SBIGI/P-H/V.I/477/13-14	Arogya Top Up Policy
		25	IRDA/NL-HLT/SBIGI/P-H/V.II/114/13-14	Loan Insurance Policy (Revision)
XII	M/s Star Health and Allied Insurance Co. Ltd.	26	IRDA/NL-HLT/SHAI/P-H/V.I/10/14-15	Star Care Insurance Policy
		27	IRDA/NL-HLT/SHAI/P-H/V.II/129/14-15	Family Health Optima Insurance Plan (Revision)
XIII	M/s Tata AIG General Insurance Co. Ltd.	28	IRDA/NL-HLT/TAGI/P-H/V.I/276/13-14	Group MediPrime
		29	IRDA/NL-HLT/TAGI/P-T/V.I/447/13-14	Travel Assure
		30	IRDA/NL-HLT/TAGI/P-P/V.I/3/14-15	Janata Personal Accident Policy (Individual)
		31	IRDA/NL-HLT/TAGI/P-T/V.III/32/14-15	Travel Guard (Revision)
		32	IRDA/NL-HLT/TAGI/P-P/V.I/29/14-15	Janata Personal Accident Policy (Group)
		33	IRDA/NL-HLT/TAGI/P-H/V.I/47/14-15	Wellsurance Woman
		34	IRDA/NL-HLT/TAGI/P-H/V.I/48/14-15	Wellsurance Family
		35	IRDA/NL-HLT/TAGI/P-H/V.I/49/14-15	Wellsurance Senior
XIV	M/s The New India Assurance Co. Ltd.	36	IRDA/NL-HLT/NIA/P-H/V.I/35/14-15	New India Top-Up Mediclaim Policy
		37	IRDA/NL-HLT/NIA/P-P/V.I/55/14-15	Janata Personal Accident Insurance Policy (Individual)
		38	IRDA/NL-HLT/NIA/P-P/V.I/56/14-15	Janata Personal Accident Insurance Policy (Group)
		39	IRDA/NL-HLT/NIA/P-P/V.I/57/14-15	Gramin Personal Accident Insurance Policy (Individual)
		40	IRDA/NL-HLT/NIA/P-P/V.I/58/14-15	Gramin Personal Accident Insurance Policy (Group)
XV	M/s The Oriental Insurance Co. Ltd.	41	IRDA/NL-HLT/OIC/P-T/V.I/17/14-15	Pravasi Bharatiya Bima Yojana Policy
		42	IRDA/NL-HLT/OIC/P-H/V.I/18/14-15	Jan Arogya Bima Policy
		43	IRDA/NL-HLT/OIC/P-H/V.I/19/14-15	Thana Janta Sahakari Bank Mediplus Policy



## LIST OF HEALTH INSURANCE PRODUCTS APPROVED DURING 2014-15

SI. No	Name of the Insurer	SI. No	UIN.	Name of the Product
		44	IRDA/NL-HLT/OIC/P-H/V.II/20/14-15	Nagrik Suraksha Individual Policy
		45	IRDA/NL-HLT/OIC/P-H/V.II/21/14-15	Nagrik Suraksha Group Policy
		46	IRDA/NL-HLT/OIC/P-H/V.II/22/14-15	Student Safety Policy
		47	IRDA/NL-HLT/OIC/P-T/V.II/23/14-15	Passenger Flight Insurance Coupon
		48	IRDA/NL-HLT/OIC/P-H/V.II/24/14-15	Rashtriya Swasthya Bima Yojana
		49	IRDA/NL-HLT/OIC/P-P/V.II/25/14-15	Janta Personal Accident Policy
		50	IRDA/NL-HLT/OIC/P-P/V.II/26/14-15	Gramin Accident Policy
		51	IRDA/NL-HLT/OIC/P-P/V.II/27/14-15	Bhagyashree Child Welfare Policy
		52	IRDA/NL-HLT/OIC/P-H/V.II/38/14-15	Micro Universal Health Insurance Policy
		53	IRDA/NL-HLT/OIC/P-H/V.II/39/14-15	Micro Swasthya Bima Policy
		54	IRDA/NL-HLT/OIC/P-P/V.II/40/14-15	Micro RajRajeshwari Mahila Kalyan Bima Yojana
		55	IRDA/NL-HLT/OIC/P-P/V.II/41/14-15	Janta Personal Accident Micro Insurance Policy
		56	IRDA/NL-HLT/OIC/P-P/V.II/42/14-15	Gramin Accident Micro Insurance Policy
		57	IRDA/NL-HLT/OIC/P-P/V.II/43/14-15	Bhagyashree Child Welfare Micro Insurance Policy
		58	IRDA/NL-HLT/OIC/P-H/V.II/44/14-15	Universal Health Insurance Policy
		59	IRDA/NL-HLT/OIC/P-H/V.II/45/14-15	Swasthya Bima Policy
		60	IRDA/NL-HLT/OIC/P-P/V.II/46/14-15	Rajrajeshwari Mahila Kalyan Bima Yojana
XVI	M/s Universal Sampo General Insurance Co. Ltd.	61	IRDA/NL-HLT/USGI/P-H/V.II/30/13-14	Swarna Gramin Bima Yojana (Individual)
		62	IRDA/NL-HLT/USGI/P-H/V.II/445/13-14	Surva Vidyarthi Bima Yojana
		63	IRDA/NL-HLT/USGI/P-T/V.II/446/13-14	Pravasi Bharatiya Bima Yojana
		64	IRDA/NL-HLT/USGI/P-H/V.II/4/14-15	K Bank Health Care Plus
		65	IRDA/NL-HLT/USGI/P-H/V.II/4/14-15	Allahabad Bank Health Care Plus
		66	IRDA/NL-HLT/USGI/P-H/V.II/15/14-15	Swarna Gramin Bima Yojana (Group)

**Note:** Overseas Travel Insurance Policy (UIN:IRDA/NL/HLT/BAGI/P-T/V.II/423/13-14) of "Bajaj Allianz General Insurance Cl. Ltd" which was shown in list of approved products list of Annual Report 2013-14 has been cancelled during 2014-15.

## CIRCULARS/ORDERS/NOTIFICATIONS ISSUED BY THE AUTHORITY FROM APRIL 2014 TO MARCH 2015

Sl. No	Ref. No.	Date of issue	Subject
1	IRDA/LIFE/ORD/MISC/103/04/2014	08/04/2014	Final order in the matter of M/s Reliance Life Insurance Company Limited
2	IRDA/LIFE/CIR/GLD/104/04/2014	09/04/2014	Delegation of policies/reviews by the boards of the Insurers to Board approved Subordinate Committees
3	IRDA/BRK/ORD/REORD/110/04/2014	11/04/2014	Reconsideration of order no IRDA/BRK/ORD/LC/200/10/2013
4	IRDA/NL/CIR/F&U/112/04/2014	17/04/2014	Guidelines on File and Use requirements for General Insurance Product
5	IRDA/BRK/MISC/CIR/114/04/2014	21/04/2014	Circulars to all CEO's of General Insurance Companies and GIC Re
6	IRDA/BRK/MISC/NOT/116/04/2014	25/04/2014	Furnishing of PAN
7	IRDA/BRK/MISC/NOT/117/04/2014	25/04/2014	Brokers On Line Filing of annual returns
8	IRDA/F&A/CIR/ACTS/118/04/2014	28/04/2014	Premium Recognition for variable Insurance Products
9	IRDA/BRK/MISC/CIR/121/05/2014	01/05/2014	Changes in the share holding pattern of a broking entity
10	IRDA/LIFE/GDL/MISC/123/05/2014	05/05/2014	Guidelines on usage of trade Logo of Promoting Partners of Insurance Companies
11	IRDA/BRK/MISC/ORD/125/05/2014	12/05/2014	Order in respect of M/s Gehlot Insurance Broking Private Limited
12	IRDA/NL/GDL/MISC/137/06/2014	10/06/2014	Guidelines on pilot launch of Insurance Repository System
13	IRDA/BRK/MISC/CIR/139/06/2014	16/06/2014	Online examination for Brokers
14	IRDA/F&I/CIR/INV/138/06/2014	16/06/2014	Gideline on Interest rate derivatives
15	IRDA/BRK/ORD/REORD/140/06/2014	17/06/2014	Reconsideration order of the Chairman
16	IRDA/BRK/ORD/REORD/141/06/2014	17/06/2014	Reconsideration order of the Chairman - M/s Allied Insurance Brokers Pvt Ltd
17	IRDA/TPA/MISC/ORD/142/06/2014	17/06/2014	Final order in the matter of M/s MD India Healthcare Services TPA Pvt. Ltd
18	IRDA/BRK/MISC/CIR/143/06/2014	18/06/2014	Furnishing of office addresses
19	IRDA/BRK/MISC/CIR/144/06/2014	18/06/2014	Furnishing of business figures and remuneration
20	IRDA/ACT/CIR/MISC/145/06/2014	23/06/2014	UIN for Social Security/ Government Scheme
21	IRDA/LIFE/ADVT/CIR/146/06/2014	24/06/2014	IRDA notice on spurious calls to be includede in all Insurance Advertisements
22	IRDA/BRK/ORD/REORD/148/06/2014	26/06/2014	Reconsideration order of the Chairman in respect of M/s Deccan Insurance and Reinsurance Brokers Pvt Ltd
23	IRDA/BRK/MISC/CIR/151/06/2014	27/06/2014	Email addresses of Insurance Brokers
24	IRDA/BRK/ORD/REORD/152/07/2014	01/07/2014	M/s Interlink Insurance and Reinsurance Brokers Pvt Ltd
25	IRDA/ACT/CIR/MISC/153/07/2014	03/07/2014	Revision of financial condition report for NL Companies

## CIRCULARS/ORDERS/NOTIFICATIONS ISSUED BY THE AUTHORITY FROM APRIL 2014 TO MARCH 2015

Sl. No	Ref. No.	Date of issue	Subject
26	IRDA/ACT/REG/CIR/158/07/2014	07/07/2014	File and Use Procedure for Group Products and Immediate Annuity Products
27	IRDA/F&I/ORD/EHP/159/07/2014	08/07/2014	Change in Share holding without approval of the Authority
28	IRDA/F&I/ORD/EHP/160/07/2014	08/07/2014	Change in share holding without approval of the Authority -- Shriram General
29	IRDA/NL/ORD/CMT/161/07/2014	09/07/2014	Technical committee for fraud analytical system
30	IRDA/BRK/MISC/ORD/163/07/2014	10/07/2014	Order in respect of M/s IFGL Insurance Broking Private Limited
31	IRDA/F&I/CIR/INV/162/07/2014	10/07/2014	Corporate bond market permission to insurer for membership in SEBI approved stock exchanges for proprietary trading
32	IRDA/AGTS/CIR/LCE/164/07/2014	11/07/2014	New IC-33 Syllabus
33	IRDA/F&A/CIR/GLD/165/07/2014	17/07/2014	Inter Governmental Agreement with USA under FATCA
34	IRDA/LIFE/ORD/MISC/166/07/2014	23/07/2014	Final Order in the matter of Sahara India Life Insurance Company Ltd.
35	IRDA/BRK/ORD/LC/167/07/2014	25/07/2014	Cancellation of Brokers License No. 254
36	IRDA/INSP/ORD/ONS/168/07/2014	25/07/2014	Final order in the matter of M/s United India Insurance Company
37	IRDA/IT/ORD/MISC/186/08/2014	08/08/2014	Technical Committee (New Building) for finalisation of networking related requirement for the new building
38	IRDA/SUR/MISC/ORD/189/08/2014	11/08/2014	Appointment of Election Officer to Conduct 5th, 6th, and 7th Council Elections of Indian Institute of Insurance Surveyors and Loss Assessors (IIISLA)
39	IRDA/BRK/MISC/CIR/190/08/2014	12/08/2014	Sale of Insurance Products through online/telemarketing mode
40	IRDA/BRK/ORD/LC/193/08/2014	12/08/2014	Cancellation of Brokers License No. 372
41	IRDA/BRK/ORD/LC/194/08/2014	12/08/2014	Cancellation of Brokers license no. 409
42	IRDA/NL/CIR/MOTP/192/08/2014	12/08/2014	Long Term Motor Two Wheeler Insurance Policy
43	IRDA/F&A/CIR/GLD/195/08/2014	13/08/2014	Amendment to payment of dues to policy holders and disclosure of unclaimed amount
44	IRDA/F&I/MISC/CIR/196/08/2014	14/08/2014	Onshore Rupee Bonds issued by ADB & IFC
45	IRDA/CAD/PNTC/MISC/197/08/2014	25/08/2014	Cautions public against spurious calls and fictitious offers
46	IRDA/SDD/MISC/ORD/199/08/2014	25/08/2014	Nomination of Members / Alternative Members to various International Committees/ Working Groups/ Forums and further action as needed.
47	IRDA/TPA/MISC/ORD/200/08/2014	25/08/2014	Final Order in the matter of M/s E- Meditek (TPA) Services Ltd

## CIRCULARS/ORDERS/NOTIFICATIONS ISSUED BY THE AUTHORITY FROM APRIL 2014 TO MARCH 2015

Sl. No	Ref. No.	Date of issue	Subject
48	IRDA/F&A/ORD/EMT/205/08/2014	26/08/2014	Expenses of Management
49	IRDA/TPA/MISC/ORD/201/08/2014	26/08/2014	Final Order in the matter of M/s Medicare TPA Services (I) Pvt Ltd
50	IRDA/CAD/MISC/PRE/206/08/2014	28/08/2014	Spurious phone calls and fictitious/ Fraudulent offers - With Audio
51	IRDA/TPA/MISC/ORD/207/09/2014	01/09/2014	In the matter of M/s E-Meditek (TPA) Services Ltd.
52	IRDA/BRK/MISC/CIR/208/09/2014	03/09/2014	All PRINCIPAL OFFICERS OF REINSURANCE / COMPOSITE BROKERS
53	IRDA/BRK/MISC/CIR/209/09/2014	03/09/2014	All CEO's of General Insurance and Reinsurance Companies
54	IRDA/TPA/MISC/ORD/211/09/2014	09/09/2014	Final order in the matter of Paramount Health Services (TPA) Pvt Ltd
55	IRDA/F&I/CIR/INV/213/09/2014	12/09/2014	ISSUE OF LONG TERM BONDS BY BANKS - FINANCING OF INFRASTRUCTURE AND AFFORDABLE HOUSING
56	IRDA/INSP/ORD/ONS/215/09/2014	16/09/2014	Final order in the matter of M/s Apoorva Insurance Brokers Pvt Ltd
57	IRDA/INSP/ORD/ONS/216/09/2014	17/09/2014	Final order in the matter of M/s Aegon Religare Life Insurance Company
58	IRDA/NL/ORD/MISC/217/09/2014	17/09/2014	Special dispensation to insurer under sec 64 um(2) of the insurance act 1938
59	IRDA/BRK/ORD/LC/218/09/2014	18/09/2014	Cancellation of Brokers license No.468
60	IRDA/BRK/ORD/LC/219/09/2014	25/09/2014	In the matter of M/s Athena Insurance & Reinsurance Brokers Pvt. Ltd. composite Broker Licence No. 171
61	IRDA/DIST/CIR/MISC/224/10/2014	08/10/2014	Submission of Periodical Returns through BAP
62	IRDA/F&A/ORD/CG/225/10/2014	15/10/2014	Working Group on Harmonizing IRDA Corporate Governance Guidelines and Disclosure with Companies Act,2013
63	IRDA/BRK/MISC/CIR/227/10/2014	17/10/2014	Insurance Brokers New Business data
64	IRDA/IT/CIR/MISC/226/10/2014	17/10/2014	Setting up of a Central database of all important Communications issued to the registered entities - regarding
65	IRDA/SDD/MISC/CIR/228/10/2014	17/10/2014	Submission of Life Insurance Data to IIB
66	IRDA/I & C/MISC/ORD/229/10/2014	20/10/2014	Order in the matter of ICICI Lambard General Insurance Copany
67	IRDA/BRK/MISC/CIR/232/10/2014	21/10/2014	"Filing of returns through Business Analytics Project (BAP) - Brokers Module"

## CIRCULARS/ORDERS/NOTIFICATIONS ISSUED BY THE AUTHORITY FROM APRIL 2014 TO MARCH 2015

Sl. No	Ref. No.	Date of issue	Subject
68	IRDA/CAD/PR/PRE/233/10/2014	22/10/2014	Insurance Awareness Campaign to educate the general public against spurious calls
69	IRDA/BRK/ORD/LC/237/10/2014	29/10/2014	Cancellation of Brokers License no . 426
70	IRDA/F&A/CIR/DATA/239/10/2014	30/10/2014	Submission of returns for F&A Life through the BAP Madule
71	IRDA/BRK/MISC/CIR/240/10/2014	31/10/2014	Appointment of Auditors by the Insurance Brokers
72	IRDA/BRK/MISC/CIR/241/10/2014	31/10/2014	Calculation of Net Worth
73	IRDA/LIFE/ORD/MIN/242/11/2014	03/11/2014	Final Orders in the matter of M/s Sahara India Life Insurance Company Ltd
74	IRDA/LIFE/ORD/MISC/243/11/2014	03/11/2014	Final order in the matter of M/s AVIVA Life Insurance Comp. Ltd
75	IRDA/BRK/ORD/LC/244/11/2014	10/11/2014	Order in the matter of M/s True Rose Insurance Brokers Ltd
76	IRDA/BRK/ORD/LC/245/11/2014	11/11/2014	Cancellation of License No: 422
77	IRDA/BRK/MISC/ORD/247/11/2014	12/11/2014	Order in the matter of M/s ISHAN INSURANCE BROKING PRIVATE LIMITED
78	IRDA/NL/ORD/MISC/246/11/2014	12/11/2014	Further guidelines on pricing of Risk
79	IRDA/BRK/ORD/LC/248/11/2014	19/11/2014	Final order in respect of Ms Athena Insurance & Re Insurance Broker Pvt. Ltd
80	IRDA/F&I/CIR/INV/250/11/2014	26/11/2014	Investments in M/s India Indradbt Ltd idf - NBFC
81	IRDA/NL/ORD/MPL/251/11/2014	27/11/2014	Declaration of Ultimate Loss Ratio (ULR) for the Indian Motor third party Declined Risk Insurance Pool (DR POOL) for the year 2013-14
82	IRDA/NL/CIR/MISC/266/11/2014	28/11/2014	Standard product of general Insurance for Distribution through CSC qualified persons
83	IRDA/LIFE/ORD/MISC/267/12/2014	02/12/2014	Final Order in the matter of M/s Future Generali India Life Insurance Company Ltd
84	IRDA/LIFE/ORD/MISC/268/12/2014	02/12/2014	Final Order in the matter of M/s Birla Sun Life Insurance Company Ltd
85	IRDA/SUR/NTC/MISC/269/12/2014	03/12/2014	Online system for Licensing and renewal
86	IRDA/I & C/ORD/ONS/274/12/2014	12/12/2014	CANARA HSBC OBC LIFE INSURANCE COMP
87	IRDA/I & C/ORD/ONS/275/12/2014	17/12/2014	Order in the matter of M/s Anand Rathi Insurance Brokers Ltd
88	IRDA/BRK/MISC/CIR/276/12/2014	18/12/2014	Filing of returns through BAP - Insurance Brokers
89	IRDA/LIFE/ORD/MISC/277/12/2014	18/12/2014	Final Order in the matter of M/s Max Life Insurance Company Limited
90	IRDA/NL/ORD/MISC/278/12/2014	22/12/2014	Further Guideline on Pricing of Risk
91	IRDA/TPA/MISC/ORD/279/12/2014	22/12/2014	Order oin the matteer of M/s Safeway TPA Services Pvt Ltd
92	IRDA/ACT/ORD/MISC/280/12/2014	23/12/2014	Constitution of working Group

## CIRCULARS/ORDERS/NOTIFICATIONS ISSUED BY THE AUTHORITY FROM APRIL 2014 TO MARCH 2015

Sl. No	Ref. No.	Date of issue	Subject
93	IRDA/IT/NTC/TNDR/281/12/2014	24/12/2014	RFP for .Net Professional for the maintenance of IRDA software applications
94	IRDA/BRK/ORD/LC/283/12/2014	29/12/2014	Cancellation of Broker License No; 408
95	IRDA/HLT/MISC/ORD/284/12/2014	29/12/2014	Constitution of Expert Committee to examine Health Insurance Framework
96	IRDA/LIFE/CIR/GLD/285/12/2014	29/12/2014	Guidelines on Claim processing for Group Life Insurance Policies
97	IRDA/I & C/ORD/ONS/286/12/2014	30/12/2014	Order in the matter of M/s Family Health Plan TPA Ltd
98	IRDA/F&A/CIR/GLD/287/12/2014	31/12/2014	IGA with USA under FATCA
99	IRDA/BRK/MISC/NOT/001/01/2015	05/01/2015	Brokers BAP Training (West Zone)
100	IRDA/NL/CIR/MISC/005/01/2015	13/01/2015	Submission of returns (NL) - BAP
101	IRDA/NL/CIR/ADV/006/01/2015	13/01/2015	Submission of Advertisement -- Through BAP
102	IRDA/HLT/ADVT/CIR/017/01/2015	21/01/2015	Submission of Advt application through BAP
103	IRDA/ENF/ORD/ONS/019/01/2015	23/01/2015	Order in the Name of M/S Acme Insurance Broking Services Pvt Ltd
104	IRDA/CW/ORD/MISC/021/01/2015	28/01/2015	Committee for formulating and finalizing communication policy of IRDA
105	IRDA/BRK/ORD/LC/023/01/2015	29/01/2015	Cancellation of Brokers License No: 280
106	IRDA/BRK/ORD/REORD/024/01/2015	29/01/2015	M/s PRMAN
107	IRDA/F&I/MISC/CIR/026/02/2015	05/02/2015	Submission of returns for F & A Non-life through the Business Analytics Project (BAP) Module
108	IRDA/ENF/ORD/ONS/027/02/2015	06/02/2015	Order in the matter of Lambach Insurance Brokers Private limited
109	IRDA/CW/PR/MISC/028/02/2015	09/02/2015	email spoofing using domain irda.gov.org
110	IRDA/ENF/ORD/ONS/029/02/2015	10/02/2015	Final Order -- LIC of India
111	IRDA/HLT/REG/CIR/030/02/2015	11/02/2015	Compliance with Regulations 12 (d) of the IRDA( Health Insurance) Regulations,2013
112	IRDA/NL/CIR/MISC/031/02/2015	11/02/2015	Submission of returns - NL- BAP
113	IRDA/BRK/ORD/REORD/032/02/2015	12/02/2015	Order in the matter of M/s ICM Insurance Brokers Pvt Ltd
114	IRDA/ENF/ORD/ONS/033/02/2015	16/02/2015	Order in the matter of M/s sushil Insurance Brokers Pvt. Ltd.
115	IRDA/F&I/CIR/INV/034/02/2015	16/02/2015	Transitory Investment Provisions - the Insurance Laws (Amendment) Ordinance, 2014
116	IRDA/CAD/ORD/MISC/035/02/2015	19/02/2015	Celebration of Insurance Awareness Day 2015

## REGULATIONS FRAMED UNDER THE IRDA ACT, 1999 UP TO 31/03/2015#

Sl. No	Name of the Notification
1	IRDA (The Insurance Advisory Committee) (Meeting) Regulations, 2000
2	IRDA (Appointed Actuary) Regulations, 2000
3	IRDA (Actuarial Report and Abstract) Regulations,2000
4	IRDA (Licensing of Insurance Agents) Regulations, 2000
5	IRDA (Assets, Liabilities and Solvency Margin of Insurers) Regulations,2000
6	IRDA (General Insurance-Reinsurance) Regulations,2000
7	IRDA (Registration of Indian Insurance Companies) Regulations,2000
8	IRDA (Insurance Advertisements and Disclosure) Regulations,2000
9	IRDA (Obligations of Insurers to Rural Social Sectors) Regulations,2000
10	IRDA (Meetings) Regulations,2000
11	IRDA (Preparation of Financial Statements and Auditors' Report of Insurance Companies) Regulations, 2000
12	IRDA (Investment) Regulations,2000
13	IRDA (Conditions of service of Officers and other Employees) Regulations,2000
14	IRDA (Insurance Surveyors and Loss Assessors-Licensing, Professional Requirements and Code of Conduct) Regulations,2000
15	IRDA (Life Insurance - Reinsurance) Regulations,2000
16	IRDA ( Investment) (Amendment) Regulations, 2001
17	IRDA (Third Party Administrators-Health Services) Regulations, 2001
18	IRDA ( Re-Insurance Advisory Committee) Regulations,2001
19	IRDA (Investments) (Amendment) Regulations, 2002
20	IRDA (Preparation of Financial Statements and Auditors' Report of Insurance Companies) Regulations, 2002
21	IRDA (Protection of Policyholders' Interests) Regulations,2002
22	IRDA (Insurance Brokers) Regulations,2002
23	IRDA (Obligations of Insurers to Rural Social Sectors) Regulations,2002
24	IRDA (Licensing of Corporate Agents) Regulations,2002
25	IRDA (Licensing of Insurance Agents) (Amendment) Regulations,2002
26	IRDA (Protection of Policyholders' Interests) (Amendment) Regulations,2002
27	IRDA (Manner of Receipt of Premium) Regulations,2002

## REGULATIONS FRAMED UNDER THE IRDA ACT, 1999 UP TO 31/03/2015#

Sl. No	Name of the Notification
28	IRDA (Distributions of Surplus) Regulations,2002
29	IRDA (Registration of Indian Insurance Companies) (Amendment) Regulations,2003
30	IRDA(Investment)(Amendment)Regulations,2004
31	IRDA (Qualification actuary) Regulations,2004
32	IRDA (Obligations of Insurers to Rural / Social Sectors) (Amendment) Regulations, 2004
33	IRDA (Micro Insurance) Regulations,2005
34	IRDA (Conditions of Service of Officers and other Employees)(Amendment) Regulations,2005
35	IRDA (Obligation of Insurers to Rural or Social Sectors) (Amendment) Regulations,2005
36	IRDA(Licensing of Insurance Agents)(Amendment) Regulations, 2007
37	IRDA (Licensing of Corporate Agents) (Amendment) Regulations, 2007
38	IRDA (Insurance Brokers) (Amendment) Regulations, 2007
39	IRDA (Obligation of Insurers to Rural or Social Sectors) (Third Amendment) Regulations,2008
40	IRDA (Obligation of Insurers to Rural or Social Sectors) (Fourth Amendment) Regulations,2008
41	IRDA (Registration of Indian Insurance Companies) (Second Amendment) Regulations,2008
42	IRDA (Conditions of service of Officers and other Employees) (Amendments) Regulations,2008
43	IRDA(Investment) (Fourth Amendment) Regulations,2008
44	IRDA (Sharing of Database for Distribution of Insurance Products) Regulations,2010
45	IRDA (Treatment of Discontinued Linked Insurance Policies) Regulations,2010
46	IRDA (Insurance Advertisements and Disclosure) (Amendment) Regulations, 2010
47	IRDA (Licensing of Corporate Agents) (Amendment) Regulations, 2010
48	IRDA (Scheme of Amalgamation and Transfer of General Insurance Business) 2011
49	IRDA (Issuance of Capital by Life Insurance Companies) Regulations, 2011
50	IRDA (Registration of Indian Insurance Companies) (Third Amendment) Regulations,2012
51	IRDA (Insurance Advisory Committee ( Meetings) ( First Amendment) Regulations. 2012
52	IRDA (Sharing of confidential information concerning domestic or foreign entity) Regulations, 2012
53	IRDA (Registration of Indian Insurance Companies) (Fourth Amendment) Regulations, 2013
54	IRDA (Appointed Actuary) (First Amendment) Regulations, 2013
55	IRDA (General Insurance - Reinsurance ) Regulations, 2013



## REGULATIONS FRAMED UNDER THE IRDA ACT, 1999 UP TO 31/03/2015#

SI. No	Name of the Notification
56	IRDA (Insurance Brokers) (Second Amendment) Regulations, 2013
57	IRDA (Scheme of Amalgamation and Transfer of Life Insurance Business) Regulations, 2013
58	IRDA (Third Party Administrator-Health Services) (First Amendment) Regulations, 2013
59	IRDA (Standard Proposal Form for Life Insurance) Regulations, 2013
60	IRDA (Places of Business) Regulations, 2013
61	IRDA (Issuance of Capital by General Insurance Companies) Regulations, 2013
62	IRDA (Non-linked Insurance Products) Regulations, 2013
63	IRDA (Health Insurance) Regulations, 2013
64	IRDA (Linked Insurance Products) Regulations, 2013
65	IRDA (Investment) (Fifth Amendment) Regulations, 2013
66	IRDA (Life Insurance - Reinsurance) Regulations, 2013
67	IRDA (Insurance Surveyors and Loss Assessors - Licensing, Professional requirements and code of conduct) (Amendment) Regulations, 2013
68	IRDA (Licensing of Banks as Insurance Brokers) Regulations, 2013
69	IRDA (Web aggregators) Regulations, 2013
70	IRDA (Meetings) (First Amendment) Regulations, 2013
71	IRDA IAC (Meetings) (Second Amendment) Regulations, 2013
72	IRDA (Insurance Brokers) Regulations, 2013
73	IRDA (TPA-Health Services) (Second Amendment) Regulations, 2013
74	IRDA (Registration of Indian Insurance Companies) (Fifth Amendment) Regulations, 2013
75	IRDA (Licensing of Insurance Agents) (Amendment) Regulations, 2013
76	IRDA (Insurance Surveyors and Loss Assessors - Licensing, Professional requirements and code of conduct) (Second Amendment) Regulations, 2013
77	IRDA (Conditions of Service of Officers and Other Employees) (Third Amendment) Regulations, 2014
78	IRDA (Registration of Indian Insurance Companies) (Sixth Amendment) Regulations, 2014
79	IRDA (Health Insurance) (First Amendment) Regulations, 2014
80	IRDAI (Registration of Insurance Marketing Firm) Regulations, 2014
81	IRDAI (Micro Insurance) Regulations, 2015

# Notified in the official Gazette

## PENALTIES LEVIED BY THE AUTHORITY DURING FY 2014-15

Sl.No	Name of the Entity	Amount of Penalty (in ₹)	Date of issuance of penalty order	Brief particulars of the violation committed
1	Reliance Life Insurance Co Ltd	17,700,000	11/04/2014	Violation of provisions of Circular Ref. IRDA/Cir/004/2003 dated 14/02/2003, IRDA (Sharing of Database for Distribution of Insurance Products) Regulations, 2010, Clause C- 4 & 7 of IRDA guidelines on Group Insurance issued vide circular no.015/IRDA/Life/Circular/GI Guidelines/2005 dated 14-07-2005 and Section.42(7) of IA, 1938.
2	MB India Health Care TPA	500,000	17/06/2014	Violation of Reg 21(2)(n), 25(3), 11(1) & 21(1) of IRDA (TPA-Health Services) Regulations, 2001.
3	Shriram Life Insurance	500,000	11/07/2014	Violation of circular no.IRDA/F&A/Cir/DRSH/183/08/2011 dated 11-08-2011, cir.no.IRDA/F&A/064/Jan/05 dated 12-01-2015, cir.no.IRDA/Cir/F&A/073/Feb-05 dated 22-02-2015 and cir.no.IRDA/F&I/Cir/100/06/2010 dated 16-06-2010
4	Shriram General Ins.Co.Ltd	500,000	11/07/2014	Violation of circular no.IRDA/F&A/Cir/DRSH/183/08/2011 dated 11-08-2011, cir.no.IRDA/F&A/064/Jan/05 dated 12-01-2015, cir.no.IRDA/Cir/F&A/073/Feb-05 dated 22-02-2015 and cir.no.IRDA/F&I/Cir/100/06/2010 dated 16-06-2010
5	Sahara India Life Insurance	500,000	23/07/2014	Non fulfillment of obligations towards Social sector as specified in the IRDA (Obligations of insurers towards Rural or Social Sectors) Regulations, 2002.
6	United India d Insurance Co Lt	500,000	28/07/2014	Violation of Regulation 7(n) & 4( 1 & 4) of IRDA (Protection of Policyholders' Interests) Regulations, 2002.
7	M/s E Meditek TPAservices	500,000	25/08/2014	Violation of Reg 21(2)(n), 3 of IRDA (TPA-Health Services) Regulations, 2001.
8	M/s Medicare TPAServices	500,000	26/08/2014	Violation of Regulation 5, 7, 2(d & e), 21(1) & 25(3) of IRDA (TPA-Health Services) Regulations, 2001.
9	M/s E Meditek TPAservices	500,000	01/09/2014	Violation of Regulation 21(1) read with 25(3) of IRDA (TPA-Health Services) Regulations, 2001.
10	Aegon Religare Life	4,000,000	17/09/2014	Violation of Section 42(7) of Insurance Act, 1938, circular ref.no.IRDA/Cir/010/2003 dated 27-02-2003, clause 8.4 of Outsourcing lguidelines dated 01-02-2011, clause of Corporate Agency guidelines dated 14-07-2005 and Regulation 19 of IRDA (Insurance Brokers) Regulations, 2002.
11	ICICI Lombard General Ins.Co.Ltd	5,000,000	17/10/2014	Violaiton of F&U guidelines, Section 42(7) of Insurance Act, 1938, Circular ref.no.IRDA/Cir/010/2003 dated 27/03/2003
12	Aviva Life Insuance	500,000	03/11/2014	Violation of Regulation 3 of IRDA (Protection of Policyholders'Interests) Regulations, 2002
13	Sahara India Life Insurance	2,500,000	03/11/2014	Non fulfillment of obligations towards Social sector as specified at provision 3(B)(1)(b)(i)(III) of the IRDA (Obligations of insurers towards Rural or Social Sectors) Regulations, 2002.

## PENALTIES LEVIED BY THE AUTHORITY DURING FY 2014-15

Sl.No	Name of the Entity	Amount of Penalty (in ₹)	Date of issuance of penalty order	Brief particulars of the violation committed
14	Birla Sun Life Insurance	1,500,000	01/12/2014	Violation of Regulation 4 of IRDA (Micro Insurance) Regulations, 2005 and Regulation 8 ( 2 & 3) of IRDA (Protection of Policyholders' Interests) Regulations, 2002
15	Canara HSBC OBC Life	3,100,000	12/12/2014	For making payments to Insurance Agents in violation of clause 21 of the Corporate Agents guidelines circular ref.no.017/IRDA/Cir/CA guidelines/2005 dated 14-07-2005 read with Section.40A of Insurance Act, 1938.
16	M/s Anand Rathi Insurance Brokers Ltd	500,000	16/12/2014	Regulation 10(1) and 21 of IRDA (Insurance Brokers) Regulations, 2002.
17	Max Life Insurance Co	5,500,000	18/12/2014	Violation of clause 9.6(ii) of Outsourcing guidelines circular dated 01-02-2011.
18	Safeway TPA Services	500,000	22/12/2014	Violation of Regulation 24(2), 25 (1) & 3(2) of IRDA (TPA-Health Services) Regulations, 2001.
19	Acme Insurance Broker	700,000	23/01/2015	Violation of Regulation 9(2)(b), 34(1)(c) and point 3(b) under Regulation 21 of IRDA (Insurance Brokers) Regulations, 2002.
20	Family health TPA	2,500,000	29/01/2015	Violation of Regulation 3(2) of IRDA (TPA-Health Services) Regulations, 2001.
21	Lambach s Ltd Insurance Broker	1,520,000	06/02/2015	Violation of Regulation 9(2)(H), 18, 20, 10(1)(iv), 3(b) under 21 and 28(1)(ii) of IRDA (Insurance Brokers) Regulations, 2002.
22	LIC of India	1,000,000	12/02/2015	Violation of Regulation 3(2) of IRDA (Protection of Policyholders' Interests) Regulations, 2002, Section.27A(4) of IA, 1938 and Regulation 5 of Investment Regulations, 2000.
23	Agriculture Insurance Company of India Ltd	1,000,000	19/03/2015	Violation of circular no.011/IRDA/Brok-com/Aug-08 dated 25-08-2008, Regulation 19(1) of IRDA (Insurance Brokers) Regulations, 2002 and Provision 3(2) of IRDA (Protection of Policyholders' Interests) Regulations, 2002.
24	Apollo Munich Health	2,000,000	19/03/2015	Violation of Section 42(D)(8), 40(1) & 64VB of Insurance Act, 1938 and circular ref.no.IRDA/Cir/010/2003 dated 27/03/2003.
25	Janta Sahkari Bank - Corporate Agent	1,000,000	31/03/2015	Violation of Section 40(A) of Insurance Act, 1938, Clause 21 of Corporate agents guidelines circular ref.no.017/IRDA/Cir/CA guidelines/2005 dated 14-07-2005 and Cir.no.011/IRDA/Brok-comm/Aug-08 dated 25-08-2008.