



बीमा विनियामक और विकास प्राधिकरण

**INSURANCE REGULATORY AND
DEVELOPMENT AUTHORITY**

**Consumer Affairs Annual Booklet
2012-13**



**POLICYHOLDER PROTECTION
& WELFARE**

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FOREWORD

Protection of interests of policyholders along with development of insurance sector in an orderly manner is the prime mission of IRDA. Though we have made decent progress in the expansion of insurance business as well as in an overall improvement of efficiency levels in the insurance services, the penetration of insurance is still low. This situation warrants concerted efforts in the country for financial inclusion in respect of insurance services, both life and non-life (hereinafter referred to as 'insurance inclusion'). The goal of opening up the insurance industry will not be accomplished fully unless the insurance awareness is built up and insurance needs of people are met, particularly amongst those living in rural and remote areas. The members of public in these areas need to be made aware of the importance of insurance in managing risks faced by them in their day to day life. Making concerted efforts to promote 'insurance literacy' thus becomes an integral component for development of insurance industry towards achieving financial inclusion. While talking about insurance inclusion from supply side, availability of offices and ease of access of intermediaries offering customized and affordable insurance products, features of which are explained in simple and easy to understand form are required. To repose confidence in the insurance sector in its ability to expeditiously resolve grievances relating to deficiency of services, there must be a robust and efficient insurance consumer protection framework including internal and alternate grievance redressal mechanisms. Thus, insurance inclusion, insurance literacy and proposer/policyholder protection are the three pillars integral to the development and expansion of the insurance sector. The Consumer Affairs Department of IRDA focuses on insurance literacy and policyholder protection, thereby providing the platform for greater insurance inclusion.

We at IRDA, have taken a number of initiatives for policyholder protection while maintaining delicate balance among regulatory and development roles. Besides mandating insurance companies for doing business in rural and social

sectors, insurers were prodded for opening of offices in rural and semi-urban areas and encouraged to design simple products. The IRDA launched the Integrated Grievance Call Centre, Integrated Grievance Management System (an Online Grievance Portal) and a Consumer Education Website respectively during the last three years on this same platform of Annual Seminar.



During 2012-13, we have addressed various concerns of policyholders through suitable regulatory interventions. IRDA has prescribed guidelines for servicing of orphan life insurance policies. Besides standardising common definitions under health insurance, IRDA has brought out Health Insurance Regulations. Reflecting our concern for victims of motor vehicle accidents, to enable the victim or his next of kin to ascertain the insurance status of the vehicle responsible for the accident, a search facility has been provided through the Insurance Information Bureau (set up under the aegis of IRDA) through its web portal www.iib.gov.in. By clicking on "Vehicle Insurance Status Search and furnishing details of accident, Registration Number of Vehicle, contact details like Mobile No. or E-mail ID etc., the information can be obtained.

Insurance, being complex and a subject matter of solicitation, is relatively not easy for a common person to understand. 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 the insurance policy. Insurance awareness campaigns by IRDA are carried out through all possible channels including print and electronic media viz. newspaper ads and publications of handbooks/comic books, Radio/Television, Internet, Seminars as well as social websites etc. The IRDA's Consumer Education Website hosts a lot of insurance related

information in simple language and has already crossed 8 lakh hits within one year of its launch. The feedback given by the visitors is being examined on an on-going basis to evaluate the effectiveness of the website and to fine tune the contents so as to enhance its utility to general public.

The proposed National Strategy for Financial Education envisages imparting of financial literacy from early stages of one's life. Keeping in tune with this mandate, we are attempting to make the insurance education initiatives more interesting and interactive for the generation next. Our Young Corner which has been launched recently, is one such initiative. It contains games that are developed around the theme of insurance to spread generic information among the children and young population. We are planning to reach schools for making them understand about the basics of insurance through animated films, games etc. We intend to provide access to our Consumer Education material on the mobile platform as well in due course.

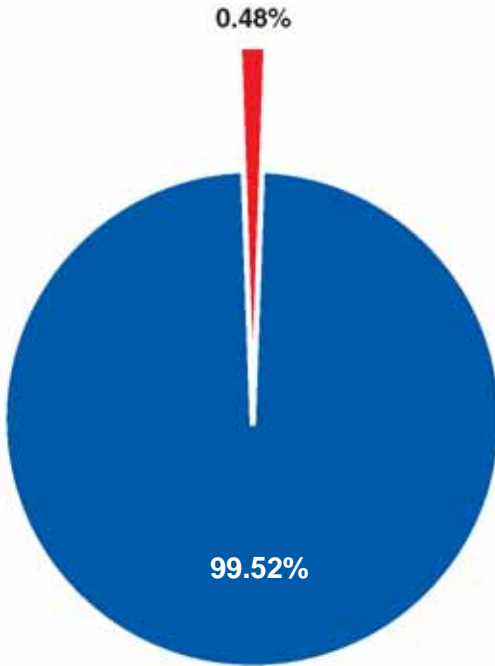
Another focus area of IRDA is enhanced distribution of basic insurance education material developed in-house. We are exploring all forms of distribution channels and collaborating with industry as well as other regulatory bodies for this purpose. While utilizing Financial Literacy Centres is one such step in this direction, making available these booklets in local languages is another step. All available alternative channels would be used to reach people across the nation for disseminating insurance awareness.

An insurance literate member of public helps in building market efficiency since it leads to more efficient, transparent and competitive practices by insurance service providers. An informed proposer or policyholder monitors and affects the market through his decisions. The test for us at IRDA is in balancing the twin objectives of our **mission** viz. policyholders' protection on one hand and orderly growth of industry on the other. We believe that 'Consumer Education' is the key to achieve both the objectives thereby leading to insurance inclusion.

Data Relating to Number of Complaints vis-a-vis Number of Policies and Claims Intimated



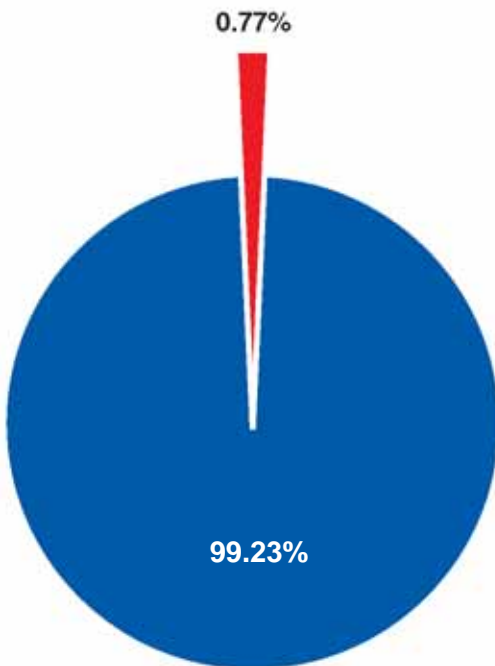
**ANALYSIS OF LIFE COMPLAINTS
VIS-A-VIS NO. OF CLAIMS**



- Claims on which complaints were not received
- Claims on which complaints were received

No. of death claims for 2011-12 : 1256607
 No. of death claims complaints for 2012-13 6043

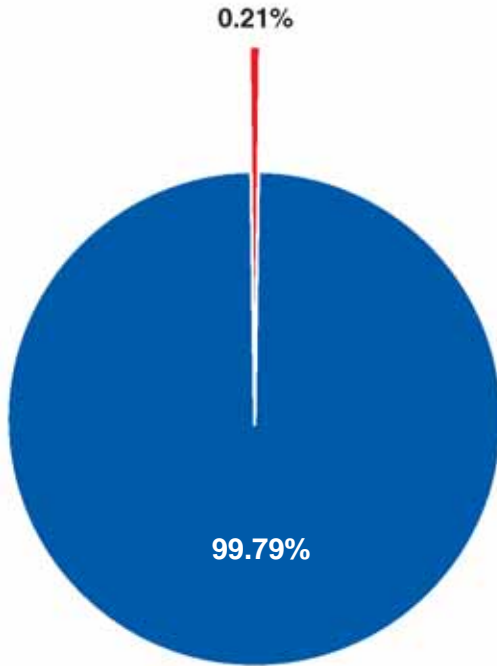
**ANALYSIS OF LIFE COMPLAINTS
VIS-A-VIS NO. OF POLICIES**



- Policies on which complaints were not received
- Policies on which complaints were received

Total No of Policies for 2011-12 : 44160341
 Total No. of Complaints for 2012-13 : 341012

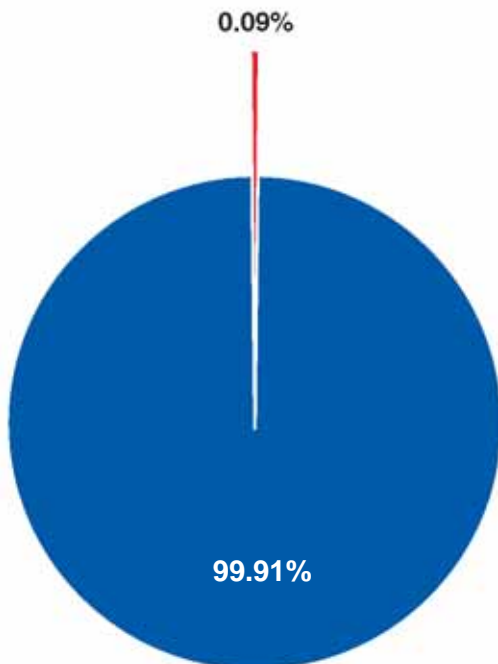
ANALYSIS OF NON-LIFE COMPLAINTS VIS-A-VIS NO. OF CLAIMS



- Claims on which complaints were not received
- Claims on which complaints were received

Total No of Claims for 2011-12 : 14419630
 Total No. of Complaints for 2012-13 : 30045

ANALYSIS OF NON-LIFE COMPLAINTS VIS-A-VIS NO. OF POLICIES



- Policies on which complaints were not received
- Policies on which complaints were received

Total No of Policies for 2011-12 : 8574400
 Total No. of Complaints for 2012-13 : 78927

Policyholder Protection and Welfare

... an update



Policyholder Protection and Welfare

... an update

The Authority has been taking a number of initiatives for better policyholder protection, its primary mandate, apart from working towards development of the insurance sector and the year 2012-13 was no exception.

Leveraging technology

E-Repository of Insurance policies:

Last year, IRDA created a framework for an insurance repository in order to provide policyholders a facility to keep insurance policies in electronic form and to undertake changes, modifications and revisions in the insurance policy with speed and accuracy in order to bring about efficiency, transparency and cost reduction in the issuance and maintenance of insurance policies. Now, the stage is set for the take-off of this facility enabling usage of E-repository by policyholders.

Product Comparators in Non-life Insurance:

IRDA uploads the terms and conditions of all non-life insurance products approved by Authority since inception on the website to enable cross verification by a prospect, to avoid mis-selling either by agent or insurer.

This facility for Unit Linked Insurance Product (ULIP) products through mobile already exists since 2010.

Use of Mobile Technology:

There are new initiatives from time to time to protect the interests of policyholders. The comparator for ULIP products introduced in 2010 mentioned earlier had also been introduced as a mobile application. Furthering this, the idea of using SMS technology to interface with IGMS through mobile devices is also under consideration. IGMS is currently designed as a web based system. It is expected that the SMS project will provide yet another channel for policyholders helping them to receive their IGMS token numbers and track the status of their complaints through mobile devices.

Grievance Redressal

Grievance Redressal is an important component of policyholder protection. Besides, analysis of grievances can provide indicators for adverse market conduct in the industry.

IRDA established IRDA Grievance Call Centre (IGCC) in July 2010 with a Toll Free Number 155255. The Call Centre is operational from Monday to Saturday from 8am to 8pm. IRDA constantly monitors its activities and continuously explores possibilities for further improvements in IGCC services, on par with international standards. On an average, IGCC receives 370 calls a day out of which approximately 355 calls are genuinely related to the complaints of policyholders. IGCC received 97,298 calls from April'12 to March'13. IGCC replies queries in eight major languages of India i.e. Hindi, English, Telugu, Gujarati, Tamil, Malayalam, Kannada, Bengali. Besides handling calls, IGCC also educates its callers by advising them to refer to our www.policyholder.gov.in website, to spread the awareness about insurance sector in India to the general public. The Integrated Grievance Management System (IGMS) launched two years ago has served the purposes of the policyholder, the industry as well as the Regulator. It offers policyholders an online system to not only register and track their grievances but also escalate it to IRDA, if need be. For the Regulator, it is a tool to track the disposal of grievances and analyse them. For the insurers, it offers a dashboard for comparing their own rate of disposal performance with the industry's.

In an attempt to bring in more transparency in the service related data of an insurer, the Authority has prescribed periodical public disclosures wherein the disposal of complaints is one of the requirements. Keeping in mind that absolute data of complaints alone is not a scientific approach of disclosure, the Authority has now prescribed that the complaints data be shown as a function of policies issued and claims registered by rationalizing L-41 and NL-41 formats of periodic disclosures to the public.

The institution of the Insurance Ombudsman has been serving its role. In a bid to make it even more effective, the relevant rules are currently being revisited.

Educating the consumer

Consumer education is an important pre-requisite for the promotion of insurance inclusion. Keeping this in view, IRDA has embedded the principle of educating insurance prospects at the point of sale through its IRDA (Protection of Policyholders' Interests) Regulations 2002; and also as a part of Code of Conduct under Regulations for the various

intermediaries.

IRDA has initiated several insurance awareness campaigns since inception to enhance public awareness on insurance through print and electronic media. Further, in an attempt to step up its efforts to creating awareness, IRDA has created an exclusive Consumer Affairs Department in 2009-10 and launched consumer awareness campaign under the banner of *Bima Bemisaal* through various channels-print, radio, television as well as social media. IRDA had engaged the NCAER to carry out a study through a Pan India survey about awareness levels about insurance amongst the uninsured and insured population at the time of rolling out the campaign. It has developed a lot of education material viz. handbooks on common topics of insurance viz. life insurance, motor insurance, property insurance, travel insurance, health insurance and insurance intermediaries. These handbooks are available in 13 languages including English and Hindi. With a view to educating consumers about various key areas of insurance, IRDA has published posters which are distributed through various channels including consumer bodies. During this year, IRDA has developed Volume 3 of Comic book and all the 3 volumes are translated into 12 vernacular languages including Hindi simplifying the nuances of insurance for the quick understanding of a common man. It has converted these strips into animation films as well in English version to begin with. Three new policyholder handbooks are launched focussing on three common topics viz. i) Life insurance Riders; ii) Package Insurance for Householders & Shopkeepers; and iii) Insurance Sector's Grievance Redress System.

Further, IRDA conducts consumer education seminars on insurance through consumer bodies by part-sponsoring the same where all the education material is distributed to attendees. IRDA has also launched an exclusive Consumer Education Website during 2012 for the benefit of policyholders as well as general public. This website is comprehensive covering various areas of insurance and hosts e-copies of IRDA's publications relating to consumer education as well. Within a year of its launch, the consumer education website has had more than eight lakh hits showing its growing popularity and it is the constant endeavour of IRDA to make the website more interactive by capturing the attention of younger generation as well.

Considering that there are a number of complaints about spurious calls from Delhi /Noida area, and most of the insurance sales are made during the last quarter of financial year, IRDA has launched a campaign through advertising inside Delhi Metro Trains for the period from 7th January, 2013 to 6th April, 2013. The

evaluation study of the campaign was carried out by an independent agency wherein it was mentioned that the campaign is simple and to the point. The findings indicate improvement in the public awareness about IRDA, spurious callers and the grievance redressal mechanism.

Under its Research Grant sponsorship programme, IRDA provides opportunities for research in the field of Insurance. It welcomes theoretical or applied research work on the areas related to policyholder's protection, consumer education and issues adjunct with orderly growth of insurance industry aiming to spread awareness about insurance as a vital component of financial inclusion and towards making insurance a part of day-to-day life.

IRDA is also making use of social media and the consumer education videos are uploaded through YouTube. IRDA is also working with the industry and has sponsored Pan India General Insurance awareness campaign of General Insurance Council. The campaign was done through all media, print, radio and TV, on concept of indemnity or putting some cash into the hands of Policyholders if they have a Health Insurance Policy or a policy against Natural Catastrophe. Insurance curriculum is being developed under school syllabus for introducing insurance as a part of financial education from young age. IRDA is also co-ordinating with other financial sector regulators through FSDC platform on a common approach for implementation of National Strategy for Financial Education.

Issuance of New IRDA Regulations, 2013

Standard Proposal form for Life Insurance:

Before taking a life insurance policy, it is expected that the purchaser of a policy or the advisor makes a need based analysis of the prospect to enable him or her to take an appropriate policy commensurate with the needs and financial capacity. The Authority, keeping this in view, has now prescribed a standard proposal form for all life insurance policies which makes collection of information regarding the needs of the prospect an integral part of the proposal form. The regulations stipulate that insurance companies shall carry out suitability analysis before selling a product to a prospect. Specific attention of the prospective policyholder is drawn to certain provisions in the proposal form like premium size, policy term, premium paying term and mode of premium payment by bringing these at the top and requiring the customer, sales person and insurer to sign, which is another initiative in curbing wrong advice and mis-selling. However,

based on suggestions received, the IRDA has deferred the implementation of some of the provisions of these regulations to 1st April, 2014.

Initiatives in Health Insurance:

While health insurance is growing rapidly, there are complaints with regard to variable interpretations of key policy terms. In order to address the expectations of the prospect/policyholder, the Authority has standardized definition of 46 commonly used terms in health insurance policies, nomenclature and coverage for 11 critical illness and list of exclusion expenses under indemnity policies. Also, Health Insurance Regulations (2013) has been notified which, inter alia, prescribes free look period for health policies, standard definitions and special provisions for senior citizens. These Health Insurance regulations are also a direction towards protecting the basic interests of the policyholders and greater emphasis is made on features of the product transparency via disclosures in sales literature, disclosures on the web portals to disseminate suitable information for decision making etc.

Life Insurance (Linked products) and (non-Linked products) regulations:

The Authority notified the following product regulations during this financial year;

- IRDA(Linked Insurance Product) Regulations, 2013
- IRDA (Non-Linked Insurance Product) Regulations, 2013

The Authority had a detailed review of the existing features of the insurance and pension products offered by the life insurers. Based on this review and also taking into account the persistency levels observed and the dynamic changing environment, the Authority brought out the said regulations. These regulations are aimed at protecting the interests of the policyholders, improving the persistency levels and also bringing in value addition to both the insurer and the policyholder.

The above regulations would ultimately lead to a more stable regime and consistency in design while also ensuring a decent return to the policyholders. In addition, the regulations will also enable policyholders to take an informed decision in purchase of an insurance product as product comparison will be much easier.

The major provisions of the above regulations amongst others include:

- Stipulation of minimum Benefits Payable on Death, Benefits payable under Health cover
- Provisions relating to stipulation of minimum Policy Term, and Premium Paying Term
- Stipulation of maximum Commission rates to distribution channels
- Provisions relating to Discontinuance Terms **for linked products**
- Provisions relating to Surrender Value **for non-linked non-variable products**
- Provisions relating to Free Look Period, Surrender Value, Top-up Premium, Partial Withdrawals and Settlement Options **for linked products**
- Provisions relating to Pension Products
- Charges and Reduction in Yield for all Linked Products
- Provisions relating to Market Conduct, Disclosure Norms and Advertisements
- Provisions relating to Furnishing of Information

Others

Initiatives in Micro Insurance:

Taking into account the low levels of insurance penetration across the country, IRDA is considering revision of Micro Insurance Regulations and has already issued an exposure draft in this regard which is being finalized for issue shortly.

Motor Insurance:

To enable access to data relating to insurance status of motor vehicles with a view to assist 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 would provide the user the details of the vehicle, insurance status and address of the policy issuing office.

Servicing Policyholders:

Keeping in mind the gap created by the exit of insurance agents in servicing life insurance policies and also in order to promote the persistency of insurance policies, the Authority has permitted insurance companies for allotting any lapsed orphan life insurance policy to individual insurance agents whose license is in force. The allotted agent's details would be intimated by the insurer to the policyholder concerned.



CONSUMER EDUCATION WEBSITE



Visit

www.policyholder.gov.in

IRDA's Consumer Education Website

created exclusively for

educating policyholders and

the general public about insurance



A public awareness initiative by

बीमा विनियामक और विकास प्राधिकरण

**INSURANCE REGULATORY AND
DEVELOPMENT AUTHORITY**

Promoting Insurance. Protecting Insured.

www.irda.gov.in

A year after the launch of Consumer Education Website - A Review



A year after the launch of Consumer Education Website - A Review

Consumer education is an important pre-requisite for the promotion of financial inclusion. Across the globe, it is realised that there is a need to use multiple forms of delivery channels for financial education towards inclusive financial growth and one of the frequently used delivery channels is Internet /Website/ on-line services. IRDA has initiated several insurance awareness campaigns since inception to enhance public awareness on insurance through print as well as electronic media. In an attempt to meet the requirements of people who are tech-savvy and seeking personal insurance knowledge and risk management skills at the quickest possible time through click of a mouse, IRDA has launched an exclusive consumer education portal www.policyholder.gov.in on 3rd June, 2012. Through this website, IRDA provides objective information that helps both the policyholders and the general public to make more informed decisions in identifying their needs, choosing the right insurance products, knowing their duties and obligations as a policyholder and also as a responsible citizen in curbing unauthorised practices by spreading alerts against spurious callers etc. This website hosts the e-copies of IRDA publications relating to consumer education and includes comic strips as well as animation films on various insurance topics, simplifying the nuances of insurance for the quick understanding of a common person.

The best way to measure the outcome of any financial education programme is through evaluation. As far as IRDA's consumer education website is concerned, the number of visitors per month that started with 6732 in the June 2012, the first month of launching, has reached 37,451 as at the end of May 2013. Though the number of hits on the website have crossed 8 lakh by end of June 2013, according to Google analytics, the total

number of visitors to the website till June 2013 are 3,79,122 which indicates repeated usage of the website by the visitors showing its popularity among the public. The month-wise details of visitors is shown in Fig. 1

It is enriching and enlightening to analyse the feedback received from viewers and discuss how their inputs can help in further customising the website as per the requirements of the varied segments of the people coming from various walks of life spread across nook and corner of India (Fig. 2). While many of the visitors have welcomed IRDA's decision to launch the website as an authentic reference source for insurance related information, some of them have suggested that IRDA should reach out through the mass media and communicate about this site so that maximum people make use of this site and get benefitted from the information available therein.

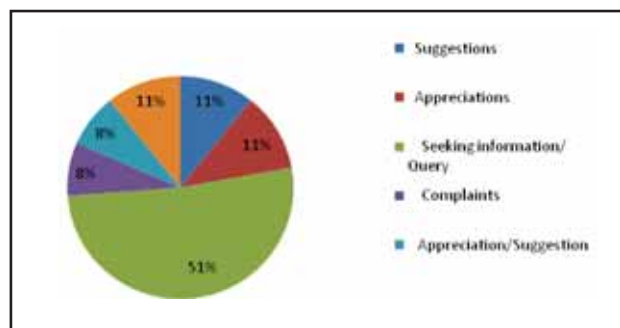


Figure 2. Feedback Classification

The nature of queries that are received in the form of feedback (Fig. 3) includes seeking advice on safety of purchase from private insurance companies, choice of insurance policy, interpretation of terms and conditions etc. Wherever clarification is sought of generic nature, replies are sent to the mailers. Some of the feedback also pertains to agent-insurers' complaints or specific issues of the mailer. However, only those mails seeking generic information about insurance are responded to maintaining product neutrality as well as insurer neutrality, the two inherent components of insurance education from regulatory perspective. From the feedback, it is clear that many of the viewers are learning the basic concepts on insurance and have recognised the role of IRDA.

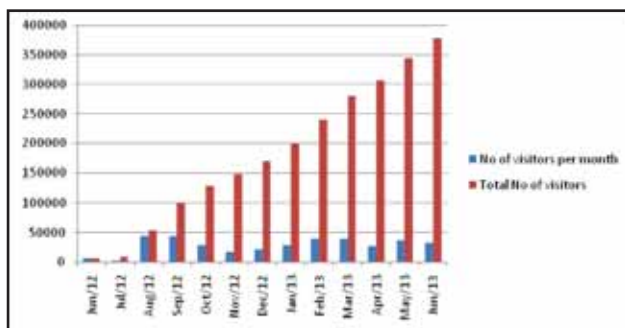


Figure 1. Month-wise Visitors to www.policyholder.gov.in

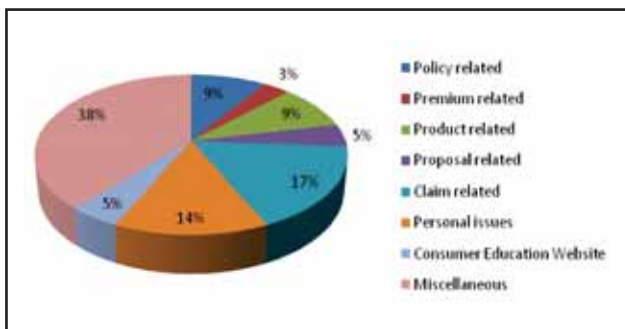


Figure 3. Types of Information sought

The feedback of visitors also helped in identifying focussed areas such as spurious callers which helped in initiating an exclusive education campaign through Delhi Metro rail (Fig. 4) which was identified as the epicentre of such activities.



Figure 4.

The Delhi Metro campaign has proved to be very effective and during the evaluation of the campaign, it was found that people become aware about IRDA and its initiatives on consumer protection, grievance redressal etc. after this campaign.

The maximum number of visitors to our consumer education website is from Delhi and surrounding areas which indirectly can be attributed to the Delhi Metro campaign as well. (Fig. 5) Surprisingly, Bangalore stands in the second place followed by Mumbai in terms

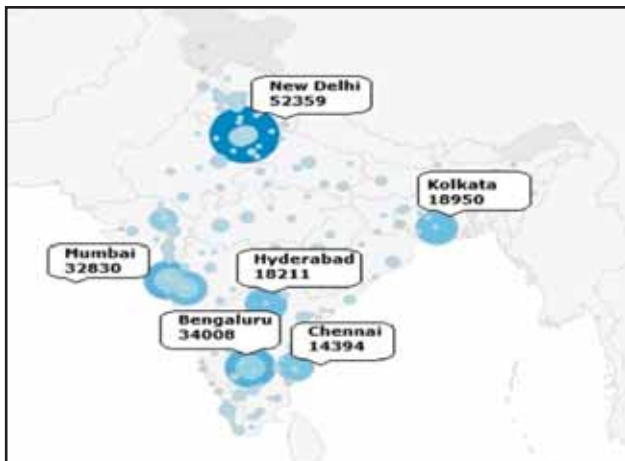


Figure 5.

of the number of viewers from the cities. Other two metros viz. Kolkata and Chennai are positioned in 4th and 6th places respectively, with Hyderabad positioned in 5th position.

However, the state-wise analysis of visitors indicates that the maximum number of visitors constituting around 23% are from Maharashtra, followed by Delhi with 17%. Karnataka, Andhra Pradesh and Tamil Nadu are placed in 3rd, 4th and 5th positions respectively. Details of State-wise utilisation are placed below as Fig. 6.

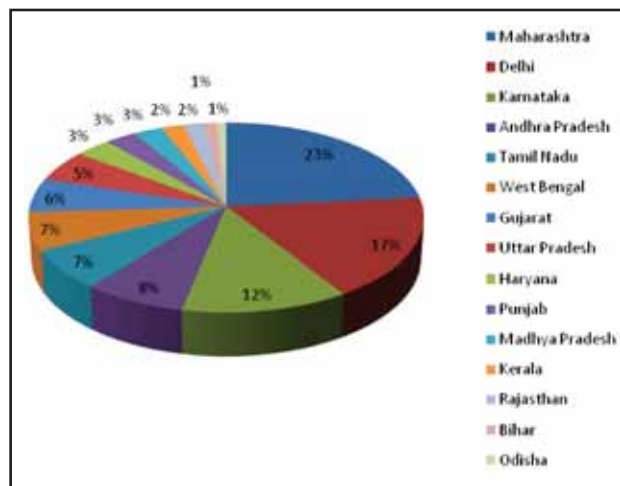


Figure 6. State-wise Utilization of website

Apart from India, the website also attracts international viewers and nearly 13% of the viewers of the website are from various countries including USA, UAE, UK, Singapore, etc (Table 1).

TABLE 1

| SNo | Country / Territory | % Visits |
|-----|----------------------|----------|
| 1. | India | 87.38% |
| 2. | United States | 2.91% |
| 3. | United Arab Emirates | 0.71% |
| 4. | United Kingdom | 0.49% |
| 5. | Singapore | 0.37% |
| 6. | Saudi Arabia | 0.28% |
| 7. | Finland | 0.22% |
| 8. | Hong Kong | 0.17% |
| 9. | Oman | 0.17% |
| 10. | Others | 5.34% |

Going forward, the Authority is looking at widening the reach of its insurance literacy programme by enhancing the contents of the website targeting young generation through hosting a number of interactive games (Fig.7).

These materials will also be distributed to various schools, and other channels to spread the message of insurance across the younger generation.



Figure 7. Young Corner

In line with the proposed common approach of the Financial Stability and Development Council (FSDC) to improve financial literacy of the country and as a member of the core-committee formed for the purpose of implementation of the National Strategy for Financial

Education, IRDA is actively collaborating with other financial sector regulators in developing the National Financial Literacy website, under the banner of National Centre for Financial Education. The initiatives of IRDA in the area of financial literacy including development of an exclusive consumer education website for insurance education have been appreciated by OECD-International Network on Financial Education (INFE), and they have also provided a link to the IRDA website in their financial education portal www.financial-education.org. This website, also serves as a *one point reference* for the public in general and INFE members in particular and encompasses generic useful information on financial education issues and programmes around the globe for collaborative work enabling international co-operation between policy makers and other stakeholders.

IRDA is striving to make considerable progress in the area of insurance education through the combined efforts of all the possible channels of information distribution including social media. Considering the profile of Indian population, it will require sustained and systematic effort on the part of all stakeholders to educate the consumers creating a better awareness about insurance among prospects as well as policyholders.



Usage of Social Media from Insurance Education Perspective

USAGE OF SOCIAL MEDIA FROM INSURANCE EDUCATION PERSPECTIVE

Social Media is a common platform for public conversation in various formats facilitating quick transport of information amongst the network members at minimum costs/ no costs. Any kind of online medium which helps people to connect with each other for sharing views is known as social media. Once connected with social media, it quickly builds a community of like minded people. Social networking sites spread information faster than any other media and transform the entire world into a networked village.

Social media is becoming quite popular in the world for dissemination of information and it is the easiest way to reach those who are net-savvy. Having more than 110 crore accounts in face book is testimony to the fact that this net-generation is more technology savvy and conscious of time and value. The user base has expanded from teenagers and young adults to include more people over the age of 50. Multiple industries, peoples, celebrities, politicians and brands are on Social Media sites to satisfy their online promotion needs. Social networking sites are becoming important marketing channels with low cost for business to communicate with their consumers. Social media websites are being used for bookmarking, networking, survey and blogs for sharing of ideas, photos, etc., thereby serving as discussion forums facilitating interaction among the public breaking the geographical boundaries.

Looking into the importance of social media in influencing the public, Government of India, through its various Ministries has undertaken campaign of various public benefit programmes such as POLIO, Children Education, Saving water etc., through social marketing. The National Strategy for Financial Education suggests making use of social marketing channels in financial education. IRDA has already developed a dedicated consumer education website www.policyholder.gov.in on insurance for the benefit of policyholders and the general public. It has also developed education material in simple language in the form of comic strips for ease of understanding of insurance. The comic strips are also available in animation form on the website.

These, along with other education material developed by IRDA, can be downloaded from the website and easily disseminated through social media. IRDA is also making direct use of social media The animation films as well as other videos relating to usage of the Integrated Grievance Management System (IGMS) and IRDA Grievance Call Centre (IGCC)for Grievance redressal, short video tour of the Consumer Education Website etc., developed by IRDA have been uploaded in YouTube to disseminate information about insurance. IRDA is also exploring other ideas and ways of making good use of social media to disseminate generic information among the general public so that they may understand about Dos and Don'ts and other important and relevant information at the time of purchase of policy as also for the duration of the policy.

Further, IRDA has introduced a mobile application that enables comparison of Unit Linked Insurance Policies (ULIPs) introduced on or after 1st September, 2010, when the new ULIP guidelines came into force. It works on Android, iPhone, Nokia and Blackberry platforms, and can be accessed at the site www.m.irda.gov.in through any mobile device. The premium and benefits of ULIP can be compared and it can be searched by Company, by Policy type and by Keyword. Similarly, there is a product comparator for non-life products that can be accessed through either www.policyholder.gov.in or www.irda.gov.in.

Looking at the popularity and cost effectiveness of the social media, some of the Indian insurance companies have taken initiatives to enhance consumer awareness as part of their promotional strategy with the support of social media like Facebook and Twitter, to educate consumers and address their concerns on a day-to-day basis. They are expanding the online experience using mobile- internet devices with mobile apps that include on-line quotes, payment of premium, claim reporting, Google maps indicating motor vehicle repair shops as well as on-line e-insurance transactions through virtual offices. These web based innovative applications and mobile

interfaces supplement the Call centres to serve the customers on 24/7 basis.

The regulators of other countries are also using social media to reach out to the public to the maximum extent. Social media is being used by the Australian Securities and Investment Commission (ASIC) to increase national financial literacy particularly through investors' Money Smart, Twitter, Facebook and YouTube accounts. Money Smart is providing information, tools and calculators, printed guides and a help line to assist investors and consumers so that they may take informed decision about their personal finances.

The insurance regulator of Malaysia, Bank Negara, Malaysia, uses Facebook and Twitter to give tips and advice on insurance in order to facilitate consumers and policyholders.

National Association of Insurance Commissioners (NAIC), USA is also disseminating word of insurance through Facebook and Twitter for

improving the insurance awareness to assist consumers select the best and appropriate product according to their needs.

Ultimately, the aim of consumer education is to improve participation of the consumer in the formal channels of financial sector including insurance. Social networking is an inexpensive way to reach the consumers facilitating towards inclusive growth and development of insurance sector, and if the content and product is right, public as well as policyholders will accept and respond to it in a positive manner. In order to keep the consumer engaged in the conversation on insurance, it is essential to make use of these social media, but with a little care and caution, ensuring that there are checks and balances in place preventing adverse usage/ abuse of such platforms by a few individuals so that it does not dampen the spirit of consumer education in empowering everyone.

Reference: www.financial-education.org.in



Specific Initiatives of the Industry for Insurance Education

- Life Insurers



AEGON Religare Life Insurance Co. Ltd.

1. Educating customers through press release about the points to be considered before the purchase of the policy. The article stated that;
 - a. Customer should insist on financial need analysis to understand the gap in his financial portfolio.
 - b. It is imperative to thoroughly understand the policy details before finalizing on a purchase. Study the product brochure, compare similar plans from other insurers and know its features, benefits and charges. Any insurance policy offers only what the product brochures state.
 - c. Ask for Benefit illustration gives you a clear indication on the policy details like premium amount, policy term and the charges.
 - d. Match the term of the policy to your needs.
 - e. Buy the policy when you are healthy, older people and those not in the best of health pay a steep premium for life and medical insurance.
 - f. The proposal form needs to be filled with accurate and complete information.
 - g. Study and research online to compare charges and features of competing insurers.
 - h. Do not get blinded by luring offers by unknown advisors. Check for credentials and insist on an ID proof while buying policy.
2. Calling the customers from a centralized call center before issuing the policy. The valuation done and education given to the customer is as follows;
 - a. Customer's date of birth, contact number, nominee name and address is confirmed on the pre-login call.
 - b. Customer is informed about the plan details like sum assured and the premium amount.
 - c. Customers are informed about the policy term and premium payment term of the policy.
 - d. Surrender period/conditions are informed to the customer.
 - e. Customer is informed that the policy is not linked to any other policy.
 - f. Confirmation is taken from the customer whether he had signed on the proposal form.
 - g. Customer is informed that as a company we do not offer any gift or any other payments for purchase of the policy.
 - h. Customer is informed about company's toll free number for future contacts.
 - i. Customer is informed that he/she will receive policy document within 10 working days, customer is informed to read the policy document completely and carefully. In case any error in the policy document customer is informed to contact us on our toll free number.

Aviva life Insurance Co. Ltd

Khusiya Di Gaddi- Gyan Naal Samruddhi

Aviva Khusiyaa Di Gaddi – a mobile activation launched by Aviva a couple of years back, has gone a long way in creating financial awareness & creating brand awareness amongst the rural audiences. KDG as it's popularly known, started its journey in 2011 to create financial awareness amongst the rural population of Punjab and sensitize people on their financial preparedness in case of exigencies. The campaign was so popular in its 1st phase that we launched a 2nd wave same year again in Punjab due to high demand from the rural population of that area.

In 2012, Aviva took the Van as 'Anandachi Gaddi' in heartland of Maharashtra with the same objective.

In the last FY 2012-13 – Nov '13, the drive was re-launched in Punjab. Aviva believed that the vast network of over 800 Common Service Centres of Basix (One of the Corporate Agent) in rural Punjab, could be leveraged extensively to spread life insurance awareness and importance of financial inclusion to the population residing in the under-served rural areas. The drive in all its phases was also very well covered by all the major leading publications of the region.

There were several steps taken up to meet the objective: Spread financial literacy while engaging in a fun way with the local audience:

Step 1-

- Financial awareness workshops were conducted for the Village Level Entrepreneurs [VLE's] who run/man the CSC's.
- These VLE's serves as Influencers who could further disseminate & impart financial education to the villagers.
- VLE's were explained the basics of life insurance and importance of savings through a simple presentation & Audio Visual medium.

- No product specific information was imparted to them since the idea was to make them aware about importance of life insurance and use them as 'word of mouth' medium.

Step 2-

- This was then followed up by a 45 days Mobile Van drive travelling to 100 odd villages of Patiala, Ludhiana & Jalandhar districts of Punjab.
- Van will reach various villages and start its journey from CSC centres where audience is gathered.
- Some customer engagement activities are conducted for children and adults.
- Games like Spin the wheel, Snakes & ladder, paint my future, Aviva Young Scholar Money Smart story book activity etc are conducted. Some on-spot gifts distributed to the audience.
- Aviva representative will then address the audience and conduct a session on financial literacy. The talking points are taken from the presentation and AV showed to them earlier.

All this helped us create enough awareness about basic concept of life insurance and why proper and timely financial planning is important.

Bajaj Allianz Life Insurance Co. Ltd.

1. With the primary objective of taking the benefits and need of insurance to the larger public, the Company organized literacy programs. The most unique thing about such programs was that they were designed in a manner which could be easily understood and grasped by the audience attending such programs.
2. A preliminary research and survey was conducted to identify the areas where such programs could be held, nature of the audience, their level of understanding, manner in which importance of insurance should be demonstrated and designing creative as well as effective puzzles and games in the context of insurance.
3. The rupee puzzle game, insurance fund game, etc, facilitated in making the audience understand the underlying benefits of insurance. Representatives present at the programs also helped the audience and encouraged in inculcating the small savings habit.

Customer Education Series – Bajaj Allianz Knowledge Capsules – Retirement Calculator

1. In our quest to empower curious minds and to help people with insurance calculations, we have come up with a Retirement

calculator – a simple online tool that lets you know how much to save today, to retire rich tomorrow. By answering few simple questions people can easily calculate the amount they need to save today for a happy retirement. All this at the comfort of their homes.

2. With the help of various mediums such as print ads and our Knowledge Capsule webpage, we have initiated a drive to help people understand and envisage the amount that they need to save which will in turn aid them in planning their retirement. Newspaper supplements and national magazines covered are – ET Wealth, Mint, Business Standard, Hindu Business Line, Financial Express, Business Bhaskar, Financial Chronicle, Nafa Nuksaan, Outlook Money and India today. We have also published advertorials to help people plan their retirement which are few easy steps that people can follow to live their retirement dream.
3. Our 'Help and Support' webpage on our website has been updated with all relevant content and calculator. On the activation front, seminars were conducted along with awareness through camps and fairs on retirement.

Bharti AXA Life Insurance Co. Ltd.

Verification calling for new proposals

Background

Life insurance products are complex, especially Unit linked insurance policies. Customer understanding of the products purchased and terms & conditions of the Contract assumes high importance. Moreover, the product purchased must suit the needs of the customer. Freelook cancellations increase if the product purchased does not suit the customer or he does not agree to the terms and conditions of the policy issued. Where the customer realises that the product purchased was not as per his expectations after the expiry of freelook period, either the customer prefers to lodge grievance or allow the policy to lapse.

Given that not all customers do not completely understand the product purchased, there is a dire need for promoting the customer understanding at the point of purchase to ensure that there is no reversal of the decision taken by the customer after the policy is issued.

Verification calling

In order that the customer has understood what he has purchased, a verification call is made to all customers who have purchased insurance policy through the Company, except for certain elite categories of customers, e.g. HNI/VIP customers who are personally met and explained by sales officials of the Company or where an Insurance Broker has similar process to verify

customer understanding. The objectives of this verification calling are as follows:

- (a) Confirm the customer contact details
- (b) To confirm with the customer his understanding of the key terms of the contract, e.g. premium amount, frequency of payment of premiums, benefits offered
- (c) Confirmation on signature on the proposal forms and documents annexed by the Customer
- (d) Replying any queries the customer might have on the products purchased

Benefits of the verification calling

A verification calling helps in the following ways:

- (a) Confirmation of customer understanding on the key features – reduces the customer complaints
- (b) Promotes more transparency in customer dealings
- (c) Check on the method of selling by the Agents
- (d) Reduces the incidence of lapsation

The Company proposes to refine the process based on the experience so far.

Birla Sun Life Insurance Co. Ltd.

I. Emphasizing customer's right to education during boarding stage

We conducted customer satisfaction survey to gauge the key concern areas of the customer and an analysis of the queries and complaints. It was evident that customer's on boarding experience accounts for 37 % of his overall experience across customer life cycle. We delved into the key steps involved during the on boarding stage and then identified initiatives that we could directly influence. Our attempt was to provide clarity and educate the customer on common concern areas during the boarding stage.

Key Initiatives to educate customers at boarding stage are:

- Product one pagers -Summary of the product benefits. This is handy and easy to carry for the advisors and easy to understand for customers.
- Application form perforated bilingual tear away (Hindi/ English), first of its kind, prompting customer to ask the common mis-selling concerns to the sales representative and retain the completed slip for his future reference.

Key concerns addressed

Term of the product purchased, Premium payment frequency opted, whether the product selected is an ULIP/ Traditional product, Check signature, Advisors Name & contact number is shared , How to track his application status ,etc

Bilingual (English / Hindi) policy document for select states in India where Hindi is preferred mode of communication for the high volume products sourced. It attempts to simplify, highlight the key information that needs to be verified by the policyholder

Benefits

- o Provides a checklist of things he should do when he gets the policy document. In case there is an error the actionable that needs to be done to avoid facing

- o Inform his family about the same, so that they are not in the dark
- o Ensure they have appointed a nominee
- o Store the policy document in a safe place
- o Inform them about the free look period and provide their agent's contact details

II. Customized communication to Lapsed Base

There was a need identified to improve upon our regular lapse intimations by mapping the USPs of the respective products with the benefits of revival, thereby continuing with the policies. The lapse communication was therefore revisited.

In addition to the regular lapsed intimation notices with details such as premium amount, due date, etc., customized communication highlighting the plan features and benefits of staying invested for a longer period was sent to the lapsed base.

- Emails were sent to policyholders with registered email ids.
- For lapsed policies with Annual Premium > 50000 where emails were not delivered or email ids were not available, we also sent physical letters.

Benefits to the customer

The communication gave an opportunity to the policyholder to revisit the reasons for purchasing the policy by highlighting its benefits. Further, it also reiterated the importance of timely and regular premium payments, thereby reinforcing the fact that insurance policies are long term in nature and one should continue to stay invested.

Benefit to the company

Policyholders on receipt of message responded happily by making prompt payments.

Canara HSBC Oriental Bank of Commerce Life Insurance Co. Ltd

Manager Sahab Campaign

As part of its commitment to customer centricity, Canara HSBC Oriental Bank of Commerce Life Insurance launched a customer education and awareness campaign “Manager Sahab”, aimed at educating the customer on the basics of life insurance and help him/her take informed financial decisions regarding life insurance.

The campaign consisted of more than 250 print ads – in English and 10 regional languages, and appeared in leading newspapers across India from January to March 2013. Each newspaper carried a series of ads where basics of life insurance are brought out in an easy-to-understand and simple Q&A format.

The various life insurance concepts addressed in the print ads were chosen basis the need of the customer and common queries that we receive as an organization. Once the ads were created in the Q&A format, they were tested on a research group first; to ensure that the content was relevant and could be easily decoded by the customer. Content was designed such that it would be helpful to the customer in decision-making, and is independent of our organization’s selling philosophy and products.

All the ads had a character called Manager Sahab – a bank manager who addresses a customer’s life insurance queries. As our organization operates only pure bancassurance model, the character of Manager Sahab was conceptualized around it especially as the bank manager is someone who the customers trust. The campaign addresses questions on suitability, safety, returns and liquidity of life insurance.

The questions that featured in the campaign were:

1. I have heard about doing a need analysis before buying life insurance. What is this?
2. What is the advantage of insurance cum investment products?
3. When I buy Life insurance as an investment, why is my medical history required?
4. How do I decide how many years for which to pay life insurance premium?
5. At what age should I buy a life insurance policy?
6. Why are Unit Linked Insurance Plans(ULIPs) considered risky?
7. Why should I review my insurance amount periodically?
8. Can I withdraw money from my policy before maturity?
9. What happens when I don’t pay my premiums on time?
10. What is difference between ULIPs and traditional plans?
11. What are the various charges in a life insurance policy?
12. What should I keep in mind while buying a child plan?

The campaign also aimed to build synergy on the company’s core focus on bancassurance and sought to build on the trust and convenience enjoyed by the banking partners.

DLF Pramerica Life Insurance Co. Ltd

Bima Jagrukta Abhiyan

Bima Jagrukta Abhiyan (BJA) is a unique insurance awareness drive that DLF Pramerica Life Insurance Company (DPLI) undertakes to generate awareness about the need and benefits of life insurance among rural customers. In FY 2012-2013, we reached out to over 50 lakh customers across 1084 villages in Eastern, Southern and Northern India through this campaign.

As a part of BJA, DPLI trained more than 500 Village Level Entrepreneurs (VLE's) on financial literacy and the need for life insurance. They led DPLI's activities in their respective villages and helped the company to spread education and awareness amongst a much larger audience.

During the BJA sessions, villagers in Assam, West Bengal, Orissa, Tamil Nadu, Bihar and Eastern UP were educated about the need for protection in an engaging and entertaining manner. Branded mobile vans, skits and interactive games were used to educate the populace on the importance

of life insurance and its role in providing financial security for their families in case of any eventuality.

An interesting concept which was used with great effect for creating awareness was that of the 'Kalp Vriksha Yatra'. Indian mythology has a legend of the Wishing Tree, where believers tied strings, bells etc and prayed for their wishes and aspirations to come true. The concept of Kalp Vriksh Yatra was derived from this legend. An artificial 'Kalp Vriksha' or 'Wish Tree' was put up on a branded motor vehicle and stationed at the local village square/ panchayat. Villagers were invited to the activity, asked to write down their wishes around their financial aspirations and then paste them on the Wish Tree. The DPLI team then advised and guided them on how they can fulfill their wishes through proper financial planning.

The communication module was designed in a manner that facilitated easy understanding of the concept as well as the importance of life insurance. It was kept simple and in the local language, so that the rural population found it easy to understand and act upon.

Edelweiss Tokio Life Insurance Co. Ltd.

Vijaypath (a need based sales approach)

The Company has designed a unique program called 'VIJAYPATH' based on the need based sales approach, which is ultimately towards understanding the customer's needs and suggesting/recommending the solution based on that. Our products are designed based on different needs of customers. At all times while designing the process, one thought was kept in mind "Customer Centricity" and as an outcome, it was this simple, logical sequence that followed which is just natural.

VIJAYPATH educates and helps the customer(s) to know about his present priority and the financial cost associated with it. It helps in finding out how much does he presently has, how much more is needed, and what is the gap? Many times, customer may know their priorities and needs but do not know what will be the cost of it as of today or a few years down the line when it will be time to realize it. This process helps in evaluating the same. Once the thought provoking exercise is completed, the customer knows what he needs to do now. It's like getting out of the state of "I don't know what I don't know".

The four steps that we follow in the process are in the order of any professional conversation that one would have with their customers. The 1st step is about introduction of the Company and self and knowing the customer's personal details. The next stage is to understand one's need and help them (Needs are distinguished from Wants because a deficiency would cause a clear negative outcome). So, the 2nd and 3rd step is to explore priority and

analyse and prepare and present, respectively. Once the need is established, the solution is presented and thereafter, its time to take a decision and hence the 4th step is to close and review.

The review under VIJAYPATH process is to analyse all his priorities, from time to time in the order of six different needs viz. Education Funding, Wealth Accumulation, Wealth Enhancement, Income replacement, Living with impaired health and Retirement funding. Universally, if you ask anyone about his needs or why he needs money, his answers can be marked with any one or many of the above mentioned needs, hence they are known as universal needs. Based on these needs, we have designed our life insurance solutions which help customers to meet their life goals.

Generally, many customers have more than 1 priority listed when asked what is important to them of the above list. The priority ranking helps them to clearly understand their need and address it. The rest of the needs are worked on in the order of their priority hence all his needs one after the other is closed. Keeping in mind that 1 need is explored and closed at one point of time. This methodology is called Single need base selling process. It's an experience to be experienced

We maximally emphasis on training to our Advisors on 'VIJAYPATH' and which is also reflected in our various campaign for customer education.

Future Generali India Life Insurance Co. Ltd.

Awareness on social causes is at its all time high. Time & again questions are being asked on the legacy that we are planning to leave for our next generation in the form of this planet.

Insurance as a tool of financial inclusion is also an extremely important social cause that needs to be incorporated to remove financial uncertainties in the lives of those insured.

At Future Generali, we clearly believe in the benefits that accrue while talking about multiple social causes at the same time. We strive to be a socially aware organization that wishes to be known as a champion of responsible business practices.

To implement our resolve we undertook an environment awareness drive at Lucknow in the FY 12 – 13. This drive focused on creating awareness amongst the target group about our environment & the role one can play in protecting the same.

Our aim was to encourage the audience to take a step....how so ever small in being a protector of our environment. At various locations in the city, people were approached & briefed on the importance of the role played by plants, flora & fauna in sustaining life on this planet.

The audience were told about the damage various human activities inflict on the environment & the means to stop or reverse them. One of the said means is by tree plantation. The target group of people was thus motivated to pledge their support for environment protection. As a reminder to this pledge, a money plant sapling was presented to them, which they were encouraged to plant & nurture at home as also a symbol of prosperity.

During the briefing, the target group was also told about the symbolic prosperity that a plant represents. Planting of a sapling signifies protection of the environment, similarly insurance offers protection to one's future.

An insurance policy bought today is a sapling that over the years shall grow to become a tree that offers the cover of financial security in the scorching heat of an uncertain future. Regular watering of the plant & regular premium payments are the two habits that shall insure the future of our progeny. The target group was also briefed about Future Generali & its product offerings.

This activity saw a phenomenal response & was well appreciated by the target audience. The drive was undertaken for 3 days across various high traffic areas of Lucknow.

HDFC Life Insurance Co. Ltd.

- A Little Book of Legacy has been created by HDFC Life to encourage people to store & keep track of critical information about their investments, insurance policies, bank account details, etc in one place which is easily accessible to their kith and kin in the event of the death of the individual. The document is available in a downloadable format on the customer portal and has also been shared with our entire customer base using emailer campaigns to drive awareness.
- Social Media:
 - Facebook – We engage with our 13.39 lakh fans on our Facebook page with tips and quizzes on financial planning, tax and insurance education on a daily basis.
 - We also have a Facebook page focused on women titled “Smart is You” with 1.43 lakh fans where we educate women on financial planning and alongside other awareness campaigns designed specifically for women. This is the only one of its kind within the BFSI category.
 - Twitter – We share financial and insurance knowledge with our 21.4 thousand Twitter followers. We intend to use Twitter for addressing specific customer queries. With this mode of information exchange, we hope to reduce the time required to address customer queries significantly.
- In our effort to bring more innovations to the market place to help customers do their financial planning better, we had undertaken a survey along with Value Notes to measure, across 11 cities (Tier 1 and Tier 2 in India:
 - Awareness levels of major events and various investment products
 - Level of financial planning
 - Sufficiency of financial plans
 - Adequacy of financial plan to live life with dignity
 - Psychological feeling of financial freedom and security

This survey served as the primary benchmark for indicating the awareness quotient of an Indian individual in terms of his financial awareness, planning, sufficiency, and adequacy of his planning.

ICICI Prudential Life Insurance Co. Ltd.

The need to educate customers on the basics of life insurance is critical both for the well-being of the customer and the growth of the industry. Over the years, ICICI Prudential Life Insurance has proactively taken several initiatives to educate customers. This year, in addition to the regular mediums, the Company has explored the 'digital' medium in a unique and innovative way to reach out to customers and provide information in a simple and non-intrusive manner.

- **Objective of the campaign:** Reach people who are considering and likely to buy life insurance in the next 1 -2 months.

- **Media Approach:**

a. **Approach 1: Google search and display network**

People searching for and reading content on life insurance online are considered closer to a buying decision. Based on this we decided to use the Google search and display network to reach these customers and educate them on aspects they need to look out for, before buying an insurance policy.

b. **Approach 2: Social Media (Facebook and Twitter)**

Facebook's reach and targeting capabilities was used to cover audience in the age group of 27–40 years, who had shown interest in content related to banking and life insurance. In addition to this ICICI Pru Life's Twitter account was used to spread the life insurance education messages.

The above approach has helped reach out to a large base of audience in a manner that was interesting to them and non-intrusive. More than 43 million people had an opportunity to see the initiative on 'Must Know Facts About Life Insurance' on Google and Facebook.

- **Creative approach:**

Five key topical and critical messages were chosen for the education campaign. People clicking on web-links were taken to a landing page where they were explained the concept in detail and on the other 'Must Know Facts About Life Insurance'. Examples are as below:

IDBI Federal Life Insurance Co. Ltd.

HAPPY & LUCKY SERIES – SIMPLIFYING OUR CUSTOMER’S FINANCIAL WORLD

Finance and the insurance business in particular are seen to be complex. The biggest challenge is to make the customer understand the fundamentals of investing. Currently, the customer relies on his CA or agent to tell him where to sign.

To help him make an informed choice, we designed a series of fundamental calculators that explain basic financial calculations in a simple and entertaining manner, so as to make him more receptive to the world of finance.

Any individual who wants to buy a life insurance product should know 3 basic concepts of finance i.e. ‘Human life Value’, ‘Power of Compounding’ & ‘Affects of tax on investment’. These concepts will help an individual to take judicious decision before buying the life insurance policy.

‘Happy and Lucky’ are two funny characters that crack witty jokes and introduce finance concepts in a light hearted manner. ‘Happy & Lucky’ is a series of three films. This is a very innovative way to simplify complicated financial category

The first film explains the concept of ‘Human Life Value’ in a simplified yet entertaining way. The second film was released to help a common man understand how the investment will grow by starting to invest early. This film explains the concept of ‘Power of Compounding’. The third film was created on ‘Affects of tax on investment’, to help customers understand how investment will be impacted on maturity due to taxation if investment is not done wisely

India First Life Insurance Co. Ltd.

MagicBoard

MagicBoard is a technological breakthrough that enables Innovation, Efficiency, Optimization and Growth.

MagicBoard is a one-of-its kind approach to have a standardized sales process across the country, integrating all processes - B2B, B2C and C2B into one single platform. It offers instant insurance, in a compliant and honest manner, helps enhance sales person's productivity and optimizes resource allocation. It also offers instant, practical business intelligence for real-time decisions for customer delight, agents support and cost control".

The user interface has been developed keeping simplification and ease of use in mind. Unnecessary steps/ process have been eliminated to provide an intuitive and seamless experience for the end user. A sales person can now complete a sale on the spot (with or without access to internet) within 15 minutes. And instantly

thereafter, the sale data is picked up by the MagicBoard command center at Mumbai and a verification call is made to the customer to cross check the information and the call is recorded for future reference by the customer. Once the data is verified, instantly a PDF file of the policy is pushed into the customer email and the summary printout is given simultaneously by the sales person through his blue tooth enabled portable printer which he carries along with him. A hard copy is also couriered to the customer to ensure that he has the same document through different delivery channels for cross check.

MagicBoard also allows the sales person cater to customer requests, complaints and claims instantly through live video calls, instant access to key personnel in the corporate office etc. It integrates the customer, distributor, employee and insurance company into one single platform of information, interaction and fulfillment for both sales and service.

ING Vysya Life Insurance Co. Ltd.

Customer Education Drive

Objective - To talk more than just “ product “ with the customers and to truly add value to our customers, a customer education series was developed keeping in mind key tips on Life Insurance.

Description – History says Birbal had the solution to every puzzle in the world, but times have changed now. It’s the time of specialization and his area of expertise is life Insurance. Birbal advises on information about buying a new insurance policy or even managing an existing one.

We used Birbal to engage with customers by sharing important tips and suggestions that will

help them understand their rights and duties as a Life Insurance Policy holder.

This was driven through various mediums across:

- 1) E-mailers
- 2) Booklets
- 3) Website
- 4) Banner on website

The various educational material used under this initiative is enclosed as Annexure I

Kotak Mahindra Old Mutual Life Insurance Co. Ltd.

THINK GREEN Initiative

In an era where communications happen electronically & documents are preserved digitally and also taking the Customer First objective forward.. We launched THINK GREEN Initiative, another milestone project being achieved wherein all the policyholder's communications would be mailed to their registered email-ids with us.

A policyholder can give THINK GREEN consent by the following mode of communication:

1. Visiting the Branch
2. Along with any of the servicing requests
3. Online Policy Manager
4. Calling up the Contact Centre
5. Writing to the Client Service Desk using his/her registered email id
6. Through ECS Forms

Once we get consent from the policyholder, all the communications, other than statutory ones, for that particular client would be sent through only through emails.

With the launch of this service, policyholders would be able to access and retrieve all the communications sent from Kotak Life Insurance anytime and anywhere in their own mail id.

The communication would be mailed in a password protected PDF.

Apart from saving the human efforts for sending each communication, below are the added benefits:

Customers Perspective:

- Convenient mode of communication
- 100% delivery for Registered Customers leading to reduction in complaints of non-receipt of documents
- On request of policy holder, documents could be resent without incurring any additional cost
- Easy retrieval of all communications by Policy Holders for future reference

Max Life Insurance Co. Ltd.

We launched a 360 campaign on mis-selling, 'Aapke Sachche Advisor'. The campaign included 3 Television Ad's which cover the instances of

- Encouraging customers to read the terms & conditions before signing.
- Requesting customers to disclosure of full medical history so that there are no issues at the time of claims settlement.
- Agent suggesting the policy basis the need of the customer & not pitching a higher than required cover.
- Highlighting the long term benefits of Life Insurance

The 'Aapke Sachche Advisor' campaign was supported on ground with over 20 street plays across 4 cities to build awareness about the

importance of right advice while buying insurance & Augmented reality in key locations which drove home the messaging or 'right advice'.

The online part of the campaign comprised of a destination website that had 20 educative videos, 5 articles and approximately 30 life insurance tips. We also ran an educative campaign on good and bad life insurance advise on Facebook for approximately 2 months. The Digital medium was used extensively to create awareness about the need for life insurance & to educate customers about the various aspects of life insurance, to help them in their decision of identifying and selecting the right life insurance solution that fits their needs.

Max Life Insurance received the prestigious 2012 Effies awards (Financial services category) for being the most effective multi-media campaign for The 'Aapke Sachche Advisor' campaign.

PNB MetLife India Insurance Co. Ltd

Pre Issuance Verification Calling

Background

MetLife at the enterprise level launched Customer Centricity as one of the cornerstones in its overall strategy to achieve its long term goals.

In line with the overall theme, PNB MetLife started numerous initiatives with customer as the focal point. The idea was to be proactive rather than reactive in the approach.

One of the key initiatives was to start Pre Issuance Verification Calling for all the applications received by the organization.

Rationale

In more than 10 years of our existence in the Life Insurance industry we have observed that the customer does not spend enough time on understanding their needs pertaining to an insurance product and later is a cause of dissonance.

We have in the past undertaken steps to counter but we still saw an opportunity to make it better. In our endeavor to do so we started calling of the customers as soon as the application was received by us.

Process

Once we receive a fully completed application, we make an outbound call to the customer informing him of the key features of the policy and review his understanding of the same. At times if we feel that the customer need is different from what the product offers, we recommend a more suitable one to him.

Benefit

To the Customer:

- Clear understanding of the product features
- Policy as per customer need
- Any change, if required, can be made

To the Company:

- Reduction in customer dissonance on product features
- Customer contact ability is established
- Satisfied customer

Reliance Life Insurance Co. Ltd.

Pre Issuance Verification Calling (PIVC)

The launch of this initiative was a key step towards our Consumer Education programme. Every proposal from a Customer received at our branches is telephonically verified by a member of our branch operations team.

An employee of Reliance Life Insurance speaks to each prospect prior to issuance of the policy explaining the basic policy features and further asks a few probing questions to check and curb any policy issuance which may have been sourced through some incorrect means employed by any distributor at the time of Sale.

This process of verification includes cross checking the information mentioned on the proposal form – Date of Birth, Address, Premium payment mode and term of the policy (to avoid

any confusion in a single or regular premium product) or suppression of any previous medical history undisclosed in the proposal form.

The benefits we envisage as an outcome of this activity are –

A definite drop in the number of complaints resulting out of 'Unfair Business Practices' employed by some distributors

Enhanced Contactability due to verification of addresses and contact details, which will go a long way in helping us to improve our persistency in the long run

Sahara India Life Insurance Co. Ltd.

The current penetration level of banking and other financial products in Indian hinterlands is still far from desired levels. Despite the focused and innovative efforts by various Government and Private Agencies, they have been facing inertia by targeted groups to make initiatives effective to fullest potentials. One of the concerned area, we have observed is the lack of knowledge amongst the targeted segments about available options.

To make the consumer aware about the concept of Life Insurance, its importance, concept of financial risk, financial security of family, physical health of bread earner etc we have conducted Road Shows and various health check up and insurance awareness camps in villages in adjoining areas of our offices quite frequently, though not at a very big scale. Since, we have

adopted a focused approach on integrated empowerment of rural and semi urban populations and cover them with micro and group insurance plans while educating them on concept of Life Insurance, importance of small and regular savings for financial risk avoidance and obtaining financial security.

All these efforts conducted so far have been consciously done in local dialect to make these campaigns more effective and attract local population. We incorporated Nukkad Natak concept in our road shows and enrolled Doctors of reputed Hospitals in health check up camps to put a combination of gravity of efforts and acceptance of that in targeted population.

SBI Life Insurance Co. Ltd.

“Things to do before signing Life Insurance Proposal Form”

Prospective policyholders do not pay attention details while buying life insurance policy. They, casually, sign the Proposal Form without checking the basic details of the policy. This customer inertia leads to several undesirable outcomes including high dissatisfaction and complaints, distrust with life insurance products and negative word-of-mouth for the life insurance industry, at large. To disrupt this customer inertia and provide informative educational tips, SBI Life undertook a massive customer education program during FY 12 13. To an average Indian consumer, who is typically referred as a “Smart” for his value-seeking abilities, the communication initiative urged him to pay attention to details when buying a life insurance policy as much as he or she does when buying other products

The first-of-its-kind customer education program, in Indian Life Insurance industry, reached general public through a multi-media national advertising campaign across TV and Print mediums. The TV campaign comprised of 7-ad films each highlighting a specific educational tip. The advertising spots were aired through all leading general entertainment, news and regional channels ensuring high reach and frequency across socioeconomic and geographic segments. Similarly, press ads in leading English and regional publications communicated details prospective holders should check for before signing the proposal form. Other differentiating factors of the customer education campaign were its enormity of scale, engagement levels and creative style.

Similarly, the campaign was extended to shopping malls. Creative messages displayed in apparel and grocery section of leading shopping malls

urged prospective policyholders to pay as much attention to details while buying life insurance policy as they do while shopping for their apparels or groceries.

Also, the education program was transmitted through social media platforms, in an interactive manner, on Facebook, Twitter and YouTube. Online games including virtual Cross Words were created to create high interest and engagement leading to improved insurance knowledge. Blogs, e-mailers and micro sites were developed to reach out to the increasing internet population.

Uniquely, SBI Life’s Proposal Form prominently displays “Ten Things You Should Do Before Signing the Proposal Form”. Further, all product sales literature prominently carry standard educational message about specific details the customer should watch out for before investing his or her hard-earned money. Educational Kiosks at branches and processing centres, creation of life insurance dictionary, and dedicated customer education section on multilingual website, were other initiatives that supplemented the mass media educational efforts by the company. As per Customer Survey conducted by independent research agency - Nielsen across urban and semi urban towns, majority of the respondents rated the program to be informative and credible. Around 51% of the respondents spontaneously, stated that it makes sense to look for details before a buying a life insurance product.

Shriram Life Insurance Co. Ltd.

Shriram Life Insurance Co. Ltd. (SLIC) has been a pioneer in providing insurance education to the common man in India. As a part of our ongoing and consistent efforts to promote insurance education, we have developed a unique 30+ minutes' video in 5 languages (Hindi, Telugu, Tamil, Kannada and Malayalam). Though we are communicating with our customers through our quarterly customer newsletter, it was felt that communicating through a video will have a long-lasting impact. The video features two well-scripted and enacted short-films on the importance of taking a life insurance policy and on the importance of renewing a policy after it is taken.

The video also features the message of our Founder-chairman, Padma Bhushan awardee, Mr.R.Thayagarajan, who is an insurance industry veteran himself and also the messages from our Vice-Chairman, Mr.T.K.Banerjee and Managing Director, Ms.AkhilaSrinivasan. They have detailed the reasons on why an individual should be

covered enough and on how insurance can protect the family from the consequential loss of income arising from the death of an individual. The short-films are interspersed with the messages from our leadership.

The video is made available for public distribution and we have already distributed 1,50,000 copies of these video CDs. We are also dispatching a copy of the CD along with the policy document to all our policyholders. The video has received wide appreciation from our policy holders as well as the general public. As the video is done entirely in-house without engaging any advertising agency, the natural flair has come alive and the message has rightly been conveyed.

We will continue to distribute the copies of these videos to all our policyholders, employees and the general public alike and will carry on with our mission to educate customers on the importance of life insurance.

TATA AIA Life Insurance Co. Ltd.

Face 2 Face – Customer Service Camp

At Tata AIA Life we have initiated Customer Service Camps (brand name: “Face to Face”) from Dec 2011 with an intention to better engage with our customers and influence desirable behavior with regards to their policies. The key objectives:

- Improve engagement levels with the customers
- Proactively address any policy related queries.
- Inform policy features, benefits and update bank account details to ensure direct credit of Dividend and Guaranteed payouts seamlessly.
- Update contact details of customers and improve contactability
- Promote self service options by giving demo of usage to customers
- Generate and utilize customer feedback to improve our service offerings

Customers are invited every month by SMSes to visit select Tata AIA Life branches & authorized service centers on pre-defined days (generally 1st or 2nd Saturday of the month).

The customer response has been phenomenal. While the first service camp was conducted in 4 locations, the program has gained immense response from customers & partners and has encouraged us to conduct the camp in more than 100 branches on single day from September 2012 onwards.

The most recent service camp conducted in April 2013 was organized in 128 branches across the country servicing 3988 customers. Till date we have conducted 895 service camps across branches covering over 17300 customers.

Benefits:

- Upgrading customer contact details and portal registrations
- More engaged customer base
- Platform to rather Voice of Customer

Specific Initiatives of the Industry for Insurance Education

- Non-Life Insurers



Agriculture Insurance Company of India Ltd.

AIC is committed to deliver and serve the farming community by providing agriculture insurance and bring the remotest and poorest farmer under its umbrella in an economical and effective manner. As such it creates widespread awareness about agriculture insurance as the principal risk mitigating tool. Since AIC products are meant for farming community, it takes every measure to create crop insurance awareness and educate farmers across the country through farmer's group meetings and awareness campaigns by adopting exclusive methods as under:

Krishi Bima Sanstan

AIC adopts a unique set-up called Krishi Bima Sanstan shortly known as KBS. KBS functions at District level run by an Agri-Business Entrepreneur (Agripreneur) who travels the length and breadth of the district in which he is located and often extends services to the adjacent districts. Presently, there are around 25 KBS are functional as model set-ups. The KBS are engaged in the following activities:

1. Propagation and dissemination of Crop Insurance :

- Conducting awareness programs for farmers, bankers and officials involved in implementation of various crop insurance schemes.
- Distribution of publicity materials

- Provide required training and education to the agents / field staff
- Assisting farmers in availing hassle-free crop insurance services

2. Market Intelligence :

- Survey and situational analysis of the area
 - Preparing the action plan for expanding the outreach of crop insurance services in the area of operation
 - Providing feedback on the Company's products from farmers and suggesting improvements.
 - Conducting periodic market survey to explore potential for new products and identifying target segments
3. KBS educate the farmers of his territory on a large scale by conducting meetings directly as well as through NGOs or other village level institutions
4. Also facilitates enhanced market penetration by assisting farmers in opening bank accounts, completion of other formalities and provides guidance in depositing premium. They have the added advantage of knowing the local language and culture.

Apollo Munich Health Insurance Co. Ltd.

Company has taken various initiatives for improving insurance education and insurance penetration, details of which has been shared in the required format.

Further as a step in the same direction, the Company has been sending emails to the beneficiaries under the group insurance policies (Employer – Employees) for educating the beneficiaries on the benefits available under the group insurance policy from time to time, in addition to other initiatives.

Such email contains details related to the benefit available under the Group Insurance Policy and the process involved in preferring any claim under such policies in simple language for easy

comprehension by the beneficiaries under group policy.

Some of the area covered by way of such email includes:

1. Midterm inclusion of the dependent members
2. Cashless Process (Advantages of availing cashless process of claim settlement)
3. Reimbursement Process

Sample document of aforesaid is attached for reference.

Bajaj Allianz General Insurance Co. Ltd.

Webinar as a medium for Customer Education Initiative

The concept of webinars was born from the desire to provide knowledge to customers in an interesting format. When ideating on customer empowerment mechanisms, we felt that some topics are better explained if people get to hear it straight from the experts and also get the chance to get their queries responded.

With this in mind, we have held 2 webinars till date, both related to health insurance. A brief on these two major awareness oriented webinars and the success measure of this medium has been provided below for a quick reference:

1. Demystify your Health Insurance - This webinar covered important processes involving health policies, like document submissions, filing for claims, etc. apart from explaining the various features of a health policy.

The panel of experts was formed by two senior doctors from our Health Administration Team. For the webinar, we used Google+ video streaming where customers were also able to look at the experts who took them through the topic with the

help of an illustrated presentation. To supplement this activity, we also ran a Twitter #tag (ItsSimpleReally) asking viewers to share/tweet about their learning/takeaway/feedback on the webinar.

Queries were taken via Twitter which was addressed by our panel of experts live during the webinar.

We also had customers who tweeted about their experience with us and about our services.

2. Breast Cancer Awareness – Since October is world Breast Cancer Awareness Month, we decided to run a webinar on this topic to enlighten women on this critical illness. The webinar featured a breast oncologist, health educator and cancer survivor and a clinical psychologist who spoke about breast cancer, busted myths and answered questions posed by the online audience. It also addressed the importance of having financial security in the event that such an illness occurs. The webinar received an amazing response with dozens of questions pouring in.

Bharti AXA General Insurance Co. Ltd

Our Senior Management conducts Consumer awareness programs at various forums for Consumer Education.

The objectives of these sessions are:

1. To make Consumers aware about the Insurance concepts & its Importance
2. To explain the Insurance products in Simple language.
3. Create awareness that before buying the products the Customer should read the terms and conditions of the products.

We have conducted the following programs at the below mentioned Colleges:

- a. Consumer Awareness program was conducted at National Law College Bangalore in the month of July'12
- b. Consumer Awareness Program was conducted at JSS Law college Mysore in the month of Oct'12.

Cholamandalam MS General Insurance Co. Ltd.

Cholamandalam MS General Insurance Company Limited (Chola MS) commenced insurance operations in October 2002. The brand philosophy of the Company is T3 – TRUST, TRANSPARENCY and TECHNOLOGY. Transparency, a significant source for creating consumer awareness and empowerment is enshrined into our brand mandate which we manifest through all customer facing documents.

Stepping into the 10th year of its operations in year 2012-13, the Company decided to focus on enhancing the consumer awareness in general insurance. Accordingly, the Company developed a consumer awareness leaflet comprising the following which was communicated to all our customers along with the other policy servicing communications including policy issuance:

- Need for insurance;
- What cannot be insured;
- Policies/ plans available in motor and health insurance including general exclusions;
- Dos and Don'ts for the consumer while purchasing a motor or health policy;

- What the consumer should do while lodging an insurance claim;
- Grievance redressal mechanism available to the consumers;

This initiative was focused on creating a general insurance awareness amongst the customers and was not concentrated on the products of or processes at Chola MS. A copy of the leaflet is enclosed for reference.

In addition to the above specific initiative, during the year the Company also undertook the following initiatives:

- Number of consumer awareness programmes/ customer meets conducted at the branches of Central Bank of India, our corporate agents;
- Close to 200 health camps organised;
- Creating awareness of the government insurance scheme – RSBY by organizing Nukkad shows in vernacular language;
- Organization of loss minimization/ prevention programmes for commercial customers;

Future Generali India Insurance Co. Ltd.

We felt, the consumer education program and our website should promote participation in the marketplace by Consumers with low financial literacy levels. It endeavours to be all encompassing including low income, rural consumers and seniors. The program aims to provide training materials and curricula to community based organizations nationwide. We therefore worked on online education & social media with following objectives:

- More messages in more places.
- Attract rather than detract
- Build communities not databases
- Communicate “with” instead of “at”
- Connect directly with decision makers
- Build frequency more efficiently and dynamically

Our Online Consumer Education Program focuses on the following:

- Importance of anticipating, planning and saving for emergencies – such as job loss, disasters, illness or disability.
- Insurance services and ways to get the best value (coverage & premium).
- Ways that individuals can identify and avoid becoming victims of fraudulent activities – such as insurance fraud and scams.

Some of the key highlights of our program, so far:

- Actively engaged in regular monitoring of high traffic consumer websites like 99acres.com, ibibo.com, rupeetimes.com, AOL answers etc. for customer queries/questions on General Insurance products & arranging the appropriate responses to guide the customers.
- Have also engaged into LIVE interactions with customers to answer their queries on General Insurance products on the platforms like Rediff Chat.
- General Insurance product/process related article posts on blogs to help the customer understand GI product & processes better.
- Invite customer queries/questions related to General Insurance products on Social Media Platforms such as Facebook (ASK FG Tab) & Twitter & arrange the appropriate guidance on the same from our Spokes/experts
- Through our Social Media platforms like Facebook & Twitter we have engaged into activities like:
 - Encouraging Fan participation
 - Creation of opinion polls
 - Posting of events
 - Interactive applications
 - Quizzes

HDFC ERGO General Insurance Co. Ltd.

With an objective of providing comprehensive product information to our policy holders, we have designed Frequently Asked Questions (FAQ's) which are printed as a part of the policy schedule/ policy wordings for most of high volume retails products.

The FAQ's have been framed with the objective of educating customers, in a simple and in a summarized fashion about important aspects of the policy, and related servicing. These FAQs also prompts customers to read policy wordings in totality to fully understand product features and their rights. The FAQs are designed after thoroughly analyzing and reviewing, major reasons for the policy holders interacting with us either at call centre or e mail or walk in's at our branch locations.

We have tried to incorporate most of the FAQ's being raised by our customers to ensure that the information sought is readily available in easy-to-understand language. The FAQ's encompasses information with respect to the following:

1. Key Policy Coverages
2. Key Policy Exclusions
3. Endorsement Procedure and Documentation required
4. Claims Procedure and Documentation required
5. Complete Contact Details
6. Renewal Procedure
7. Information on online services provided by us through Insurance Portfolio Organizer (IPO) available on our website www.hdfcergo.com and on mobile platform, which offers the following features:
 - a. Customer's policy details, health card
 - b. Setting Renewal Reminders
 - c. Viewing interaction status for endorsement and dispatch related requests
 - d. Claim Intimation for Motor and Health Insurance
 - e. Tracking of Claims Status
 - f. Request E-mail Policy copy to registered e mail id in a self service mode
 - g. E-mail Tax Certificate to registered e mail id
 - h. Download pre-filled claim form
 - i. Edit personal details
 - j. Details about nearest branches / Hospital network / Cashless garages

We have observed basis the customer calls we receive that we have better knowledgeable customers and as a result less customer dissonance. We have supported these FAQs with SMSs and emailer providing information of important numbers they need to keep handy, reminding customers about the tax benefit they can and avail, during Jan -Feb timeframe.

ICICI Lombard General Insurance Co. Ltd.

Road Safety Initiative

India loses \$20 billion due to road accidents annually, which the World Health Organization (WHO) estimates is enough to feed 50% of the nation's malnourished children. During the calendar year 2010, there were close to 5 lakh road accidents in India which resulted in more than 1.34 lakh deaths and inflicted injuries on 5.2 lakh people. 1.34 lakh people died on Indian roads in 2010, while experts claim the figure could be about 1.5 lakh considering the under reporting of such cases.

There is a need to highlight the loss of economic activity due to the road accidents in India and arrest the growth in the same in coming years. ICICI Lombard has identified "Road safety" as an important agenda and has institutionalized several strategic initiatives to reduce accidents on Indian road.

Being the leading private insurer, including in the motor insurance segment, we believe that it is important for us to take the lead in creating awareness for safer driving. Given this focus, we have been promoting the concept of "Road safety" through driver training programs to improve driver's skills in safe driving, basic vehicle maintenance etc. Content, language of course and course materials have been customized as per vehicle categories and target audiences, e.g. executives, professional drivers, ladies, physically challenged personnel etc. Conscious efforts have been made to incorporate very high levels of audio-visual content like photographs, films, graphics and animation for maximum impact. They are conducted with a high degree of interaction and participation of trainees and take care of all levels of literacy and understanding in all major Indian languages. Our target is to reach 5000-10000 drivers through this program to make them responsible drivers on the road.

The company has also undertaken a 12 part advertorial series in the leading business daily. The article appeared on 12 consecutive Fridays. The advertorial covered various road safety issues like safety tips on driving on highway, 2 wheelers safety tips, curbing accidents on black spots, car essentials to save lives etc. We also circulated the articles amongst our customer base, employee base and our channel partners. The articles were well researched and were written by the leading business daily's editorial team in co-ordination with our corporate communications and motor customer service team.

ICICI Lombard also supported the cause by creating a face book page on road safety. The theme was "ride home safely". ICICI Lombard created 9 engaging videos using children and appealed to the adults to drive home safely. The face book generated over 1 lakh followers and the videos were both liked and appreciated by the viewers. The page also hosted tips, posts and other engagement activities with the followers to create awareness about road safety.

The company also tied up with Western India Automobile Association (WIAA), the country's premier automobile association, to jointly organize "WIAA-ICICI Lombard Road Safety Week 2013" from January 2, 2013 across Mumbai. The initiative was inaugurated by the Chief Minister of Maharashtra, Mr. Prithviraj Chavan. The 'Road Safety' initiative aims to create awareness among the masses and emphasize the importance of safe driving. Some of the activities that conducted during the safety week include free PUC check-up, drawing competition across schools on road safety, Safer driving programs for Truck, Taxi and BEST drivers etc. at various locations across Mumbai.

IFFCO TOKIO General Insurance Co. Ltd.

Consumer Education/financial inclusions has been an important issue for many years. It has become more important in a developing country like India where majority of the people live in rural. In Insurance Sector, the importance has become multifold since penetration of General insurance is hardly 0.7%. In a concerted effort to develop successful consumer education, the Company evolved unique initiatives drawing experiences of its Promoters.

- (a) The Company developed unique products like Sankat Haran, Janta Bima, Jan Kalyan Bima, Pashudhan Bima etc to develop long term association with the Indian masses and to serve them with products of their financial reach. The products are economical, simple, enjoyable and promote positive behavior.
- (b) It is believed that effective dissemination of information than content is more important in consumer education. In this context, the Company used Voice SMS in vernacular languages to spread awareness about weather and other micro insurance products. The traditional means such as “munadi”(announcement) on “dhol” (drum) were used to arouse interest of people and educate them about insurance in the rural areas by conducting shows at locations of high beneficiary footfall, like “choupal”, weekly markets etc.
- (c) “Seeing is believing”. The Company used Public platforms for distribution of claims Cheques to instill sense of empowerment and trust in the consumer. The functions were attended in large number by people other than beneficiaries and through word of mouth publicity achieved.
- (d) It is believed that financial and health decisions need interactive assistance, counseling and guidance to customers. IFFCO Tokio conducted health camps across India, most successful being one held in Odisha where a camp organized in an eye hospital resulted in growth in Increased awareness and a phenomenal growth of 204% in ophthalmic cases under RSBY Scheme. This camp has also been featured in an international magazine- “prosper” released by ICMIF.
- (e) It is believed that country based partnership is a successful means to create consumer awareness. In the rural groups, bodies like health workers, Aanganwadi/ Aasha workers, cooperative members etc are highly trusted and have a huge influence on the financial decisions of people. The Company tapped this potential segment who had played pivotal role in spreading awareness.

L & T General Insurance Co. Ltd

Rashtriya Swasthya Bima Yojana

L&T Insurance won the bid for implementing Rashtriya Swasthya Bima Yojana (RSBY) program. This was launched in December 2012 in below mentioned 8 districts of Rajasthan:

- Sri Ganganagar
- Hanumangarh
- Churu
- Jaisalmer
- Sirohi
- Pali
- Jalore
- Barmer

RSBY is a government-run health insurance scheme launched by Ministry of Labour and Employment, Government of India.

Objective:

The objective of RSBY is to provide protection to BPL (Below Poverty Line) households from

financial liabilities arising out of health shocks that involve hospitalization.

Benefits of this initiative:

- Beneficiaries under RSBY are entitled to hospitalization coverage up to Rs. 30,000 for most of the diseases that require hospitalization.
- Coverage extends to five members of the family which includes the head of the household, spouse and upto three dependents.
- Pre-existing conditions are covered from day one and there is no age limit.

This initiative marks the entry of L&T Insurance into mass and government schemes despite being a new entrant, which speaks volumes about the company's brand reputation, technology prowess and clarity on pricing ability.

Max Bupa Health Insurance Co. Ltd.

RSBY Scheme – Madhubani and Gopalganj (Bihar)

With a vision to make quality healthcare accessible to all Max Bupa decided to participate of the RSBY scheme in June 2012, and got the opportunity to serve Madhubani and Gopalganj, two of the most backward and remote districts of the country.

Max Bupa's RSBY team has been responsible for identifying & developing processes to educate consumers about the scheme. The team is now working on implementation of the programme across these two districts.

The implementation of this programme involves:

- Creating Awareness about the benefits of insurance

- Enrolling Families into the RSBY programme
- Providing access to Healthcare facilities
- Managing Claims and analytics support to the administration
- Ensuring people covered the programme receive information and benefits on time

To connect with people in areas where literacy rates are very low and insurance an alien concept, the team joined hands with NGOs and local SHGs (Self help groups) to conduct a number of street plays and workshops, run campaigns in local dialect and media to build awareness and enrol families in the programme.

National Insurance Co. Ltd.

Office on Wheels: A Technology enabled, Insurance led Service Delivery Initiative

In reaching general insurance services to India's uninsured and underpenetrated geographies, in making the Products affordable and accessible for the underserved and un served markets, National Insurance offers Technology enabled New Age innovative service delivery initiatives – one such is the “**Office on Wheels**” (OOW) : A First of its Kind general insurance service vehicle , the OOW has been launched in the cities of Kolkata, Mumbai, Bengaluru and Chandigarh thereby reaching non life Insurance services almost to the citizen's doorstep.

Customized as Offices, the fully air conditioned “Office on Wheels” is equipped with work stations, computers, printers Hifi connectivity all of which enable on the spot issuance of policies.

Reaching the Public and Creating Insurance Awareness:

In addition to marketing Retail products, the Office on Wheels is also designed to be an extra arm for

creating General Insurance awareness and promoting insurance led Financial Inclusion drive among the different segments of the citizenry that it reaches. Camps and fairs, Exhibitions and Melas - rural and urban, are some of the chosen venues where the OOW vehicles are stationed. Trained officials interact with the prospective Customers as well as the public at large redressing their insurance Grievances, handling enquiries - thus educating and familiarizing citizens with the concept and importance of general insurance and facilitating National Insurance's endeavor in spreading Insurance education and literacy in a novel way.

Due to the positive feedback received, the Company will be expanding the services of the OOW to 24 other Centers in the country.

Following the success of the NIC OOW a general insurance company of a neighbouring country (Bhutan) has been motivated to introduce this facility there.

Raheja QBE General Insurance Co. Ltd.

Our Company has been working on nationwide initiative to sensitise the corporate world about Corporate Governance and the recent developments globally. Our focus has been “How can a Company defend its Board and protect the key officials” in context of Directors’ and Officers’ Liability Insurance and Professional Indemnity Insurance.

We have participated in many forums in association with Institute of Chartered Accountants of India, Southern Indian Regional Council of Institute of Company Secretaries of India, National Human Resources Development, Confederation of Indian Industry and in house Legal forums for creating a culture of risk management. We have also addressed event organised by Hindustan Chamber of Commerce and Madras Management Association.

We have also invited noted authors and speakers on the subject to interact with section of Corporate India. Dr. V Raghunathan’s interactive session at Bangalore was one such very well received forum.

Our Managing Director & C.E.O. has been personally involved in writing articles and speaking on the topics related to the above and Pharmaceutical Industry. His commentary on recent developments in Indian Company Law has been welcomed by the Australian Institute of Company Directors.

We regularly bring out Bio-Pharma Communiqué to enlighten the bio pharma industry about the changes sweeping that segment vis-à-vis Corporate Governance and also about the emerging risks and risk transfer options.

In the area of clinical trials liability insurance where CRO’s and Pharma Companies are faced with a flurry of new regulations, we have been educating the industry segment through media interviews and interactions.

We have held seminars for garment export industry to alert them on the risks present – be it management liability, product liability or risks relating to receivables realisation and also educate them on the risk transfer options available.

Along with other insurance industry partners, we have also taken interest and active role in educating the Amity University students on the evolving economic and legal scenario and educated them on the risk transfer mechanism available.

We have also conducted a seminar for the students of IIRM on some of the liability exposures and relevant policies for protection against them.

In a nutshell, our endeavour has been to raise the bar of governance and benefit from resultant superior risk management.

Reliance General Insurance Co. Ltd.

Pre Policy Issuance Calling for Health wise Policies

The implementation of this initiative was a key step towards consumer education programme. Every healthwise proposal from a customer is telephonically verified by an employee of the central unit.

Under this initiative the customers are called from our centralized team to verify the details filled up in the proposal form by the customer to avoid any kind of discrepancy between the facts and the information provided on the proposal form.

The employees at the central unit verify the information with the customer in the order as mentioned in the proposal form viz name of the insured, date of birth, address etc. Special emphasis is given on the column of medical history where the central unit employee verify if the customer is having any pre existing medical condition. If yes, whether was declared at time of filling up proposal form or not. During the call customers are also made aware of the consequences of having pre existing medical condition and not declaring it.

If any discrepancy is noted in the information provided on the proposal form and the information provided over phone call, those changes are made with due consent of the customer and accordingly policies are issued.

The call records are also preserved for any future reference.

The benefits from this initiative are:

- Verification of customer details (KYC)
- Making aware the customer about pre existing condition and its declaration
- Avoiding misselling cases, if done by any of the intermediaries
- Enhanced contactability

Implementation of this initiative will go a long way in ceasing misselling cases by intermediaries, if any and also to educate customer about the policy terms and conditions.

Royal Sundaram Alliance Insurance Co. Ltd.

Introduction of the Claims Guide (Motor Own Damage (OD) Claims)

Communication to the customer and customer awareness was a focus of our Motor OD claims initiatives. After a hard look at the needs of the customer and the communicating medium, we had devised a Claims Guide. This Claims Guide was designed keeping in mind the fact that the Motor OD Customer wanted a readymade instant access to information on what to do in case of an accident and the claims procedure. Hence, we had distilled a set of critical tasks and information a customer needed to follow in case of an accident. In addition to the key points on what to do in case of an accident, instant information on Intimation, Documentation, Survey and Assessment and other salient points were printed on a small handy booklet form. We also realized the need for communicating in the regional languages which the customer is familiar with. Hence, we had customized the booklet in such a way that when the target customer was in the south, it was printed in all the major South Indian languages.

In addition to the above, we have a wallet card, where a small visiting card size card has been designed which has all the contact numbers of the claims help lines and also a distilled information of what to do in case of an accident. The customer can have it in his wallet for easy accessibility and information.

Apart from this, the customer could write down his/her policy details on the booklet itself. The telephone numbers (Both landline and mobile) were printed in a bold format which the Insured can easily access and refer to in case of a claim.

Overall, the feedback from customers has been overwhelmingly positive reaffirming the usefulness of this booklet for customers and this has indeed played a part in improving the customer education awareness."

SBI General Insurance Co. Ltd.

Launch of SBI General's Group Personal Accident Insurance Cover

SBI General Launched Group Personal Accident Insurance exclusively for the Saving Bank Account holders of SBI and Its Associate banks in the year 2012-13. The Policy provides for a Sum Insured of Rs.Four Lakhs for a premium of Rs.100/-. The Policy provides for death only benefit.

The Policy was aggressively taken to Bank's customer with the involvement of the Bank SPs and complete backing provided by the SBI's Management. The Policy was marketed well across all offices of Bank – i.e. over 13,000 Branches of SBI. Awareness was created about the Policy by placing Posters and banners across all branches of the Bank. All employees of the Bank were educated about the product so that awareness was created across all levels.

Various initiatives like Kiosks were set up in large client organizations of the Bank across the country

that helped SBI General in creating wide spread awareness of the Policy and helped in enrolling the customers.

SBI General was able to put in place a robust process for enrolling and issuance of Certificate of Insurance to the Policyholders that really helped in the word-of-mouth publicity for the Policy within Bank's customers.

With the support of the Bank SBI General was able to recruit over One Crores customers for the Policy in less than a year across Urban, semi urban and rural areas. The Policy has also helped SBI General to generate over 21% of its GWP from the rural areas, a remarkable achievement for a General Insurance Company only in its third year of operation. SBI General achieved Rs.108.45 Crores in Personal Accident during the last financial year.

Shriram General Insurance Co. Ltd.

Organising Insurance Workshop Programs

We are of the view that necessary steps should be taken to disseminate insurance education to every sector of the society through organizing Insurance Workshops all over India. These workshops can be used for rapid expansion of insurance in rural areas and in improvement of the quality of insurance services in those locations. In our endeavour to ensure orderly growth of insurance business in India, we are considering the possibility of using following channels to disseminate insurance awareness and education:

1. Common Service Centres (CSCs) established under Nation e-governance plan.
2. Rural Branches of all PSU Banks & Insurance Companies.
3. Gram Panchayats
4. Block Offices
5. Rural Community centres

Workshop organized through Trained / qualified personnel covering the entire rural domain of the country provide a very attractive platform to disseminate insurance awareness and education.

Star Health and Allied Insurance Co. Ltd.

As the first Health Insurance Company of India and front-runner, Star Health and Allied Insurance Company, feels moved by the thought that it has a definite responsibility to lead the league of health insurers in India and to lead them by example.

To lead is an exacting responsibility, but Star Health has always loved to take challenges head on. We have, on earlier occasions too, succeeded, through innovative approaches, in converting challenges into value propositions that can benefit both the provider and the consumer, and our efforts will persist.

One such problem that caused a lot of worry to us was the low level of awareness of insurance among the insuring population in general, and the first time buyers of health insurance, in particular. It soon struck us that the low level of insurance awareness, the lack of understanding on the insurance business practice and the rather uncommon terms and conditions of insurance result in high customer churn. The gaps in the familiarity of insurance practices and the technical terms created hurdles in retaining policy holders and converting them as repeat buyers (regular customers).

It was in this background that we felt we should connect with our customers directly and educate them about the distinctly different insurance

conventions and practices. We also knew we should first arouse the reader's interest in reading the magazine before they are led to topics on insurance which are not so lively or compelling subject matters.

That was how we introduced a magazine which speaks about a range of topics such as general health, preventive healthcare tips to handling and living with chronic conditions to even healthy food recipes. These themes initially appeal to the readers and lead them gradually to topics on insurance which are mixed in the magazine with balance and care.

The magazine is published once every quarter, and is sent to each one of our customers. As an organization committed to the CSR theme of "Environment-friendliness", we print only minimal copies required. We primarily send copies electronically to customers who have shared with us their e-mail ids.

The innovative idea has found an incredible response with a large number of feed-back and response coming from our customers. Having started the magazine, the formidable task now on our hands is to keep the magazine livelier and more fascinating with every passing issue and that is one more challenge that keeps driving us to greater heights.

Tata AIG General Insurance Co. Ltd.

The company has pursued two pronged strategy to improve the awareness about insurance and educate its customers in particular and general public at large.

On one hand we have leveraged the various forms of traditional media such as reach of newspapers and magazines wherein members of our senior management have continuously interacted with them and these interactions have been widely covered and circulated for the benefit of public at large. Some of the recent coverages are as follows:

1. Hindu Business, Chennai Edition, dated 03/04/2013
2. Business Standard, Delhi Edition, dated 13/03/2013
3. Outlook Money, National Edition, dated 11/01/2013
4. Economic Times, Mumbai Edition, dated 09/01/2013

On the other hand we have improved our presence in the newer forms of media viz. electronic (Business Television Channels), radio and social networking sites. In all the media interactions and contributions, the company officials have written and spoken about the benefits of subscribing to insurance for protection against inherent risks in various walks of life and business arena. We have also leveraged reach

of the internet by launching the customer portal for our customers to be able to transact business with us at their ease.

The second strategy has been to conduct and participate in conferences and various other such forums to espouse the cause of learning and benefiting from insurance. Participating in conferences has been especially beneficial for the company and for the target audience resulting into deeper penetration of insurance products and services. An indicative list of conferences that Tata AIG has organised and participated in is as follows:

1. Different types of Liability Exposures faced by Companies and mitigation by Insurance
2. Exposure to the Financial Institution industry and role of insurance
3. Impact and consequences of industrial operations on Environment
4. Awareness on Managerial Liabilities of Co-operative Societies
5. General Liabilities faced by the Hotel Industry

Going forward, we plan to continue to follow these methods and add more innovative methods to reach out to prospective and existing consumers of insurance.

United India Insurance Co. Ltd.

“CATCH THEM YOUNG” - Insurance Literacy Programme for Schools

The Government is keen to promote financial literacy at all levels and United India Insurance Company Limited, as a responsible Public Sector General Insurance Company, has taken the mantle of leadership in spreading the insurance literacy among the young students of our country, who are going to be the future consumers of the economy to become insurance literate. Therefore, United India carefully has drawn up this initiative of Corporate Social Responsibility to promote the insurance literacy programme in schools.

Commemorating the company's 75th year of service to the Nation, United India rolled out the initiative by identifying 75 Government and/or Government Aided Schools across the country.

We have conducted insurance and safety awareness classes, conducted insurance related competitions, provided sponsors driven Student Safety Insurance Cover to all the students and also provided various infrastructure facilities needed by the identified schools. We have also brought out 2 CDs and booklets on Insurance and Safety for distribution among the schools.

United India has brought and promoted many schemes for the welfare of rural folks, BPL Families and the general public. Once again UIIC has rededicated itself to promote yet another programme, viz., Insurance Literacy and Financial Inclusion for our countrymen in a major way as their contribution to Indian society.

Activities of Board Committee for Policyholders' Protection - Life Insurers



AEGON Religare Life Insurance Co. Ltd.

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| No. of meetings of the Board Committee for Protection of Policyholders during f/y 2012-13 | 4 |
| Actions implemented based on the observations/recommendations of the above Committee | <ul style="list-style-type: none"> • Senior Management meets the Corporate Agent/Brokers at regular intervals to discuss with them the customer complaints, policy persistency, etc. They are apprised of the issues, its repercussions and the action required by them to reduce/remove the customer complaints and improve persistency. • Company has terminated the errant corporate agents/brokers against whom there were large number of customer complaints coupled with low persistency. • Company has started the process of calling each customer before issue of the policy to revalidate the information recorded by him/her in the proposal form, inform them about the product purchased by them including that company does not offer any kind on rebate or incentive on the purchase of the policy and confirm from them that they have signed the proposal form. This initiative has helped us significantly reduce the free look request. • In cases where refund of premium is made on account of mis-selling complaint; the commission paid to the agent/intermediary is clawed back and this is also included in the agent/intermediary contract. |

Aviva Life Insurance Company India Limited

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| No. of meetings of the Board Committee for Protection of Policyholders during f/y 2012-13 | 5 |
| Actions implemented based on the observations/recommendations of the above Committee | <ul style="list-style-type: none"> • It was observed that several policyholders come back with a request for reinstatement with reduced premium or change in frequency with effect from the current policy anniversary post the expiry of the grace period. The Committee recommended that the policyholder should be permitted to reinstate the policy with effect from the lapsed date as per original terms of contract to make it up to the current policy anniversary and the premium reduction/change in frequency can be effected with effect from the current policy anniversary. This was seen as a measure to ease out the customer burden and also have some flexibility in premium payment atleast from the current year. This was implemented with effect from March'13. • With a view to protect the policyholders' interest at the claims stage which is the ultimate moment of truth in a life insurance contract, the Committee concurred with the recommendation to pay fund value in all cases where the base claim is declined due to misrepresentation of material facts. This would ensure that the claimant at least gets the savings component of his premium back in the event of unfortunate contingency despite the file and use of the product permitting the Company to forfeit the premiums and treat the contract as void. Similarly, the Committee upheld the decision to promote underwriting at the claims stage. This meant that in the event of non disclosure of facts that would have led to the Company offering revised terms of acceptance had the fact been disclosed at inception of the contract, the same treatment would be meted out at the claims stage and claims would be honoured rather than repudiated post adjustment of revised terms. This ensures that the claimant's interest is protected with the benefit of doubt accorded by us to the deceased policyholder |

Bajaj Allianz Life Insurance Co. Ltd.

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| No. of meetings of the Board Committee for Protection of Policyholders during f/y 2012-13 | 4 |
| Actions implemented based on the observations/recommendations of the above Committee | <ul style="list-style-type: none"> a) Committee agreed to take steps to curb mis-selling. As a major step Company has decided to do verification call at login stage for all proposals with a ticket size of Rs. 10,000/- or more. During the call key product features often being misunderstood/mis-sold will be highlighted and explained to the customer. b) It was decided to continue doing root-cause analysis of various complaint categories. c) It was agreed to the proposals to implement various Customer Data Security measures. |

Canara HSBC Oriental Bank of Commerce Life Insurance Co. Ltd.

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| <p>No. of meetings of the Board Committee for Protection of Policyholders during f/y 2012-13</p> | <p>4</p> |
| <p>Actions implemented based on the observations/recommendations of the above Committee</p> | <p>1. List of actions implemented based on the observations/recommendations of the Policyholder Protection Committee:</p> <p>A) Key Information Document (KID) - As a customer centric initiative the Company has introduced product specific one page document that emphasizes and summarizes key features of a product and necessary disclosures in a simple and lucid language for an easy understanding of the customer at the point of sale. KID is signed by the customer and the intermediary.</p> <p>B) Validation call at pre issuance stage of the policy - The Company has initiated pre-issuance calling to customers to appraise and confirm that the customer understands the key features/ risk factors/ premium paying liability etc. and has provided necessary information and disclosures in the proposal form. Health related information is also discussed to avoid claim repudiation due to medical non disclosures.</p> <p>C) Customer education campaign 'Manager Saab' - The Company has implemented a pan-India insurance awareness campaign called 'Manager Sahab' with the objective of increasing customers awareness about basics of insurance, insurance products, its features etc. All the ads had a character called Manager Sahab – a bank manager who addresses a customer's life insurance queries. This initiative has been implemented through the print media across India. Each newspaper carried a series of ads where basics of life insurance are brought out in an easy-to-understand and simple Q&A format.</p> |

Edelweiss Tokio Life Insurance Co. Ltd.

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| No. of meetings of the Board Committee for Protection of Policyholders during f/y 2012-13 | 4 |
| Actions implemented based on the observations/recommendations of the above Committee | <p>Under the guidance of the Policy Holder Protection Committee which meets every quarter , we have implemented the following initiatives and continue to focus on:</p> <ul style="list-style-type: none"> (a) Institutionalization of “Vijay Path” - Need-Based Sales approach. This inter alia includes training on the field on sales technique and tools that focuses on our obligation to educate the customer in understanding his needs first and only then offering an insurance solution based on the customer’s need. (b) Based on latest development including expectations from the Regulator, enhancement in areas for customer facilitation like enabling online renewal premium payment, online premium calculator, various SMS based communication for various stages of cycle of engagement with the policyholder, has been implemented. The rigorous emphasis is on making a welcome call to the customer during the policy processing. And dissemination of alerts on spurious / hoax call that customer might fall trap were communicated through emails / sms. (c) Issued press write ups, articles in newspaper in English and Hindi with a focus on educating the customer about insurance. (d) Launched brand campaign the core being focus on educating the customer about the importance of understanding their needs before buying insurance. Our tag line is “Insurance se badhkar hai aapki zaroorat”. (e) Constant engagement of the senior people across all sections of the company to build in a customer centricity culture in the organisation with one key message that is “Listen to Understand. Respond to Solve” |

Future Generali India Life Insurance Co. Ltd.

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| No. of meetings of the Board Committee for Protection of Policyholders during f/y 2012-13 | 4 |
| Actions implemented based on the observations/recommendations of the above Committee | <ol style="list-style-type: none"> 1. RTO-related and Proposal complaints to be reduced and at least two address proofs should be obtained to corroborate the address of the policyholder. 2. Have a concrete action plan in place and also involve the intermediaries, so that they would provide valid and authenticated documents in support of the address proof 3. Present a comprehensive analysis and action plan for reducing the proposal processing complaints (including Return to Origin). Management should look at this problem from two perspectives: <ol style="list-style-type: none"> a) Dis-satisfaction of Policyholder; and b) Expenses 4. Resolution of the 'proposal processing complaints issue should be included among the KPIs of operating personnel. |

HDFC Life Insurance Co. Ltd.

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| No. of meetings of the Board Committee for Protection of Policyholders during f/y 2012-13 | 4 |
| Actions implemented based on the observations/recommendations of the above Committee | <p>Following recommendations were suggested and acted upon.</p> <ol style="list-style-type: none"> 1) Strengthening welcome calling- A clear and detailed script for welcome calling has been implemented so as to ensure all the policy related details are communicated to customer before issuance of a policy. This will reduce the complaints post issuance and clarification, detailing if any can be provided before issuing a policy. 2) Periodical meetings with distributors – This has been implemented with an intention to create more awareness and to ensure necessary steps if required are being taken to reduce number of complaints 3) Fake \ Spurious calls- All efforts have been made to strengthen the process and have also initiated campaign educating customers and creating awareness as to how to deal with such calls. 4) Complaint definition has been revised – This has enabled us to capture genuine customer concerns and complaints and a clear demarcation between a complaint & a service request. 5) Mystery shopping framework- Where in 50 calls pertaining to complaints were being made by Sr management. And the insights and recommendations were provided to Grievance Handling team to make the internal process more effective. 6) Enhanced verification of business- To ensure correct contactability the branch sales head to confirm contact details at the time of login of the proposal form. This will benefit the company to reach out to customers throughout the policy tenure and keep them abreast about all the necessary information about the policies. |

ICICI Prudential Life Insurance Co. Ltd.

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| <p>No. of meetings of the Board Committee for Protection of Policyholders during f/y 2012-13</p> | <p>4</p> |
| <p>Actions implemented based on the observations/recommendations of the above Committee</p> | <p>Implementation of actions based on the observations/recommendations of the Committee during FY2013:</p> <p>The Committee reviews complaints, effectiveness of redressal offered, claims performance and emerging trends during the quarter. Key areas that have been discussed by the Committee are elaborated below:</p> <ol style="list-style-type: none"> 1. Spurious/fake calls: The Committee observed an increasing trend in the number of complaints towards spurious/fake calls received by policyholders and that few policyholders had either purchased new policies or surrendered existing policies. The Company identified 60 entities contributing to these complaints, and as suggested by the Committee, initiated actions against these perpetrators by filing FIRs with Economic Offences Wing. Additionally, consumer awareness initiatives were carried out on a regular basis, which included quarterly e-mailers to customers, newspaper advertisement in a New Delhi publication, etc. 2. Customer education: The Committee observed that policyholders were prematurely surrendering policies or discontinuing premium payment due to limited knowledge of the policy benefits/features. The Company accordingly launched an awareness series across its branches, call centre and website, explaining the benefits of staying invested for long term. 3. Technology and self service: The Committee discussed on providing technologically advanced solutions and multiple service avenues for premium payments and other service requirements, to ensure accessibility and ease of transaction to customers. The Company is increasing its tie-ups with banks/premium collection agencies for acceptance of premium. The Company's website has been enabled with enhanced service features. A helpline has also been instituted at larger branch offices to manage customer queries during rush hours. 4. Death claims: The Committee discussed on the constraints claimants may face while procuring the necessary claims documents, like police/hospital reports. To address this, the |

Company has setup a 24X7 helpline and a dedicated desk at some branches to provide assistance to claimants and also helping in actual procurement of the required documents. Claims processes have been made more effective by promptly responding to claimants and reducing pending cases. The claim settlement ratio has improved from 94.6% in FY2011 to 96.5% in FY2012 and sustained at 96.3% in FY2013.

5. **Grievances and complaints management:** The Company monitored grievance trends, identified problem areas at an early stage and has followed a sustained process of identifying the root causes and resolving the problem at a design level. On the whole, Company grievances dropped by 9% from 22,548 in FY2012 to 20,470 in FY2013. Grievance per 1,000 in-force policies improved from 3.52 in FY2012 to 3.37 in FY2013. In the area of mis-selling, it was observed that complaints from specific distribution partners and products were disproportionately high. The Company has initiated suitable actions on the same.

IDBI Federal Life Insurance Co. Ltd.

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| <p>No. of meetings of the Board Committee for Protection of Policyholders during f/y 2012-13</p> | <p style="text-align: center;">4</p> |
| <p>Actions implemented based on the observations/recommendations of the above Committee</p> | <p>List of actions implemented</p> <p>Pre-issuance Calling</p> <p>The company worked on implementation of Pre-issuance calling in order to reduce misselling allegations and repudiation of claims due to material medical non disclosures. The calls are made prior to issuance of the policy and recorded for future reference. This process was implemented from Aug 2012 and by the end of the financial year, we have been able to establish a contactability of above 95% for FY 2012-13.</p> <p>Persistency</p> <p>The company has focused strongly on persistency improvement through various initiatives. On account of process improvements, regular campaigns held and sustained communication measures taken to approach the policyholders, the 13th Month persistency has improved from 68% in April 2012 to 76% in March 2013 and 25th Month persistency has improved from 64% to 72% in March 2013.</p> <p>Surrender Retention calling</p> <p>To ensure that customers are aware of the charges on surrenders, the company implemented a Surrender Retention process from July 2012 informing the policyholder about the surrender charges, the benefits of staying invested and the losses on early/pre-mature surrenders. The PPC has been monitoring the progress of the same on a quarterly basis.</p> <p>Customer Support Portal</p> <p>During FY 2012-13, customer support portal access was provided at IDBI Federal branches and Federal Bank Call Center to enable the support staff to handle customer inquiries, thus reducing the number of calls to the call center and faster resolution of policyholders' queries. Effective December 2012, Federal Bank (Bancassurance Partner) customers were also able to view their policy details via their banking portal, FedNET.</p> <p>Claims</p> <p>The average Turnaround Time for deciding upon death claims upon final receipt of all documents has reduced to 5 days in FY 2012-13 as against 30 days as mandated by IRDA. Claims repudiation ratio has also declined in FY 2012-13 to 16% from 29% in FY 2011-12, due to internal process improvements.</p> |

IndiaFirst Life Insurance Co. Ltd.

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| <p>No. of meetings of the Board Committee for Protection of Policyholders during f/y 2012-13</p> | <p style="text-align: center;">4</p> |
| <p>Actions implemented based on the observations/recommendations of the above Committee</p> | <p>List of actions implemented based on the observations/recommendations of the above Committee</p> <ul style="list-style-type: none"> • Basis recommendation from the Policyholder Protection Committee the company carried out a customer survey to understand reasons for delay in submission of application forms after a period of time, where money is received earlier than the application form and has taken corrective measures to reduce the time lag. • The Company has initiated IT development with its Corporate Agents – Bank of Baroda and Andhra Bank for development of an integrated work flow to facilitate acknowledgment of complaints relating to Insurance Policies received by the Bank call centre. • Drop boxes have been placed at few branches to enable customers write to the insurer regarding any grievance or query. IndiaFirst has also extensively put up stickers displaying contact details of the insurance company at bank branches to enable the customer call the company directly for any queries or grievances. • A Fraud Control Unit has been set up to implement a mechanism for verification of forgery and frauds. • An extensive training campaign was carried out to train the sales employees as well as the customers to create awareness regarding the features of the health product. An FAQ on Health Product was also published on the Company website. |

ING Vysya Life Insurance Co. Ltd.

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| <p>No. of meetings of the Board Committee for Protection of Policyholders during f/y 2012-13</p> | <p style="text-align: center;">4</p> |
| <p>Actions implemented based on the observations/recommendations of the above Committee</p> | <p>List of actions implemented on recommendations of Policy Holder Protection Committee</p> <ul style="list-style-type: none"> • Online Reputation Management: The Company proactively tracks and addresses any queries or complaints which are posted on any of the public websites such as mouthshut.com, consumercompliants.com etc. “ING Life Cares” as an identity was created on all leading forums through which we interact with our customers. Once there is any post made on any of the websites, the customer is contacted within 24 hours to resolve the query / complaint. • Repeat Complaint Analysis: The Company has a process to analyze and track the repeat complaints. On a quarterly basis all the repeat complaints are reviewed to see if the original complaint has been satisfactorily closed. Also, repeat complaint trends are analyzed to see if there is any particular pattern and corrective action is taken, as may be required. • Top Two complaints: The Grievance redressal cell analyzes the Top Two reasons for complaints. On a quarterly basis an in-depth analysis is done of the Top Two complaints to see if there is any particular pattern or trend. Also the underlying processes are reviewed to see if any corrective action is required to be taken, which is then tracked to ensure closure. |

Kotak Mahindra Old Mutual Life Insurance Co. Ltd.

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| No. of meetings of the Board Committee for Protection of Policyholders during f/y 2012-13 | 4 |
| Actions implemented based on the observations/recommendations of the above Committee | <p>Based on the broad directions of the committee for Protection of Policy holders and the Core Purpose of our company to add value to people's lives through protection & long term savings (PALTS) the company has taken various initiatives as below</p> <ul style="list-style-type: none"> • Enhancement of toll free services available 24X7 for self-servicing over IVR with the option to speak to dedicated customer service officer from 8am to 10pm. • Enhancement of 'Online Policy Manager' to improve usability such as auto registration facility and premium calendar in addition to available services through PULL SMS, Electronic Mode and servicing at branches by dedicated service officers. • Premium payments through debit and credit card – Through Web, company's Interactive Voice Response (IVR) and at the branches. • Payment through the "Interbank Mobile Payment Service (IMPS)", a first in the insurance sector. • Formation of a dedicated business retention unit to touch base with customer during the policy life cycle. • Special focus on improved contactability at all touch points to ensure customer receives all servicing communication in all forms like SMS, Calls, Emails and Letters. • Continuous training to servicing teams to help and guide customers appropriately by informing them of pitfalls of surrendering the policies. • Formation of Complaints Reduction Committee with stakeholders from Sales, Customer Care and Compliance to monitor the Sales quality and implement action plans to ensure ethical selling. • Transition from welcome calls to pre conversion verification calls to ensure customer satisfaction and reduce instances of mis-selling. • Special verification for investments made by senior citizens or where the premium paying term exceeds 60 years. • The learnings from complaints integrated into business improvement processes and monitored stringently. <p>With the implementation of the above corrective and preventive measures as observed and recommended by the committee, the company has been successful in reducing the complaints ratio in the last year and improving customer satisfaction as per its core ideology.</p> |

Life Insurance Corporation Of India

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| <p>No. of meetings of the Board Committee for Protection of Policyholders during f/y 2012-13</p> | <p style="text-align: center;">4</p> |
| <p>Actions implemented based on the observations/recommendations of the above Committee</p> | <p>List of actions implemented based on the observations / recommendations of the above Committee :</p> <ol style="list-style-type: none"> a. It was recommended by the Board members that Sr.Divisional Managers and Marketing Managers of LIC should contact about 25 New customers randomly for elicit feedback on products and servicing. The recommendations of the Board members are well taken and implemented immediately. b. It was suggested that the font size on the official website should be increased as difficulty is being faced while reading. The matter was examined and informed that the present font size is a standard one and scrolling down the page automatically increases the font size. c. The Members suggested that advertisements should be aired on AIR channels along with FM channels Also, the advertisements aired on TV and radio channels should be in regional languages to enhance the resultant impact on general public. The members also suggested some modifications in the advertisement strategy such that short messages should displayed on hoardings to be put on prominent places like heavy traffic junctions While extensive advertisement is done on AIR And also on Vividh Bharati and North east regional news channels of AIR, the suggestion of modifying the advertisement strategy will be taken care of while preparing new print creative in the future. d. Members suggested to avail the services of social organizations for maintenance of wall paintings. The suggestion has been referred to the concerned department about feasibility of its implementation. e. The members suggested to display the newspaper advertisement regarding spurious call complaints on our website.LIC has immediately displayed on our website under title "customer education " for bringing awareness among the general public |

Max Life Insurance Co. Ltd.

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| No. of meetings of the Board Committee for Protection of Policyholders during f/y 2012-13 | 4 |
| Actions implemented based on the observations/recommendations of the above Committee | <p>List of actions implemented based on the observations/recommendations of the above Committee</p> <p>Customer centricity is embedded in the vision, values and culture of Max Life Insurance. The year 2012-2013 saw the company implementing many customer focused initiatives based on the recommendations of the Policyholder Protection Committee of the Board. Max Life Insurance has been awarded the 6th AIMIA Loyalty award, a recognition for excellence, innovation and best customer loyalty practice in the Industry.</p> <ul style="list-style-type: none"> • Launched a 360 degree “Sachcha Advisor ” campaign that demonstrated our strong belief in ethical (right) selling. Max Life Insurance won the Silver Effie for this campaign. • Comprehensive drive to educate customers undertaken on ULIP products, funds and other key insurance topics geared towards helping customers take informed decisions. • Continued focus on need-based selling. A governance and audit process is in place to ensure that the customers receive the correct advice from us; through the use of: <ul style="list-style-type: none"> o Mandatory use of Fact Finders and Investor Risk Profiler tools; o Periodic client reviews being inculcated as part of the seller behaviour ; o Pre-issuance welcome calling (based on risk profile) focused on ensuring that the customers understand the product they have purchased • Key customer documents and communications re-designed basis customer feedback – (a) Benefit Illustration, (b) Key Feature Document and (c) Policy Statement for ULIP customers simplified for ease of comprehension. • “Industry first” Service Promise and Claims Guarantee ensuring highest standards of service to our customers. |

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| | <ul style="list-style-type: none">o Service Promise – (a) Call pick up in 20 seconds, (b) Query acknowledgement in 4 hours, (c) Resolution of simple queries in 24 hours (d) Cheque pick up within 24 hourso Claims Guarantee – (a) Advance account value payout (ULIP) within 2 working days of claim intimation (b) Death claims paid within 10 working days of receipt of all documents/information (c) No investigation/repudiation of policies that have completed 3 continuous years.• Customer experience index is a part of business measures of success at the company level.• Continued focus on improving complaint management process – consistently recorded the lowest pending grievances.• Comprehensive listening post as a mechanism to gather customer insights including annual interactions of senior leadership team with customers |
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PNB MetLife India Insurance Co. Ltd.

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| <p>No. of meetings of the Board Committee for Protection of Policyholders during f/y 2012-13</p> | <p style="text-align: center;">4</p> |
| <p>Actions implemented based on the observations/recommendations of the above Committee</p> | <p>List of actions implemented based on the observations/recommendations of the above Committee:</p> <p>The Board Committee for Protection of Policyholders during F/Y 2012-13 delved into a number of facets pertaining to the policy holders and how, we, as an organization can better serve them. In their quest to make the overall experience of our customers better, they shared their views on various milestones in the entire customer life cycle</p> <p>One of the inputs by the committee pertaining to litigations was to examine pending cases for out of court settlements which will result in lower instances of customers going through court to settle their issues</p> <p>We have also initiated pivotal changes in our claims process, which will enable us in reducing the pending claims and thereby increasing the overall settlement ratios. Highlights of the changes are:</p> <ul style="list-style-type: none"> • Structured and Proactive follow up: <ul style="list-style-type: none"> > Weekly follow-ups with the claimant > Local office support for collection of documents • Investigator Review: <ul style="list-style-type: none"> > Strict monitoring of TAT with penalties imposed on breach of TAT's • Introduced facility for document pick-up from claimants |

Reliance Life Insurance Co. Ltd.

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| <p>No. of meetings of the Board Committee for Protection of Policyholders during f/y 2012-13</p> | <p style="text-align: center;">4</p> |
| <p>Actions implemented based on the observations/recommendations of the above Committee</p> | <p>The following actions have been implemented based on recommendations of RLIC Protection of Policyholders Committee:-</p> <ol style="list-style-type: none"> a. Mis-selling - Strict action was recommended to control mis-selling complaints including filing FIRs and disciplinary action against erring staff and agents. The same has been complied with. b. Spurious Calls - Initiated FIR and legal action in cases where numbers could be traced back to an individual or organisation. Informative communications in form of SMS to policyholders, newspaper advertisements advising prospects against getting lured by spurious calls were also released by RLIC. Please find attached detailed presentation for actions taken by RLIC on spurious calling as Annexure. c. Payout Cheques undelivered - Steps have been initiated to reduce payout cheques (for maturity/ survival) returned undelivered by contacting policyholder 60 days prior to survival benefit due date and collection of bank account details or facilitate an online bank transfers to reduce such complaints. d. Policy Bond undelivered - Steps have been taken to reduce 'Policy Bond Not Received' complaints by instructing Branch location where the policyholder has last contacted us to establish fresh contact and ensure delivery of policy bonds. e. Focus on right selling and quality selling instead of targets - persistency had been given more importance |

SBI Life Insurance Co. Ltd.

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| <p>No. of meetings of the Board Committee for Protection of Policyholders during f/y 2012-13</p> | <p style="text-align: center;">4</p> |
| <p>Actions implemented based on the observations/recommendations of the above Committee</p> | <p>List of actions implemented based on the observations/recommendations of the Policyholders Protection Committee</p> <p>Directions issued at the Policyholders Protection Committee (PPC) Meeting:</p> <ol style="list-style-type: none"> a. To conduct regular meetings with Corporate Agents/ Brokers to direct them follow best selling practices b. Impart training(s) to Corporate Agents/ Brokers and their employees / others who are selling company's products c. To send a user friendly concise document along with the policy bond highlighting important features of the product d. To get customers on board the 'Apex Level Committee on Customer Service' as invitees to share their feed back and offer generic suggestions. <p>Following Action plan has been implemented as per above directions:</p> <ol style="list-style-type: none"> 1. A Training initiative has been formulated for sales teams of intermediaries focusing on sales practices covering aspects like product features, sales skills, code of conduct and best selling practices. 2. Cases of Complaints are shared with respective business partners to sensitize them and enable the Partners to take corrective action to improve sales practices. 3. Key Feature Document detailing the product information (terms and conditions) sent along with the policy document. 4. A one page document informing customers to beware of unsolicited calls and emails is also being sent. 5. Formation of an internal "Apex Level Committee on Customer Service" to deliberate and suggest ways and means of creating customer awareness and educational programs in SBI Life and Inclusion of a Customer as one of the members of the same |

Tata AIA Life Insurance Co. Ltd.

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| No. of meetings of the Board Committee for Protection of Policyholders during f/y 2012-13 | 4 |
| Actions implemented based on the observations/recommendations of the above Committee | <p>Actions:</p> <ol style="list-style-type: none"> 1. To conduct Customer Awareness meets which could be a platform for customers to express their grievances and suggestions, The Company has initiated a program called Face 2 Face through which existing customers are provided a service platform to meet the company employees. This is conducted on a monthly basis on one day in every branch. 2. Pre-login verification process (A service call made to the customer at the time the proposal is logged in) has been implemented to minimize grievances due to two categories: <ol style="list-style-type: none"> a) Mis-selling & customer understanding of the product features and benefits b) Discrepancy in customer mailing address and difficulty to contact customers on given phone numbers could result in grievances due to non-receipt of policy documents and other communication 3. Further, to address grievances related to customer understanding of the products, an initiative has been taken to create Key Feature Document for high selling products which helps customers to understand the features of the product in simple language and this is sent along with the policy document. 4. The Company strengthened its grievance management processes and has been ISO 10002 certified. 5. Automated workflow procedures implemented for customer request handling and grievance handling through Customer Relationship Management (CRM) system to address grievance related to process delays 6. To approach IRDA due to large number of mis-selling complaints on business sourced by some brokers. The Company has approached GBIC and IRDA to discuss and get further guidance. 7. Published advertisements in national and regional newspapers cautioning policyholders against spurious calls. This is also communicated to policyholders through SMS and e-mails on a periodic basis. 8. The company has undertaken an independent assessment through an IT company to check the customer information flow between the Company and key vendors and call centers in order to ensure customer data protection and confidentiality |

Activities of Board Committee for Policyholders' Protection - Non-Life Insurers



Agriculture Insurance Company of India Ltd.

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|---|--|
| <p>No. of meetings of the Board Committee for Protection of Policyholders during f/y 2012-13</p> | <p style="text-align: center;">4</p> |
| <p>Actions implemented based on the observations/recommendations of the above Committee</p> | <p>Action taken points</p> <p>Directions have been given to all the Regional Offices to print Grievance line (In case of any grievances please contact the Grievance Redressal officer of the Regional office at Phone No) on all the documents ie proposal forms, cover notes acknowledgements ,leaflets, pamphlets, advertisements, brochures, posters etc to give wide publicity to the farming community about the availability of Grievance Redressal mechanism in the Company and the same are being implemented.</p> <p>Like wise directions have also been given that in the awareness programmes being conducted at ground level about various schemes of the Company the GR mechanism be highlighted . and the medium of cinema slides, exhibitions ,All India Radio, Doordarshan Krishi melas be used to create awareness about the availability of GR mechanism and the same are being implemented.</p> |

Apollo Munich Health Insurance Co. Ltd.

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| No. of meetings of the Board Committee for Protection of Policyholders during f/y 2012-13 | 4 |
| Actions implemented based on the observations/recommendations of the above Committee | <p>Some of the key actions implemented based on the observations / recommendations of the Board Committee for Protection of Policyholders are as follows:</p> <ol style="list-style-type: none"> 1. Customer Satisfaction Reports- Review of customer dissatisfaction scores and steps for remedial action – <p>Company has been monitoring the Customer Satisfaction scores every month. Based on aforesaid Committee's recommendation – Company also started tracking the reasons for dissatisfaction and try to eradicate the factors that drive dissatisfaction. Basis the suggestion the company has now initiated the process of analysing every data point, does a route cause analysis and initiates process improvements. This has resulted in considerable drop in the dissatisfaction scores.</p> 2. Net promoter score activity to be undertaken twice in a year along with customer satisfaction survey. <p>In addition to the monthly CSat analysis, the Company has now started monitoring the NPS (Net promoters score) and the same is going to be a key performance measure for Customer satisfaction. NPS is an extremely powerful tool to identify what drives Customer's engagement with the company and thereby long term loyalty.</p> 3. Monitor stale cheque and initiate process to ensure that all steps are take to reduce incidence of stale cheques and also ensure that all policy holders money is sent back to the rightful owner - Basis this feedback the Company has adopted a two pronged strategy: <ol style="list-style-type: none"> a). To ensure that all existing cases are resent to policy holders. Each such customer is contacted through call / letter and every effort has been made to reach the customer and resend the payment. b). To reduce the incidence of stale cheques - Company has initiated a drive to capture NEFT details at the time of new application log in and process all monies payable to customer through NEFT |

Bharti AXA General Insurance Co. Ltd.

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|---|---|
| <p>No. of meetings of the Board Committee for Protection of Policyholders during f/y 2012-13</p> | <p>4</p> |
| <p>Actions implemented based on the observations/recommendations of the above Committee</p> | <p>List of actions implemented based on the observations/recommendations of the above Committee:</p> <ol style="list-style-type: none"> 1. Six Sigma projects are underway to reduce the no. of Complaints & Turn Around time of Complaints. 2. Based on Root cause Analysis of Complaints, the process improvements are incorporated in various functions. The process improvements are mentioned in the Form-B which are submitted to IRDA every quarter. 3. Authored article in the Newspaper & Magazines to create Awareness on the importance of Insurance & its various products. 4. Participating in various consumer forums to educate customers on Insurance related matters. |

Cholamandalam MS General Insurance Co. Ltd.

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|--|--|
| No. of meetings of the Board Committee for Protection of Policyholders during f/y 2012-13 | 4 |
| Actions implemented based on the observations/recommendations of the above Committee | <p>List of actions implemented during the FY 2012-13 based on the observations/recommendations of the above Committee at its meeting held during the year.</p> <ul style="list-style-type: none"> - Grievances relating to non receipt of policy documents pending for more than 90 days prioritized and settled. - Action plan for making direct payment to claimants through NEFT initiated. Currently have reached 58% levels for payments to customers and 84% for others. - Grievances arising out of delay in claim settlement due to fraud by courier agency resolved and amount recovered from fraudulent party. - Repudiation of claims solely on account of delay in documents submission done only based on merits of the case. - Post Claim settlement survey commenced and a process of obtaining acknowledgement from customers post claims settlement implemented. - Trend analysis of TAT in grievance resolution based on Peer analysis and constant review at Committee meetings has improved the resolution TAT. - Categorized grievance redressal mechanism explored including for senior citizens. - Long pending consumer litigations at consumer courts settled based on established law/ Judgements. - Timelines to financiers for submission of NOCs in respect of assets which are insured with the Company intimated in order to avoid delay in policy issuance to customers. |

Export Credit Guarantee Corporation of India Ltd.

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| <p>No. of meetings of the Board Committee for Protection of Policyholders during f/y 2012-13</p> | <p>4</p> |
| <p>Actions implemented based on the observations/recommendations of the above Committee</p> | <p>1. List of actions implemented based on the observations / recommendations of the above Committee:</p> <p>Policyholder Protection Committee in its meeting held on 08.02.2013 approved the setting up of a three member Independent Review Committee (IRC) to examine Grievances.</p> <p>IRC was constituted to give the grievance redressal machinery a more fair and impartial hue. IRC will consist of a retired High Court Judge and two retired executives of the rank of General Manager or above of Public Sector Banks, Insurance Companies, Financial Institutions, RBI and IRDA. IRC's decision is recommendatory in nature and will be referred to the Sub Committee of Board / Board of Directors for final decision.</p> <p>We have accordingly set up the committee.</p> |

Future Generali India Insurance Co. Ltd.

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| <p>No. of meetings of the Board Committee for Protection of Policyholders during f/y 2012-13</p> | <p style="text-align: center;">4</p> |
| <p>Actions implemented based on the observations/recommendations of the above Committee</p> | <p>Actions implemented based on the observations/recommendations of the Board Committee for Protection of Policyholders during FY 2012-13</p> <p>ISO Certification: To benchmark our quality standards, we undertook the ISO 9001-2008 certification for our Customer Service, Claims & Health functions.</p> <p>Bi-annual Customer Satisfaction Surveys were carried out for Purchase, Operations, Claims, Contact Centre, and Grievance Redressal and Renewals. The results were very encouraging.</p> <p>Additional modes of communication introduced for the convenience of our customers. In addition to the existing help lines, email, website and branch service, customers can now SMS for Motor Claim registration. Online Chat is set to launch soon. Another helpline has been added to the existing toll-free.</p> <p>To reach out accurately to our customers whose motor claim is registered by other parties we have initiated outbound calls for verifying and updating contact details. This helps in ensuring that the communication of requirements as well as the delivery of the claim cheques is not missed.</p> <p>Enhancements were carried in the CRM system, which will improve the customer experience further:</p> <ul style="list-style-type: none"> o Automation of assignment of Complaints & Requests for reducing the TAT o Automation of acknowledgment letters and emails and SMS upon complaint resolution <p>The year 2013-14 has been designated as the Year of Customer Delight. Organization-wide training on Customer Experience Management and initiatives on Service Excellence are in progress.</p> <p>The process for Root Cause Analysis in follow –up to complaints resolution was strengthened further. CRM based feedback is shared with owner & their manager upon closure of any complaint</p> |

HDFC ERGO General Insurance Co. Ltd.

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| <p>No. of meetings of the Board Committee for Protection of Policyholders during f/y 2012-13</p> | <p>4</p> |
| <p>Actions implemented based on the observations/recommendations of the above Committee</p> | <p>The Company has implemented following recommendations made by the committee:</p> <ol style="list-style-type: none"> 1. Make it simple for the customers: Company introduced frequently asked questions (FAQs) which are sent along with policy schedule to the customer for easy understanding of key aspects of the policy that customer has purchased like important contact numbers, endorsement procedures, claims procedures, key exclusions etc. 2. Greater transparency on Claims: Company introduced claim computation sheet for Motor OD claims. The sheet is sent to customers along with settlement letter providing transparency on the total claim amount payable. It clearly specifies amount payable and deductions like depreciation, excess, salvage value etc as per the terms and conditions of the policy. 3. Raise the bar on Turnaround time (TAT): Company used to track Grievance resolution turnaround time as per IRDA guidelines. Based on recommendation, the Company changed the Measurement and Analysis of turnaround time of Grievances in 24 hour, 48 hours and 5 day buckets. Regular analysis of cases going beyond 5 days is being performed for continuous improvement. 4. Conduct Customer Satisfaction Survey: Company conducted Customer Satisfaction Survey to get better insight on how customers perceive quality of our services and improvement areas |

Magma HDI General Insurance Co. Ltd.

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| No. of meetings of the Board Committee for Protection of Policyholders during f/y 2012-13 | 1 |
| Actions implemented based on the observations/recommendations of the above Committee | <p>Actions implemented based on the observations/recommendations of the above Committee</p> <p>The Company is a start-up company. Major decisions implemented are as under:</p> <ol style="list-style-type: none"> a. Setting up of the Call Centre b. Toll free number allocated for grievance registration c. Implementation of Integrated Grievance Management System (IGMS) |

Max Bupa Health Insurance Co. Ltd.

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| <p>No. of meetings of the Board Committee for Protection of Policyholders during f/y 2012-13</p> | |
| <p>Actions implemented based on the observations/recommendations of the above Committee</p> | <p>List of actions implemented based on the observations/recommendations</p> <ul style="list-style-type: none"> a) On the recommendation of the Committee, Customer Voice Forum has been constituted where all the related departments like Sales, Training, Marketing, Finance, Claims, Operations come together on a single platform on a monthly basis and decide on the actionables arising out of the customer complaints with special focus on Claims related issues viz. quality of claims resolution and adherence of turn around time. Root Cause Analysis is being done for all the complaints received for the month. b) Grievance redressal cell has been strengthened for quicker and effective resolution of complaints to customer satisfaction. c) For facilitating customers in obtaining premium certificate a project was undertaken and implemented to promote Self Service options. Now customers can get their premium certificate by sending an SMS to Max Bupa from their registered number. d) Fast Track Service request module has been introduced through which customers' requests can be actioned quickly resulting in reduced turnaround times and increased customer satisfaction. e) A new functionality has been introduced wherein non premium bearing change requests like change in mobile number, email id, address etc. are verified and changed during customer call itself within an Average Handling Time (AHT) of 5 minutes. f) In addition to hard copy policy kit, soft copy of the policy kit along with health cards is also sent to registered email id of the customer within 2 minutes of the policy issuance in system. Thus helping the customer in emergency. g) MBHI's website has been revamped to promote self service options. Facility to change name, address, nominee name , email id and mobile number is available to customer on website itself. Various documents like Policy document , Premium certificate , Insurance certificate, Renewal notice have been put on the customer's individual account on website for easy servicing. |

National Insurance Co. Ltd.

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| <p>No. of meetings of the Board Committee for Protection of Policyholders during f/y 2012-13</p> | <p>4</p> |
| <p>Actions implemented based on the observations/recommendations of the above Committee</p> | <ol style="list-style-type: none"> 1. A mechanism be put in place for monitoring the activities of the grievance officers in attending the grievances on day to day basis at various levels including visit of portal <ul style="list-style-type: none"> • User Tracking System has been incorporated in CGMS in order to enable HO to keep a track of whether the Grievance Officers are visiting/accessing the portal on day to day basis 2. A separate data field be created for capturing the pendency of grievances on account of non closure by customer <ul style="list-style-type: none"> • Implemented. From the on line system, a statement of grievance which have been resolved but not closed can be generated. 3. A system to be put in place for sending SMS alert to the complainant before finally closing the case. A record of such alert may be maintained in the CGMS. <ul style="list-style-type: none"> • Implemented. |

Royal Sundaram Alliance Insurance Co. Ltd.

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| <p>No. of meetings of the Board Committee for Protection of Policyholders during f/y 2012-13</p> | <p style="text-align: center;">4</p> |
| <p>Actions implemented based on the observations/recommendations of the above Committee</p> | <p>List of actions implemented based on the observations/recommendations of the Policyholders Protection Committee are :</p> <p>1) To ensure that the customer is kept updated in the claim settlement process –</p> <ul style="list-style-type: none"> • We have initiated text message alert at every stage of claim process - acknowledgement about the notification of the claim, appointment of surveyor, stages of the claim settlement process etc. • Call back to the Policyholders, whose cashless requests were repudiated to educate them on the reason for such repudiation and guide them to represent the claim through reimbursement mode. <p>The above initiatives have resulted in reduction of claim settlement TAT significantly and at the same time have helped the customers to track their claims.</p> <p>2) Information about Policy despatch (based on root cause analysis presented to the Committee) –</p> <ul style="list-style-type: none"> • Have initiated the process of sending the text message to customers to their registered mobile numbers about policy despatch. • In case the customer had shifted the address, whereby the policy documents sent are returned unserved, we call these customers and re-despatch the policy to their new address. <p>The above steps have resulted in greater satisfaction and improved service to the customers.</p> <p>3) Policy documents with the inclusion of the new members at the time of renewal were being sent separately, followed by the Health cards. Based on the Root Cause Analysis, we have now started sending both the documents together.</p> <p>This has resulted in better TAT and cost savings.</p> |

4) Based on the IRDA suggestion –

- Consumer education link was provided in our website in July 2012
- Policy Hand books as shared by IRDA were presented and distributed to our customers and agents
- Posters on TATs were displayed in all our operating offices
- Encouraging customers to share bank details so that direct bank transfers of their claim amount can be made, thereby improving the efficiency of payment mechanism.

5) Other Initiatives –

- Motor Claims Team prepared “Road Safety” manual which was freely published to the Public at vantage locations and in different vernacular language
- Feedback mailer sent to all Customers to seek feedback on claims experience
- Consumer Education Articles such as - Claim Settlement, Health and Motor Products – are published via iTalk – an exclusive Blog in our Website.

Shriram General Insurance Co. Ltd.

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| <p>No. of meetings of the Board Committee for Protection of Policyholders during f/y 2012-13</p> | <p>4</p> |
| <p>Actions implemented based on the observations/recommendations of the above Committee</p> | <p>We have initiated following actions to protect the interest of Policyholders:</p> <ol style="list-style-type: none"> 1. Customers are provided with multiple touch points for prompt Grievance redressal through Calls, emails, letters, website and Branches. 2. Toll free no. has been mentioned in Policy Document and Website. 3. Timely responses to the regulator concerns involvement of Senior Management in resolution of Grievances. 4. We send welcome SMS to Insured (who so ever provide us mobile no.) containing information related to Policy No., Vehicle no. and premium. 5. At the time of renewal, we send reminder to the insured before expiry of Policy as per the mobile no. given at the time of policy issuance. 6. Document required for claim settlement are mentioned on our website. |

Star Health and Allied Insurance Co. Ltd.

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| No. of meetings of the Board Committee for Protection of Policyholders during f/y 2012-13 | 4 |
| Actions implemented based on the observations/recommendations of the above Committee | <p>List of actions implemented based on the observation/recommendations of the above Committee.</p> <ul style="list-style-type: none"> • Publication of quarterly Health Megazines covering specific topics on Health • Deputation of our officers to attend meetings conducted by various consumer action groups • Display of policy issue, claims settlement and grievance redressal procedures in all our offices • Publication of the Grievance Redressal Mechanism in our Website |

Tata AIG General Insurance Co. Ltd.

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| <p>No. of meetings of the Board Committee for Protection of Policyholders during f/y 2012-13</p> | <p style="text-align: center;">4</p> |
| <p>Actions implemented based on the observations/recommendations of the above Committee</p> | <p>List of actions implemented based on the observations/recommendations of the PPC committee:</p> <ul style="list-style-type: none"> • Roll out of Customer Portal enabling self-service <p>Features of the Customer Portal include creation of a User Id and the facility to be able to view the details of all the policies held by the user. It also provides the facility to be able to view all the changes and updates that have been carried out on the user's policies.</p> <p>The facility of registering a claim or a service request which was available on the enterprise portal has now been integrated with the newly launched customer portal. Customers can view the status of their claims and service requests by logging onto the portal.</p> <p>A policy holder can now print the duplicate copy her/his policy document by logging onto the portal. S/he may also download, save and use soft copies of the policy document.</p> • New functionalities added on the Enterprise Website: <p>12 new products from our existing products' suite can now be renewed online from our Enterprise Portal without the hassle of writing a cheque and then arranging for it to be deposited in the company.</p> • Steps taken to improve customer engagement: <ol style="list-style-type: none"> I. The Interactive Voice Response (IVR) at the Contact Center has been shortened for quicker response II. HOTLINES have been installed at 12 key branches as one more customer touch point III. The company is now present on Social Networking sites like Facebook to enable interaction with our customers and consumers at large in an informal setting IV. The customers are now sent a SMS text containing the reference number for any request registered via the contact center for a ready reference and hassle free follow-up |

V. An outbound calling process has been initiated to confirm an alternate or correct and complete address to facilitate delivery of undelivered claims' cheques

- **Enhancement of Document delivery mechanism:**

The policy holders of Pvt. Auto are now being sent a soft copy of their policy document via email within 48 hours of policy issuance which is also followed by dispatch of the hard copy

- **Steps taken to make the Grievance Redressal Process efficient:**

We have taken steps and on a continuous basis revised the process of attending to walk-in customers across all our offices thus resolving customer grievances and enhancing customer satisfaction. We have also revised the Grievance Redressal Policy to make it more effective and customer friendly.

- We have initiated the process of an outbound confirmation call to the customer to ensure his agreement and acknowledgement of the resolution of his grievance pertaining to delivery of any document.

The Oriental Insurance Co. Ltd.

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|---|--|
| <p>No. of meetings of the Board Committee for Protection of Policyholders during f/y 2012-13</p> | <p style="text-align: center;">4</p> |
| <p>Actions implemented based on the observations/recommendations of the above Committee</p> | <p>List of actions implemented based on the observations/recommendations of the above Committee:</p> <ul style="list-style-type: none"> - The Committee directed that separate mechanism for resolving Health Insurance grievances should be developed by Health Insurance Dept, HO in consultation with Customer Services Department (CSD), whereby CSD will send the data and Health Insurance Dept. will follow the matter with the concerned TPA: <p>As per the directives of the Committee one Chief Manager rank officer in Health Insurance Dept. has been given the responsibility of looking after all Health Insurance related grievances. CSD is passing on to him such Health Insurance related grievances which require his intervention as well as data on TPA related grievances.</p> <ul style="list-style-type: none"> - Committee insisted on making the monthly CSD reporting more robust and effective to monitor the level of efficiency of the ROs and operating offices in the resolution of grievances: <p>CSD innovated the system of preparing monthly reports of RO wise grievances reported and resolved and introduced the system of measuring the performance of each RO and putting it on a graph, which is called the Grievance Sensitivity Index (GSI) and gives a clear picture of the ROs level of sensitivity towards grievances.</p> |

United India Insurance Co. Ltd.

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|---|---|
| <p>No. of meetings of the Board Committee for Protection of Policyholders during f/y 2012-13</p> | <p style="text-align: center;">4</p> |
| <p>Actions implemented based on the observations/recommendations of the above Committee</p> | <p>Key points:</p> <ol style="list-style-type: none"> 1. The information on the Total number of grievances registered and disposed in UGMS portal, Analysis showing LOB wise, Cause wise, Region wise distribution the grievances were appraised to the Committee. 2. The findings based on the root-cause analysis of grievance reported were summarized and based on their advise, the same was shared with the Departmental heads for necessary corrective measures. 3. Key learnings from Ombudsman's decision were appraised to the Committee and were shared with the Regional heads for sensitizing the employees. 4. Training sessions were organized to the front line officers of the operating office on Customer Service issues and also on the various functionalities of UGMS Portal. 5. The grievance position of the Company was reviewed periodically by the Chief Grievance Officer through video conference with the RO's where the pendency is more. 6. Circulars on the need to adhere to the TAT for service delivery and the effects of non compliance were issued to the Regional heads for sensitizing the employees of the operating office. 7. The information on various products of the Company especially Motor and Health Insurance is made available to the public through our Website. |

Data on Grievances - Life Insurers

1. Cursory glance of registered & 'attended to' Life Complaints for the last 3 years
2. Complaints registered against Life Insurers for the last 3 years - Graphical Presentation
3. Movement of Complaints for 2011-12 & 2012-13
4. Analysis of registered Life Complaints for 2012-13
5. Classification of Life Complaints for the last 2 years Graphical Presentation
6. Analysis of Unfair Business Practice Complaints for the last 2 years
7. ULIP Complaints for the last 3 years - Graphical Presentation
8. State-wise Distribution of Complaints for 2012-13

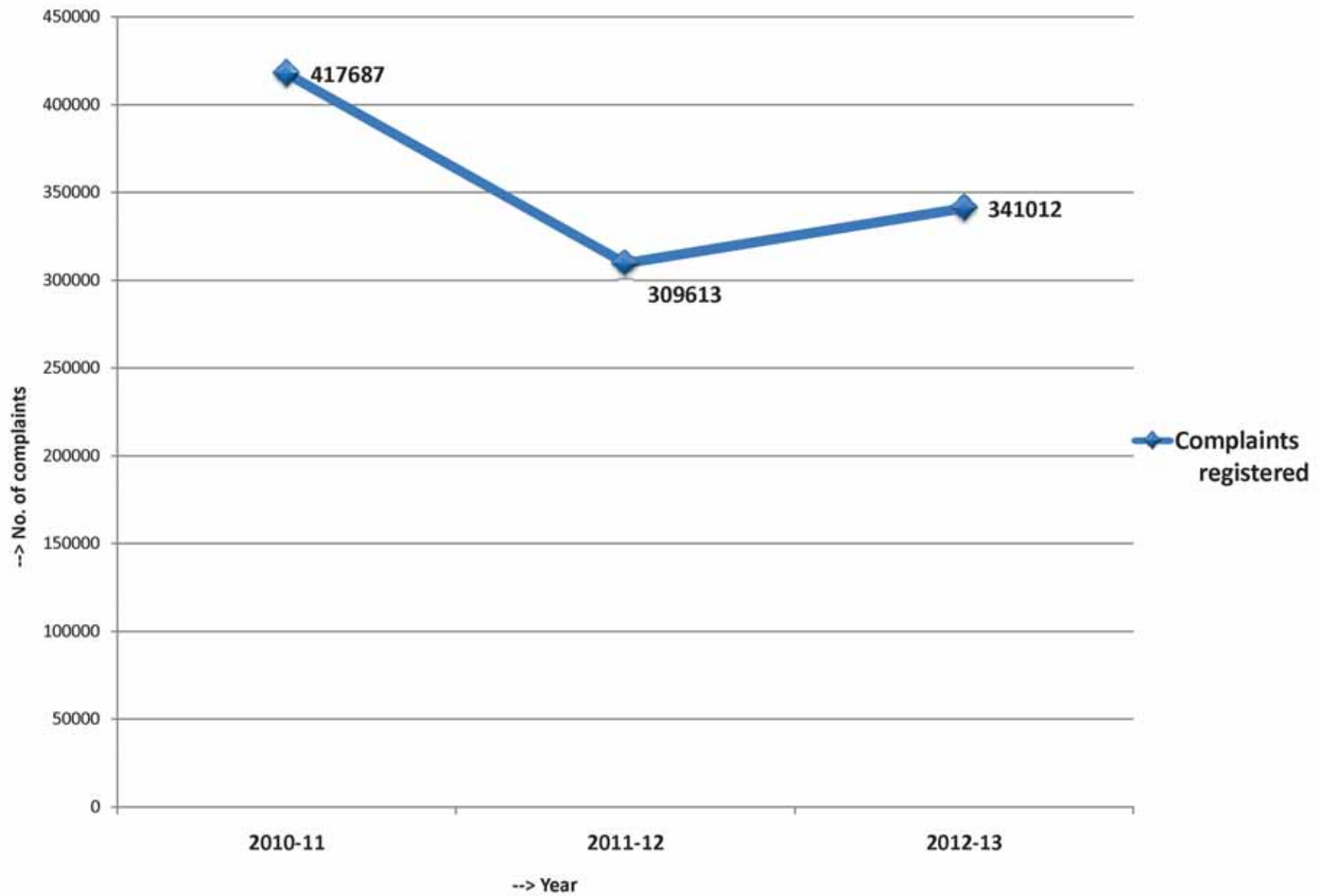


CURSORY GLANCE OF REGISTERED AND ATTENDED TO LIFE COMPLAINTS

| S. No. | Description | 2010-11 | | 2011-12 | | 2012-13 | |
|--------|---|---------------|---------------|---------------|---------------|---------------|---------------|
| | | Registered | Attended to | Registered | Attended to | Registered | Attended to |
| 1 | Complaints registered by Policyholders directly online in IGMS* | - | - | 4871 | 4686 | 7472 | 7383 |
| 2 | Complaints registered through IRDA | 9656 | 9797 | 7292 | 7137 | 16520 | 16485 |
| 3 | Complaints registered by Life Insurers | 408031 | 466400 | 297450 | 296508 | 317020 | 317202 |
| | Total: | 417687 | 476197 | 309613 | 308331 | 341012 | 341070 |

* IGMS implementation since 01.04.2011

COMPLAINTS REGISTERED AGAINST LIFE INSURERS FOR THE LAST THREE YEARS



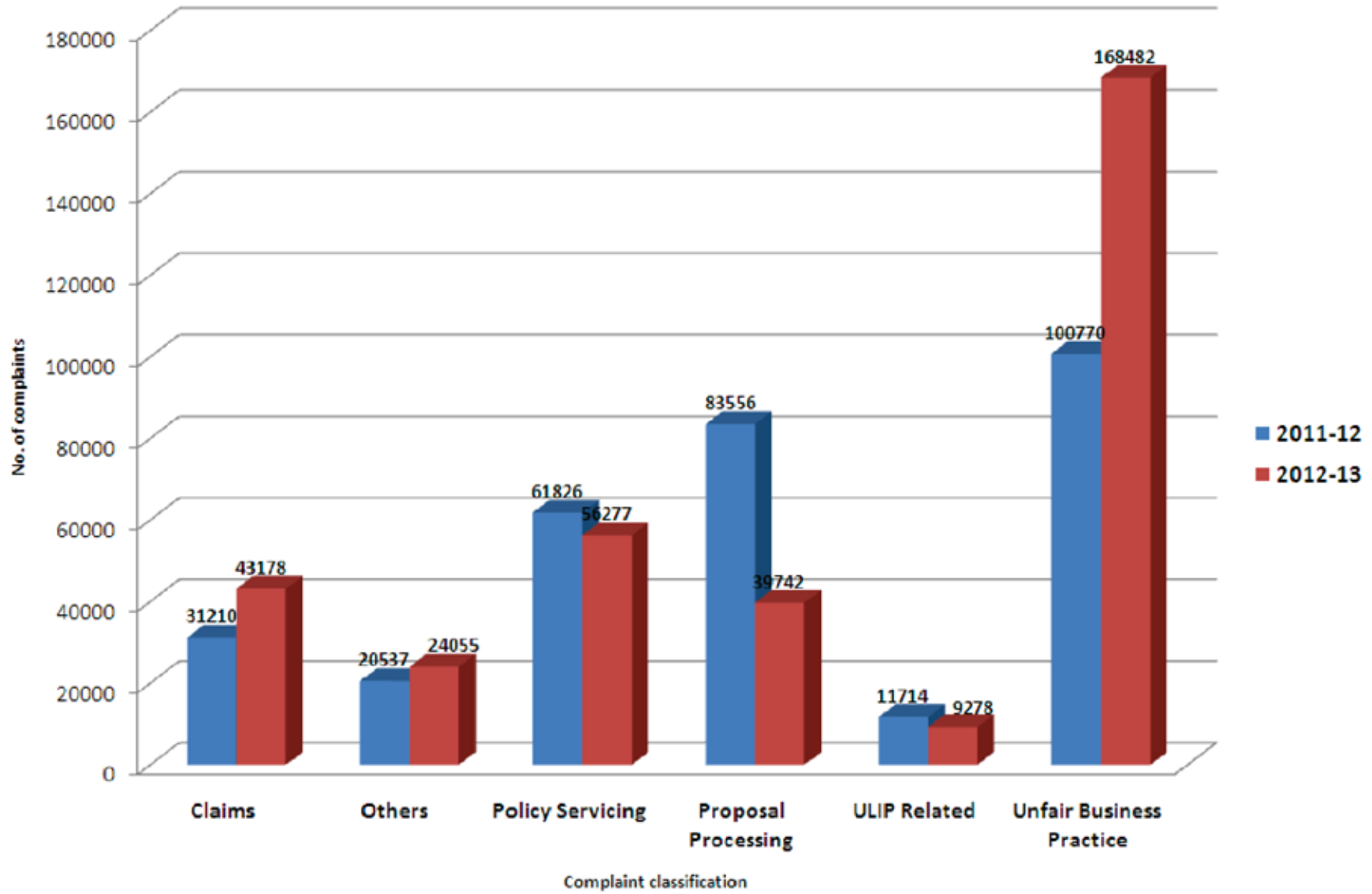
MOVEMENT OF COMPLAINTS - LIFE INSURERS

| S.No | Insurer | 2011-12 | | | 2012-13 | | | |
|------|-----------------------|--------------------------|-----------------------------|--------------------------------|-----------------|--------------------------|-----------------------------|--------------------------------|
| | | Reported during the year | Attended to during the year | Pending at the end of the year | Opening Balance | Reported during the year | Attended to during the year | Pending at the end of the year |
| 1 | LIC | 52300 | 52135 | 165 | 165 | 73034 | 72655 | 544 |
| (i) | Public total: | 52300 | 52135 | 165 | 165 | 73034 | 72655 | 544 |
| 1 | Aegon Religare | 3440 | 2774 | 666 | 666 | 7341 | 7982 | 25 |
| 2 | Aviva | 13520 | 13467 | 53 | 53 | 8948 | 9001 | 0 |
| 3 | Bajaj Allianz | 22390 | 22388 | 2 | 2 | 37092 | 37090 | 4 |
| 4 | Bharti Axa | 7310 | 7285 | 25 | 25 | 7402 | 7374 | 53 |
| 5 | Birla Sun Life | 11911 | 11632 | 279 | 279 | 30430 | 30577 | 132 |
| 6 | Canara HSBC | 5258 | 5256 | 2 | 2 | 5281 | 5281 | 2 |
| 7 | DLF Pramerica | 621 | 619 | 2 | 2 | 1031 | 1000 | 33 |
| 8 | Edleweiss Tokio | 6 | 6 | 0 | 0 | 60 | 59 | 1 |
| 9 | Future Generali | 15667 | 15640 | 27 | 27 | 7580 | 7550 | 57 |
| 10 | HDFC Standard | 35218 | 35205 | 13 | 13 | 50947 | 50814 | 146 |
| 11 | ICICI Prudential | 22016 | 22016 | 0 | 0 | 19759 | 19746 | 13 |
| 12 | IDBI Federal | 502 | 500 | 2 | 2 | 823 | 822 | 3 |
| 13 | India First | 738 | 738 | 0 | 0 | 1199 | 1191 | 8 |
| 14 | ING Vysya | 10498 | 10497 | 1 | 1 | 8744 | 8732 | 13 |
| 15 | Kotak Mahindra | 8850 | 8844 | 6 | 6 | 8725 | 8719 | 12 |
| 16 | Max Newyork | 10362 | 10360 | 2 | 2 | 15899 | 15895 | 6 |
| 17 | PNB MetLife | 2940 | 2940 | 0 | 0 | 3832 | 3825 | 7 |
| 18 | Reliance | 50807 | 50802 | 5 | 5 | 21843 | 21714 | 134 |
| 19 | Sahara | 29 | 29 | 0 | 0 | 29 | 28 | 1 |
| 20 | SBI Life | 18490 | 18482 | 8 | 8 | 18681 | 18678 | 11 |
| 21 | Shriram | 149 | 142 | 7 | 7 | 228 | 235 | 0 |
| 22 | Star Union Daichi | 284 | 283 | 1 | 1 | 432 | 429 | 4 |
| 23 | Tata AIG | 16307 | 16291 | 16 | 16 | 11672 | 11673 | 15 |
| (ii) | Private Total: | 257313 | 256196 | 1117 | 1117 | 267978 | 268415 | 680 |
| | Grand total: | 309613 | 308331 | 1282 | 1282 | 341012 | 341070 | 1224 |

ANALYSIS OF REGISTERED LIFE COMPLAINTS (2012-13)

| S. No | Name of the Insurer | Death Claims | | Others | | Policy Servicing | | Proposal Processing | | Survival Claims | | Unfair Business Practice | | Total | |
|-------|---------------------------|--------------|-------------|--------------|--------------|------------------|--------------|---------------------|--------------|-----------------|--------------|--------------------------|----------------|---------------|---------------|
| | | Non-Linked | ULIP | Non-Linked | ULIP | Non-Linked | ULIP | Non-Linked | ULIP | ULIP related | Non-Linked | ULIP | Non-Linked (A) | ULIP (B) | Total (A+B) |
| 1 | LIC | 1913 | 98 | 15691 | 1364 | 30318 | 1948 | 4643 | 327 | 11645 | 1072 | 2478 | 60 | 66688 | 73034 |
| (i) | Public total: | 1913 | 98 | 15691 | 1364 | 30318 | 1948 | 4643 | 327 | 11645 | 1072 | 2478 | 60 | 66688 | 73034 |
| 1 | Aegon Religare | 21 | 1 | 48 | 1 | 320 | 197 | 122 | 19 | 36 | 29 | 15 | 985 | 6094 | 7341 |
| 2 | Aviva | 21 | 11 | 1274 | 233 | 765 | 354 | 275 | 125 | 283 | 230 | 807 | 154 | 7034 | 8948 |
| 3 | Bajaj Allianz | 1345 | 893 | 197 | 154 | 989 | 816 | 495 | 334 | 3869 | 3870 | 2385 | 196 | 28444 | 37092 |
| 4 | Bharti AXA | 45 | | 52 | 7 | 605 | 3 | 963 | 3 | 169 | 11 | 328 | 2841 | 4209 | 7402 |
| 5 | Birla Sunlife | 87 | 84 | 678 | 554 | 1122 | 1910 | 717 | 565 | 851 | 1632 | 579 | 7120 | 17986 | 30430 |
| 6 | Canara HSBC | 6 | 13 | 9 | 1 | 109 | 829 | 530 | 1700 | 6 | 23 | 181 | 1480 | 1054 | 5281 |
| 7 | DLF Pramerica | 9 | 2 | 33 | 13 | 29 | 25 | 67 | 19 | 4 | | 5 | 50 | 917 | 1031 |
| 8 | Edleweiss Tokio | | | 1 | | 1 | 1 | 7 | 2 | | | | 1 | 56 | 60 |
| 9 | Future Generali | 32 | 6 | 34 | 12 | 21 | 30 | 5181 | 1352 | 11 | 26 | 6 | 280 | 5868 | 7580 |
| 10 | HDFC Standard | 153 | 230 | 860 | 420 | 2851 | 2525 | 3304 | 2191 | 1802 | 1899 | 899 | 13160 | 29623 | 50947 |
| 11 | ICI Prudential | 36 | 30 | 262 | 84 | 225 | 261 | 539 | 229 | 272 | 65 | 865 | 3809 | 14416 | 19759 |
| 12 | IDBI Federal | 24 | 2 | 24 | 2 | 20 | 8 | 23 | 4 | 9 | 7 | 27 | 204 | 569 | 823 |
| 13 | IndiaFirst | 26 | | 6 | 1 | 85 | 13 | 216 | 19 | 28 | 3 | 40 | | 1123 | 1199 |
| 14 | ING Vysya | 35 | 5 | 410 | 203 | 1396 | 514 | 836 | 125 | 1685 | 1764 | 213 | 21 | 5899 | 8744 |
| 15 | Kotak Mahindra | 27 | 5 | 250 | 57 | 137 | 101 | 106 | 24 | 120 | 39 | 150 | 2618 | 5731 | 8725 |
| 16 | Max NewYork | 161 | 55 | 84 | 70 | 1342 | 1613 | 2464 | 1207 | 520 | 2232 | 181 | 1841 | 8700 | 15899 |
| 17 | PNB MetLife | 85 | 31 | 11 | 9 | 60 | 210 | 51 | 62 | 67 | 122 | 218 | 1552 | 1628 | 3832 |
| 18 | Reliance | 213 | 38 | 340 | 119 | 661 | 404 | 2267 | 254 | 548 | 285 | 313 | 14851 | 18880 | 21843 |
| 19 | Sahara | 5 | 1 | | 1 | 3 | 2 | 2 | 1 | 6 | 1 | 1 | 1 | 21 | 29 |
| 20 | SBI Life | 61 | 24 | 199 | 99 | 502 | 433 | 4972 | 2639 | 471 | 689 | 259 | 2070 | 12468 | 16681 |
| 21 | Shri Ram | 4 | 3 | 12 | 8 | 12 | 7 | 9 | | 7 | | 9 | 11 | 190 | 228 |
| 22 | Star Union Datchi | | 4 | 12 | 13 | 29 | 47 | 20 | 15 | 9 | 43 | 16 | 147 | 147 | 432 |
| 23 | Tata AIG | 117 | 81 | 114 | 29 | 1680 | 744 | 529 | 188 | 350 | 325 | 304 | 2447 | 7554 | 11672 |
| (ii) | Private Total: | 2513 | 1519 | 4910 | 2090 | 12964 | 11047 | 23695 | 11077 | 11123 | 13295 | 7801 | 42538 | 178611 | 267978 |
| | Total [(i) + (ii)] | 4426 | 1617 | 20601 | 3454 | 43282 | 12995 | 28338 | 11404 | 22768 | 14367 | 9278 | 42598 | 245299 | 341019 |
| | Grand Total | | 6043 | | 24055 | | 56277 | | 39742 | | 37135 | 9278 | 168482 | | 341012 |

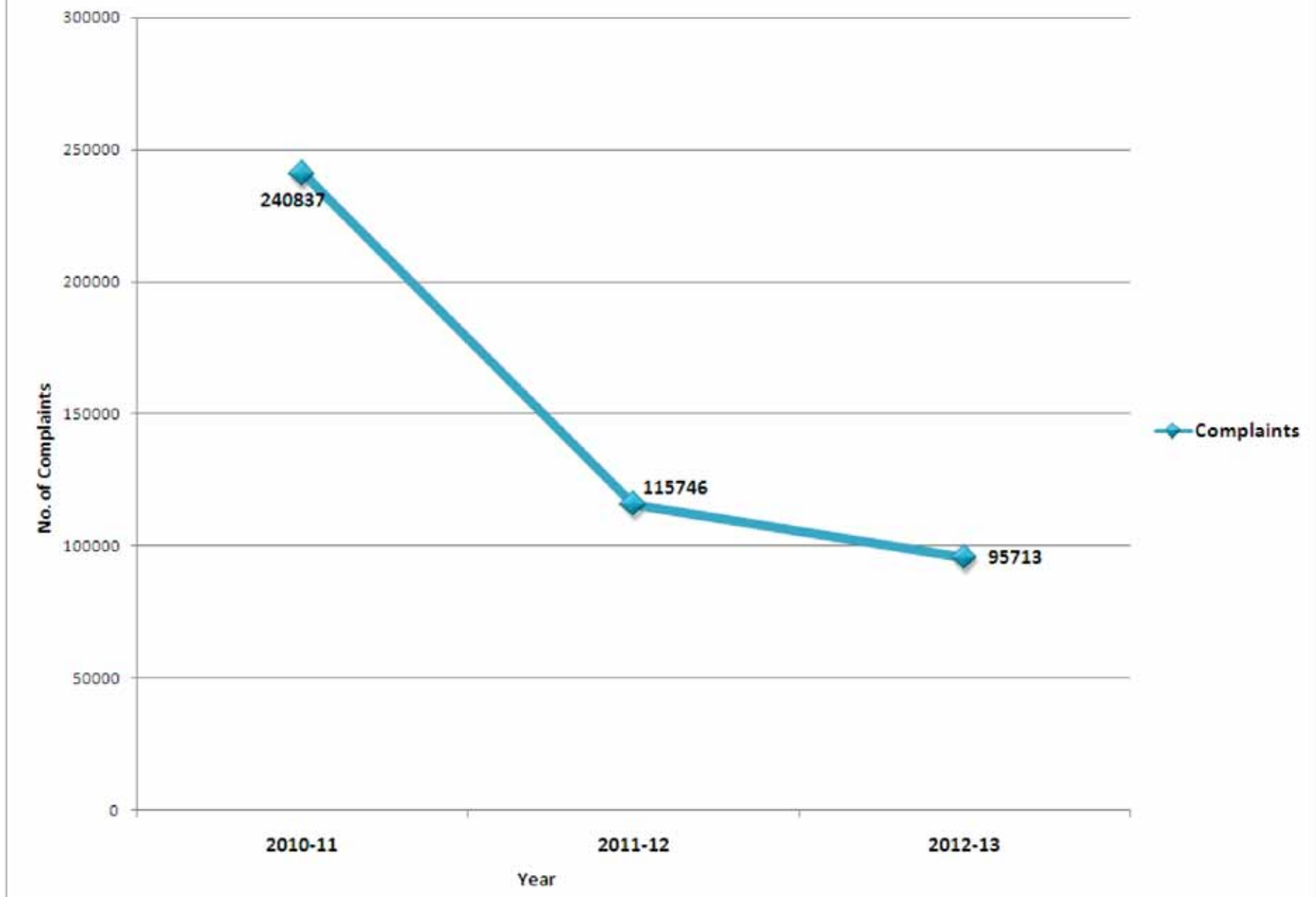
CLASSIFICATION OF LIFE COMPLAINTS FOR THE TWO YEARS



ANALYSIS OF 'UNFAIR BUSINESS PRACTICE' COMPLAINTS FOR THE LAST 2 YEARS

| S. No. | Complaint Description | Conventional | | Health | | Pension | | ULIP | | Others | | Total | |
|--------|---|--------------|--------------|------------|------------|-------------|-------------|--------------|--------------|--------------|-------------|---------------|---------------|
| | | 2012-13 | 2011-12 | 2012-13 | 2011-12 | 2012-13 | 2011-12 | 2012-13 | 2011-12 | 2012-13 | 2011-12 | 2012-13 | 2011-12 |
| 1 | Advice concerning Exclusions/limitations of cover not communicated | 46 | 71 | 7 | 4 | 5 | 6 | 114 | 122 | 16 | 15 | 188 | 218 |
| 2 | Annuity/Commutation/Cash Option /Rider/ other Options not included as requested | 125 | 359 | 1 | 2 | 41 | 42 | 53 | 34 | 21 | 29 | 241 | 466 |
| 3 | Credit/Debit card debited without consent of Consumer | 263 | 139 | 7 | 6 | 10 | 3 | 111 | 106 | 16 | 5 | 407 | 259 |
| 4 | Do Not Call Registry | 244 | 121 | 7 | 0 | 11 | 6 | 342 | 146 | 68 | 78 | 672 | 351 |
| 5 | Free-look refund not paid | 5080 | 3284 | 33 | 60 | 85 | 85 | 4038 | 2350 | 1327 | 464 | 10563 | 6243 |
| 6 | Illegitimate inducements offered | 2277 | 1635 | 7 | 2 | 11 | 33 | 779 | 562 | 286 | 99 | 3360 | 2331 |
| 7 | Intermediary did not provide material information concerning proposed cover | 928 | 614 | 30 | 10 | 38 | 29 | 575 | 793 | 614 | 75 | 2185 | 1521 |
| 8 | Malpractices | 39062 | 20529 | 270 | 296 | 780 | 563 | 19916 | 10961 | 8095 | 2450 | 68123 | 34799 |
| 9 | Misappropriation of premiums | 4154 | 2581 | 51 | 94 | 96 | 74 | 1760 | 2243 | 646 | 377 | 6707 | 5369 |
| 10 | Mode of premium payment differs from requested or disclosed | 698 | 727 | 9 | 12 | 15 | 24 | 371 | 448 | 120 | 99 | 1213 | 1310 |
| 11 | Premium paying period projected is different from actual | 2080 | 2127 | 7 | 38 | 29 | 41 | 1170 | 1624 | 326 | 94 | 3612 | 3924 |
| 12 | Product differs from what was requested or disclosed. | 12082 | 10179 | 146 | 222 | 214 | 292 | 5961 | 7484 | 881 | 498 | 19284 | 18675 |
| 13 | Proposed Insurance not in the interest of proposer | 3980 | 1928 | 23 | 45 | 15 | 26 | 574 | 1809 | 68 | 74 | 4660 | 3882 |
| 14 | Single premium Policy issued as Annual premium policy | 8014 | 4027 | 21 | 10 | 142 | 164 | 2805 | 4040 | 14429 | 569 | 25411 | 8810 |
| 15 | Spurious Calls | - | - | - | - | - | - | - | - | 6339 | 253 | 6339 | 253 |
| 16 | Surrender value projected is different from actual | 559 | 447 | 7 | 3 | 35 | 21 | 819 | 471 | 113 | 75 | 1533 | 1017 |
| 17 | Tampering, Corrections, forgery of proposal or related papers | 8649 | 6186 | 56 | 79 | 84 | 148 | 2730 | 3067 | 682 | 368 | 12201 | 9848 |
| 18 | Term(Period) of the policy is different/ altered without consent | 1143 | 912 | 9 | 5 | 24 | 35 | 480 | 442 | 127 | 100 | 1783 | 1494 |
| | Total | 89384 | 55866 | 691 | 888 | 1635 | 1592 | 42598 | 36702 | 34174 | 5722 | 168482 | 100770 |

ULIP COMPLAINTS FOR THE LAST 3 YEARS



STATE WISE DISTRIBUTION OF COMPLAINTS - LIFE (2012-13)



Data on Grievances - Non-Life Insurers

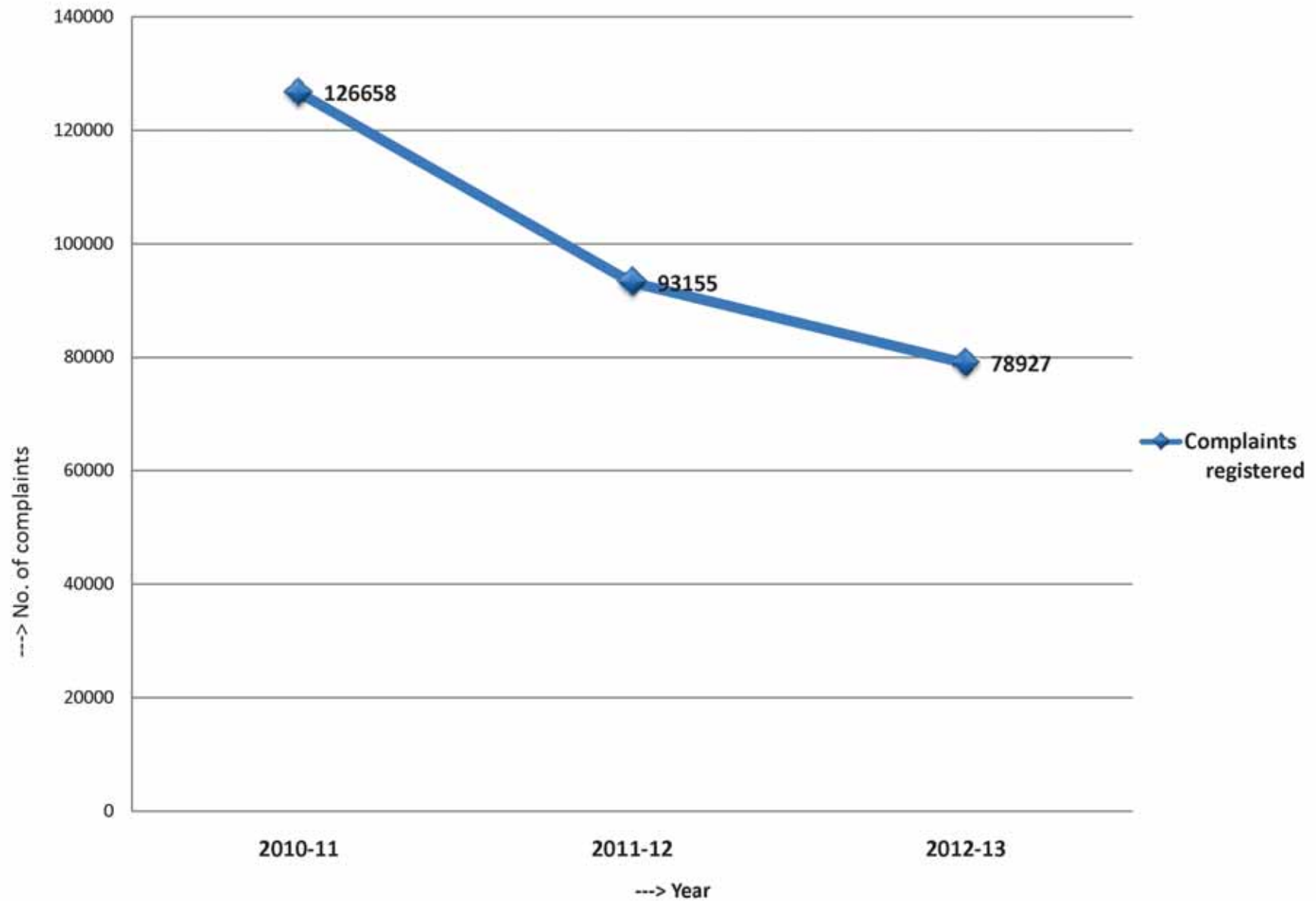
1. Cursory glance of registered & 'attended to' Non-Life Complaints for the last 3 years
2. Complaints registered against Non-Life Insurers for the last 3 years - Graphical Presentation
3. Movement of Complaints for 2011-12 & 2012-13
4. Analysis of registered Non-Life Complaints for 2012-13
5. Classification of Non-Life Complaints for the last 2 years - Graphical Presentation
6. Class-wise Non-Life Industry Complaints for the last 3 years
7. Class-wise Non-Life Complaints for the last 3 years - Graphical Presentation
8. Analysis of Health Insurance Complaints for the last 2 years
9. Analysis of Motor Insurance Complaints for the last 2 years
10. State-wise Distribution of Complaints for 2012-13



CURSORY GLANCE OF REGISTERED AND ATTENDED TO NON-LIFE COMPLAINTS

| S. No. | Description | 2010-11 | | 2011-12 | | 2012-13 | |
|--------|---|------------|-------------|------------|-------------|------------|-------------|
| | | Registered | Attended to | Registered | Attended to | Registered | Attended to |
| 1 | Complaints registered by Policyholders directly online in IGMS* | - | - | 3070 | 2740 | 4305 | 4387 |
| 2 | Complaints registered through IRDA | 5274 | 4401 | 4861 | 4448 | 6486 | 6761 |
| 3 | Complaints registered by Non-Life Insurers | 126658 | 127208 | 85224 | 84372 | 68136 | 68139 |
| | Total: | 131932 | 131609 | 93155 | 91560 | 78927 | 79287 |

* IGMS implementation since 01.04.2011

COMPLAINTS REGISTERED AGAINST NON-LIFE INSURERS FOR THE LAST 3 YEARS

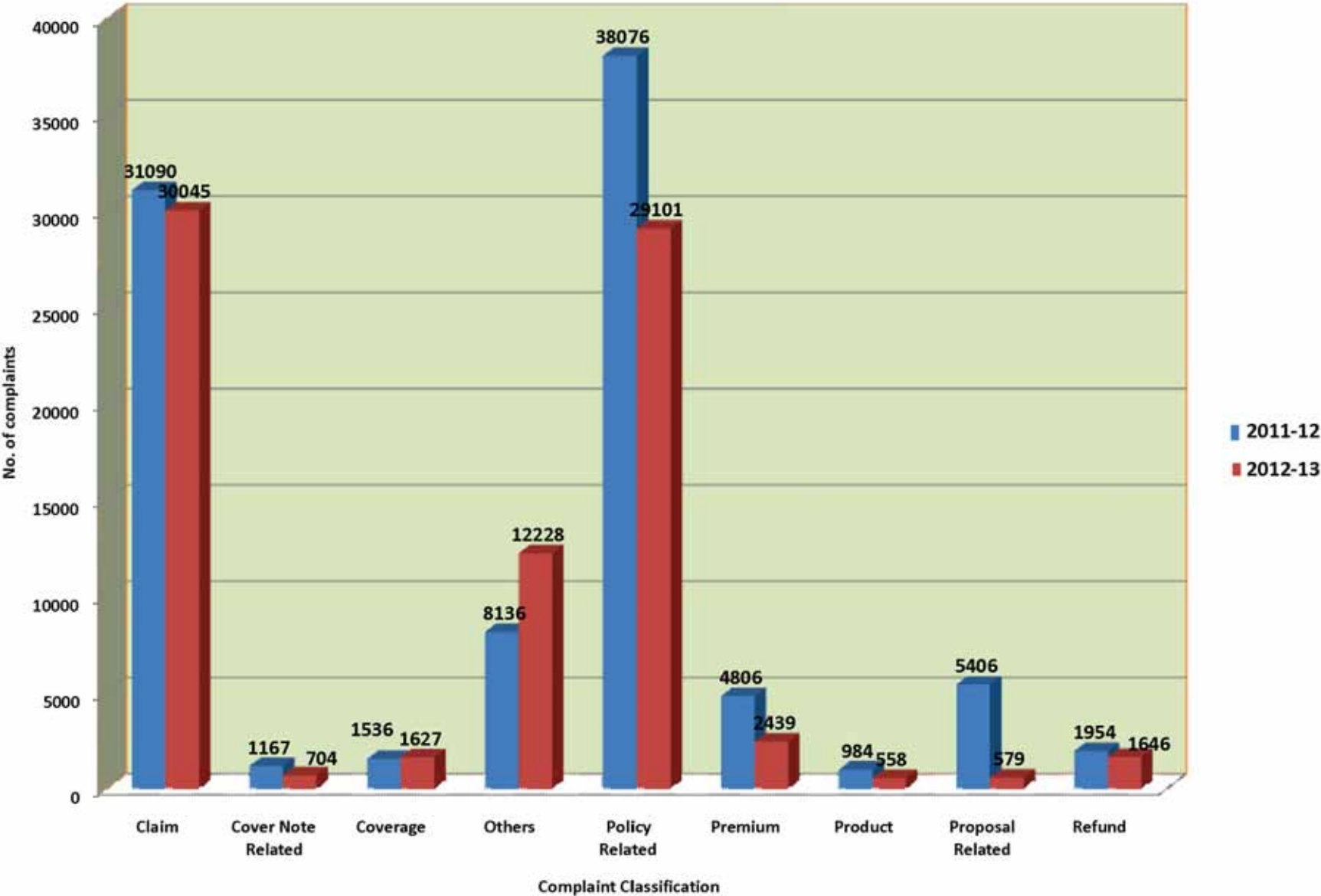
MOVEMENT OF COMPLAINTS - NON LIFE INSURERS

| S.No | Insurer | 2011-12 | | | 2012-13 | | | |
|--------------|---|--------------------------|-----------------------------|--------------------------------|-----------------|--------------------------|-----------------------------|--------------------------------|
| | | Reported during the year | Attended to during the year | Pending at the end of the year | Opening Balance | Reported during the year | Attended to during the year | Pending at the end of the year |
| 1 | Agriculture Insurance* | - | - | - | - | - | - | - |
| 2 | ECGC of India | 63 | 0 | 63 | 63 | 111 | 162 | 12 |
| 3 | National Insurance | 2426 | 1792 | 634 | 634 | 3712 | 3976 | 370 |
| 4 | The New India Assurance | 2035 | 1975 | 60 | 60 | 3022 | 2980 | 102 |
| 5 | The Oriental Insurance | 4391 | 3923 | 468 | 468 | 4663 | 4850 | 281 |
| 6 | United India Insurance | 3743 | 3420 | 323 | 323 | 7108 | 7089 | 342 |
| (i) | Total - PSU insurers | 12658 | 11110 | 1548 | 1548 | 18616 | 19057 | 1107 |
| 1 | Apollo MUNICH Health Insurace | 1117 | 1117 | 0 | 0 | 1183 | 1181 | 2 |
| 2 | Bajaj Allianz General Insurance | 11728 | 11727 | 1 | 1 | 10245 | 10244 | 2 |
| 3 | Bharati Axa General Insurance | 2701 | 2701 | 0 | 0 | 4972 | 4972 | 0 |
| 4 | Cholamandalam MS General Insurance | 10728 | 10725 | 3 | 3 | 3750 | 3748 | 5 |
| 5 | Future Generali India Ins. | 2336 | 2336 | 0 | 0 | 3231 | 3231 | 0 |
| 6 | HDFC ERGO General Insurance | 1917 | 1917 | 0 | 0 | 712 | 711 | 1 |
| 7 | ICICI Lombard General Insurance | 23735 | 23731 | 4 | 4 | 14001 | 13980 | 25 |
| 8 | IFFCO Tokio General Insurance | 4137 | 4137 | 0 | 0 | 3139 | 3135 | 4 |
| 9 | L&T General. Insurance | 103 | 103 | 0 | 0 | 70 | 69 | 1 |
| 10 | Magma HDI General Insurance | - | - | - | - | 1 | 1 | 0 |
| 11 | Max Bupa Health Insurance | 735 | 734 | 1 | 1 | 857 | 851 | 7 |
| 12 | Raheja QBE | 3 | 3 | 0 | 0 | 2 | 2 | 0 |
| 13 | Reliance General Insurance | 9715 | 9682 | 33 | 33 | 7629 | 7602 | 60 |
| 14 | Religare Health Insurance | - | - | - | - | 17 | 16 | 1 |
| 15 | Royal Sundaram Alliance General Insurance | 5884 | 5884 | 0 | 0 | 3383 | 3379 | 4 |
| 16 | SBI General Insurance | 447 | 445 | 2 | 2 | 367 | 359 | 10 |
| 17 | Shriram General Insurance | 169 | 168 | 1 | 1 | 256 | 255 | 2 |
| 18 | Star Health and Allied Insurance | 441 | 440 | 1 | 1 | 596 | 595 | 2 |
| 19 | Tata- AIG General Insurance | 4332 | 4331 | 1 | 1 | 5458 | 5458 | 1 |
| 20 | Universal Sompo General Ins | 269 | 269 | 0 | 0 | 442 | 441 | 1 |
| (ii) | Total Private Insurers | 80497 | 80450 | 47 | 47 | 60311 | 60230 | 128 |
| (iii) | Grand Total [(i)+(ii)] | 93155 | 91560 | 1595 | 1595 | 78927 | 79287 | 1235 |

ANALYSIS OF REGISTERED NON-LIFE COMPLAINTS (2012-13)

| S.No | Name of the Insurer | Claim | | Cover Note Related | | Coverage | | Others | | Policy Related | | Premium | | Product | | Proposal Related | | Refund | | Total | | |
|-------|---|--------------|--------------|--------------------|-------------|-------------|-------------|--------------|-------------|----------------|--------------|-------------|-------------|------------|------------|------------------|-------------|-------------|-------------|--------------|--------------|---------|
| | | 2012-13 | 2011-12 | 2012-13 | 2011-12 | 2012-13 | 2011-12 | 2012-13 | 2011-12 | 2012-13 | 2011-12 | 2012-13 | 2011-12 | 2012-13 | 2011-12 | 2012-13 | 2011-12 | 2012-13 | 2011-12 | 2012-13 | 2011-12 | 2012-13 |
| 1 | Agriculture Insurance* | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 2 | ECGC of India | 83 | 47 | 2 | 0 | 0 | 0 | 17 | 13 | 2 | 1 | 4 | 2 | 0 | 3 | 0 | 0 | 0 | 0 | 111 | 63 | |
| 3 | National Insurance | 2073 | 1525 | 33 | 28 | 25 | 28 | 1138 | 532 | 327 | 225 | 59 | 43 | 5 | 14 | 12 | 37 | 28 | 3712 | 2426 | | |
| 4 | The New India Assurance | 2520 | 1692 | 2 | 1 | 9 | 12 | 190 | 105 | 177 | 151 | 63 | 40 | 3 | 2 | 2 | 56 | 30 | 3022 | 2035 | | |
| 5 | The Oriental Insurance | 2719 | 2648 | 54 | 27 | 38 | 35 | 600 | 615 | 918 | 776 | 225 | 200 | 2 | 20 | 10 | 72 | 78 | 4663 | 4391 | | |
| 6 | United India Insurance | 4205 | 2555 | 105 | 42 | 70 | 32 | 976 | 377 | 1219 | 540 | 352 | 105 | 11 | 9 | 44 | 21 | 126 | 62 | 7108 | 3743 | |
| (i) | Total - PSU insurers | 11600 | 8467 | 196 | 98 | 142 | 107 | 2921 | 1642 | 2643 | 1693 | 703 | 390 | 37 | 18 | 83 | 45 | 291 | 198 | 18616 | 12658 | |
| 1 | Apollo MUNICH Health Insurance | 462 | 275 | 16 | 16 | 56 | 0 | 168 | 98 | 385 | 532 | 6 | 26 | 35 | 47 | 34 | 60 | 37 | 63 | 1183 | 1117 | |
| 2 | Bajaj Allianz General Insurance | 1953 | 2057 | 103 | 239 | 111 | 83 | 2629 | 392 | 4531 | 7994 | 215 | 312 | 14 | 34 | 183 | 249 | 506 | 368 | 10245 | 11728 | |
| 3 | Bharati Axa General Insurance | 1547 | 972 | 160 | 36 | 27 | 13 | 196 | 161 | 2807 | 1371 | 56 | 40 | 26 | 26 | 16 | 29 | 137 | 53 | 4972 | 2701 | |
| 4 | Cholamandalam MS General Insurance | 1841 | 4537 | 49 | 15 | 1764 | 8 | 35 | 128 | 1764 | 5807 | 6 | 30 | 22 | 65 | 4 | 9 | 29 | 129 | 3750 | 10728 | |
| 5 | Future Generali India Ins. | 1559 | 880 | 67 | 47 | 6 | 4 | 250 | 189 | 1246 | 1143 | 25 | 18 | 29 | 24 | 37 | 17 | 12 | 14 | 3231 | 2336 | |
| 6 | HDFC ERGO General Insurance | 474 | 457 | 38 | 45 | 3 | 5 | 83 | 132 | 83 | 1183 | 16 | 4 | 3 | 5 | 7 | 65 | 5 | 21 | 712 | 1917 | |
| 7 | ICICI Lombard General Insurance | 2180 | 3884 | 25 | 582 | 210 | 825 | 2468 | 2510 | 7709 | 6809 | 1016 | 3252 | 55 | 437 | 85 | 4796 | 253 | 640 | 14001 | 23735 | |
| 8 | IFFCO Tokio General Insurance | 1427 | 1791 | 26 | 9 | 19 | 15 | 225 | 338 | 1341 | 1905 | 43 | 32 | 4 | 3 | 7 | 3 | 47 | 41 | 3139 | 4137 | |
| 9 | L&T General Insurance | 35 | 28 | 4 | 0 | 1 | 1 | 4 | 4 | 22 | 68 | 2 | 2 | 0 | 0 | 1 | 0 | 2 | 0 | 70 | 103 | |
| 10 | Magma HDI General Insurance | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 1 | - | - | - | 1 | 0 | |
| 11 | Max Bupa Health Insurance | 221 | 72 | 0 | 0 | 9 | 25 | 124 | 174 | 87 | 124 | 14 | 11 | 280 | 208 | 66 | 90 | 56 | 31 | 857 | 735 | |
| 12 | Rohaja OBE | - | 0 | - | 1 | - | 0 | 2 | 0 | - | 1 | - | 0 | - | - | - | 1 | - | 0 | 2 | 3 | |
| 13 | Reliance General Insurance | 4225 | 5746 | 27 | 76 | 4 | 5 | 1722 | 1321 | 1554 | 2370 | 46 | 49 | 29 | 97 | 10 | 10 | 12 | 41 | 7629 | 9715 | |
| 14 | Religare Health Insurance | 5 | - | - | - | - | - | - | - | 5 | - | - | - | - | - | 5 | - | 2 | - | 17 | 0 | |
| 15 | Royal Sundaram Alliance General Insurance | 717 | 709 | 1 | 0 | 2 | 10 | 411 | 507 | 1991 | 4109 | 177 | 423 | 3 | 13 | 7 | 1 | 74 | 112 | 3383 | 5884 | |
| 16 | SBI General Insurance | 58 | 9 | 0 | 0 | 2 | 4 | 35 | 14 | 255 | 408 | 4 | 6 | 2 | 3 | 1 | 1 | 11 | 2 | 367 | 447 | |
| 17 | Shriram General Insurance | 205 | 127 | 2 | 0 | 1 | 0 | 11 | 6 | 31 | 26 | 1 | 1 | 1 | 0 | 1 | 2 | 3 | 7 | 256 | 169 | |
| 18 | Star Health and Allied Insurance | 434 | 342 | 0 | 0 | 2 | 4 | 65 | 36 | 51 | 42 | 28 | 11 | 3 | 0 | 4 | 3 | 9 | 3 | 596 | 441 | |
| 19 | Tata-AIG General Insurance | 1019 | 688 | 6 | 3 | 1032 | 427 | 865 | 465 | 2261 | 2308 | 78 | 188 | 13 | 4 | 27 | 23 | 157 | 226 | 5458 | 4332 | |
| 20 | Universal Sampo General Ins | 83 | 49 | 0 | 0 | 1 | 0 | 14 | 19 | 335 | 183 | 3 | 11 | 2 | 2 | 1 | 2 | 3 | 5 | 442 | 269 | |
| (ii) | Total Private Insurers | 18445 | 22623 | 508 | 1069 | 1485 | 1429 | 9307 | 6494 | 26458 | 36383 | 1736 | 4416 | 521 | 966 | 496 | 5361 | 1355 | 1756 | 60311 | 80497 | |
| (iii) | Grand Total [(i)+(ii)] | 30045 | 31090 | 704 | 1167 | 1627 | 1536 | 12228 | 8136 | 29101 | 38076 | 2439 | 4806 | 558 | 984 | 579 | 5406 | 1646 | 1954 | 78927 | 93155 | |

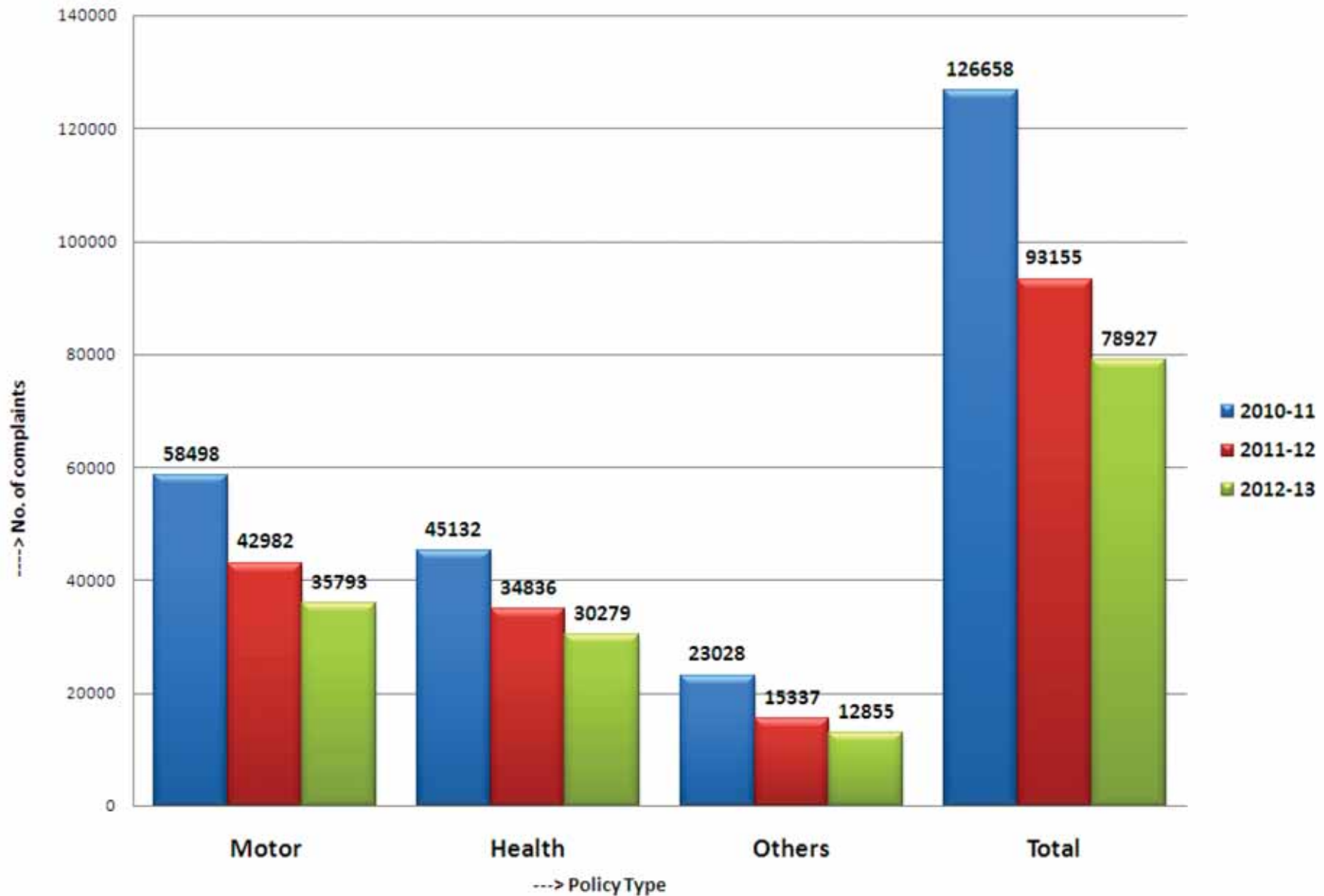
CLASSIFICATION OF NON-LIFE COMPLAINTS FOR THE TWO YEARS



CLASS-WISE NON-LIFE INDUSTRY COMPLAINTS FOR THE LAST THREE YEARS

| S.No. | Sector of Insurance | 2010-11 | 2011-12 | 2012-13 |
|--------------|----------------------------|----------------|----------------|----------------|
| 1 | Motor | 58498 | 42982 | 35793 |
| 2 | Health | 45132 | 34836 | 30279 |
| 3 | Others | 23028 | 15337 | 12855 |
| | Total: | 126658 | 93155 | 78927 |

CLASS WISE NON-LIFE COMPLAINTS - TREND FOR 3 YEARS



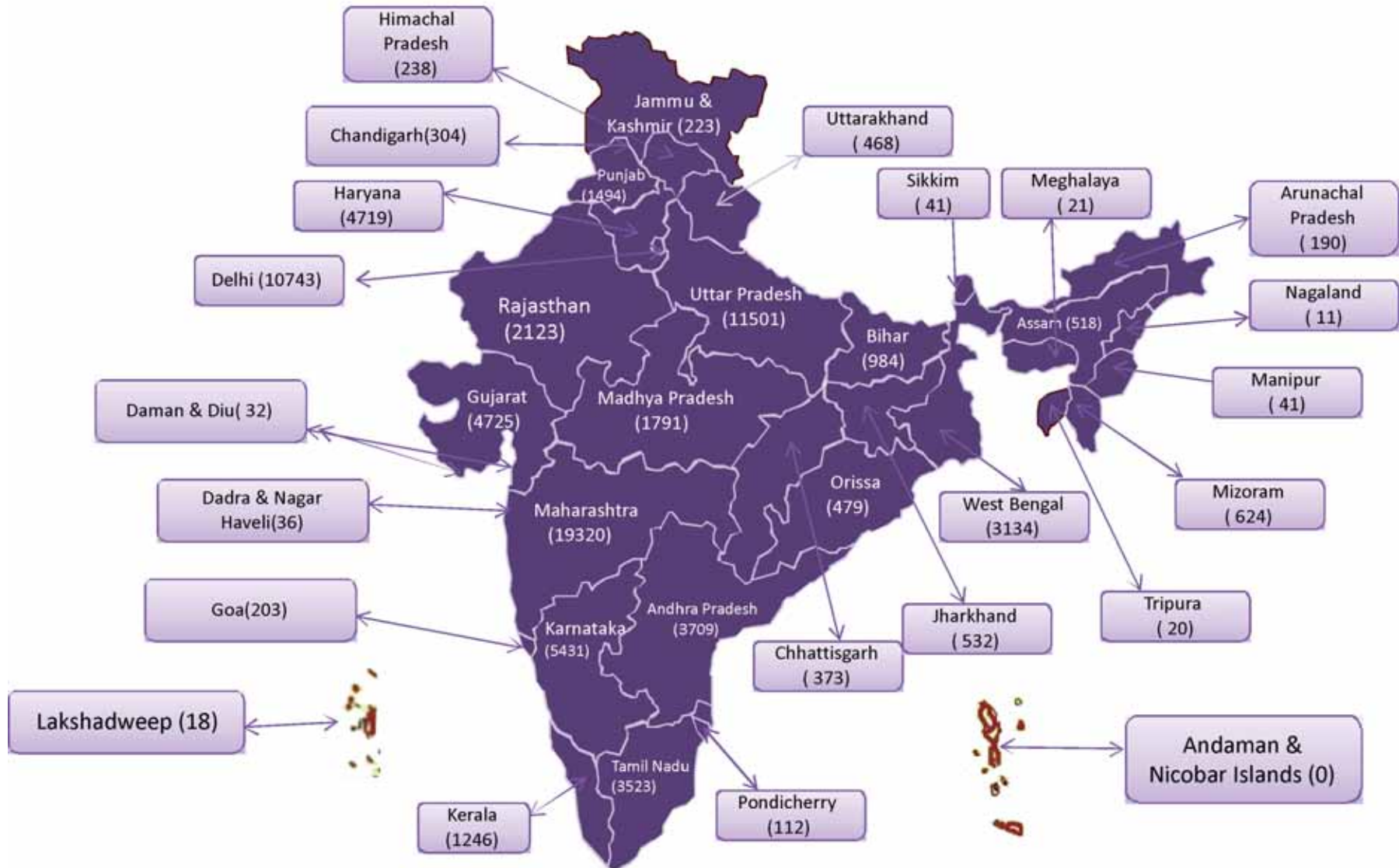
ANALYSIS OF HEALTH INSURANCE COMPLAINTS FOR THE LAST TWO YEARS

| S.No | | 2012-13 | 2011-12 |
|------|---|--------------|--------------|
| 1 | Delay in settlement of claim | 6591 | 7361 |
| 2 | Policy bond / Endorsement for modification of policy not received | 4851 | 7281 |
| 3 | Details shown in policy & Details incomplete in the policy | 2759 | 3489 |
| 4 | Repudiation of claim | 2323 | 2403 |
| 5 | Dispute in quantum of claim | 2667 | 1919 |
| 6 | Others | 11088 | 12383 |
| | Total | 30279 | 34836 |

ANALYSIS OF MOTOR INSURANCE COMPLAINTS FOR THE LAST TWO YEARS

| S.No | | 2012-13 | 2011-12 |
|------|---|--------------|--------------|
| 1 | Policy bond / Endorsement for modification of policy not received | 5997 | 9132 |
| 2 | Delay on settlement of claim | 12137 | 8423 |
| 3 | Dispute in claim/quantum of claim | 2152 | 3379 |
| 4 | Details show in policy or Add-on are incorrect | 1688 | 2982 |
| 5 | Others | 13819 | 19066 |
| | Total | 35793 | 42982 |

STATE WISE DISTRIBUTION OF COMPLAINTS– NON LIFE (2012-13)



Data on Grievances - Insurance Ombudsman

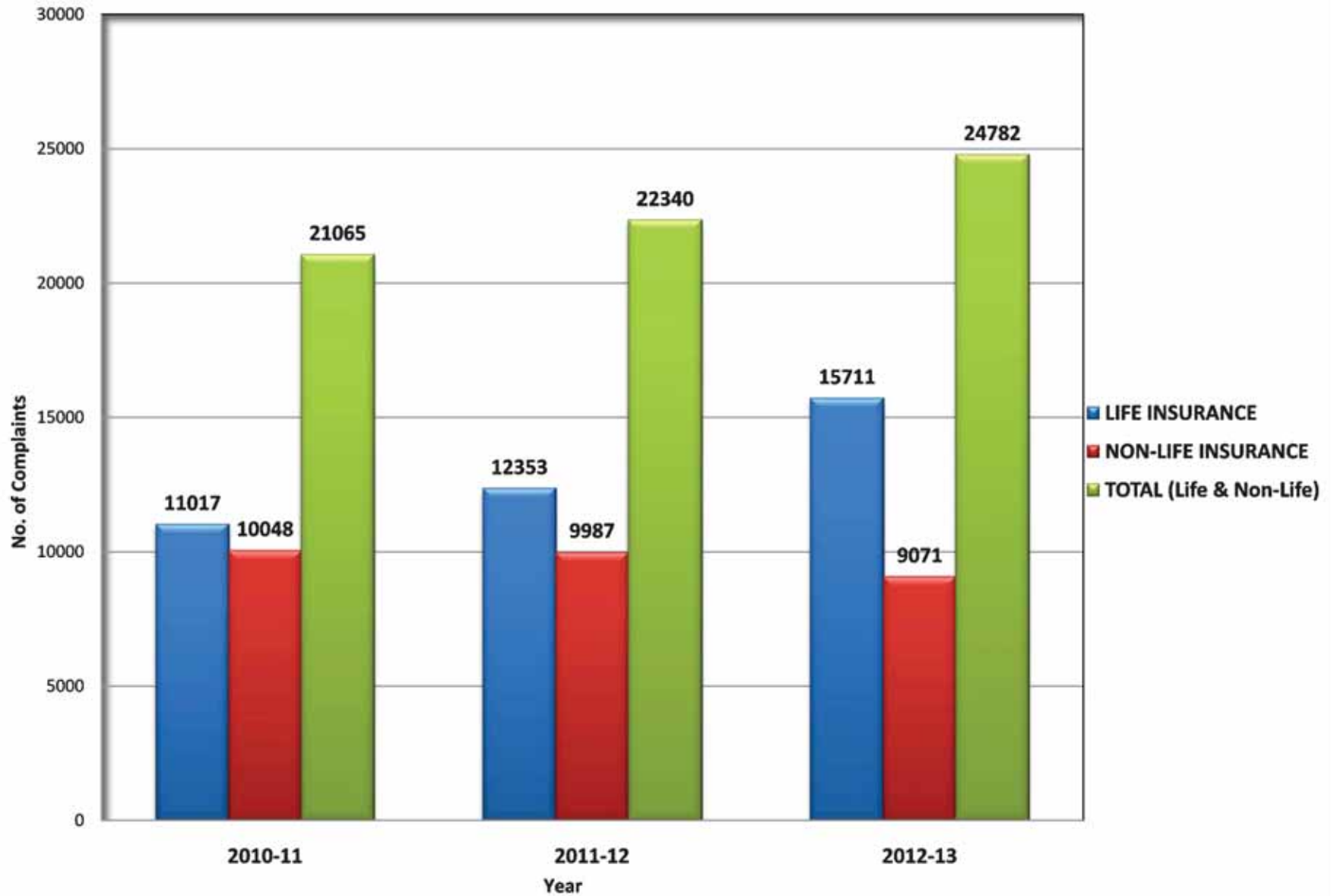
1. Cursory glance of Complaints received for the last 3 years
2. Complaints received for the last 3 years - Graphical Presentation
3. Disposal of Complaints for 2011-12 and 2012-13
4. Classification for Complaints received for 2011-12 and 2012-13
- Graphical Presentation



COMPLAINTS RECEIVED BY THE INSURANCE OMBUDSMEN - CURSORY GLANCE

| Insurance Type | 2010-11 | 2011-12 | 2012-13 |
|------------------------------------|----------------|----------------|----------------|
| LIFE INSURANCE | 11017 | 12353 | 15711 |
| NON-LIFE INSURANCE | 10048 | 9987 | 9071 |
| TOTAL (Life & Non-Life) | 21065 | 22340 | 24782 |

COMPLAINTS RECEIVED BY THE OMBUDSMEN

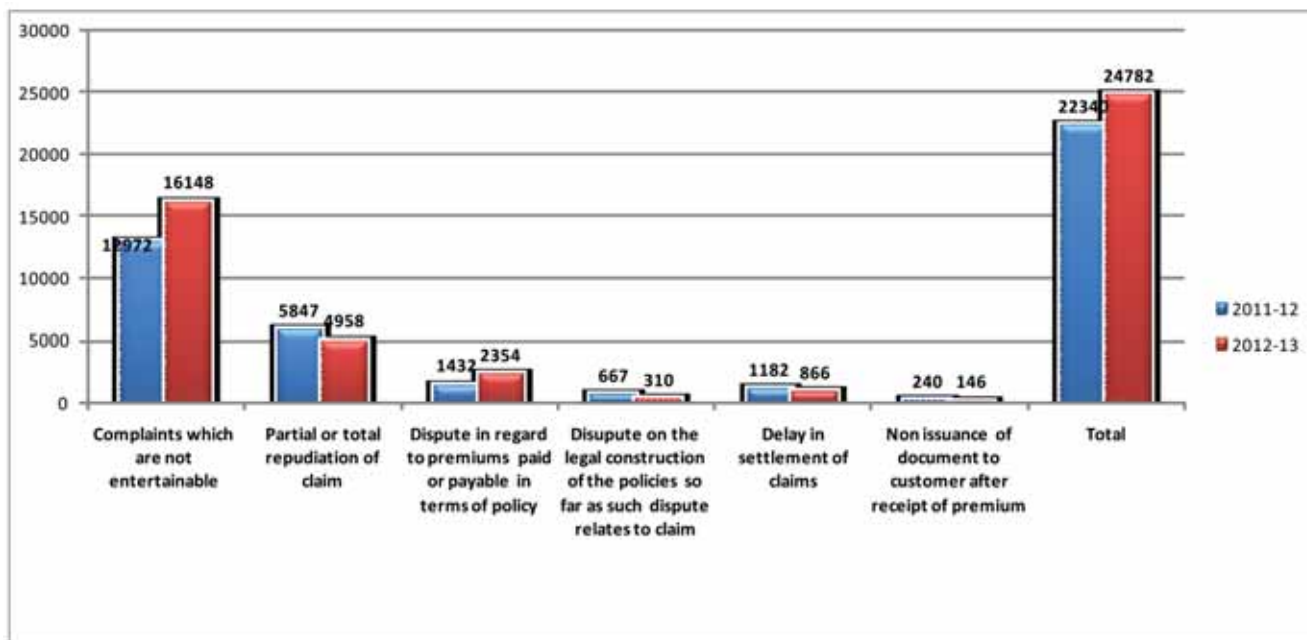


DISPOSAL OF COMPLAINTS BY THE INSURANCE OMBUDSMEN

| Particulars | 2011-12 | | | | 2012-13 | | | |
|---|-------------------------|--------------|--------------|-------------------------|-------------------------|--------------|--------------|-------------------------|
| | O/S as on 01.04.2011 | Received | Disposed | O/S as on 31.03.2012 | O/S as on 01.04.2012 | Received | Disposed | O/S as on 31.03.2013 |
| 1. Against Life & General Insurers | 6021 | 22340 | 21185 | 7176 | 7176 | 24782 | 23357 | 8601 |
| 2. Against Life Insurers | 2343 | 12353 | 11850 | 2846 | 2846 | 15711 | 14673 | 3884 |
| 3. Against General Insurers | 3678 | 9987 | 9335 | 4330 | 4330 | 9071 | 8684 | 4717 |

CLASSIFICATION OF COMPLAINTS RECEIVED BY THE INSURANCE OMBUDSMEN (Life & General Insurers)

| Year | Complaints which are not entertainable | Partial or total repudiation of claim | Dispute in regard to premiums paid or payable in terms of policy | Dispute on the legal construction of the policies so far as such dispute relates to claim | Delay in settlement of claims | Non issuance of document to customer after receipt of premium | Total |
|---------|--|---------------------------------------|--|---|-------------------------------|---|-------|
| 2011-12 | 12972 | 5847 | 1432 | 667 | 1182 | 240 | 22340 |
| 2012-13 | 16148 | 4958 | 2354 | 310 | 866 | 146 | 24782 |



New Regulation for Standard Proposal Form for Life Insurers



INSURANCE REGULATORY AND DEVELOPMENT AUTHORITY

NOTIFICATION

Hyderabad, the 16th February, 2013

Insurance Regulatory and Development Authority (Standard Proposal Form for Life Insurance) Regulations, 2013

F. No. IRDA/Reg./10/68/2013.—In exercise of the powers conferred by Sections 14 (2) (b) of IRDA Act, 1999 (Act 41 of 1999) and 114 (A) (zc) and (zd) of the Insurance Act, 1938 (4 of 1938), the Authority, in consultation with the Insurance Advisory committee, hereby makes the following regulations, namely :—

Chapter I: Introductory

1. Short title and commencement

- (1). These regulations may be called the **IRDA Regulations for Standard Proposal Form for Life Insurance, 2013.**
- (2). They shall come into force on the date of their publication in the official gazette.

2. Definitions

In these regulations, unless the context otherwise requires,

- (1). **'Act'** means the Insurance Act, 1938 (4 of 1938)
- (2). **'Recommendation'** means advice provided by an agent or bancassurance or broker or an insurer where no agent or broker is involved, to an individual consumer that results in a purchase of a life insurance policy in accordance with that advice.
- (3). **'Suitability'** means a determination based on information provided in the standard proposal form that, based upon a particular prospect's risk profile, financial situation, and investment objectives, a product is appropriate for that prospect..
- (4). **'Suitability information'** means information that is reasonably appropriate to determine the suitability of a recommendation as provided for in the standard proposal form.
- (5). **'Standard Proposal Form'** means Standard Proposal form format as attached to these Regulations as Annexure A consisting of four parts, namely (A). Details of the prospect (B). Specialized/Additional information. (C). Suitability Analysis (D). Recommendation, apart from the standard declarations to which no additions or deletions shall be made, where Section A and D are standard and mandatory, Section B may be modified as required and Section D is standard and highly recommended or such form as may be prescribed by the Authority from time to time.
- (6). **All words and expressions used herein** and not defined but defined in the Insurance Act, 1938 (4 of 1938), or in the Insurance Regulatory and Development Authority Act, 1999 (41 of 1999), or in any Rules or Regulations made thereunder, shall have the meanings respectively assigned to them in those Acts or Rules or Regulations.

3. Objective

The Objective of these Regulations is to provide for a standard proposal form for individual policies in Life Insurance that has an inbuilt flexibility for seeking additional / specialized information that is product specific or specific to a particular risk category, with a view to ensuring that it takes into consideration all relevant questions that are required to understand the need for a particular product and make a recommendation to the prospect bringing in transparency and thereby protecting the prospect's interests.

4. Complementarity

These regulations are complementary to the provisions relating to the proposal form provided for under the law, rules and regulations, in particular Section 45 and 51 of the Insurance Act, 1938, Regulations 7 (d) and 4 of the IRDA Regulations for protection of Policyholders' Interests, 2002 and Rule 12 of the Insurance Rules, 1939.

Chapter II: Obligations

5. Applicability and Scope

- (1). These Regulations apply to all individual policies issued by life insurance companies, irrespective of the segment and type of product.
- (2). The obligations under these Regulations apply to Insurers and Intermediaries as defined therein.

6. Standard Proposal Form

- (1). It shall be mandatory for all life insurance companies to adopt the Standard Proposal Form.
- (2). A separate form is to be collected for each individual life proposed.

7. Determination of Suitability:

- (1). An Insurer or Agent or Bancassurance or Broker or the insurer's employees where direct sales are involved, shall make reasonable efforts to obtain a consumer's 'suitability information' prior to making a recommendation.
- (2). Based on the suitability of information gathered from the prospect, the Insurer or Agent or Bancassurance or Broker or the insurer's employees where direct sales are involved, must have reasonable grounds to believe that the product being recommended to the prospect is suitable for him / her.
- (3). In recommending the purchase of a life insurance product, the Insurer or Agent or Bancassurance or Broker or the insurer's employees where direct sales are involved, shall ensure the following:
 - (a). The prospect has been informed of the products available and the details of the features of the particular product being recommended. This would include but not be limited to the benefits, various charges such as surrender charge, administration charge and all other charges as applicable, market risks etc. – in other words all relevant features of the product necessary for the prospect to make an informed decision.
 - (b). The Insurer or Agent or Bancassurance or Broker or the insurer's employee where direct sale is involved, believes that a particular product would suit the needs of the prospect.

8. Insurers to establish supervisory procedures:

- (1). An insurer shall establish a supervision system that is designed to achieve compliance with these guidelines including but not limited to the following:
 - (a). The insurer shall maintain procedures to inform Agents, Bancassurance, Brokers or and its employees where direct sales are involved, of the requirements of these guidelines and of the need to collect the standard proposal form/s for the purpose of suitability analysis and making a Recommendation.
 - (b). The Agents, Bancassurance, Brokers and its employees where direct sales are involved, shall be adequately trained to determine suitability.
 - (c). The insurer shall maintain procedures for review of each recommendation prior to issuance of a product that is designated to ensure that there is a reasonable basis to determine that a recommendation is suitable. Such review procedures shall include a screening system for the purpose of identifying selected sale transactions for a detailed review. Such review may be accomplished electronically or through other means including but not limited to physical review.
 - (d). The insurer shall maintain procedures to detect recommendations that are not suitable. This may include, but not limited to confirmation of suitability information, systematic consumer surveys, verification calls or interviews, confirmation letters and programs of internal monitoring. An insurer may apply sampling procedures for confirming suitability information after issuance or delivery of the product.



9. Record Keeping:

- (1). Insurers, Agents, Bancassurance or Brokers shall maintain and make available to the Authority for inspection or whenever called for by the Authority, records of information collected from the prospect and other information used in making the recommendations that were the basis for insurance transactions for five years after the insurance transaction is completed by the insurer when required by the Authority.
- (2). The records may be maintained in physical or electronic form or any process that accurately reproduces the actual document and can stand legal scrutiny.

10. Training

Agents, Bancassurance and the insurer's employees where direct sales are involved shall be adequately trained on seeking information for suitability analysis. Brokers shall also be given the necessary inputs for sale of the products of a particular insurer. Further, insurer shall ensure that Agents, Bancassurance, Brokers and direct sales personnel are given thorough training regarding the various specific products of the insurance company.

Chapter III: Implementation

11. Compliance Date

The date of implementation of the obligations under Regulations 5,6,7,8,9 & 10 shall be from the date following six calendar months from the date of publication of these Regulations in the official gazette.

Chapter IV: Miscellaneous

12. Power to remove difficulties

If any difficulty arises in giving effect to the provisions of these Regulations, the Authority may, by order, make such provisions or give such directions not inconsistent with the provisions of these Regulations as may appear to be necessary or expedient for the removal of the difficulty.

J. HARI NARAYAN, Chairman

[ADVT. III/4/161/12/Exty.]

ANNEXURE A

STANDARD PROPOSAL FORM FOR LIFE INSURANCE

Name of the Insurance Company :
 Servicing Branch Name :
 Complete Address of Servicing Branch :
 Agency / Broker Name and contact details :
 License No. & Validity Details :

Affix latest
passport size
photograph
here

| | |
|----------------------------|--|
| Name of the Product | |
| Sum Assured | |



| | |
|---|--|
| Term of the Product | |
| Premium Paying Term | |
| Premium Payment Mode (One time/Annual/Half Yearly/Quarterly etc.) | |
| <p>_____</p> <p>(Signature of Proposer) (Signature of Agent/Broker/Bancassurance) (Signature of Insurer)*</p> | |

*At the time of acceptance of proposal

Instructions for Proposer: Please follow these carefully

1. It is necessary for the proposer to fill up this proposal form himself/herself and not allow an intermediary or any third party to do it. However, in case the proposer is not in a position to do so or the details are filled in by the proposer in vernacular, he/she must ensure that the details filled in are read out to him/her and that they are understood by him/her. He/she must make a declaration to this effect as indicated in **Section D** of this form.
2. Please read all the questions carefully and fill up the details truthfully.
3. Please ensure that you affix your signatures in all the places as required. In certain places more than one signature is required. This is in your own interest
4. Wherever the intermediary (Agent/Bancassurance/Broker) is required to sign, please ensure that the same has been done by him/her.
5. This form contains 4 sections namely **Section A**: Contains the Details of Proposer which is mandatory, **Section B**: Contains Specialised/Additional Information which may vary based on the product, **Section C**: Contains Suitability Analysis which is highly recommended and **Section D**: Product Proposed which is mandatory.
6. For proposer and each life assured, separate forms to be submitted.
7. Signature/ of life assured and/or proposer sought twice in his/her interest.

Instructions to Intermediary (Agent/Bancassurance/Broker): Please follow these carefully

1. It is highly recommended that the proposer is advised by you to give information required for Suitability Analysis as per **Section C** of the form, in his/her own interest.
2. Please ensure that the product recommended suits the needs of the proposer.
3. Do not fill up the proposal form or any column of the form on behalf of the proposer even if requested to do so.
4. Please ensure that you affix your signatures wherever required in the form.
5. Please ensure that for proposer and each life assured, separate forms are collected.

SECTION A: DETAILS OF PROPOSER and/or LIFE ASSURED

(Mandatory)

| 1. Personal Details | |
|---|--------|
| a. Name | |
| b. Spouse's Name | |
| c. Father's Name | |
| d. Mother's Name | |
| e. Gender | |
| f. Date of birth | |
| g. Age Proof | |
| h. Identification marks | |
| i. Address for Communication | |
| j. Permanent Address | |
| k. Address Proof (Electricity Bill/ Telephone Bill/Ration Card)* | |
| l. Telephone (Landline/Mobile) | |
| m. E-mail id | |
| n. Marital status | |
| o. Nationality | |
| p. Education Qualifications | |
| q. Habits impacting health adversely | |
| (i). Smoking/other tobacco related habits | Yes/No |
| a) If Yes, whether occasionally or frequently | |
| (ii). Consuming Alcohol | Yes/No |
| b) If Yes, whether occasionally or frequently | |
| (iii). Drug Abuse | Yes/No |
| r. Habits having a positive impact on health | Yes/No |
| (i). If Yes, specify details | |

(* Any one to be submitted)

| 2. Identification Proof * | |
|---|--|
| a. PAN Number | |
| b. Aadhaar Number | |
| c. Ration Card/ Driving License/ Passport Number | |

(* Any one to be submitted)

| 3. Family details | | | | | |
|----------------------------------|---|---|---|---|---|
| a. Number of dependants | | | | | |
| b. Details of dependants | 1 | 2 | 3 | 4 | 5 |
| c. Name | | | | | |
| d. Male/Female | | | | | |
| e. Relationship | | | | | |
| f. Age | | | | | |
| g. Date of Birth | | | | | |
| h. Occupation | | | | | |
| i. Whether financially dependent | | | | | |

| 4. If employed - Employment details | |
|---|--|
| a. Occupation | |
| b. Nature of Work | |
| c. Length of service | |
| d. Annual income (in Rupees) | |
| e. Details of Income proof submitted | |
| f. Whether covered under pension scheme | |
| g. Normal retirement age | |

| 5. If self-employed - Details | |
|---------------------------------------|--|
| a. Occupation | |
| b. Nature of Work | |
| c. Projected active working life | |
| d. Annual income (in Rupees) | |
| e. If labour - Number of working days | |

| 6. Pension Details, if any, if not employed/self-employed | |
|---|--|
| a. Employer's Scheme/Insurance | |
| b. Personal contribution/Premium | |
| c. Retirement age | |
| d. Anticipated value | |

| 7. Bank details | |
|--------------------------------|--------|
| a. Do you have a bank account? | Yes/No |
| b. If yes, Account No | |



| | |
|-------------------------|--|
| c. Account type | |
| d. Bank Name and Branch | |

| 8. Details of Nominee & Appointee* | | |
|------------------------------------|---------|-----------|
| | Nominee | Appointee |
| a. Name | | |
| b. Date of Birth | | |
| c. Relationship | | |
| d. Address | | |
| e. Percentage of entitlement | | |

*where Nominee is a minor, Appointee details also to be furnished

| 9. Existing Insurance | Name of Member (whether proposer or covered person) | Details of premium being paid (in Rupees) | Name of Member (whether proposer or covered person) | Details of premium being paid (in Rupees) |
|---------------------------------|---|---|---|---|
| a. Life | | | | |
| b. Health | | | | |
| c. Unit Linked Insurance Policy | | | | |
| d. Pension Policy | | | | |
| e. Other (to specify) | | | | |

| |
|---|
| 10. What is the purpose of your opting for this policy? |
| |

(Sections 41 and 45 to be reproduced by insurer)

Declaration:

I/We hereby declare, on my behalf and on behalf of all persons proposed to be insured, that the above statements, answers and/or particulars given by me are true and complete in all respects to the best of my knowledge and that I/We am/are authorized to propose on behalf of these other persons.

I understand that the information provided by me will form the basis of the insurance policy and that the policy is subject to Board approved underwriting policy of the insurance company and the policy will come into force only after full receipt of the premium chargeable.

I/We further declare that I/we will notify in writing any change occurring in the occupation, financial health or general health of the life to be assured/proposer after the proposal has been submitted but before communication of the risk acceptance by the company.

I/We declare and consent to the company seeking medical information from any doctor or from a hospital who at anytime has attended on the life to be assured/proposer or from any past or present employer concerning anything which affects the physical or mental health of the life to be assured/proposer and seeking information from any insurance office to which an application for insurance on the life to be assured/proposer has been made for the purpose of underwriting the proposal and claim settlement.

I/We authorize the company to share information pertaining to my proposal including the medical records with any Governmental and/or Regulatory authority. Further, the information may be shared for the sole purpose of proposal underwriting and claims settlement.



Date: _____

(Signature of Proposer/Thumb Impression)

(Signature of Proposer)

(Signature/Thumb Impression of Life Assured,
if different from Proposer)

(Signature of Life Assured,
If different from Proposer)

SECTION B: SPECIALISED/ADDITIONAL INFORMATION

| | |
|---|--------|
| 1. Physical/Medical Information (Questionnaire)—for each covered person | |
| Height | : |
| Weight | : |
| a. Do you have any physical deformity/handicap/congenital defect/abnormality? | YES/NO |
| b. Are you currently undergoing/have undergone any tests, investigations, awaiting results of any tests, investigations or have you ever been advised to undergo any tests, investigations or surgery or been hospitalized for general checkup, observations, treatment or surgery? | YES/NO |
| c. Have you ever been treated or hospitalized for Cancer, Tumor, Cysts or any other growth? | YES/NO |
| d. Have you ever been referred to an Oncologist or Cancer hospital for any investigation or treatment? | YES/NO |
| e. Did you have any ailment/injury/accident requiring treatment/medication for more than a week? | YES/NO |
| f. Have you ever been absent from work for more than a week in last 2 years due to any illness? | YES/NO |
| g. Were you or your spouse ever tested for Hepatitis B or C, HIV/AIDS or any other sexually transmitted disease? | YES/NO |

| | |
|---|--------|
| h. Have you ever suffered Chest pain, Palpitation, Rheumatic fever, Heart Murmur, Heart attack, shortness of Breath or any other Heart related disorder? | YES/NO |
| i. Have you ever suffered symptoms/ailment relating to Kidney, Prostate, Hydrocele, And Urinary System? | YES/NO |
| j. Have you ever suffered Gastritis, Stomach or Duodenal Ulcer, Hernia, Jaundice, Fistula Piles or any other disease or disorders of the Gastrointestinal System? | YES/NO |
| k. Have you ever suffered Thyroid disorder or any other disease or disorder of the Endocrine system? | YES/NO |
| l. Have you undergone/have been recommended to undergo Angioplasty, Bypass Surgery, Brain Surgery, Heart Valve Surgery, Aorta Surgery or Organ Transplant? | YES/NO |
| m. Have you ever suffered Diabetes/ High Blood Sugar? | YES/NO |
| n. Have you ever suffered High/Low Blood Pressure? | YES/NO |
| o. Have you ever suffered Disorders of Eye, Ear, Nose, Throat including defective sight, speech or hearing & discharge from ears? | YES/NO |
| p. Have you ever suffered ailments relating to Liver or reproductive System? | YES/NO |
| q. Have you ever suffered Symptoms/ailments relating to Brian, Depression? Mental/Psychiatric ailment, Multiple Sclerosis, Nervous System, Stroke, Paralysis, Parkinsonism or Epilepsy? | YES/NO |
| r. Have you ever suffered Asthma, Bronchitis, Blood spitting, Tuberculosis or other Respiratory disorders? | YES/NO |
| s. Have you ever suffered Anaemia, Blood or Blood related disorders? | YES/NO |
| t. Have you ever suffered Musculoskeletal disorders such as Arthritis, Recurrent Back Pain, Slipped disc or any other disorder of Spine, Joints, Limbs or Leprosy? | YES/NO |
| u. Have you ever suffered any other illness or impairment not mentioned above? | YES/NO |

2. Details of Female Proposers /covered person

| | |
|---|--------|
| a. Are you currently pregnant? | YES/NO |
| b. If yes, current months of pregnancy | |
| c. State age of first pregnancy | |
| d. Have you ever had any abortion, miscarriage or ectopic pregnancy? | YES/NO |
| e. Have you undergone any gynecological investigations, internal checkups, breast checks such as mammogram or biopsy? | YES/NO |
| f. Have you ever consulted a doctor because of an irregularity at the breast, vagina, uterus, ovary, fallopian tubes, menstruation, birth delivery, complications during pregnancy or child delivery or a sexually transmitted disease? | YES/NO |

[Note: Insurers may ask appropriate questions based on particular product. The above questions are illustrative only.]



Declaration:

I/We hereby declare, on my behalf and on behalf of all persons proposed to be insured, that the above statements, answers and/or particulars given by me are true and complete in all respects to the best of my knowledge and that I/We am/are authorized to propose on behalf of these other persons.

I understand that the information provided by me will form the basis of the insurance policy and that the policy is subject to Board approved underwriting policy of the insurance company and the policy will come into force only after full receipt of the premium chargeable.

I/We further declare that I/we will notify in writing any change occurring in the occupation, financial health or general health of the life to be assured/proposer after the proposal has been submitted but before communication of the risk acceptance by the company.

I/We declare and consent to the company seeking medical information from any doctor or from a hospital who at anytime has attended on the life to be assured/proposer or from any past or present employer concerning anything which affects the physical or mental health of the life to be assured/proposer and seeking information from any insurance office to which an application for insurance on the life to be assured/proposer has been made for the purpose of underwriting the proposal and claim settlement.

I/We authorize the company to share information pertaining to my proposal including the medical records with any Governmental and/or Regulatory authority. Further, the information may be shared for the sole purpose of proposal underwriting and claims settlement.

Date; _____

(Signature of Proposer/Thumb Impression)

(Signature of Proposer)

**(Signature/Thumb Impression of Life Assured,
 if different from Proposer)**

**(Signature of Life Assured,
 if different from Proposer)**



SECTION C: SUITABILITY ANALYSIS (Highly recommended)

| 1. Affordable contribution—Current and projected (in Rupees) | | | | | | | |
|---|-----------|--------------|------------|-------------|-------------|-------------|-------------|
| YEAR | Last Year | Current Year | 5-10 Years | 10-15 Years | 15-20 Years | 20-25 Years | 25-30 Years |
| a. Yearly | | | | | | | |
| b. Monthly | | | | | | | |

| 2. How do you project your work span? | | | | | | |
|--|---------|----------|----------|----------|----------|----------|
| a. Number of Years | 5 Years | 10 Years | 15 Years | 20 Years | 25 Years | 30 Years |
| b. Working span | | | | | | |

| 3. Income/Expenditure --Current and projected (in Rupees) | | | | | | | |
|--|-----------|--------------|------------|-------------|-------------|-------------|-------------|
| YEAR | Last Year | Current Year | 5-10 Years | 10-15 Years | 15-20 Years | 20-25 Years | 25-30 Years |
| a. Income | | | | | | | |
| b. Expenditure | | | | | | | |

| 4. Financial details | |
|--|--|
| a. Value of savings and assets (in Rupees) | |
| b. Details of liabilities | |
| c. Expected inheritance | |

| 5. Identified insurance needs (in Rupees) | |
|--|--|
| a. Life Insurance (Death/Maturity) | |
| <i>Desirable Sum Assured</i> | |
| b. Health Insurance | |
| <i>Desirable limit of coverage per annum</i> | |
| c. Savings and Investment Planning | |
| <i>Desirable returns per annum</i> | |
| d. Pension planning | |
| <i>Desirable pension per annum</i> | |



6. Insurance Plan Details (Traditional/ULIP/Pension/Health)

| | |
|------------------------------------|--|
| a. Plan Name | |
| b. Premium Type | |
| c. Payment Mode | |
| d. Payment Method | |
| e. Premium Term | |
| f. Coverage Term | |
| g. Sum Assured (in Rupees) | |
| h. Benefits/Riders/Fund Allocation | |

| 7. Identified Life needs | Projections per annum (In Rupees) | | | | | | |
|---|-----------------------------------|--------------|------------|-------------|-------------|-------------|-------------|
| | Last Year | Current Year | 5-10 Years | 10-15 Years | 15-20 Years | 20-25 Years | 25-30 Years |
| a. Food, shelter, clothing and other living expenses such as transportation expenses, utilities etc | | | | | | | |
| b. Education expenses | | | | | | | |
| c. Health expenses | | | | | | | |
| d. Marriage expenses | | | | | | | |
| e. Vacations and other travel expenses | | | | | | | |
| f. Other commitments such as insurance premium, various contributions etc | | | | | | | |
| TOTAL | | | | | | | |

It is declared that the above information has been provided by the proposer

(Signature of Agent/Bancassurance/Broker)

(Signature of Proposer)/Thumb Impression

(Signature of Proposer)

(Signature/Thumb Impression of Life Assured,
if different from Proposer)

(Signature of Life Assured,
if different from Proposer)



**SECTION D: PRODUCT PROPOSED
(Mandatory)**

| | |
|---|---|
| 1. Recommendation: | |
| 1. Life stage | Childhood/Young unmarried/Young married/ Young married with children/married with older children/post-family or pre-retirement/retirement |
| 2. Protection needs | Life & Health/Savings and Investment/Pension |
| 3. Appetite for risk | Low/Medium/High |
| 4. Policy recommended, including name of insurer | |
| 5. Details of commitment for the current and future years | |
| 6. Whether all risk elements and details of charges to be incurred and all other obligations have been explained? | |
| 7. Why you think this policy is most suited for the proposer? | |
| 8. Whether product proposed is | |
| i. Based on need | |
| ii. Based on demand | |
| iii. Based on Agent recommendation | |

Agent/Bancassurance/Broker's Certification:

I /We hereby certify that I/we believe that the product/s recommended me/us above is suitable for the proposer, based on the information submitted by him/her, as recorded above. I/We declare that the policy recommended has been fully explained to the proposer, including about the terms and conditions, exclusions, premium commitments and various charges, as applicable.

Dated: _____

(Signature of Agent/Bancassurance/Broker)

(Signature of Insurer)

Proposer's Acknowledgement:

The above recommendation is based on the information provided by me. I have been explained about the features of the product and believe it would be suitable for me based on my insurance needs and financial objectives.

Dated: _____

(Signature/Thumb
Impression of Proposer)

(Signature of Proposer)



 (Signature/Thumb Impression of Life Assured,
 if different from Proposer)

 (Signature of Life Assured,
 if different from Proposer)

| |
|--|
| <p>2. Where the proposer does not accept the Recommendation of the Agent/Bancassurance/Broker and Insurer:</p> <p>I am not in agreement with the Recommendation of the Agent/Bancassurance/Broker and Insurer. I have opted for the policy named _____ (name of policy to be mentioned here) as per my wish.</p> <p style="text-align: right;">_____ (Signature/Thumb Impression of Proposer)</p> <p style="text-align: right;">_____ (Signature /Thumb Impression of Life Assured, where different from Proposer)</p> |
|--|

Where answers to the questions are filled in by a person other than the proposer or where the answers/signature of the Proposer/Life Assured are in vernacular:

The details in the proposal form have been read out and explained to me and I have understood the same.

 (Signature/Thumb Impression of Proposer)

 (Signature/Thumb Impression of Life Assured,
 if different from Proposer)

Regulatory Frame Work for Grievance Redressal in Insurance Sector



Annexure-A

Insurance Regulatory and Development Authority (Protection of Policyholders' Interests) Regulations, 2002.

In exercise of the powers conferred by clause (zc) of sub-section (2) of section 114A of the Insurance Act, 1938 (4 of 1938) read with sections 14 and 26 of the Insurance Regulatory and Development Authority Act, 1999 (41 of 1999), the Authority, in consultation with the Insurance Advisory Committee, hereby makes the following regulations, namely:

Short title and commencement

1. (1) These regulations may be called the Insurance Regulatory and Development Authority (Protection of Policyholders' Interests) Regulations, 2002

(2) They shall come into force on the date of their publication in the Official Gazette and shall apply to all contracts of insurance effected thereafter, except regulation 4(1) which shall come into force on 1st October, 2002.

(3) These Regulations are in addition to any other regulations made by the Authority, which may, inter alia, provide for protection of the interest of policyholders.

(4) These Regulations apply to all insurers, insurance agents, insurance intermediaries and policyholders.

Definitions

2. (1) In these regulations, unless the context otherwise requires:

(a) "Act" means the Insurance Act, 1938 (4 of 1938);

(b) "Authority" means the Insurance Regulatory and Development Authority established under the provisions of section 3 of the Insurance Regulatory and Development Authority Act, 1999 (41 of 1999);

(c) "Cover" means an insurance contract whether in the form of a policy or a cover note or a Certificate of Insurance or any other form prevalent in the industry to evidence the existence of an insurance contract;

(d) "Proposal form" means a form to be filled in by the proposer for insurance, for furnishing all material information required by the insurer in respect of a risk, in order to enable the insurer to decide whether to accept or decline, to undertake the risk, and in the event of acceptance of the risk, to determine the rates, terms and conditions of a cover to be granted.

Explanation: "Material" for the purpose of these regulations shall mean and include all important, essential and relevant information in the context of underwriting the risk to be covered by the insurer.

(e) "Prospectus" means a document issued by the insurer or in its behalf to the prospective buyers of insurance, and should contain such particulars as are mentioned in Rule 11 of Insurance Rules, 1939 and includes a brochure or leaflet serving the purpose. Such a document should also specify the type and character of riders on the main product indicating the nature of benefits flowing thereupon;

(f) Words and expressions used and not defined in these regulations, but defined in the Act, or the Life Insurance Corporation Act, 1956, (31 of 1956) or the General Insurance Business (Nationalisation) Act 1972 (57 of 1972), or the Insurance Regulatory and Development Authority Act, 1999 (41 of 1999) or the Insurance Rules, 1939 shall have the meanings respectively assigned to them in those Acts or the Rules.

3. Point of Sale

(1) Notwithstanding anything mentioned in regulation 2(e) above, a prospectus of any

insurance product shall clearly state the scope of benefits, the extent of insurance cover and in an explicit manner explain the warranties, exceptions and conditions of the insurance cover and, in case of life insurance, whether the product is participating (with-profits) or non-participating (without-profits). The allowable rider or riders on the product shall be clearly spelt out with regard to their scope of benefits, and in no case, the premium relatable to all the riders put together shall exceed 30% of the premium of the main product.

Explanation: The rider or riders attached to a life policy shall bear the nature and character of the main policy, viz. participating or non-participating and accordingly the life insurer shall make provisions, etc., in its books.

(2) An insurer or its agent or other intermediary shall provide all material information in respect of a proposed cover to the prospect to enable the prospect to decide on the best cover that would be in his or her interest.

(3) Where the prospect depends upon the advice of the insurer or his agent or an insurance intermediary, such a person must advise the prospect dispassionately.

(4) Where, for any reason, the proposal and other connected papers are not filled by the prospect, a certificate may be incorporated at the end of proposal form from the prospect that the contents of the form and documents have been fully explained to him and that he has fully understood the significance of the proposed contract.

(5) In the process of sale, the insurer or its agent or any intermediary shall act according to the code of conduct prescribed by.

- i) the Authority
- ii) the Councils that have been established under section 64C of the Act and
- iii) the recognized professional body or association of which the agent or intermediary or insurance intermediary is a member.

4. Proposal for insurance

(1) Except in cases of a marine insurance cover, where current market practices do not insist on a written proposal form, in all cases, a proposal for grant of a cover, either for life business or for general business, must be evidenced by a written document. It is the duty of an insurer to furnish to the insured free of charge, within 30 days of the acceptance of a proposal, a copy of the proposal form.

(2) Forms and documents used in the grant of cover may, depending upon the circumstances of each case, be made available in languages recognised under the Constitution of India.

(3) In filling the form of proposal, the prospect is to be guided by the provisions of Section 45 of the Act. Any proposal form seeking information for grant of life cover may prominently state therein the requirements of Section 45 of the Act.

(4) Where a proposal form is not used, the insurer shall record the information obtained orally or in writing, and confirm it within a period of 15 days thereof with the proposer and incorporate the information in its cover note or policy. The onus of proof shall rest with the insurer in respect of any information not so recorded, where the insurer claims that the proposer suppressed any material information or provided misleading or false information on any matter material to the grant of a cover.

(5) Wherever the benefit of nomination is available to the proposer, in terms of the Act or the conditions of policy, the insurer shall draw the attention of the proposer to it and encourage the prospect to avail the facility.

(6) Proposals shall be processed by the insurer with speed and efficiency and all decisions thereof shall be communicated by it in writing within a reasonable period not exceeding 15 days from receipt of proposals by the insurer.

5. Grievance redressal procedure

Every insurer shall have in place proper procedures and effective mechanism to address complaints and grievances of policyholders

efficiently and with speed and the same along-with the information in respect of Insurance Ombudsman shall be communicated to the policyholder along-with the policy document and as maybe found necessary.

6. Matters to be stated in life insurance policy

(1) A life insurance policy shall clearly state:

- (a) the name of the plan governing the policy, its terms and conditions;
- (b) whether it is participating in profits or not;
- (c) the basis of participation in profits such as cash bonus, deferred bonus, simple or compound reversionary bonus;
- (d) the benefits payable and the contingencies upon which these are payable and the other terms and conditions of the insurance contract;
- (e) the details of the riders attaching to the main policy;
- (f) the date of commencement of risk and the date of maturity or date(s) on which the benefits are payable;
- (g) the premiums payable, periodicity of payment, grace period allowed for payment of the premium, the date the last instalment of premium, the implication of discontinuing the payment of an instalment(s) of premium and also the provisions of a guaranteed surrender value.
- (h) the age at entry and whether the same has been admitted;
- (i) the policy requirements for (a) conversion of the policy into paid up policy, (b) surrender (c) nonforfeiture and (d) revival of lapsed policies;
- (j) contingencies excluded from the scope of the cover, both in respect of the main policy and the riders;

(k) the provisions for nomination, assignment, and loans on security of the policy and a statement that the rate of interest payable on such loan amount shall be as prescribed by the insurer at the time of taking the loan;

(l) any special clauses or conditions, such as, first pregnancy clause, suicide clause etc.; and

(m) the address of the insurer to which all communications in respect of the policy shall be sent.

(n) the documents that are normally required to be submitted by a claimant in support of a claim under the policy.

(2) While acting under regulation 6(1) in forwarding the policy to the insured, the insurer shall inform by the letter forwarding the policy that he has a period of 15 days from the date of receipt of the policy document to review the terms and conditions of the policy and where the insured disagrees to any of those terms or conditions, he has the option to return the policy stating the reasons for his objection, when he shall be entitled to a refund of the premium paid, subject only to a deduction of a proportionate risk premium for the

period on cover and the expenses incurred by the insurer on medical examination of the proposer and stamp duty charges.

(3) In respect of a unit linked policy, in addition to the deductions under sub-regulation (2) of this regulation, the insurer shall also be entitled to repurchase the unit at the price of the units on the date of cancellation.

(4) In respect of a cover, where premium charged is dependent on age, the insurer shall ensure that the age is admitted as far as possible before issuance of the policy document. In case where age has not been admitted by the time the policy is issued, the insurer shall make efforts to obtain proof of age and admit the same as soon as possible.

7. Matters to be stated in general insurance policy

- (1) A general insurance policy shall clearly state:
 - (a) the name(s) and address(es) of the insured and of any bank(s) or any other person having financial interest in the subject matter of insurance;
 - (b) full description of the property or interest insured;
 - (c) the location or locations of the property or interest insured under the policy and, where appropriate, with respective insured values;
 - (d) period of Insurance;
 - (e) sums insured;
 - (f) perils covered and not covered;
 - (h) any franchise or deductible applicable;
 - (i) premium payable and where the premium is provisional subject to adjustment, the basis of adjustment of premium be stated;
 - (j) policy terms, conditions and warranties;
 - (k) action to be taken by the insured upon occurrence of a contingency likely to give rise to a claim under the policy;
 - (l) the obligations of the insured in relation to the subject matter of insurance upon occurrence of an event giving rise to a claim and the rights of the insurer in the circumstances;
 - (m) any special conditions attaching to the policy;
 - (n) provision for cancellation of the policy on grounds of mis-representation, fraud, non-disclosure of material facts or non-cooperation of the insured;
 - (o) the address of the insurer to which all communications in respect of the insurance contract should be sent;

- (p) the details of the riders attaching to the main policy;
- (q) proforma of any communication the insurer may seek from the policyholders to service the policy.

(2) Every insurer shall inform and keep informed periodically the insured on the requirements to be fulfilled by the insured regarding lodging of a claim arising in terms of the policy and the procedures to be followed by him to enable the insurer to settle a claim early.

8. Claims procedure in respect of a life insurance policy

(1) A life insurance policy shall state the primary documents which are normally required to be submitted by a claimant in support of a claim.

(2) A life insurance company, upon receiving a claim, shall process the claim without delay. Any queries or requirement of additional documents, to the extent possible, shall be raised all at once and not in a piecemeal manner, within a period of 15 days of the receipt of the claim.

(3) A claim under a life policy shall be paid or be disputed giving all the relevant reasons, within 30 days from the date of receipt of all relevant papers and clarifications required. However, where the circumstances of a claim warrant an investigation in the opinion of the insurance company, it shall initiate and complete such investigation at the earliest. Where in the opinion of the insurance company the circumstances of a claim warrant an investigation, it shall initiate and complete such investigation at the earliest, in any case not later than 6 months from the time of lodging the claim.

(4) Subject to the provisions of section 47 of the Act, where a claim is ready for payment but the payment cannot be made due to any reasons of a proper identification of the payee, the life insurer shall hold the amount for the benefit of the payee and such an amount shall earn interest at the rate applicable to a savings bank account with a scheduled bank (effective from 30 days following the submission of all papers and information).

(5) Where there is a delay on the part of the insurer in processing a claim for a reason other than the one covered by sub-regulation (4), the life insurance company shall pay interest on the claim amount at a rate which is 2% above the bank rate prevalent at the beginning of the financial year in which the claim is reviewed by it.

9. Claim procedure in respect of a general insurance policy

(1) An insured or the claimant shall give notice to the insurer of any loss arising under contract of insurance at the earliest or within such extended time as may be allowed by the insurer. On receipt of such a communication, a general insurer shall respond immediately and give clear indication to the insured on the procedures that he should follow. In cases where a surveyor has to be appointed for assessing a loss/ claim, it shall be so done within 72 hours of the receipt of intimation from the insured.

(2) Where the insured is unable to furnish all the particulars required by the surveyor or where the surveyor does not receive the full cooperation of the insured, the insurer or the surveyor as the case may be, shall inform in writing the insured about the delay that may result in the assessment of the claim. The surveyor shall be subjected to the code of conduct laid down by the Authority while assessing the loss, and shall communicate his findings to the insurer within 30 days of his appointment with a copy of the report being furnished to the insured, if he so desires. Where, in special circumstances of the case, either due to its special and complicated nature, the surveyor shall under intimation to the insured, seek an extension from the insurer for submission of his report. In no case shall a surveyor take more than six months from the date of his appointment to furnish his report.

(3) If an insurer, on the receipt of a survey report, finds that it is incomplete in any respect, he shall require the surveyor under intimation to the insured, to furnish an additional report on certain specific issues as may be required by the insurer. Such a request may be made by the insurer within 15 days of the receipt of the original survey report.

Provided that the facility of calling for an additional report by the insurer shall not be resorted to more than once in the case of a claim.

(4) The surveyor on receipt of this communication shall furnish an additional report within three weeks of the date of receipt of communication from the insurer.

(5) On receipt of the survey report or the additional survey report, as the case may be, an insurer shall within a period of 30 days offer a settlement of the claim to the insured. If the insurer, for any reasons to be recorded in writing and communicated to the insured, decides to reject a claim under the policy, it shall do so within a period of 30 days from the receipt of the survey report or the additional survey report, as the case may be.

(6) Upon acceptance of an offer of settlement as stated in sub-regulation (5) by the insured, the payment of the amount due shall be made within 7 days from the date of acceptance of the offer by the insured. In the cases of delay in the payment, the insurer shall be liable to pay interest at a rate which is 2% above the bank rate prevalent at the beginning of the financial year in which the claim is reviewed by it.

10. Policyholders' Servicing

(1) An insurer carrying on life or general business, as the case may be, shall at all times, respond within 10 days of the receipt of any communication from its policyholders in all matters, such as:

- (a) recording change of address;
- (b) noting a new nomination or change of nomination under a policy;
- (c) noting an assignment on the policy;
- (d) providing information on the current status of a policy indicating matters, such as, accrued bonus, surrender value and entitlement to a loan;
- (e) processing papers and disbursement of a loan on security of policy;
- (f) issuance of duplicate policy;

- (g) issuance of an endorsement under the policy; noting a change of interest or sum assured or perils insured, financial interest of a bank and other interests; and
- (h) guidance on the procedure for registering a claim and early settlement thereof.

11. General

(1) The requirements of disclosure of “material information” regarding a proposal or policy apply, under these regulations, both to the insurer and the insured.

(2) The policyholder shall assist the insurer, if the latter so requires, in the prosecution of a proceeding or in the matter of recovery of claims which the insurer has against third parties.

(3) The policyholder shall furnish all information that is sought from him by the insurer and also any other information which the insurer considers as having a bearing on the risk to enable the latter to assess properly the risk sought to be covered by a policy.

(4) Any breaches of the obligations cast on an insurer or insurance agent or insurance intermediary in terms of these regulations may enable the Authority to initiate action against each or all of them, jointly or severally, under the Act and/or the Insurance Regulatory and Development Authority Act, 1999.

N.Rangachary
Chairman
[ADV/III/IV/161/2002/EXTY]

Annexure-B

Redressal of Public Grievances Rules, 1998 -Insurance Ombudsman

MINISTRY OF FINANCE
(Department of Economic Affairs)
(Insurance Division)

NOTIFICATION
New Delhi, the 11th November, 1998

G. S. R. 670(E). - In exercise of the powers conferred by sub-section (1) of Section 114 of the Insurance Act, 1938 (4 of 1938) the Central Government hereby frames the following Rules, namely:-

1. Short title. - These Rules may be called the Redressal of Public Grievances Rules, 1998.
2. Application. - These Rules shall apply to all the insurance companies operating in general insurance business and in life insurance business.

Provided that the Central Government may exempt an insurance company from the provisions of these Rules, if it is satisfied that an insurance company has already a grievance redressal machinery which fulfills the requirements of these Rules.

3. The objects of these Rules are to resolve all complaints relating to settlement of claim on the part of insurance companies in cost effective, efficient and impartial manner.
4. Definition. - In these rules unless the context otherwise requires:-
 - (a) "Act" means Insurance Act, 1938.
 - (b) "committee" means an advisory committee referred to in Rule 19.
 - (c) "financial year" means period of twelve months commencing from the 1st day of April of any year and ending on 31st day of March of the succeeding year.

(d) "General Insurance Corporation of India" means a government company formed under subsection (1) of section 9 of the General Insurance Business (Nationalisation) Act, 1972 and shall include a subsidiary company of such company.

(e) "governing body" means governing body of the Insurance Council constituted under sub-rule (1) of rule S.

(f) "Insurance Council" means the Life Insurance Council and the General Insurance Council referred to in section 64C of the Act.

(g) "Insurance Regulatory Authority" means a body established by Government of India vide Resolution No. 17(2)/941ns. V dated 23-01-1996 to monitor the orderly growth of insurance industry.

(h) "Insurance Company" means the Life Insurance Corporation of India, the General Insurance Corporation of India and any other company which has been given a license to carry on business of life insurance or of the general insurance, as the case maybe.

(i) "insured person" means an individual by whom or on whose behalf an insurance policy has been taken on personal lines.

(j) "Life Insurance Corporation of India" means the Life Insurance Corporation of India established under the Life Insurance Corporation Act, 1956.

(k) "Personal lines" means an insurance policy taken or given in an individual capacity.

5. Governing body of Insurance Council -

- (1) There shall be a Governing Body of the Insurance Council which shall consist of one representative from each of the insurance companies.

- (2) The representatives of an insurance company shall ordinarily be Chairman or Managing Director or any one of the Directors of such company.
- (3) The Governing body shall formulate its own procedure for conducting its business including the election of the Chairman.

Provided that the Chairman of the Life Insurance Corporation of India shall act as the first Chairman of the governing body.

6. Ombudsman-

- (1) The governing body shall appoint one or more persons as ombudsman for the purpose of these rules.
- (2) The Ombudsman selected may be drawn from a wider circle including those who have experience or have been exposed to the industry, civil service, administrative service, etc. in addition to those drawn from judicial service.
- (3) An Ombudsman shall be appointed by the Governing Body from a panel prepared by the Committee consisting of-
 - (a) Chairman of Insurance Regulatory Authority -Chairman.
 - (b) Two representatives of Insurance Council including one each from the Life Insurance Business and from General Insurance Business respectively- Member.
 - (c) One representative of the Central Government -Member.

7. Term of Office - An Ombudsman shall be appointed for a term of three years and shall be eligible for re-appointment. Provided that no person shall hold office as such Ombudsman after he has attained the age of 65 years. (According to the amendment dt. 21.6.99, provision of reappointment has been cancelled).

8. Removal from Office. -

- (1) An Ombudsman may be removed from service for gross misconduct committed by him during his term of office.
- (2) The Governing Body may appoint such person as it thinks fit to conduct enquiry in relation to misconduct of the Ombudsman.
- (3) All enquiries on misconduct will be sent to Insurance Regulatory Authority which may take a decision as to the proposed action to be taken against the Ombudsman.
- (4) On recommendations of the Insurance Regulatory Authority if the Governing Body is of opinion that the Ombudsman is guilty of misconduct, it may terminate his services.

9. Remuneration etc. of Ombudsman -

- (1) There shall be paid to Ombudsman a salary which is equal to the salary of the Judge of a High Court. (This has been changed as per amendment dt. 21.6.99)
- (2) The other allowances and perquisites of the Ombudsman shall be such as may be specified by the Central Government.

10. Territorial Jurisdiction of Ombudsman

- (1) The office of the Ombudsman shall be located at such place as may be specified by the Insurance Council from time to time.
- (2) The Governing Body shall specify the territorial jurisdiction of each Ombudsman.
- (3) The Ombudsman may hold sitting at various places within his area of jurisdiction in order to expedite disposal of complaints.

11. Staff -

- (1) The Ombudsman shall have such secretarial staff as may be provided to him by the insurance Council after having consultation with the Ombudsman.

- (2) The ombudsman may engage the services of professional expert with a view to assist him in discharging his functions.
- (3) The salary, allowances and perquisites payable to Ombudsman, the salary, allowances and other benefits payable to the staff of the secretariat and all expenses incurred for the purposes of these rules shall be borne by the Insurance council.
- (4) The Ombudsman shall prepare the budget indicating the requirement of funds before the beginning of every financial year.
- (5) The budget of the office of Ombudsman will be sent to the Governing Body.
- (6) The Governing Body will finalise the budget in consultation with the Ombudsman and shall allocate the funds to the office of Ombudsman.
- (7) The total expenses on Ombudsman and his staff shall be incurred by the insurance companies who are members of the insurance council in such proportion as may be decided by the Governing Body from time to time. Provided that till a decision is taken by the Governing Body, the entire expenditure shall be shared equally between the insurance companies in the life insurance business and general insurance business in equal proportion.
- (8) The share of expenditure which is to be incurred by each insurance company shall be in the ratio of premium income for the previous year of such company.

Explanation:- For the purpose of this sub-rule "premium income" means the gross direct premium income of the insurer without taking into account from time to time income on reinsurance accepted by the insurance company.

12. Power of Ombudsman :-

(1) The Ombudsman may receive and consider :-

- (a) Complaints under rule 13;
 - (b) any partial or total repudiation of claims by an insurer;
 - (c) any dispute in regard to premium paid or payable in terms of the policy;
 - (d) any dispute on the legal construction of the policies in so far as such disputes relate to claims;
 - (e) delay in settlement of claims;
 - (f) non-issue of any insurance document to customers after receipt of premium.
- (2) The Ombudsman shall act as counsellor and mediator in matters which are within his terms of reference and, if requested to do so in writing by mutual agreement by the insured person and insurance company.
 - (3) The Ombudsman's decision whether the complaint is fit and proper for being considered by it or not shall be final.

13. Manner in which complaint is to be made:-

- (1) Any person who has a grievance against an insurer, may himself or through his legal heirs make a complaint in writing to the Ombudsman within whose jurisdiction the branch or office of the insurer complaint against is located.
- (2) The complaint shall be in writing duly signed by the complainant or through his legal heirs and shall state clearly the name and address of the complainant, the name of the branch or office of the insurer against which the complaint is made, the fact giving rise to complaint supported by documents, if any, relied on by the complainant, the nature and extent of the loss caused to the complainant and the relief sought from the Ombudsman.
- (3) No complaint to the Ombudsman shall lie unless:-
 - (a) the complainants had before making a complaint to the Ombudsman made a written

representation to the insurer named in the complaint and either insurer had rejected the complaint or the complainant had not received any reply within a period of one month after the insurer concerned received his representation or the complainant is not satisfied with the reply given to him by the insurer.

- (b) the complaint is made not later than one year after the insurer had rejected the representation or sent his final reply on the representation of the complainant; and
- (c) the complaint is not on the same subject matter, for which any proceedings before any court, or Consumer Forum, or arbitrator is pending or were so earlier.

14. Ombudsman to act fairly and equitably.:

- (1) The Ombudsman may, if he deems fit, adopt a procedure other than mentioned in sub-rule (1) and (2) of Rule 13 for dealing with a claim: Provided that the Ombudsman may ask the parties for necessary papers in support of their respective claims and where he considers necessary, he may collect factual information available with the insurance company.
- (2) The Ombudsman shall dispose of a complaint fairly and equitably.

15. Recommendations made by the Ombudsman:

- (1) When a complaint is settled, through mediation of the Ombudsman, undertaken by him in pursuance of request made in writing by complainant and insurer through mutual agreement, the Ombudsman shall make a recommendation which he thinks fair in the circumstances of the case. The copies of the recommendation shall be sent to the complainant and the insurance company concerned. Such recommendation shall be made not later than one month from the date of the receipt of the complaint.
- (2) If a complainant accepts the recommendation of the Ombudsman, he will sent a

communication in writing within 15 days of the date of receipt of the recommendation. He will confirm his acceptance to Ombudsman and state clearly that the settlement reached is acceptable to him, in totally, in terms of recommendations made by the Ombudsman in full and final settlement of complaint.

- (3) The Ombudsman shall sent to the insurance company a copy of the recommendation along with the acceptance letter received from the complainant. The insurer shall thereupon comply with the terms of the recommendations immediately not later than 15 days of the receipt of such recommendation and the insurer shall inform the Ombudsman of its compliance.

16. Award:

- (1) Where the complaint is not settled by agreement under Rule 15, the Ombudsman shall pass an award which he thinks fair in the facts and circumstances of a claim.
- (2) An award shall be in writing and shall state the amount awarded to the complainant: Provided that Ombudsman shall not award any compensation in excess of which is necessary to cover the loss suffered by the complainant as a direct consequence of the insured peril, or for an amount not exceeding rupees twenty lakhs (including ex-gratia and other expenses), whichever is lower.
- (3) The Ombudsman shall pass an award within a period of three months from the receipt of the complaint.
- (4) A copy of the award shall be sent to the complainant and the insurer named in the complaint.
- (5) The complainant shall furnish to the insurer within a period of one month from the date of receipt of the award, a letter of acceptance that the award is in full and final settlement of his claim.

- (6) The insurer shall comply with the award within 15 days of the receipt of the acceptance letter under sub-rule (5) and it shall intimate the compliance to the Ombudsman.
17. Consequences of non-acceptance of award: If the complainant does not intimate the acceptance under sub-rule (5) of rule 16, the award may not be implemented by the insurance company.
18. Power to make Ex-gratia payment.: If the Ombudsman deems fit, he may award an Ex-gratia payment.
20. The Ombudsman shall furnish a report every year containing a general review of the activities of the office of the Ombudsman during preceding financial year to the Central Government and such other information as may be considered necessary by it. In the Annual Report, the Ombudsman will make an annual review of the quality of services rendered by the insurer and make recommendations to improve these services.
21. Recommendation of the Insurance Council: The Insurance Council may suggest to the Ombudsman such recommendation as it deems fit and which in its opinion will enhance the utility of the annual report and also so that the objectives of the rules are clearly analysed in terms of the activities in the year under review. Suggestions for long term improvement of insurance sector will be incorporated by the Ombudsman in his report.

MISCELLANEOUS PROVISIONS:

19. Advisory Committee: An Advisory Committee consisting of not exceeding five eminent persons shall be notified by the Government to assist the Insurance Regulatory Authority to review the performance of the Ombudsman from time to time. The Insurance Regulatory Authority shall decide the time, venue and quorum of such meeting. The authority, after discussing the matter with the Governing Body, may recommend to Government appropriate proposals for effecting improvements in the functioning of Ombudsman. In the light of recommendations made by the Insurance regulatory Authority, the Government may carry out such amendments to these rules as they may deem fit.

[F.No. 56/32/97 - Ins.]
D.C, SRIVASTAVA, Director

The Gazette of India EXTRAORDINARY

PART II-Section 3-Sub-section (I)
PUBLISHED BY AUTHORITY
NEW DELHI, FRIDAY, DECEMBER 18, 1998/
AGRAHAYANA 27, 1920.
MINISTRY OF FINANCE
(Department of Economic Affairs)
(Insurance Division)

NOTIFICATION

New Delhi, the 18th December, 1998

G. S. R. 752(E). - In exercise of the powers contained by sub-section (1) of Section 114 of the Insurance Act, 1938 (4 of 1938) the Central Government hereby frames the following Rules, namely:-

1. Short title and commencement: -

- (1) The Rules may be called the Redressal of Public Grievances (Amendment) Rules, 1998.
- (2) This shall be deemed to have come into force from the date of Publication.

2. In Rule 4(F) of the Redressal of Public Grievances Rules, 1998, the following shall be substituted, namely:-

(f) Insurance Council will consist of Life Insurance Corporation of India, General Insurance Corporation of India and its four subsidiaries and other Insurance Companies which will be permitted to do insurance business in future.

[F. No. 56/12/97 - Ins.]
C.S.RAO, Jt. Secy.

Foot Note :- The Principal rules were published under Notification No. GSR 670 (E) dt. 11-11-1998.

**The Gazette of India
EXTRAORDINARY**

PART II-Section 3-Sub-section (I)
PUBLISHED BY AUTHORITY
NEW DELHI, MONDAY,
JUNE 21 1999 / Jyaistha 31, 1921.

MINISTRY OF FINANCE

(Department of Economic Affairs)
(Insurance Division)

NOTIFICATION

New Delhi, 21st June, 1999

G.SR. 448(E). - In exercise of the powers conferred by sub-section (1) of Section 114 of the Insurance Act, 1938 (4 of 1938) the Central Government hereby makes the following amendments in the Notification of the Government of India No. GSR 670(E) dated the 11th November, 1998:-

1. Delete existing para 7; and substitute the following in its place:- "7. Term of Office. - An Ombudsman shall be appointed for a term of three years or till the incumbent attains the age of sixty five years, whichever is earlier. Re-appointment is not permitted."

2. Delete existing paragraph 9(1); and substitute the following in its place:- "9. Pay and Allowances of Ombudsman - (1) The Ombudsman shall be allowed a fixed pay of rupees twenty six thousand per month. Any pension to which he is entitled from the Central Government or a state Government or any other organization / institution shall be deducted from his salary."

3: In para 16(1), Delete the words "an award" and substitute the following words in their place:- "a speaking award with detailed reasoning".

[F. No. 56/32/97 - Ins.]
C.S.RAO, Jt. Secy.

Annexure-C

Ref: 3/CA/GRV/GrvRedrGuidelines/YPB/10-II dated 27th July, 2010

ALL LIFE AND GENERAL INSURANCE COMPANIES

Re: GUIDELINES FOR GRIEVANCE REDRESSAL BY INSURANCE COMPANIES

Further to Regulation 5 of IRDA Regulations for Protection of Policyholders Interests, 2002 which provides for insurers to have in place speedy and effective grievance redressal systems, and in terms of the Authority's powers and functions as enunciated in Section 14 of IRDA Act, 1999, the IRDA hereby issues the following guidelines pertaining to minimum time-frames and uniform definitions and classifications with respect to grievance redressal by insurance companies.

These guidelines are applicable for disposal of "grievances/complaints" as defined herein. All insurers shall ensure that the guidelines of the Authority are followed strictly.

1. Definition of "Grievance/Complaint":

There shall be a uniform definition of "Grievance or Complaint". Grievances shall be clearly distinguished from Inquiries and Requests, which do not fall within the scope of these guidelines.

The following definition of grievance shall be adopted:

Grievance/Complaint: A "Grievance/Complaint" is defined as any communication that expresses dissatisfaction about an action or lack of action, about the standard of service/deficiency of service of an insurance company and/or any intermediary or asks for remedial action.

On the other hand, an Inquiry and Request would mean the following:

Inquiry: An "Inquiry" is defined as any communication from a customer for the primary purpose of requesting information about a company and/or its services.

Request: A "Request" is defined as any communication from a customer soliciting a service such as a change or modification in the policy.

2. Grievance Redress Policy:

Every insurer shall have a Board approved Grievance Redressal Policy which shall be filed with

IRDA.

3. Grievance Officer/s:

Every insurer shall have a designated Grievance Officer of a senior management level. Senior Management would mean either the CEO or the Compliance Officer of the company. Every office other than the Head/Corporate/Principal officer of an insurer shall also have an officer nominated as the Grievance Officer for that office.

4. Grievance Redressal System/Procedure:

Every insurer shall have a system and a procedure for receiving, registering and disposing of grievances in each of its offices. This and all other relevant details along with details of Turnaround Times (TATs) shall be clearly laid down in the policy. While insurers may lay down their own TATs, they shall ensure that the following minimum time-frames are adopted:

- (a). An insurer shall send a written acknowledgment to a complainant within 3 working days of the receipt of the grievance.
- (b). The acknowledgment shall contain the name and designation of the officer who will deal with the grievance.
- (c). It shall also contain the details of the insurer's grievance redressal procedure and the time taken for resolution of disputes.
- (d). Where the insurer resolves the complaint within 3 days, it may communicate the resolution along with the acknowledgment.
- (e). Where the grievance is not resolved within 3 working days, an insurer shall resolve the grievance within 2 weeks of its receipt and send a final letter of resolution.
- (f). Where, within 2 weeks, the company sends the complainant a written response which offers redress or rejects the complaint and gives reasons for doing so,

- (i). The insurer shall inform the complainant about how he/she may pursue the complaint, if dissatisfied.
- (ii). the insurer shall inform that it will regard the complaint as closed if it does not receive a reply within 8 weeks from the date of receipt of response by the insured/policyholder.

Any failure on the part of insurers to follow the above-mentioned procedures and time-frames would attract penalties by the Insurance Regulatory and Development Authority.

It may be noted that it is necessary for each and every office of the insurer to adopt a system of grievance registration and disposal.

5. Turnaround Times:

There are two types of turnaround times involved.

- (i). The service level turnaround times, which are mapped to each classification of complaint (which is itself based on the service aspect involved).
- (ii). The turnaround time involved for the grievance redressal.

As to (i), the TATs are as mapped to the classification and prescribed by the Authority to insurers. These TATs reflect the time-frames as already laid down in the IRDA Regulations for Protection of Policyholders Interests and more, as, wherever considered necessary (for certain service aspects not getting specifically reflected in the Regulations), specific TATs are indicated in the classification and mapping provided by the Authority.

As regards (ii) above, the minimum TATs required to be followed shall be as prescribed in guideline 4 (a) to (g) as prescribed above.

6. Closure of grievance:

A complaint shall be considered as disposed of and closed when

- (a). The company has sent a final response to the satisfaction of the complainant.
- (b). Where the complainant has indicated in writing, acceptance of this response.

- (c). Where the complainant has not responded to the insurer within 8 weeks of the company's written response.

7. Categorisation of complaints:

- a). Categorisation of complaints as prescribed by the Authority from time to time shall be adopted by insurers and incorporated in their systems.
- b). The present classification prescribed by the Authority is placed at Annexure A. All insurers shall provide for these classification categories in their respective systems.

8. Minimum software requirements:

It is necessary for insurers to have automated systems that will enable online registration, tracking of status of grievances by complainants and periodical reports as prescribed by IRDA. The system should also be one which can integrate seamlessly with the Authority's system in the manner prescribed by the Authority. The Authority shall define these requirements from time to time and insurers shall ensure that they provide for such software/system modifications as may be required. The objective is to create the required industry level database and systems that would enable speedy and effective redressal of complaints.

9. Calls relating to grievances:

Insurers shall also have in place a system to receive and deal with all kinds of calls including voice/e-mail, relating to grievances, from prospects and policyholders. The system should enable and facilitate the required interfacing with IRDA's system of handling calls/e-mails.

10. Publicizing Grievance Redressal Procedure:

Every insurer shall publicize its grievance redressal procedure and ensure that it is specifically made available on its website.

11. Policyholder Protection Committee:

Every insurer that ensure that the Policyholder Protection Committee, as stipulated in the guidelines for Corporate Governance issued by the Authority, is in place and is receiving and analyzing the required reports from the management and is carrying out all other requisite monitoring activities.

(A. Giridhar)
Executive Director

CORPORATE GOVERNANCE GUIDELINES

Policyholder Protection Committee of the Board

The Authority places significant emphasis on the protection of policyholder's interests and on the adoption of sound and healthy market conduct practices by insurers. Towards meeting these objectives, IRDA has notified the (i) Protection of Policyholders' Interests Regulations, 2002 and (ii) Insurance Advertisements and Disclosure Regulations, 2002. The Authority has also put in place the Guidelines on Advertisements, Promotion & Publicity of Insurance Companies and Insurance Intermediaries in January 2006. Insurers are also required to report on the number and nature of complaints to the IRDA at monthly intervals to enable IRDA to assess the governance and market conduct issues with respect to each insurer. With a view to addressing the various compliance issues relating to protection of the interests of policyholders, as also relating to keeping the policyholders well informed of and educated about insurance products and complaint-handling procedures, each insurer shall set up a Policyholder Protection Committee which shall directly report to the Board.

The Committee should put in place systems to ensure that policyholders have access to redressal mechanisms and shall establish policies and procedures, for the creation of a dedicated unit to deal with customer complaints and resolve disputes expeditiously.

Thus, the responsibilities of the Policyholder Protection Committee shall include:

- Putting in place proper procedures and effective mechanism to address complaints and grievances of policyholders including misselling by intermediaries.
- Ensure compliance with the statutory requirements as laid down in the regulatory framework. Review of the mechanism at periodic intervals.
- Review of the mechanism at periodic intervals.
- Ensure adequacy of disclosure of "material information" to the policyholders. These disclosures shall, for the present, comply with the requirements laid down by the Authority both at the point of sale and at periodic intervals.
- Review the status of complaints at periodic intervals to the policyholders.
- Provide the details of grievances at periodic intervals in such formats as may be prescribed by the Authority.
- Provide details of insuranceombudsmentothepolicyholders

