

Insurance Regulatory and Development Authority of India

Press Note

7th April 2022

The interactive sessions between the Insurance Regulatory and Development Authority of India (IRDAI) and the insurance industry were held during 6-7 April 2022 at Mumbai.

Mr. Debasish Panda Chairperson, IRDAI, presided over the sessions wherein CEOs and other key officials of all life, general, health insurers and reinsurers were present.

The sessions were held with an aim to identify steps that need to be taken in short, medium and long term to support healthy growth of insurance industry, rationalise regulatory framework, and reduce compliance burden. This is expected to lead to exponential increase in insurance penetration such that, when India celebrates 100 years of its independence in 2047, every Indian has appropriate life, health and property insurance cover and every enterprise is supported by appropriate insurance solutions.

Towards this objective, the following areas are identified in the existing legal/ regulatory architecture for review:

- ✓ Creation of framework to enable new entities to enter insurance market in India with special outreach to global investors for enhancing FDI into the country
- ✓ Facilitate entry of captive insurers, standalone micro insurers, niche players, regional entities into insurance space
- ✓ Dispensing with renewal of registration for insurance intermediaries
- ✓ Explore launch of Bima Mitra on the lines of Bank Mitra to enlarge the scope of distribution with aim to bringing insurance to every doorstep
- ✓ Introduction of new channels of distribution and widening of scope of existing distribution channels with aim to ensuring widespread availability of insurance products
- ✓ Facilitating data analytics for identifying gaps in insurance coverage and assess market needs and embracing emerging technologies to improve efficiencies in delivery of insurance services by the insurance companies
- ✓ Helping enhance technical competencies of insurance agents and field force of the insurers
- ✓ Moving insurance supervision towards outcome based and technology driven that is aligned with international standards

- ✓ Reducing compliance burden on regulated entities by rationalizing regulatory framework
- ✓ Moving towards product certification by insurers wherein broad principles laid down by IRDAI will be adhered to by insurers while designing products.
- ✓ Rationalization of investment norms applicable to insurers
- ✓ Facilitate lowering operating costs and reviewing commission/remuneration structure of insurance products with aim of reducing costs to policyholder
- ✓ Speeding up other regulatory approvals with defined TATs
- ✓ Allowing allied and value added services by insurers
- ✓ Revamping existing policyholder grievance redressal systems with emphasis on understanding customer pain-points, root cause analysis and corrective action
- ✓ Reviewing effectiveness of existing insurance ombudsman system
- ✓ Taking up insurance awareness campaigns including customer surveys to gauge needs, satisfaction levels and to identify problem areas
- ✓ Leveraging social media / multimedia effectively towards insurance awareness
- ✓ Interaction of insurance regulator with insurance industry once in two months to discuss progress made towards insurance penetration and policyholder welfare
- ✓ Open House to be held at IRDAI HQ on 15th of every month to invite suggestions for increasing insurance penetration