

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

LOK SABHA
UNSTARRED QUESTION NO. 1417

TO BE ANSWERED ON MONDAY, JULY 01, 2019/ASHADHA 10, 1941 (SAKA)

FAKE INSURANCE POLICIES

1417. SHRI RAHUL RAMESH SHEWALE:
SHRI BHARTRUHARI MAHTAB:

Will the Minister of FINANCE be pleased to state:-

- (a) whether a large number of vehicles remain uninsured due to proliferation of fake policies in the country, if so, the details thereof along with the number of such complaints received by the Government during each of the last three years and the current year, company-wise;
- (b) the action taken by the Government on such complaints so far;
- (c) the monitoring mechanism out in place to prevent issuance of fake insurance policies of vehicles in the country; and
- (d) the other corrective steps taken by the Government in this direction?

ANSWER

THE FINANCE MINISTER
(SMT. NIRMALA SITHARAMAN)

(a) and (b): The Insurance Regulatory and Development Authority of India (IRDAI) has informed that as per the information provided by various insurers, the year-wise break-up of fake motor policies is as under:

Fraud Monitoring Analysis - Data pertaining to fake Motor Policies		
Financial Year	No.	Amt. (Rs. in lakhs)
FY 2016-17	498	3374.41
FY 2017-18	823	2570.79
FY 2018-19*	1192	5364.21

*excluding Oriental Insurance Co Ltd

IRDAI has further informed that they have directly received complaints relating to three instances of fake policies being issued pertaining to entities which are not registered as general insurers with them. The details are as follows:

- (i) 'M/S AKPCL General Insurance Company Ltd' (Year 2016).
- (ii) 'M/s Gone General Insurance (Year 2019).
- (iii) 'M/s. Marines Technology' (Year 2019).

IRDAI has put up a public notice in each of the above mentioned cases advising general public not to make any transaction with these companies and to bring any unauthorised transaction to its notice. A complaint has also been lodged with the police authorities in respect of the company at S. No. (i) above and they are in the process of filing a police complaint against the companies mentioned at S. No. (ii) and (iii) above .

(c) and (d): IRDAI has issued directions refⁿ IRDA/SDD/MISC/CIR/009/01/2013 dated 21/01/2013 to all Insurers and Reinsurance Companies for putting in place fraud monitoring framework for identification, classification and monitoring of frauds.

IRDAI has carried out insurance awareness campaign through print media in 13 languages. They have also launched a consumer education website ([www. Policyholder.gov.in](http://www.Policyholder.gov.in)) as single point reference for dissemination of information about Consumer guidance and protection including in regard to motor insurance.

IRDAI has further informed that:

- i. Every product registered with IRDAI has a Unique Identification Number (UIN) which can be checked by policyholder.
- ii. The list of approved products is put up on IRDAI website each year along with UIN.
- iii. The policyholder can check the details of their motor insurance policy on Insur website
- iv. The policyholder can also check whether the insurers are registered with IRDAI.
