



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

Promoting insurance. Protecting insured.

www.irdai.gov.in

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CONSUMER AFFAIRS BOOKLET



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FOREWORD



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Chairman

Protection of the interest of the policyholders is part of the mission statement of IRDAI. Consumer grievance redressal framework in Insurance sector has undergone a sea change with the notification of Insurance Regulatory and Development Authority of India (Protection of Policyholders' Interests) Regulations, 2017 and Insurance Ombudsman Rules, 2017. These are aimed to ensure that all regulated entities fulfil their obligations towards the policyholders.

At present the Indian Insurance industry is going through a rapid digital transformation with the advent of new technologies, new age Insurers and digitisation of distribution channels. During this phase, we must ensure that the interests of policyholders are adequately safeguarded at all times.

In this background, Consumer Affairs Department is publishing this booklet with analysis of policyholder grievances, complaint statistics, measures taken by IRDAI to reduce complaints, claims data etc. for the years 2017-18 and 2018-19. It is hoped that this booklet will provide important information and inputs to Insurers and other regulated entities and to other stakeholder so that research and analysis of data would ultimately result in improvement of services to the customers.

Regulatory Framework for Protection of Policyholders - Major developments during 2017-18 & 2018-19

A. Insurance Regulatory and Development Authority of India (Protection of Policyholders' Interests) Regulations, 2017.

The Basic framework governing policyholder protection was laid out in Insurance Regulatory and Development Authority of India (Protection of Policyholders' Interests) Regulations, 2002.

IRDAI notified Insurance Regulatory and Development Authority of India (Protection of Policyholders' Interests) Regulations, 2017 on 22nd June, 2017 in supersession of the above mentioned regulations.

These regulations cover important aspects such as procedures for code of conduct to be followed at point of sale, claim settlement, grievance handling mechanism etc. which are aimed to ensure policyholder centric governance by insurers.

An illustration comparing PPHI Regulations, 2002 vis-a-vis PPHI Regulations, 2017 has been made for informational purposes and placed on our website. You may access this comparison on our website.

B. Insurance Ombudsman Rules, 2017:

In order to provide an expeditious and inexpensive forum for adjudication of matters relating to claims in respect of personal lines of insurance up to a certain limit, Government introduced a system of Ombudsman in the Insurance Sector by notifying Redressal of Public Grievances Rules, 1998 with effect from 11th November 1998.

Government of India vide Gazette Notification dated 25th April, 2017 had notified Insurance Ombudsman Rules, 2017 in supersession of the Redressal of Public Grievances Rules, 1998.

These rules cover important aspects such as appointment of Insurance Ombudsman; manner, timelines and grounds on which a complaint can be made to Insurance Ombudsman; timelines for disposal of complaints, compliance of awards by Insurers etc.

An illustration comparing Redressal of Public Grievances Rules, 1998 vis-a-vis Insurance Ombudsman Rules, 2017 has been made for informational purposes and placed on our website. You may access this comparison on our website.

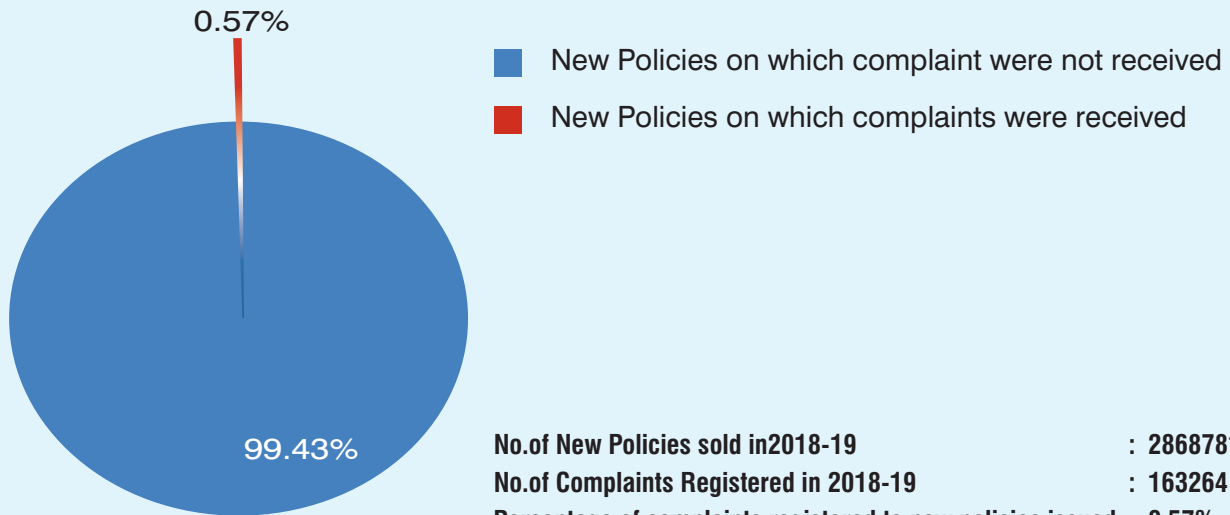
C. Circulars issued by Consumer Affairs Department during the past 2 financial years.

1. Insurance Regulatory and Development Authority of India vide its circular Ref. IRDAI/CAD/CIR/MISC/001/01/2019 dated 21-01-2019 directed all Life insurers to submit quarterly statements on Mis-selling complaints with a view to monitor market conduct of Agents, Insures and Insurance Intermediaries in an efficient way.

2. Insurance Regulatory and Development Authority of India observed instances of non-compliance of awards passed by Insurance Ombudsman by Insurance Companies. Therefore, IRDAI had issued a circular Ref. IRDAI/CAD/ CIR/MISC/038/ 03/2019 dated 05-03-2019 cautioning insurance companies to comply with the awards passed by Insurance Ombudsman or file an appeal within the stipulated timelines under Insurance Ombudsman Rules, 2017.

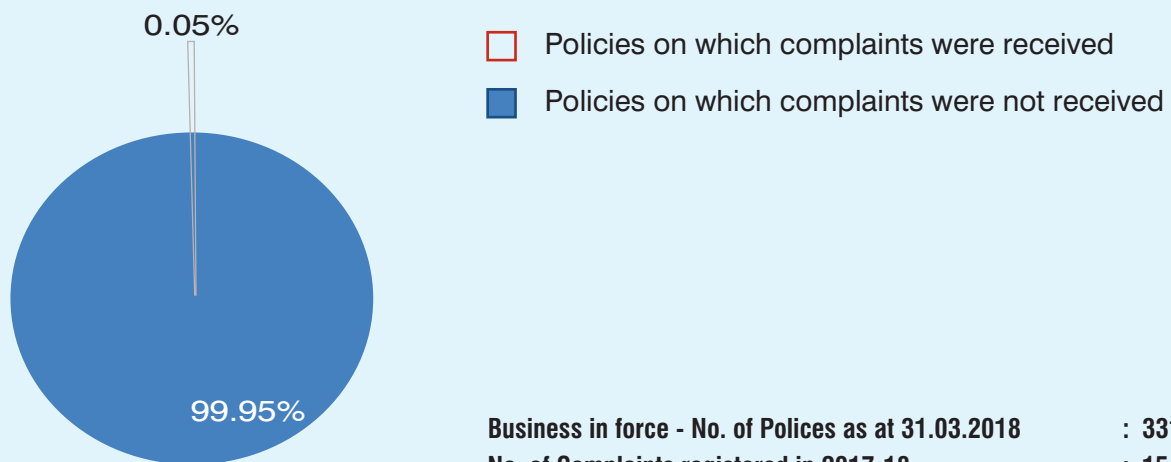
Snapshot - Grievances

**COMPLAINTS REGISTERED AGAINST LIFE INSURERS VIS-A-VIS NEW BUSINESS -
NO. OF POLICIES SOLD (INDIVIDUAL BUSINESS WITHIN INDIA) - 2018-19**



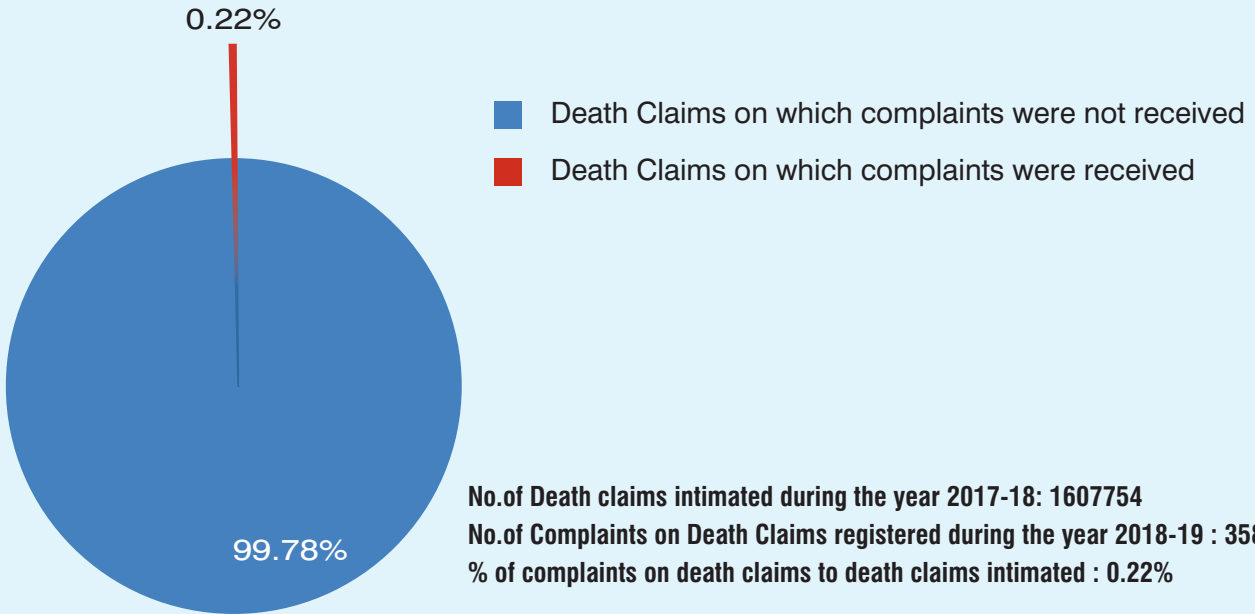
No. of New Policies sold in 2018-19 : 28687812*
No. of Complaints Registered in 2018-19 : 163264
Percentage of complaints registered to new policies issued : 0.57%
***Provisional Figures**

**COMPLAINTS REGISTERED AGAINST LIFE INSURERS VIS-A-VIS BUSINESS FORCE
(INDIVIDUAL BUSINESS WITHIN INDIA)**

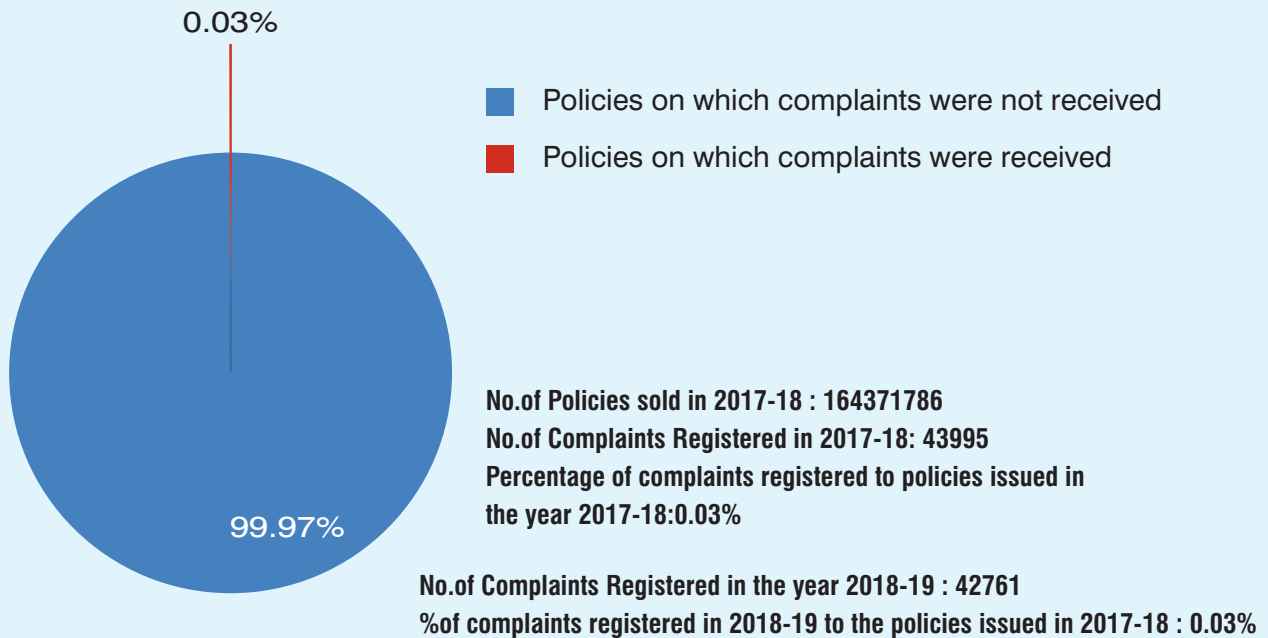


| | |
|--|--------------------|
| Business in force - No. of Polices as at 31.03.2018 | : 331485085 |
| No. of Complaints registered in 2017-18 | : 154367 |
| Percentage of complaints registered in 2017-18 to Business in force as 31.03.2018 | : 0.05% |

ANALYSIS OF LIFE INSURANCE COMPLAINTS VIS-A-VIS NO.OF DEATH CLAIMS



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



SUMMARY OF GRIEVANCES – 2018-19

Integrated Grievance Management System (IGMS)

"Integrated Grievance Management System" (IGMS) is a comprehensive solution which not only has the ability to provide a centralized and online access to the insurance customer but also provides for access to IRDAI for customer grievances. IGMS provides an alternate channel for online registration and tracking of complaints by insurance customers. It captures the resolution provided by insurer to the complaints. It also captures complaints registered by insurers and resolution provided to these complaints by them by replicating the insurer database of complaints on IGMS and vice-versa. Thus, IGMS provides a standard platform to all insurance companies to resolve proposer or policyholder's grievances and provides IRDAI with a tool to monitor the effectiveness of the grievance redress system of insurance companies. Therefore, apart from creating a central repository of industry-wide insurance grievance data, IGMS is a grievance redress monitoring tool of IRDAI.

Grievances handling at IRDAI

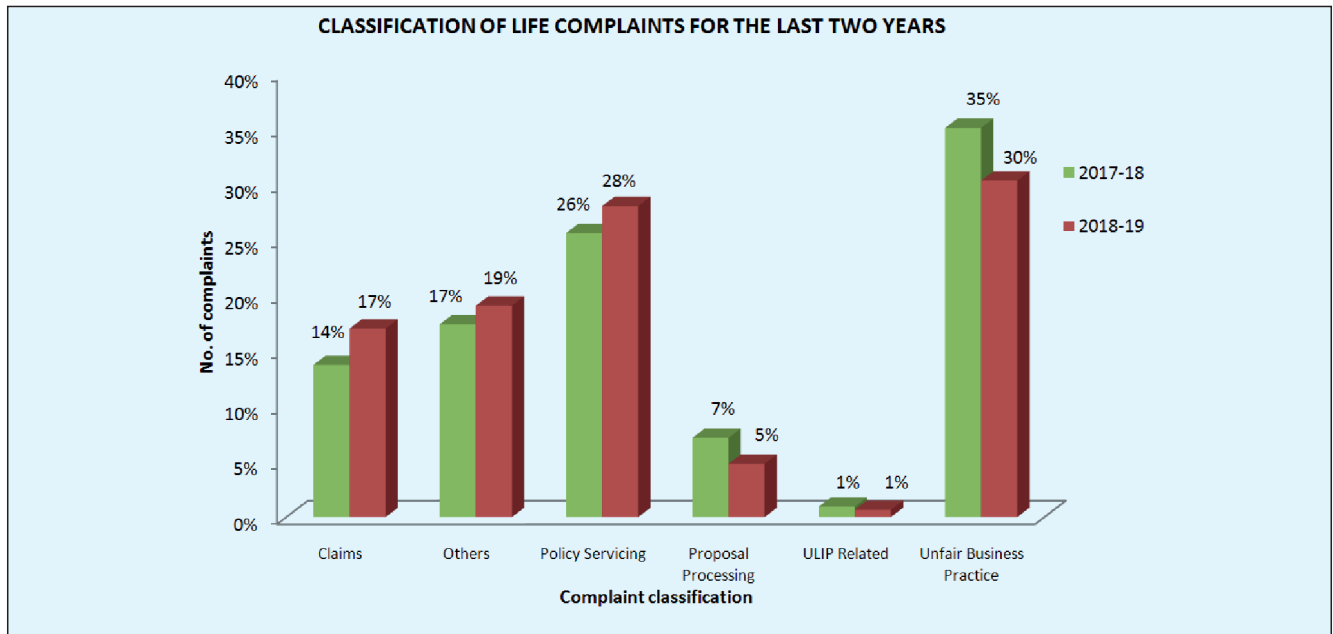
The complaint is registered with a unique token number. An acknowledgement of complaint with the complaint token number is sent to the complainant by email or if no email id is registered, by letter to his postal address. A brief description of the grievance is given on the IGMS. The documents relating to the complaint are captured and forwarded to the insurance company for resolution. The insurance company is required to examine the complaint and attend to it within two weeks by responding to the complainant. The action taken on the complaint has to be updated by the insurance company in the IGMS. The status of the complaint and the description of action taken can be checked by the complainant from the IGMS or by calling up the IRDAI Grievance Call Centre by using the token number assigned to the complaint. In case the complainant does not come back within 8 weeks of the insurance company attending to the complaint and recording the action taken, the complaint will be closed by the insurance company. In case the company does not respond even after 15 days or if the complainant is not satisfied with the action taken, he can again escalate the complaint to IRDAI. IRDAI will then take up the complaint with the company for its resolution and responding to the complainant. In case the complainant is not satisfied with the resolution of the insurance company, he may approach the Insurance Ombudsman or the appropriate legal authority.

STATUS OF GRIEVANCES - AS PER IGMS

Life Insurers

| STATUS OF GRIEVANCES - LIFE INSURERS DURING 2018-19 | | | | |
|---|---|------------------------------------|-------------------------|--|
| Insurer | Outstanding as on 1 st April, 2018 | Grievances Reported during 2018-19 | Resolved during 2018-19 | Outstanding as on 31 st March, 2019 |
| LIC | 0 | 102127 | 102127 | 0 |
| PRIVATE | 201 | 61137 | 61254 | 84 |
| TOTAL | 201 | 163264 | 163381 | 84 |

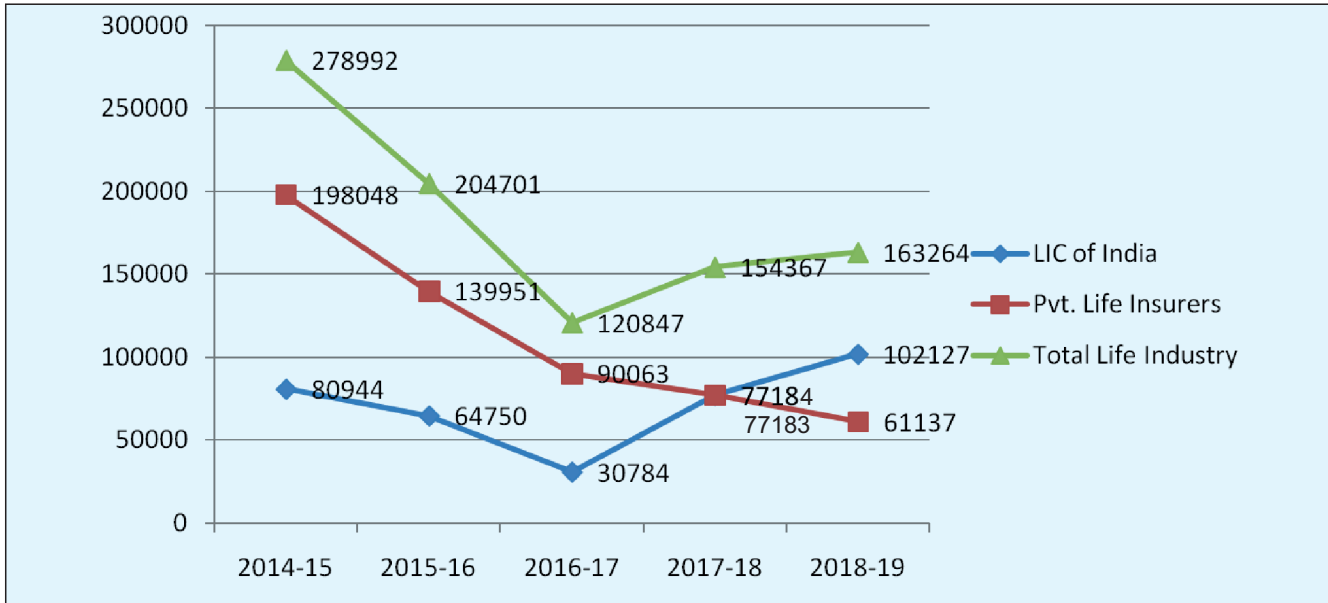
During 2018-19, the insurance companies resolved 99.95 per cent of the complaints handled. The private life insurers resolved 99.86 per cent of the complaints reported, while LIC resolved 100 per cent of the complaints as a result of which there were no pending complaints of LIC as at 31.3.2019.



As can be seen from the above, the classification as per the IGMS in terms of grievance Redressal guidelines, indicates a substantial decrease of 5% in the complaints under Unfair Business Practices and marginal decrease of 2% in the complaints under Proposal Processing during 2018-19 over 2017-18; increase of 3% in the complaints under Claims and increase of 2% in the complaints under Policy Servicing and Others during the year 2018-19 over 2017-18. The complaints under ULIP Related have maintained the same share to the total complaints during the last 2 years.

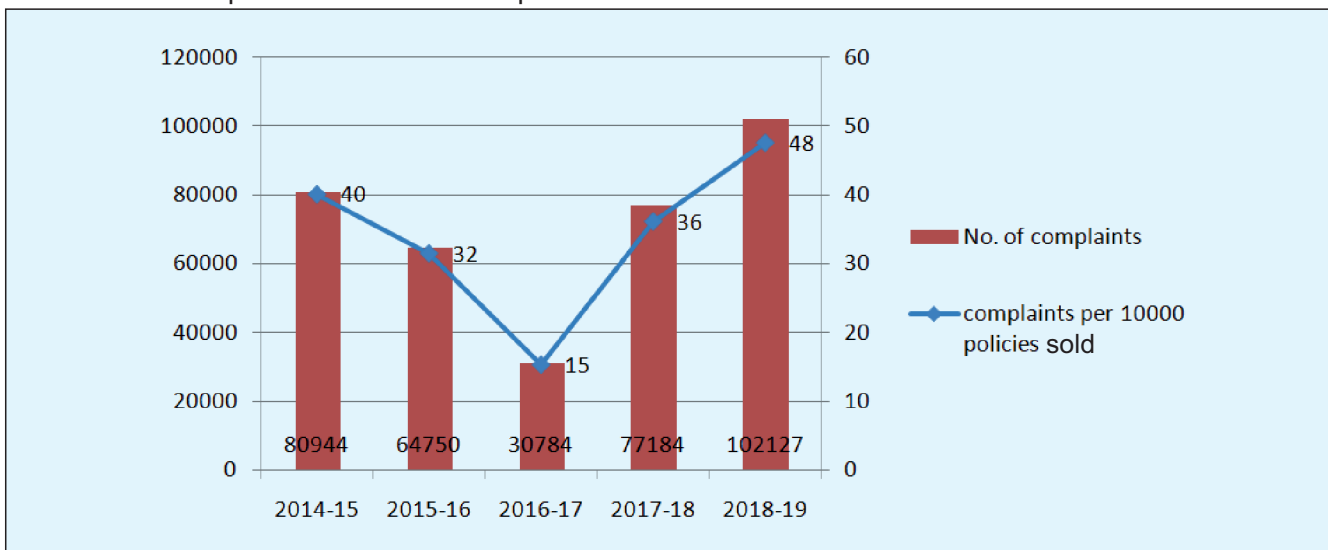
Trends in no. of complaints over the past 5 financial years- IGMS:

a. No. of complaints over the years-Total Life Insurance complaints:



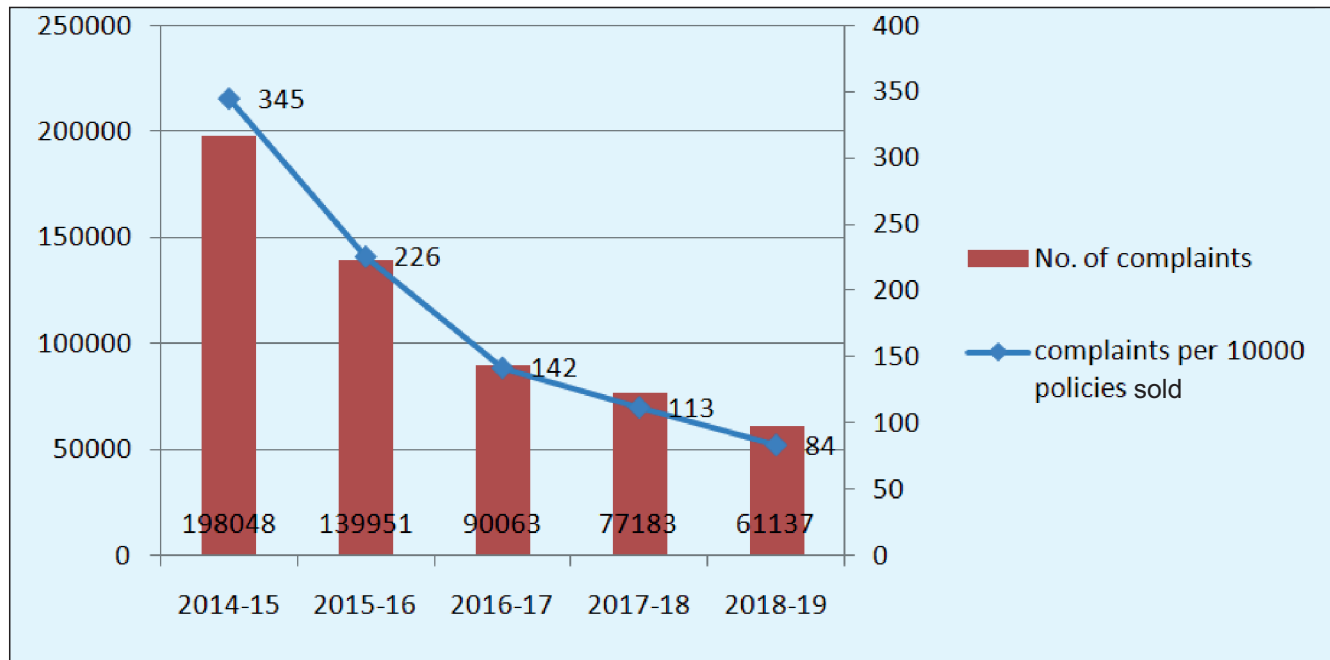
The no. of Life Insurance complaints has shown an decreasing trend from FY. 2014-15 to FY 2016-17. However, no. of Life Insurance complaints have increased from FY 2017-18 onwards. This is due to increase in no. of complaints against LIC of India. Overall, there has been a decrease of 41% in no. of complaints over the past 5 financial years(278992 in 2014-15 to 163264 in 2018-19).

b. No. of complaints vis-a-vis no. of policies sold-LIC of India



There has been a reduction of 20.01% and 52.46% in no. of complaints in F.Y. 15-16 and 16-17 respectively. However, there is an increase of 150.72% and 32.31% in the no. of complaints registered against LIC of India in the past 2 financial years respectively. Overall there has been an increase in no. of complaints from 80944 in 2014-15 to 102127 in 2018-19. (26% increase over the years)

c. No. of complaints vis-a-vis no. of policies sold-Pvt Life Insurers

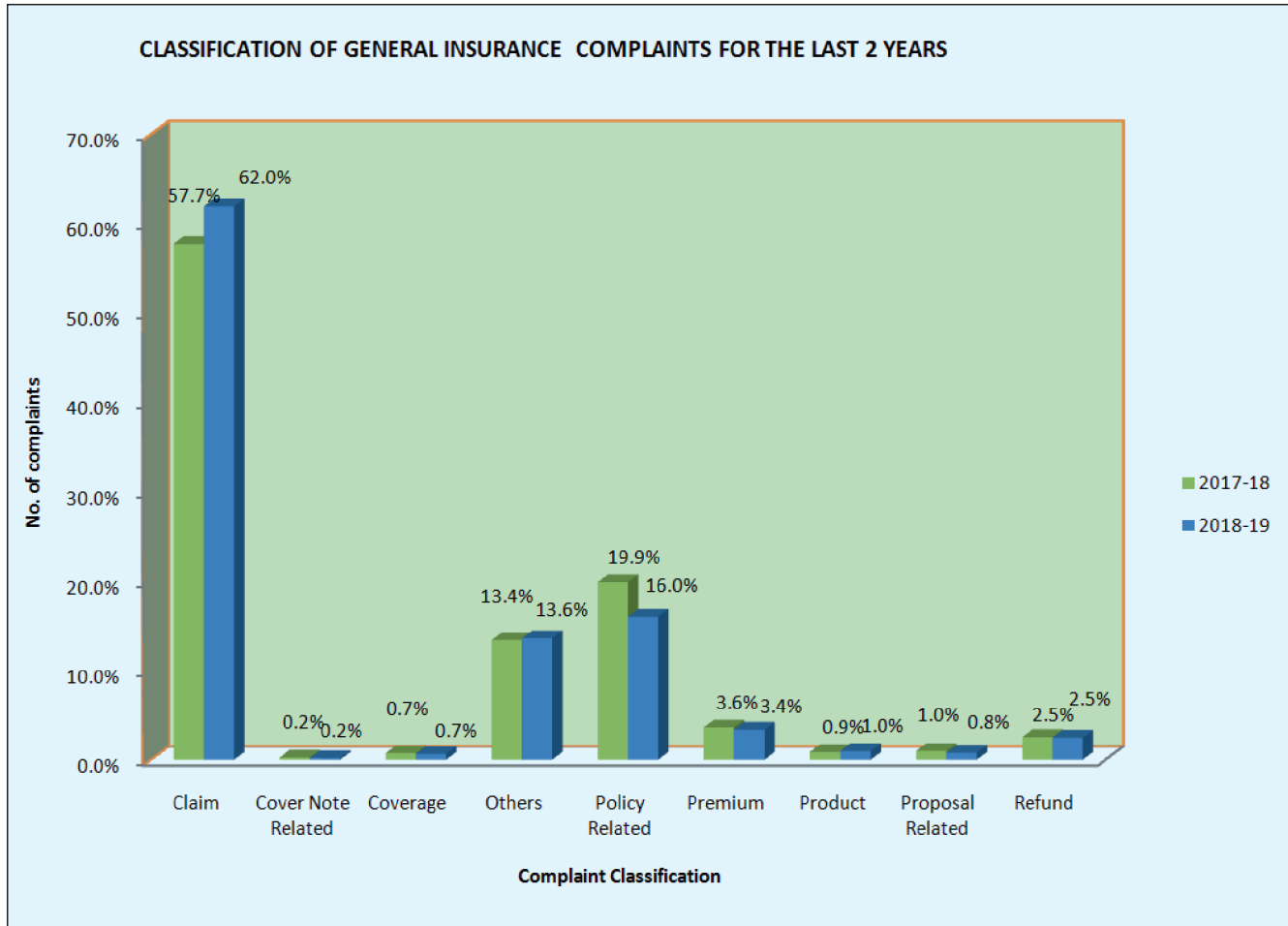


There has been a good reduction in no. of complaints from 198048 in 2014-15 to 61137 in 2018-19 against Private Life Insurers over the years (69% reduction over the years). Further, incidence of complaints for every 10,000 policies sold has also reduced drastically over the years.

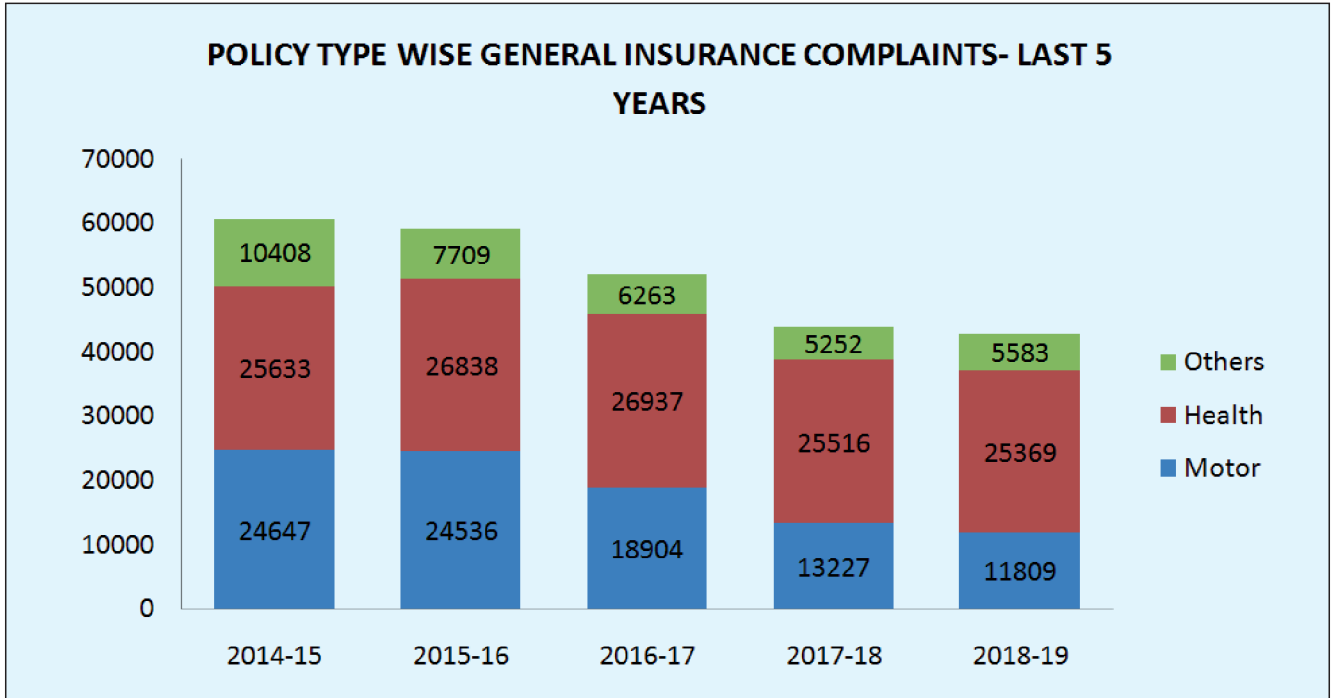
General Insurers

| STATUS OF GRIEVANCES - LIFE INSURERS DURING 2018-19 | | | | |
|---|---|------------------------------------|-------------------------|--|
| Insurer | Outstanding as on 1 st April, 2018 | Grievances Reported during 2018-19 | Resolved during 2018-19 | Outstanding as on 31 st March, 2019 |
| PUBLIC | 1302 | 20968 | 21931 | 339 |
| PRIVATE | 344 | 21793 | 21876 | 261 |
| TOTAL | 1646 | 42761 | 43807 | 600 |

The General insurance companies resolved 98.65 per cent of the complaints handled during the year 2018-19. The private General insurance companies resolved 98.82 per cent and public General insurance companies resolved 98.48 per cent of the complaints handled by them. As at 31st March, 2019, a total of 600 complaints were pending for resolution, out of which 261 were belonging to private sector insurance companies and 339 were pertaining to public sector insurance companies.

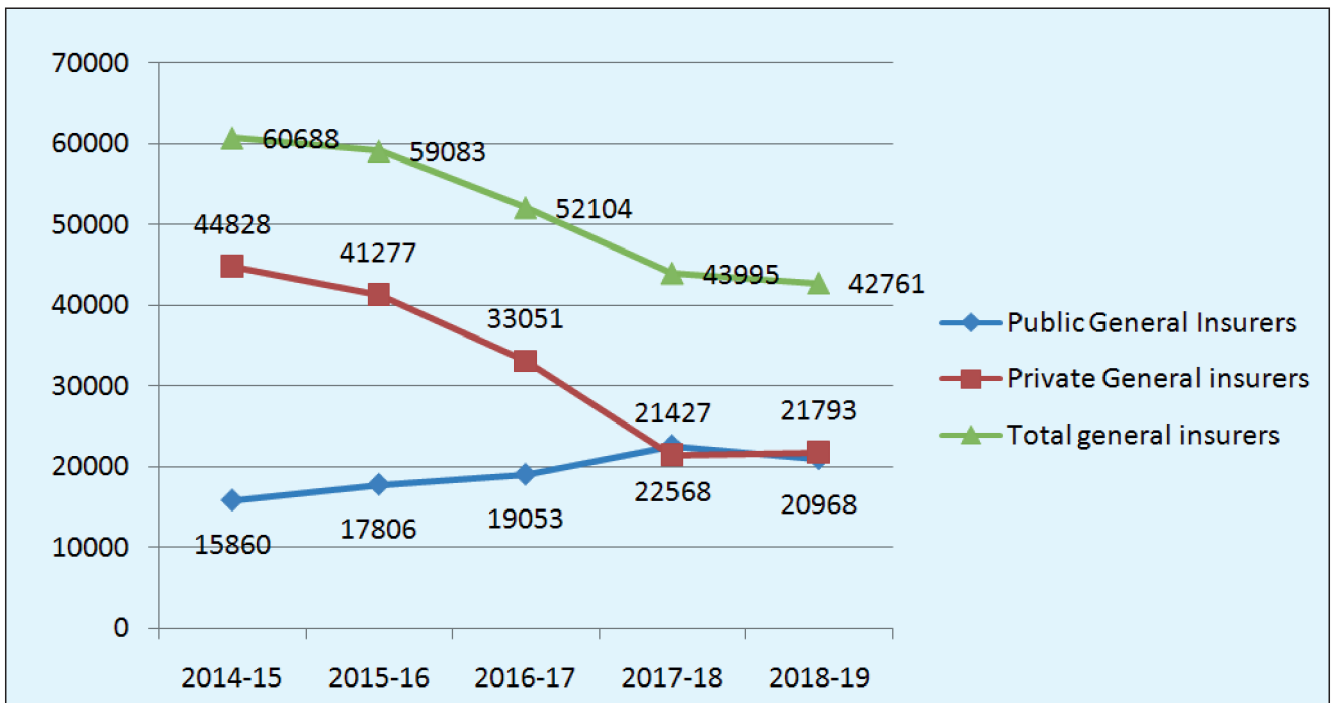


It can be seen from the above graph that there is a 4% reduction of the complaints reported under policy related. There is an increase of 4% in the complaints reported under Claims in the complaints reported during the year 2018-19 as compared to 2017-18. Complaints reported under all other categories have maintained the same share as that of the previous year.



The analysis of the complaints under policy type indicates that health insurance complaints are more during the last 5 years as compared to the complaints reported under motor insurance.

No. of complaints over the past five years-Total General Insurance complaints



No. of general insurance complaints has shown a decreasing trend over the years from 60668 in 2014-15 to 42761 in 2018-19 (reduction of 29%). In respect of Public General Insurers, there has been an increase in no. of complaints from 15860 in 2014-15 to 20968 in 2018-19 (32% increase over the years). In respect of Private General Insurers, there has been an reduction in no. of complaints from 44828 in 2014-15 to 21793 in 2018-19 (51% reduction over the years).

Insurers who have registered NIL pending in No. of complaints as at 31.3.2019

| Insurers who have registered NIL pending in No. of complaints as at 31.3.2019 | | | | | | | |
|---|-----------------|-----------------------|-----------|------|------------------|-----------------------|-----------|
| S.No | Life Insurers | Pending Complaints at | | S.No | General Insurers | Pending Complaints at | |
| | | 31.3.2019 | 31.3.2018 | | | 31.3.2019 | 31.3.2018 |
| 1 | LIC | 0 | 0 | 1 | Agriculture | 0 | 0 |
| 2 | Aegon Life | 0 | 0 | 2 | ECGC | 0 | 53 |
| 3 | Aviva | 0 | 0 | 3 | Acko General | 0 | 0 |
| 4 | Bharti Axa | 0 | 0 | 4 | Aditya Birla | 0 | 1 |
| 5 | DHFL Pramerica | 0 | 4 | 5 | Chola MS | 0 | 2 |
| 6 | Edelweiss Tokio | 0 | 0 | 6 | DHFL Gen | 0 | 0 |
| 7 | Exide Life | 0 | 0 | 7 | Edelweiss Gen | 0 | 0 |
| 8 | Future Generali | 0 | 0 | 8 | FG General | 0 | 3 |
| 9 | IDBI Federal | 0 | 0 | 9 | Go Digit | 0 | 0 |
| 10 | Max Life | 0 | 0 | 10 | HDFC ERGO | 0 | 0 |
| 11 | Reliance Life | 0 | 11 | 11 | L&T General | 0 | 0 |
| 12 | SBI Life | 0 | 0 | 12 | Liberty General | 0 | 0 |
| 13 | Star Union | 0 | 0 | 13 | Magma HDI | 0 | 49 |
| 14 | TATA AIA | 0 | 0 | 14 | Max Bupa Health | 0 | 0 |
| | | | | 15 | Raheja QBE | 0 | 1 |
| | | | | 16 | Reliance Gen | 0 | 7 |
| | | | | 17 | Reliance Health | 0 | 0 |
| | | | | 18 | Shriram General | 0 | 0 |
| | | | | 19 | Universal Sompo | 0 | 0 |

DATA ON INSURANCE OMBUDSMEN – 2018-19

| DISPOSAL OF COMPLAINTS BY INSURANCE OMBUDSMEN DURING 2018-19 | | | | | | | | | | | |
|--|------------------|-------------------------|--------------|-------------------------|--------------------------------------|-------------------------|------------------------|------------------|-------------------------|--------------------------|-------------------|
| Insurer | O/S as on 1.4.18 | Received during 2018-19 | Total | Disposed during 2018-19 | No. of Complaints disposed by way of | | | | | | O/S as on 31.3.19 |
| | | | | | (I) | (II) | (III) | (IV) | (V) | (VI) | |
| Life | 5320 | 11859 | 17179 | 12103 | 501 [4.14%] | 2980 [24.62%] | 744 [6.15%] | 0 [0%] | 1392 [11.50%] | 6486 [53.59%] | 5076 |
| General | 5263 | 10805 | 16068 | 9864 | 328 [3.33%] | 2845 [28.84%] | 945 [9.58%] | 0 [0%] | 1338 [13.56%] | 4408 [44.69%] | 6204 |
| Combined | 10583 | 22664 | 33247 | 21967 | 829 [3.77%] | 5825 [26.52%] | 1689 [7.69%] | 0 [0%] | 2730 [12.43%] | 10894 [49.59%] | 11280 |

Note: O/S : Outstanding

(I) Recommendations (II) Awards

(III) Withdrawal

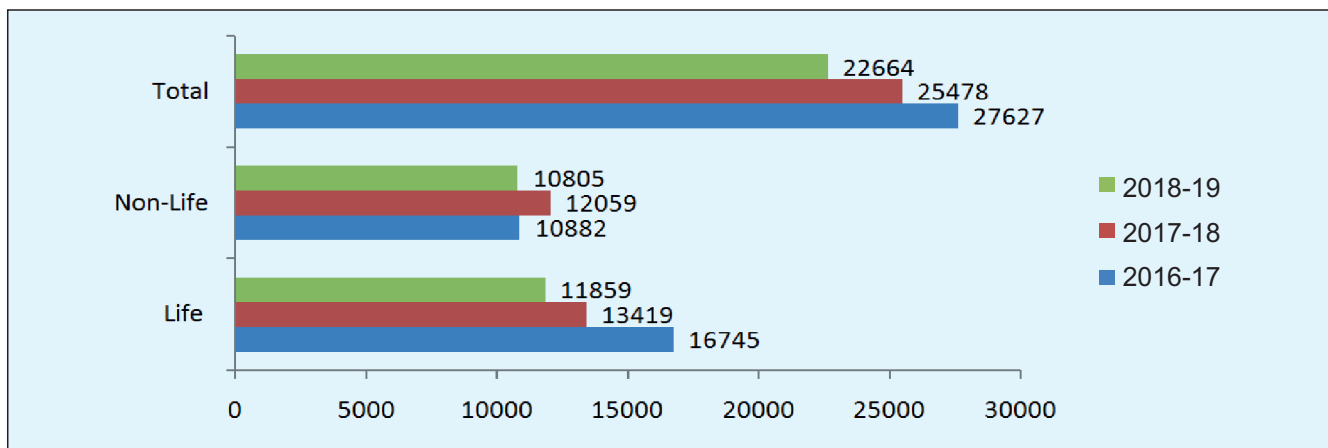
(IV) Non-acceptance (V) Dismissal awards fvg. Ins. Co. (VI) Not-entertainable

During 2018-19, the Seventeen Ombudsmen centers spread across India have received a total of 22664 complaints. While 11859 complaints (about 52 per cent) pertained to life insurers, the remaining 10805 complaints (about 48 per cent) related to General insurers. This was in addition to 10583 complaints pending with various offices of Ombudsmen as at the end of March 2018.

During 2018-19, Ombudsmen disposed of 21967 complaints. Out of these complaints, Ombudsmen declared 49.59 per cent of the complaints as non-entertainable. Awards/recommendations were issued for 30.29 per cent of total complaints. Other than this, 7.69 per cent of the complaints were withdrawn/settled, while nearly 12.43 per cent of the complaints were dismissed. 11280 complaints were pending as on 31st March, 2019.

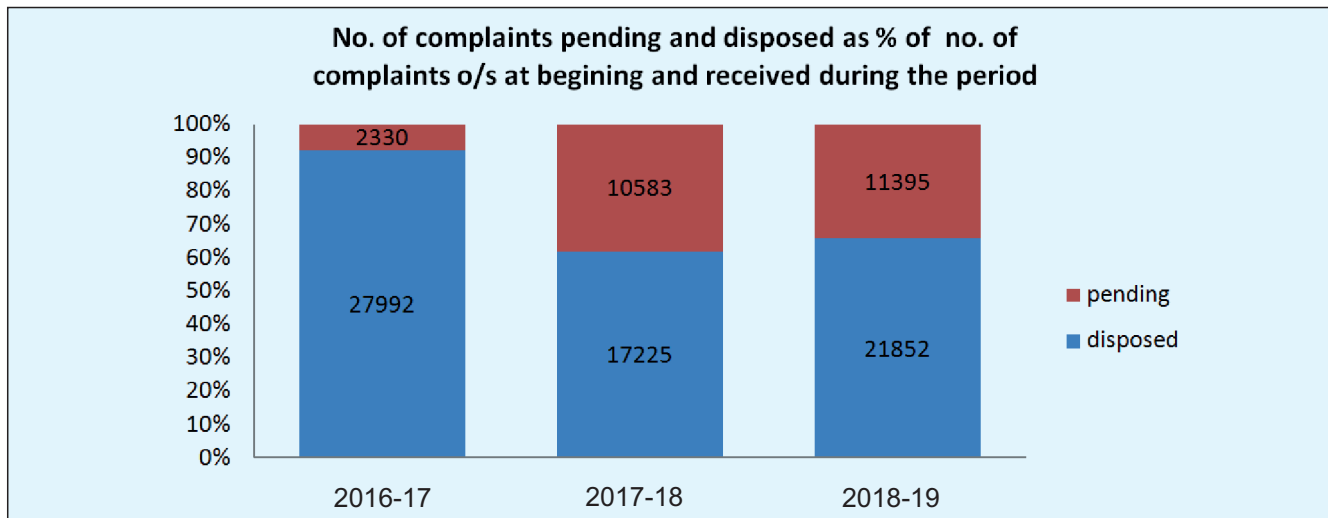
Trends in complaints received at Ombudsman centers:

1. No. of complaints over the past 3 years:



No. of complaints being received across various Ombudsman centers has reduced over the past 3 years from 27627 in 2016-17 to 22654 in 2018-19. No. of complaints in respect of Life Insurance has reduced drastically over the years from 16745 in 2016-17 to 11859 in 2018-19 (reduction of 29%). No. of complaints in respect of General insurance have remained relatively unchanged.

2. Pendency of complaints



Pendency % has been calculated as $(\text{No. of complaints pending at the end of period}) / (\text{No. of complaints received during the period} + \text{No. of complaints pending at the beginning of the period})$.

Pendency% was 7.68% at the end of financial year 2016-17. However, pendency increased drastically during the FY 2017-18 and was 38.06% at the end of FY 2017-18.

There has been slight reduction in pendency% as at end of FY 2018-19.(34.27%)

COMPLAINTS RECEIVED THROUGH CENTRALISED PUBLIC GRIEVANCE REDRESS AND MONITORING SYSTEM - CPGRAMS PORTAL

Centralized Public Grievance Redress And Monitoring System (CPGRAMS) is an online web-enabled system developed by NIC, in association with Directorate of Public Grievances (DPG) and Department of Administrative Reforms and Public Grievances (DARPG).

The grievances pertaining to insurance are received by DFS-finance ministry directly in the portal and also from various sources – DARPG, DPG, PMO, President secretariat, Minister’s office. Consumer Affairs Department(CAD) receives the grievances from DFS that are pertaining to insurance companies, intermediaries and others that come under IRDAI purview. However if the grievances are related to Public sector insurance companies, DFS directly sends it to them and escalates to CAD only if such grievances require IRDAI intervention. Each grievance received is then examined by CAD and taken up with the concerned insurer(s) or taken up within office for speedy and proper redress of these grievances.

REPORT ON GRIEVANCES RECEIPT:

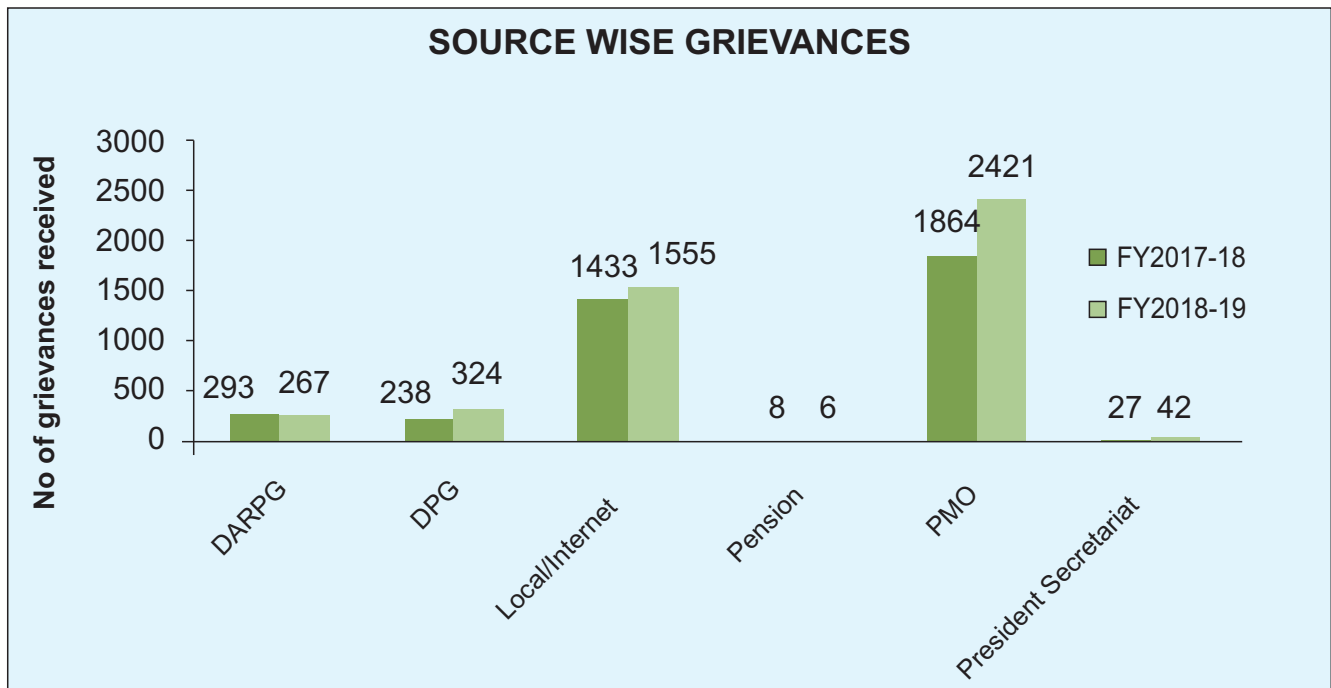
No. of Grievances received during financial year 2018-19 in CPGRAMS portal is 4615 as compared to the grievances receipt in FY2017-18 which was 3863.

| STATUS OF GRIEVANCES RECEIVED AT IRDAI THROUGH CPGRAMS | | | | | | |
|--|---------------------|--------------|---------------|------------------------|---------|---------------------------------|
| | Brought forward (a) | Received (b) | Disposed (C). | % disposed (d=c/(a+b)) | TAT (e) | Pending as at end of period (f) |
| FY2017-18 | 160 | 3863 | 3873 | 96.27% | 16 | 150 |
| FY2018-19 | *157(150+7) | 4615 | 4619 | 96.79% | 20 | 153 |

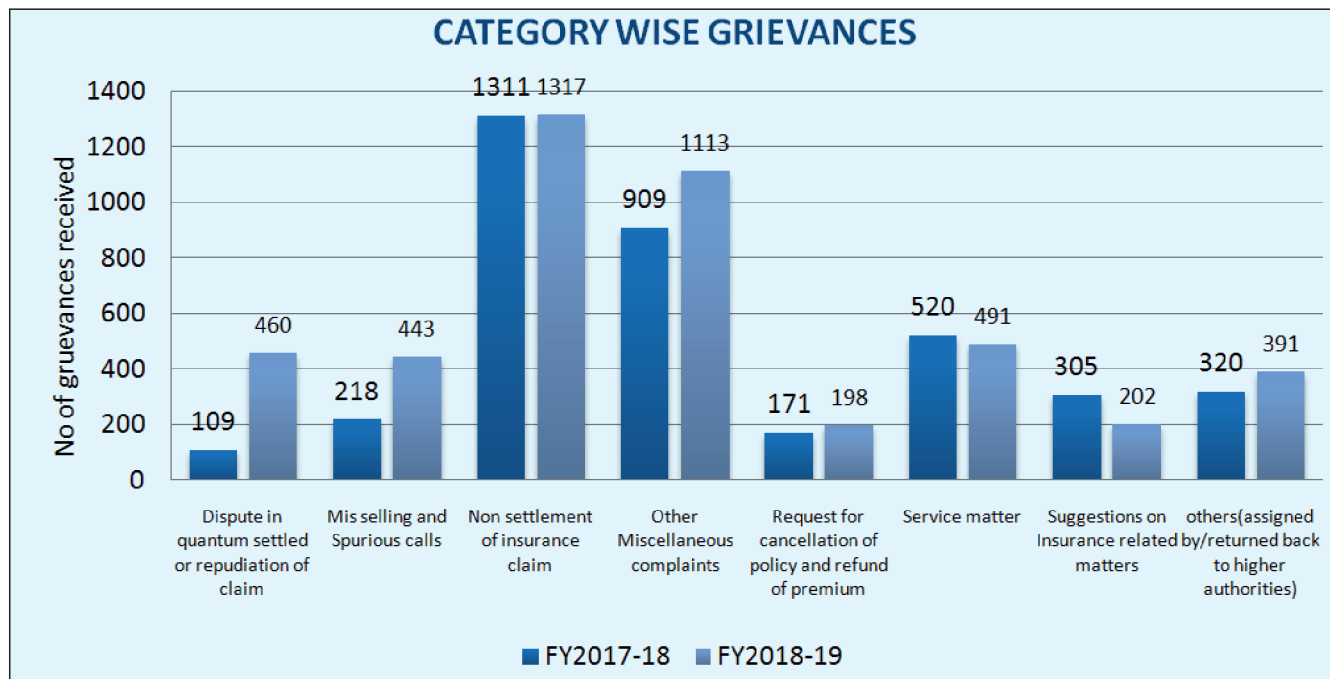
*Grievances pertaining to FY 2017-18 is escalated through portal in FY2018-19 and added to opening balance

SOURCE WISE GRIEVANCES BREAKUP FOR FY2017-18 & FY2018-19

It could be observed from the chart below that Majority of the grievances received from public are through PMO office and DFS- Finance ministry (referred as local/internet in graph) both of which constitute 85.34% & 86% of total grievances received in portal in FY2017-18 and FY2018-19 respectively.



CATEGORY WISE GRIEVANCES BREAKUP FOR FY2017-18 & FY2018-19



It could be observed from the chart above that the highest number of grievances is from “Non settlement of insurance claim” category as majority of grievances received in portal are from PMO office on claim related issues of PMFBY crop insurance. Also numerous complaints are received on claim related issues in health insurance.

Receipt and Disposal of Grievances registered in DARPG Portal and referred to IRDAI (During the period from 1.4.2018 to 31.3.2019)

| Grievance Source | B/F Balance | Receipt During the Period | Total Receipts | Cases Disposed of During the Period | Closing Balance as on 31/03/2019 |
|-----------------------|-------------|---------------------------|----------------|-------------------------------------|----------------------------------|
| DARPG | 15 | 267 | 282 | 272 | 10 |
| DPG | 21 | 324 | 345 | 342 | 3 |
| Local/Internet | 51 | 1555 | 1606 | 1554 | 52 |
| Pension | 0 | 6 | 6 | 6 | 0 |
| PMO | 70 | 2421 | 2491 | 2404 | 87 |
| President Secretariat | 0 | 42 | 42 | 41 | 1 |
| Total | 157 | 4615 | 4772 | 4619 | 153 |

During the Year 4615 grievances have been referred to IRDAI of the grievances registered in DARPG Portal. A total of 4619 grievances have been disposed of during the year. 153 grievances were pending as at 31.3.2019.

Grievances referred to IRDAI - Pending as at 31.3.2019

| Name of Organisation | B/F as on 01/04/2018 | Grievances Received | Grievances Disposed | Pending as on 31/03/2019 | Pending 0 to15 days | Pending 16 to 30 days | Pending 31 to 60 days | Pending more than 60 days |
|----------------------|----------------------|---------------------|---------------------|--------------------------|---------------------|-----------------------|-----------------------|---------------------------|
| IRDAI | 157 | 4615 | 4619 | 153 | 96 | 41 | 14 | 3 |

Out of 153 grievances pending as at 31.3.2019, 3 grievances were pending resolution beyond 60 days.

PRAGATI (Pro Active Governance and Timely Implementation).

Under PRAGATI initiative by government of India to ensure effective redress of public grievances, the CEOs of all Insurance Companies were advised to examine 20 grievances every week personally to assess the timeliness and quality of resolutions given. A Monthly Statement under PRAGATI is being submitted by insurers for review every month since June 2016.

Summary of Grievances 2017-18 & 2018-19

(Summary of Complaints, Disposal & Resolutions)

1. Industry (Life & General)
2. Life Insurance Industry
3. General Insurance Industry

**SUMMARY OF COMPLAINTS, DISPOSAL & RESOLUTION - Industry (Life & General)
1-Apr-2017 to 31-Mar-2018**

| RECEIPT AND DISPOSAL OF COMPLAINTS | | |
|---|--------|--------|
| Pending as at beginning | 1033 | |
| Received during the period | 202433 | |
| Duplicate during the period | 4071 | |
| Actual during the period | 198362 | |
| Attended to during the period | 197548 | 99.07% |
| Pending as at the end of the period | 1847 | 0.93% |

| PERIOD OF PENDENCY | | |
|--|-------------------|--------|
| Complaints pending as at the end of the period | No. of Complaints | % |
| Less than 15 days | 595 | 32.21% |
| 16 - 30 days | 104 | 5.63% |
| More than 30 days | 1148 | 62.15% |
| Total Pending | 1847 | |

| COMPLAINT TYPE CLASSIFICATION | | |
|--------------------------------------|-------------------|--------|
| Complaint Type | No. of Complaints | % |
| Unfair Business Practices | 54229 | 27.34% |
| Policy Servicing | 39573 | 19.95% |
| Others | 26863 | 13.54% |
| Survival Claims | 17994 | 9.07% |
| Proposal Processing | 11039 | 5.57% |
| Death Claims | 3218 | 1.62% |
| ULIP Related | 1451 | 0.73% |
| Claim | 25401 | 12.81% |
| Policy Related | 8750 | 4.41% |
| Others | 5892 | 2.97% |
| Premium | 1590 | 0.80% |
| Refund | 1114 | 0.56% |
| Proposal Related | 432 | 0.22% |
| Product | 380 | 0.19% |
| Coverage | 327 | 0.16% |
| Cover Note Related | 109 | 0.05% |
| TOTAL | 198362 | |

| RESOLUTION CLASSIFICATION OF COMPLAINTS DISPOSED DURING THE YEAR (Complaint Type wise)* | | | |
|--|---------------|---------------------|--------------|
| Complaints Type | In favour | Partially in favour | Reject |
| Unfair Business Practices | 16657 | 3336 | 34095 |
| Policy Servicing | 33719 | 3321 | 2526 |
| Others | 23033 | 1761 | 2060 |
| Survival Claims | 14235 | 1533 | 2208 |
| Proposal Processing | 8568 | 994 | 1467 |
| Death Claims | 1726 | 394 | 1089 |
| ULIP Related | 739 | 230 | 479 |
| Claim | 11114 | 3645 | 10174 |
| Policy Related | 6727 | 813 | 1111 |
| Others | 4009 | 483 | 1322 |
| Premium | 899 | 140 | 534 |
| Refund | 786 | 179 | 125 |
| Proposal Related | 200 | 21 | 196 |
| Product | 117 | 44 | 202 |
| Coverage | 166 | 26 | 129 |
| Cover Note Related | 86 | 8 | 15 |
| TOTAL | 122781 | 16928 | 57732 |

| AVERAGE RESOLUTION RATE | |
|--------------------------------|------|
| Average Resolution Rate | 7.99 |

| REGISTRATION & MODE OF RECEIPT OF COMPLAINTS | | |
|--|---------------|---------------|
| Complaints Registered in IGMS Portal | 30597 | 15.42% |
| ♦ Registered by IRDAI | 21680 | 10.93% |
| ♦ Email | 11683 | |
| ♦ Letter | 4674 | |
| ♦ Telephone | 5323 | |
| ♦ Registered by Policy Holder | 8917 | 4.50% |
| Complaints Registered in Insurer's portal | 167765 | 84.58% |
| TOTAL COMPLAINTS | 198362 | |

| COMPLAINT DESCRIPTION CLASSIFICATION (Top 10) | | | |
|---|---------------------------|-------------------|--------|
| Complaint Description Type | Complaints Type | No. of Complaints | % |
| Malpractices or unfair business practices | Unfair Business Practices | 24765 | 12.48% |
| Complaint raised with Insurer not addressed | Others | 20646 | 10.41% |
| Insurer not disposed of the claim | Claim | 11425 | 5.76% |
| Payment of premium not acted upon or wrongly acted upon | Policy Servicing | 7436 | 3.75% |
| Survival Benefit is not paid | Survival Claims | 6785 | 3.42% |
| Policy bond not received | Proposal Processing | 5886 | 2.97% |
| Non-receipt of Premium receipt | Policy Servicing | 5356 | 2.70% |
| Illegitimate inducements offered | Unfair Business Practices | 5031 | 2.54% |
| Product differs from what was requested or disclosed | Unfair Business Practices | 4831 | 2.44% |
| Tampering, Corrections, forgery of proposal or related papers | Unfair Business Practices | 4286 | 2.16% |

| POLICY TYPE CLASSIFICATION | | |
|---|-------------------|--------|
| Policy Type | No. of Complaints | % |
| Conventional Life Insurance Policy | 121032 | 61.02% |
| Unit Linked Insurance Policy | 18118 | 9.13% |
| Others | 9160 | 4.62% |
| Pension Policy (other than Unit Linked) | 3889 | 1.96% |
| Health Insurance Policy | 2168 | 1.09% |
| Health Insurance | 25516 | 12.86% |
| Motor Insurance | 13227 | 6.67% |
| Others | 4073 | 2.05% |
| Fire | 768 | 0.39% |
| Marine Cargo | 205 | 0.10% |
| Crop | 105 | 0.05% |
| Engineering | 67 | 0.03% |
| Credit | 26 | 0.01% |
| Marine Hull | 8 | 0.00% |
| TOTAL | 198362 | |

| RECEIPT OF COMPLAINTS | | |
|---|-------------------|---------------|
| Top 5 companies | No. of Complaints | % |
| Life Insurance Corporation of India | 67491 | 34.02% |
| United India Insurance Company Limited | 8697 | 4.38% |
| ICICI Prudential Life Insurance Company Ltd | 6858 | 3.46% |
| SBI Life Insurance Co. Ltd. | 6729 | 3.39% |
| HDFC Standard Life Insurance Co. Ltd | 6615 | 3.33% |
| TOTAL | 96390 | 48.59% |

| RESOLUTION CLASSIFICATION OF COMPLAINTS DISPOSED DURING THE YEAR * | | |
|--|--------|--------|
| In favour | 122781 | 62.19% |
| Partially in favour | 16928 | 8.57% |
| Reject | 57732 | 29.24% |

*Out of the total complaints registered during the year

SUMMARY OF COMPLAINTS, DISPOSAL & RESOLUTION - Life Insurer 1-Apr-2017 to 31-Mar-2018

| RECEIPT AND DISPOSAL OF COMPLAINTS | | |
|-------------------------------------|--------|--------|
| Pending as at beginning | 247 | |
| Received during the period | 157673 | |
| Duplicate during the period | 3306 | |
| Actual during the period | 154367 | |
| Attended to during the period | 154413 | 99.87% |
| Pending as at the end of the period | 201 | 0.13% |

| COMPLAINT TYPE CLASSIFICATION | | |
|-------------------------------|-------------------|--------|
| Complaint Type | No. of Complaints | % |
| Unfair Business Practices | 54229 | 35.13% |
| Policy Servicing | 39573 | 25.64% |
| Others | 26863 | 17.40% |
| Survival Claims | 17994 | 11.66% |
| Proposal Processing | 11039 | 7.15% |
| Death Claims | 3218 | 2.08% |
| ULIP Related | 1451 | 0.94% |
| TOTAL | 154367 | |

| AVERAGE RESOLUTION RATE | |
|-------------------------|------|
| Average Resolution Rate | 5.33 |

| RECEIPT OF COMPLAINTS | | |
|---|-------------------|---------------|
| Top 5 companies | No. of Complaints | % |
| Life Insurance Corporation of India | 77184 | 50.00% |
| ICICI Prudential Life Insurance Co. Ltd | 7700 | 4.99% |
| SBI Life Insurance Co. Ltd. | 7640 | 4.95% |
| HDFC Standard Life Insurance Co. Ltd | 7257 | 4.70% |
| Birla SunLife Insurance Company Limited | 6793 | 4.40% |
| TOTAL | 106574 | 69.04% |

| RESOLUTION CLASSIFICATION OF COMPLAINTS DISPOSED DURING THE YEAR * | | |
|--|-------|--------|
| In favour | 98677 | 64.01% |
| Partially in favour | 11569 | 7.50% |
| Reject | 43924 | 28.49% |

| "RESOLUTION CLASSIFICATION OF COMPLAINTS DISPOSED DURING THE YEAR * (Complaint Type wise)" | | | |
|--|--------------|---------------------|--------------|
| Complaints Type | In favour | Partially in favour | Reject |
| Unfair Business Practices | 16657 | 3336 | 34095 |
| Policy Servicing | 33719 | 3321 | 2526 |
| Others | 23033 | 1761 | 2060 |
| Survival Claims | 14235 | 1533 | 2208 |
| Proposal Processing | 8568 | 994 | 1467 |
| Death Claims | 1726 | 394 | 1089 |
| ULIP Related | 739 | 230 | 479 |
| TOTAL | 98677 | 11569 | 43924 |

* Out of the total complaints registered during the year

| PERIOD OF PENDENCY | | |
|--|-------------------|--------|
| Complaints pending as at the end of the period | No. of Complaints | % |
| Less than 15 days | 178 | 88.56% |
| 16 – 30 days | 5 | 2.49% |
| More than 30 days | 18 | 8.96% |
| Total Pending | 201 | |

| COMPLAINT DESCRIPTION CLASSIFICATION (Top 10) | | | |
|---|---------------------------|-------------------|--------|
| Complaint Description Type | Complaints Type | No. of Complaints | % |
| Malpractices or unfair business practices | Unfair Business Practices | 24765 | 16.04% |
| Complaint raised with Insurer not addressed | Others | 20646 | 13.37% |
| Payment of premium not acted upon or wrongly acted upon | Policy Servicing | 7436 | 4.82% |
| Survival Benefit is not paid | Survival Claims | 6785 | 4.40% |
| Policy bond not received | Proposal Processing | 5886 | 3.81% |
| Non-receipt of Premium receipt | Policy Servicing | 5356 | 3.47% |
| Illegitimate inducements offered | Unfair Business Practices | 5031 | 3.26% |
| Product differs from what was requested or disclosed | Unfair Business Practices | 4831 | 3.13% |
| Tampering, Corrections, forgery of proposal or related papers | Unfair Business Practices | 4286 | 2.78% |
| Alteration in policy not effected | Policy Servicing | 4171 | 2.70% |

| POLICY TYPE CLASSIFICATION | | |
|---|-------------------|--------|
| Policy Type | No. of Complaints | % |
| Conventional Life Insurance Policy | 121032 | 78.41% |
| Unit Linked Insurance Policy | 18118 | 11.74% |
| Others | 9160 | 5.93% |
| Pension Policy (other than Unit Linked) | 3889 | 2.52% |
| Health Insurance Policy | 2168 | 1.40% |
| TOTAL | 154367 | |

| REGISTRATION & MODE OF RECEIPT OF COMPLAINTS | | |
|--|---------------|---------------|
| Complaints Registered in IGMS Portal | 14773 | 9.57% |
| ♦ Registered by IRDAI | 10744 | 6.96% |
| ♦ Email | 5572 | |
| ♦ Letter | 2445 | |
| ♦ Telephone | 2727 | |
| ♦ Registered by Policy Holder | 4029 | 2.61% |
| Complaints Registered in Insurer's portal | 139594 | 90.43% |
| TOTAL COMPLAINTS | 154367 | |

SUMMARY OF COMPLAINTS, DISPOSAL & RESOLUTION - General Insurer 01-Apr-2017 to 31-Mar-2018

| RECEIPT AND DISPOSAL OF COMPLAINTS | | |
|-------------------------------------|-------|--------|
| Pending as at beginning | 786 | |
| Received during the period | 44760 | |
| Duplicate during the period | 765 | |
| Actual during the period | 43995 | |
| Attended to during the period | 43135 | 96.32% |
| Pending as at the end of the period | 1646 | 3.68% |

| COMPLAINT TYPE CLASSIFICATION | | |
|-------------------------------|-------------------|--------|
| Complaint Type | No. of Complaints | % |
| Claim | 25401 | 57.74% |
| Policy Related | 8750 | 19.89% |
| Others | 5892 | 13.39% |
| Premium | 1590 | 3.61% |
| Refund | 1114 | 2.53% |
| Proposal Related | 432 | 0.98% |
| Product | 380 | 0.86% |
| Coverage | 327 | 0.74% |
| Cover Note Related | 109 | 0.25% |
| TOTAL | 43995 | |

| AVERAGE RESOLUTION RATE | |
|-------------------------|-------|
| Average Resolution Rate | 17.48 |

| RESOLUTION CLASSIFICATION OF COMPLAINTS DISPOSED DURING THE YEAR * | | |
|--|-------|--------|
| In favour | 24104 | 55.70% |
| Partially in favour | 5359 | 12.38% |
| Reject | 13808 | 31.91% |

| REGISTRATION & MODE OF RECEIPT OF COMPLAINTS | | |
|--|--------------|---------------|
| Complaints Registered in IGMS Portal | 15824 | 35.97% |
| ♦ Registered by IRDAI | 10936 | 24.86% |
| ♦ Email | 6111 | |
| ♦ Letter | 2229 | |
| ♦ Telephone | 2596 | |
| ♦ Registered by Policy Holder | 4888 | 11.11% |
| Complaints Registered in Insurer's portal | 28171 | 64.03% |
| TOTAL COMPLAINTS | 43995 | |

| RESOLUTION CLASSIFICATION OF COMPLAINTS DISPOSED DURING THE YEAR * (Complaint Type wise) | | | |
|--|--------------|---------------------|--------------|
| Complaints Type | In favour | Partially in favour | Reject |
| Claim | 11114 | 3645 | 10174 |
| Policy Related | 6727 | 813 | 1111 |
| Others | 4009 | 483 | 1322 |
| Premium | 899 | 140 | 534 |
| Refund | 786 | 179 | 125 |
| Proposal Related | 200 | 21 | 196 |
| Product | 117 | 44 | 202 |
| Coverage | 166 | 26 | 129 |
| Cover Note Related | 86 | 8 | 15 |
| TOTAL | 24104 | 5359 | 13808 |

* Out of the total complaints registered during the year

| PERIOD OF PENDENCY | | |
|--|-------------------|--------|
| Complaints pending as at the end of the period | No. of Complaints | % |
| Less than 15 days | 417 | 25.33% |
| 16 – 30 days | 99 | 6.01% |
| More than 30 days | 1130 | 68.65% |
| Total Pending | 1646 | |

| RECEIPT OF COMPLAINTS | | |
|--|-------------------|---------------|
| Top 5 companies | No. of Complaints | % |
| United India Insurance Company Limited | 9425 | 21.42% |
| National Insurance Company Limited | 5571 | 12.66% |
| The New India Assurance Co. Ltd. | 4820 | 10.96% |
| Star Health And Allied Insurance Company Limited | 4496 | 10.22% |
| ICICI Lombard General Insurance Company Limited | 3037 | 6.90% |
| TOTAL | 27349 | 62.16% |

| COMPLAINT DESCRIPTION CLASSIFICATION (Top 10) | | | |
|--|-----------------|-------------------|--------|
| Complaint Description Type | Complaints Type | No. of Complaints | % |
| Insurer not disposed of the claim | Claim | 11425 | 25.97% |
| Certificate of Insurance / Policy not received by the Insured | Policy Related | 3149 | 7.16% |
| Insurer failed to clarify the queries raised by Insured | Others | 2472 | 5.62% |
| Difference between assessed loss and amount settled by Insurer | Claim | 2042 | 4.64% |
| Insurer reduced the Quantum of claim for reasons not indicated in the policy | Claim | 2034 | 4.62% |
| Insurer repudiated the claim due to alleged breach of policy condition / warranty | Claim | 1810 | 4.11% |
| Details shown in policy or Add-on are incorrect | Policy Related | 1335 | 3.03% |
| Insured asked for cancellation of policy, Insurer failed to respond | Policy Related | 1120 | 2.55% |
| Insurer not issued claim cheque in spite of offer of settlement | Claim | 1104 | 2.51% |
| Insurer failed to make offer of settlement to Insured after receipt of survey report | Claim | 1101 | 2.50% |

| POLICY TYPE CLASSIFICATION | | |
|----------------------------|-------------------|--------|
| Policy Type | No. of Complaints | % |
| Health Insurance | 25516 | 58.00% |
| Motor Insurance | 13227 | 30.06% |
| Others | 4073 | 9.26% |
| Fire | 768 | 1.75% |
| Marine Cargo | 205 | 0.47% |
| Crop | 105 | 0.24% |
| Engineering | 67 | 0.15% |
| Credit | 26 | 0.06% |
| Marine Hull | 8 | 0.02% |
| TOTAL | 43995 | |

**SUMMARY OF COMPLAINTS, DISPOSAL & RESOLUTION - Industry (Life & General)
01-Apr-2018 TO 31-Mar-2019**

| RECEIPT AND DISPOSAL OF COMPLAINTS | | |
|-------------------------------------|--------|--------|
| Pending as at beginning | 1847 | |
| Received during the period | 208483 | |
| Duplicate during the period | 2458 | |
| Actual during the period | 206025 | |
| Attended to during the period | 207188 | 99.67% |
| Pending as at the end of the period | 684 | 0.33% |

| PERIOD OF PENDENCY | | |
|--|-------------------|--------|
| Complaints pending as at the end of the period | No. of Complaints | % |
| Less than 15 days | 508 | 74.27% |
| 16 – 30 days | 49 | 7.16% |
| More than 30 days | 127 | 18.57% |
| Total Pending | 684 | |

| COMPLAINT TYPE CLASSIFICATION | | |
|-------------------------------|-------------------|--------|
| Complaint Type | No. of Complaints | % |
| Unfair Business Practices | 49570 | 24.06% |
| Policy Servicing | 45833 | 22.25% |
| Others | 31147 | 15.12% |
| Survival Claims | 24200 | 11.75% |
| Proposal Processing | 7855 | 3.81% |
| Death Claims | 3586 | 1.74% |
| ULIP Related | 1073 | 0.52% |
| Claim | 26496 | 12.86% |
| Policy Related | 6840 | 3.32% |
| Others | 5813 | 2.82% |
| Premium | 1440 | 0.70% |
| Refund | 1056 | 0.51% |
| Product | 414 | 0.20% |
| Proposal Related | 336 | 0.16% |
| Coverage | 285 | 0.14% |
| Cover Note Related | 81 | 0.04% |
| TOTAL | 206025 | |

| RESOLUTION CLASSIFICATION OF COMPLAINTS DISPOSED DURING THE YEAR * (Complaint Type wise) | | | |
|---|---------------|---------------------|--------------|
| Complaints Type | In favour | Partially in favour | Reject |
| Unfair Business Practices | 16730 | 2902 | 29884 |
| Policy Servicing | 40902 | 2577 | 2350 |
| Others | 26978 | 1659 | 2505 |
| Survival Claims | 21183 | 1258 | 1752 |
| Proposal Processing | 6362 | 305 | 1181 |
| Death Claims | 2345 | 400 | 839 |
| ULIP Related | 674 | 74 | 324 |
| Claim | 11081 | 3235 | 11819 |
| Policy Related | 5242 | 522 | 1006 |
| Others | 3728 | 474 | 1559 |
| Premium | 905 | 147 | 385 |
| Refund | 751 | 142 | 148 |
| Product | 199 | 39 | 175 |
| Proposal Related | 153 | 23 | 159 |
| Coverage | 123 | 30 | 129 |
| Cover Note Related | 64 | 4 | 13 |
| TOTAL | 137420 | 13791 | 54228 |

| AVERAGE RESOLUTION RATE | |
|-------------------------|------|
| Average Resolution Rate | 7.39 |

| REGISTRATION & MODE OF RECEIPT OF COMPLAINTS | | |
|--|---------------|---------------|
| Complaints Registered in IGMS Portal | 30686 | 14.89% |
| ♦ Registered by IRDAI | 23596 | 11.45% |
| ♦ Email | 13194 | |
| ♦ Letter | 4482 | |
| ♦ Telephone | 5920 | |
| ♦ Registered by Policy Holder | 7090 | 3.44% |
| Complaints Registered in Insurer's portal | 175339 | 85.11% |
| TOTAL COMPLAINTS | 206025 | |

| COMPLAINT DESCRIPTION CLASSIFICATION (Top 10) | | | |
|---|---------------------------|-------------------|--------|
| Complaint Description Type | Complaints Type | No. of Complaints | % |
| Complaint raised with Insurer not addressed | Others | 23761 | 11.53% |
| Malpractices or unfair business practices | Unfair Business Practices | 21305 | 10.34% |
| Insurer not disposed of the claim | Claim | 12351 | 5.99% |
| Survival Benefit is not paid | Survival Claims | 9343 | 4.53% |
| No Response for recording Change of address | Policy Servicing | 7878 | 3.82% |
| Payment of premium not acted upon or wrongly acted upon | Policy Servicing | 7000 | 3.40% |
| Maturity claim is not paid | Survival Claims | 6808 | 3.30% |
| Non-receipt of Premium receipt | Policy Servicing | 6011 | 2.92% |
| Illegitimate inducements offered | Unfair Business Practices | 5574 | 2.71% |
| Product differs from what was requested or disclosed | Unfair Business Practices | 4235 | 2.06% |

| POLICY TYPE CLASSIFICATION | | |
|---|-------------------|--------|
| Policy Type | No. of Complaints | % |
| Conventional Life Insurance Policy | 132997 | 64.55% |
| Unit Linked Insurance Policy | 16954 | 8.23% |
| Others | 5474 | 2.66% |
| Pension Policy (other than Unit Linked) | 5246 | 2.55% |
| Health Insurance Policy | 2593 | 1.26% |
| Health Insurance | 25369 | 12.31% |
| Motor Insurance | 11809 | 5.73% |
| Others | 4184 | 2.03% |
| Fire | 706 | 0.34% |
| Crop | 402 | 0.20% |
| Marine Cargo | 187 | 0.09% |
| Engineering | 53 | 0.03% |
| Marine Hull | 36 | 0.02% |
| Credit | 15 | 0.01% |
| TOTAL | 206025 | |

| RECEIPT OF COMPLAINTS | | |
|---|-------------------|---------------|
| Top 5 companies | No. of Complaints | % |
| Life Insurance Corporation of India | 91263 | 44.30% |
| United India Insurance Company Limited | 7554 | 3.67% |
| ICICI Prudential Life Insurance Company Ltd | 5896 | 2.86% |
| Bharti-Axa Life Insurance Company LTD | 5571 | 2.70% |
| HDFC Standard Life Insurance Co. Ltd | 5562 | 2.70% |
| TOTAL | 115846 | 56.23% |

| RESOLUTION CLASSIFICATION OF COMPLAINTS DISPOSED DURING THE YEAR * | | |
|--|--------|--------|
| In favour | 137420 | 66.89% |
| Partially in favour | 13791 | 6.71% |
| Reject | 54228 | 26.40% |

* Out of the total complaints registered during the year

**SUMMARY OF COMPLAINTS, DISPOSAL & RESOLUTION - Life Insurer
01-Apr-2018 TO 31-Mar-2019**

| RECEIPT AND DISPOSAL OF COMPLAINTS | | |
|-------------------------------------|--------|--------|
| Pending as at beginning | 201 | |
| Received during the period | 164970 | |
| Duplicate during the period | 1706 | |
| Actual during the period | 163264 | |
| Attended to during the period | 163381 | 99.95% |
| Pending as at the end of the period | 84 | 0.05% |

| PERIOD OF PENDENCY | | |
|--|-------------------|--------|
| Complaints pending as at the end of the period | No. of Complaints | % |
| Less than 15 days | 81 | 96.43% |
| 16 – 30 days | 0 | 0.00% |
| More than 30 days | 3 | 3.57% |
| Total Pending | 84 | |

| COMPLAINT TYPE CLASSIFICATION | | |
|-------------------------------|-------------------|--------|
| Complaint Type | No. of Complaints | % |
| Unfair Business Practices | 49570 | 30.36% |
| Policy Servicing | 45833 | 28.07% |
| Others | 31147 | 19.08% |
| Survival Claims | 24200 | 14.82% |
| Proposal Processing | 7855 | 4.81% |
| Death Claims | 3586 | 2.20% |
| ULIP Related | 1073 | 0.66% |
| TOTAL | 163264 | |

| COMPLAINT DESCRIPTION CLASSIFICATION (Top 10) | | | |
|---|---------------------------|-------------------|--------|
| Complaint Description Type | Complaints Type | No. of Complaints | % |
| Complaint raised with Insurer not addressed | Others | 23761 | 14.55% |
| Malpractices or unfair business practices | Unfair Business Practices | 21305 | 13.05% |
| Survival Benefit is not paid | Survival Claims | 9343 | 5.72% |
| No Response for recording Change of address | Policy Servicing | 7878 | 4.83% |
| Payment of premium not acted upon or wrongly acted upon | Policy Servicing | 7000 | 4.29% |
| Maturity claim is not paid | Survival Claims | 6808 | 4.17% |
| Non-receipt of Premium receipt | Policy Servicing | 6011 | 3.68% |
| Illegitimate inducements offered | Unfair Business Practices | 5574 | 3.41% |
| Product differs from what was requested or disclosed | Unfair Business Practices | 4235 | 2.59% |
| Tampering, Corrections, forgery of proposal or related papers | Unfair Business Practices | 4156 | 2.55% |

| AVERAGE RESOLUTION RATE | |
|-------------------------|------|
| Average Resolution Rate | 4.83 |

| REGISTRATION & MODE OF RECEIPT OF COMPLAINTS | | |
|--|---------------|---------------|
| Complaints Registered in IGMS Portal | 14825 | 9.08% |
| ♦ Registered by IRDAI | 11559 | 7.08% |
| ♦ Email | 6167 | |
| ♦ Letter | 2326 | |
| ♦ Telephone | 3066 | |
| ♦ Registered by Policy Holder | 3266 | 2.00% |
| Complaints Registered in Insurer's portal | 148439 | 90.92% |
| TOTAL COMPLAINTS | 163264 | |

| RECEIPT OF COMPLAINTS | | |
|---|-------------------|---------------|
| Top 5 companies | No. of Complaints | % |
| Life Insurance Corporation of India | 102127 | 62.55% |
| ICICI Prudential Life Insurance Co. Ltd | 6393 | 3.92% |
| Bharti-Axa Life Insurance Company Ltd | 6360 | 3.90% |
| HDFC Standard Life Insurance Co. Ltd | 6026 | 3.69% |
| SBI Life Insurance Co. Ltd. | 4649 | 2.85% |
| TOTAL | 125555 | 76.90% |

| RESOLUTION CLASSIFICATION OF COMPLAINTS DISPOSED DURING THE YEAR * | | |
|--|--------|--------|
| In favour | 115174 | 70.58% |
| Partially in favour | 9175 | 5.62% |
| Reject | 38835 | 23.80% |

| POLICY TYPE CLASSIFICATION | | |
|---|-------------------|--------|
| Policy Type | No. of Complaints | % |
| Conventional Life Insurance Policy | 132997 | 81.46% |
| Unit Linked Insurance Policy | 16954 | 10.38% |
| Others | 5474 | 3.35% |
| Pension Policy (other than Unit Linked) | 5246 | 3.21% |
| Health Insurance Policy | 2593 | 1.59% |
| TOTAL | 163264 | |

| RESOLUTION CLASSIFICATION OF COMPLAINTS DISPOSED DURING THE YEAR * (Complaint Type wise) | | | |
|--|---------------|---------------------|--------------|
| Complaints Type | In favour | Partially in favour | Reject |
| Unfair Business Practices | 16730 | 2902 | 29884 |
| Policy Servicing | 40902 | 2577 | 2350 |
| Others | 26978 | 1659 | 2505 |
| Survival Claims | 21183 | 1258 | 1752 |
| Proposal Processing | 6362 | 305 | 1181 |
| Death Claims | 2345 | 400 | 839 |
| ULIP Related | 674 | 74 | 324 |
| TOTAL | 115174 | 9175 | 38835 |

* Out of the total complaints registered during the year

SUMMARY OF COMPLAINTS, DISPOSAL & RESOLUTION - General Insurer 01-Apr-2018 TO 31-Mar-2019

| RECEIPT AND DISPOSAL OF COMPLAINTS | | |
|-------------------------------------|-------|--------|
| Pending as at beginning | 1646 | |
| Received during the period | 43513 | |
| Duplicate during the period | 752 | |
| Actual during the period | 42761 | |
| Attended to during the period | 43807 | 98.65% |
| Pending as at the end of the period | 600 | 1.35% |

| PERIOD OF PENDENCY | | |
|--|-------------------|--------|
| Complaints pending as at the end of the period | No. of Complaints | % |
| Less than 15 days | 427 | 71.17% |
| 16 – 30 days | 49 | 8.17% |
| More than 30 days | 124 | 20.67% |
| Total Pending | 600 | |

| COMPLAINT TYPE CLASSIFICATION | | |
|-------------------------------|-------------------|--------|
| Complaint Type | No. of Complaints | % |
| Claim | 26496 | 61.96% |
| Policy Related | 6840 | 16.00% |
| Others | 5813 | 13.59% |
| Premium | 1440 | 3.37% |
| Refund | 1056 | 2.47% |
| Product | 414 | 0.97% |
| Proposal Related | 336 | 0.79% |
| Coverage | 285 | 0.67% |
| Cover Note Related | 81 | 0.19% |
| TOTAL | 42761 | |

| COMPLAINT DESCRIPTION CLASSIFICATION (Top 10) | | | |
|--|-----------------|-------------------|--------|
| Complaint Description Type | Complaints Type | No. of Complaints | % |
| Insurer not disposed of the claim | Claim | 12351 | 28.88% |
| Insurer failed to clarify the queries raised by Insured | Others | 2920 | 6.83% |
| Insurer reduced the Quantum of claim for reasons not indicated in the policy | Claim | 2339 | 5.47% |
| Difference between assessed loss and amount settled by Insurer | Claim | 2304 | 5.39% |
| Certificate of Insurance/Policy not received by the Insured | Policy Related | 2269 | 5.31% |
| Insurer repudiated the claim due to alleged breach of policy condition / warranty | Claim | 2183 | 5.11% |
| Details shown in policy or Add-on are incorrect | Policy Related | 1214 | 2.84% |
| Claim repudiated without giving reasons | Claim | 1091 | 2.55% |
| Insured asked for cancellation of policy, Insurer failed to respond | Policy Related | 1063 | 2.49% |
| Insurer failed to make offer of settlement to Insured after receipt of survey report | Claim | 991 | 2.32% |

| REGISTRATION & MODE OF RECEIPT OF COMPLAINTS | | | |
|--|--------------|---------------|--|
| Complaints Registered in IGMS Portal | 15861 | 37.09% | |
| ♦ Registered by IRDAI | 12037 | 28.15% | |
| ♦ Email | 7027 | | |
| ♦ Letter | 2156 | | |
| ♦ Telephone | 2854 | | |
| ♦ Registered by Policy Holder | 3824 | 8.94% | |
| Complaints Registered in Insurer's portal | 26900 | 62.91% | |
| TOTAL COMPLAINTS | 42761 | | |

| RECEIPT OF COMPLAINTS | | |
|--|-------------------|---------------|
| Top 5 companies | No. of Complaints | % |
| United India Insurance Company Limited | 8404 | 19.65% |
| Star Health And Allied Insurance Co. Ltd | 5685 | 13.29% |
| The New India Assurance Co. Ltd. | 5164 | 12.08% |
| National Insurance Company Limited | 4739 | 11.08% |
| ICICI Lombard General Insurance Co. Ltd | 2929 | 6.85% |
| TOTAL | 26921 | 62.96% |

| AVERAGE RESOLUTION RATE | |
|-------------------------|-------|
| Average Resolution Rate | 17.25 |

| RESOLUTION CLASSIFICATION OF COMPLAINTS DISPOSED DURING THE YEAR * (Complaint Type wise) | | | |
|---|--------------|---------------------|--------------|
| Complaints Type | In favour | Partially in favour | Reject |
| Claim | 11081 | 3235 | 11819 |
| Policy Related | 5242 | 522 | 1006 |
| Others | 3728 | 474 | 1559 |
| Premium | 905 | 147 | 385 |
| Refund | 751 | 142 | 148 |
| Product | 199 | 39 | 175 |
| Proposal Related | 153 | 23 | 159 |
| Coverage | 123 | 30 | 129 |
| Cover Note Related | 64 | 4 | 13 |
| TOTAL | 22246 | 4616 | 15393 |

| POLICY TYPE CLASSIFICATION | | |
|----------------------------|-------------------|--------|
| Policy Type | No. of Complaints | % |
| Health Insurance | 25369 | 59.33% |
| Motor Insurance | 11809 | 27.62% |
| Others | 4184 | 9.78% |
| Fire | 706 | 1.65% |
| Crop | 402 | 0.94% |
| Marine Cargo | 187 | 0.44% |
| Engineering | 53 | 0.12% |
| Marine Hull | 36 | 0.08% |
| Credit | 15 | 0.04% |
| TOTAL | 42761 | |

| RESOLUTION CLASSIFICATION OF COMPLAINTS DISPOSED DURING THE YEAR * | | |
|---|-------|--------|
| In favour | 22246 | 52.65% |
| Partially in favour | 4616 | 10.92% |
| Reject | 15393 | 36.43% |

* Out of the total complaints registered during the year

Analysis of the Grievances Reported against Life insurers

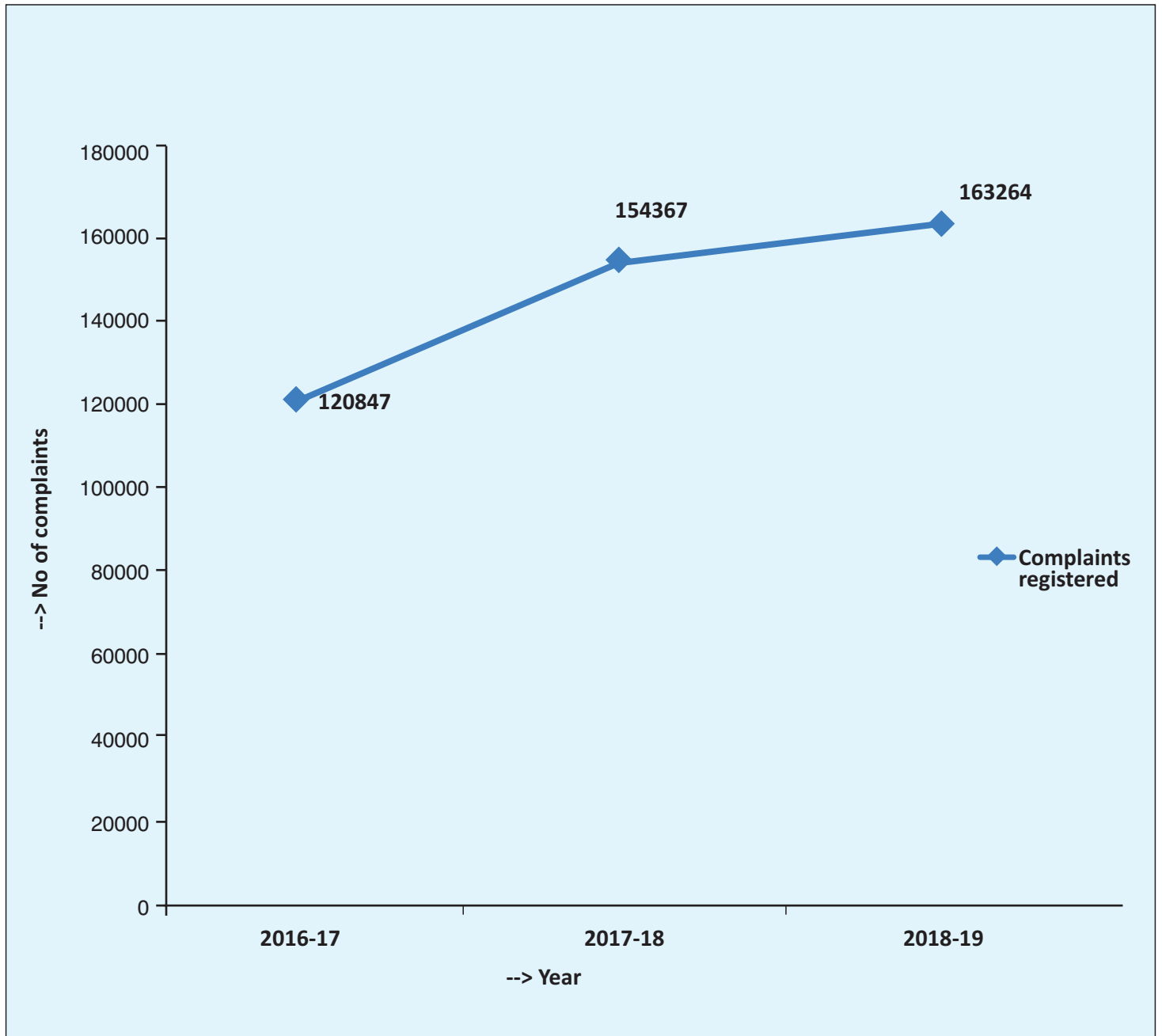
1. Cursory glance of complaints registered & 'attended to' by Life Insurers
2. Complaints registered against Life Insurers - Graphical Presentation
3. Movement of Complaints
4. Analysis of Life Complaints registered – 2017-18
5. Analysis of Life Complaints registered – 2018-19
6. Classification of Life Complaints - Graphical Presentation
7. ULIP Complaints - Graphical Presentation
8. Analysis of Unfair Business Practice Complaints – Policy type wise
9. State-wise Distribution of Complaints – 2017-18
10. State-wise Distribution of Complaints – 2018-19

CURSORY GLANCE OF COMPLAINTS REGISTERED AND ATTENDED TO BY LIFE INSURERS

| S.No. | Description | 2018-19 | | 2017-18 | | 2016-17 | |
|-------|---|---------------|---------------|---------------|---------------|---------------|---------------|
| | | Registered | Attended to | Registered | Attended to | Registered | Attended to |
| 1 | Complaints registered by Policyholders directly in IGMS | 3266 | 3259 | 4029 | 4016 | 2836 | 2817 |
| 2 | Complaints of the Policyholders registered by IRDAI in IGMS | 11559 | 11539 | 10744 | 10711 | 14411 | 14356 |
| 3 | Complaints of the Policyholders registered by Life Insurers | 148439 | 148382 | 139594 | 139439 | 103600 | 103379 |
| | Total: | 163264 | 163180 | 154367 | 154166 | 120847 | 120552 |

* Complaints 'Attended to' refers to the cases registered during the year and does not include complaints that were attended to, which relates to earlier year.

TREND OF COMPLAINTS REGISTERED AGAINST LIFE INSURERS FOR THE LAST THREE YEARS



MOVEMENT OF COMPLAINTS - LIFE INSURERS

| S.No | Insurer | 2017-18 | | | 2018-19 | | | | | |
|----------------------------|-----------------------|--------------------------|-----------------------------|--------------------------------|-----------------|--------------------------|----------------------|-------------------|-----------------------------|--------------------------------|
| | | Reported during the year | Attended to during the year | Pending at the end of the year | Opening Balance | Reported during the year | Duplicate Complaints | Actual Complaints | Attended to during the year | Pending at the end of the year |
| 1 | LIC | 77184 | 77184 | 0 | 0 | 102255 | 128 | 102127 | 102127 | 0 |
| (i) | Public total: | 77184 | 77184 | 0 | 0 | 102255 | 128 | 102127 | 102127 | 0 |
| 1 | Aegon Life | 1764 | 1764 | 0 | 0 | 1084 | 35 | 1049 | 1049 | 0 |
| 2 | Aviva | 2282 | 2282 | 0 | 0 | 2182 | 106 | 2076 | 2076 | 0 |
| 3 | Bajaj Allianz | 3439 | 3421 | 18 | 18 | 2299 | 30 | 2269 | 2285 | 2 |
| 4 | Bharti Axa | 4148 | 4156 | 0 | 0 | 6397 | 37 | 6360 | 6360 | 0 |
| 5 | Birla Sun Life | 6793 | 6786 | 17 | 17 | 2963 | 0 | 2963 | 2978 | 2 |
| 6 | Canara HSBC | 665 | 663 | 2 | 2 | 717 | 0 | 717 | 716 | 3 |
| 7 | DHFL Pramerica | 1592 | 1589 | 4 | 4 | 992 | 20 | 972 | 976 | 0 |
| 8 | Edleweiss Tokio | 329 | 329 | 0 | 0 | 446 | 5 | 441 | 441 | 0 |
| 9 | Exide Life | 4201 | 4201 | 0 | 0 | 3624 | 154 | 3470 | 3470 | 0 |
| 10 | Future Generali | 4447 | 4462 | 0 | 0 | 4134 | 2 | 4132 | 4132 | 0 |
| 11 | HDFC Standard | 7257 | 7256 | 11 | 11 | 6030 | 4 | 6026 | 6035 | 2 |
| 12 | ICICI Prudential | 7700 | 7701 | 2 | 2 | 6437 | 44 | 6393 | 6393 | 2 |
| 13 | IDBI Federal | 742 | 742 | 0 | 0 | 818 | 30 | 788 | 788 | 0 |
| 14 | India First | 3219 | 3201 | 37 | 37 | 3179 | 99 | 3080 | 3097 | 20 |
| 15 | Kotak Mahindra | 3400 | 3480 | 25 | 25 | 945 | 19 | 926 | 940 | 11 |
| 16 | Max Life | 5544 | 5544 | 0 | 0 | 4038 | 0 | 4038 | 4038 | 0 |
| 17 | PNB MetLife | 4228 | 4226 | 72 | 72 | 3702 | 144 | 3558 | 3591 | 39 |
| 18 | Reliance | 1615 | 1614 | 1 | 1 | 2316 | 264 | 2052 | 2053 | 0 |
| 19 | Sahara | 82 | 74 | 11 | 11 | 110 | 0 | 110 | 120 | 1 |
| 20 | SBI Life | 7640 | 7642 | 0 | 0 | 5166 | 517 | 4649 | 4649 | 0 |
| 21 | Shri Ram | 406 | 406 | 1 | 1 | 577 | 0 | 577 | 576 | 2 |
| 22 | Star Union Daichi | 2556 | 2556 | 0 | 0 | 2050 | 5 | 2045 | 2045 | 0 |
| 23 | Tata AIA | 3134 | 3134 | 0 | 0 | 2509 | 63 | 2446 | 2446 | 0 |
| (ii) | Private Total: | 77183 | 77229 | 201 | 201 | 62715 | 1578 | 61137 | 61254 | 84 |
| Grand total: (i+ii) | | 154367 | 154413 | 201 | 201 | 164970 | 1706 | 163264 | 163381 | 84 |

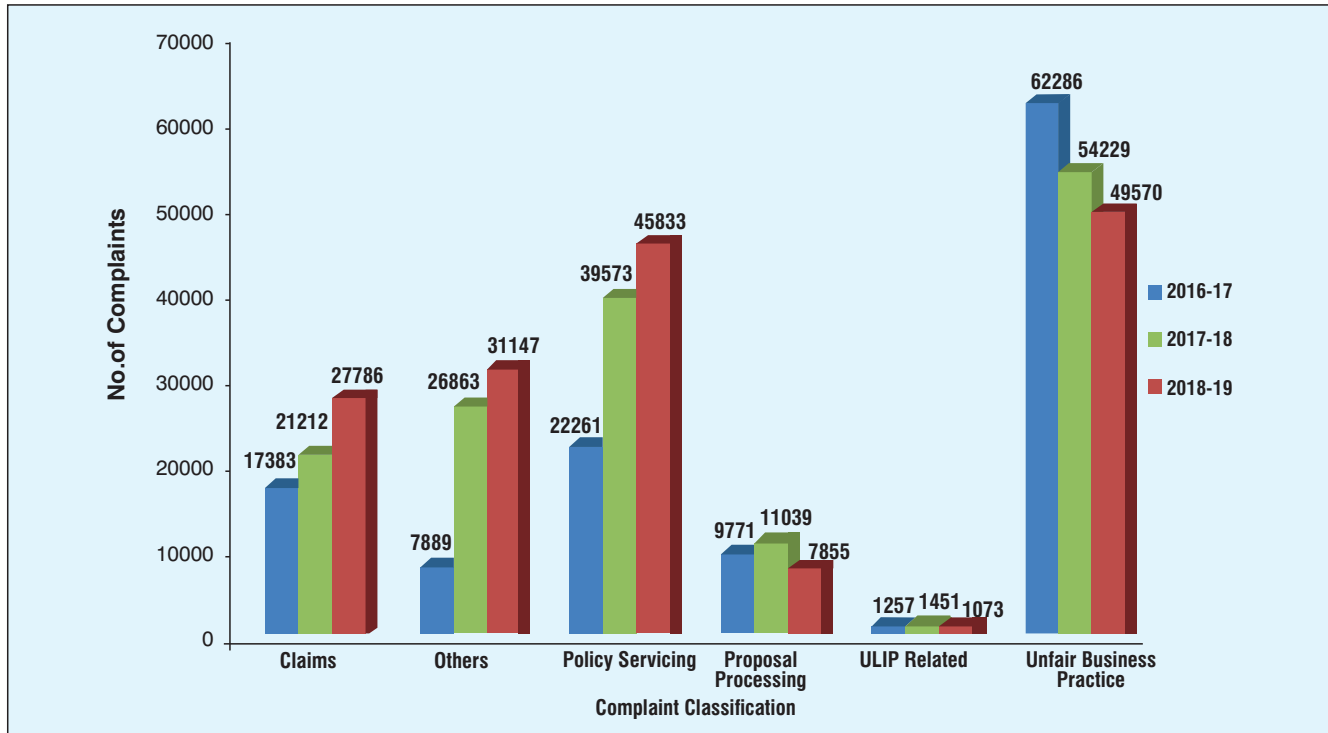
ANALYSIS OF LIFE COMPLAINTS REGISTERED (2017-18)

| S.No | Name of the Insurer | Death Claims | | Others | | Policy Servicing | | Proposal Processing | | Survival Claims | | ULIP Related | Unfair Business Practice | | Total | | |
|------|---------------------------|--------------|------------|--------------|-------------|------------------|-------------|---------------------|-------------|-----------------|-------------|--------------|--------------------------|-------------|---------------|--------------|---------------|
| | | Non-Linked | ULIP | Non-Linked | ULIP | Non-Linked | ULIP | Non-Linked | ULIP | Non-Linked | ULIP | | Non-Linked (A) | ULIP (B) | Total (A+B) | | |
| 1 | LIC | 1765 | 27 | 22540 | 1027 | 31627 | 951 | 3002 | 84 | 12179 | 654 | 420 | 2733 | 175 | 73846 | 3338 | 77184 |
| (i) | Public total: | 1765 | 27 | 22540 | 1027 | 31627 | 951 | 3002 | 84 | 12179 | 654 | 420 | 2733 | 175 | 73846 | 3338 | 77184 |
| 1 | Aegon Life | 6 | 0 | 47 | 2 | 169 | 0 | 69 | 0 | 18 | 1 | 2 | 1449 | 1 | 1758 | 6 | 1764 |
| 2 | Aviva | 7 | 1 | 42 | 2 | 902 | 25 | 64 | 11 | 86 | 8 | 32 | 1095 | 7 | 2196 | 86 | 2282 |
| 3 | Bajaj Allianz | 51 | 2 | 216 | 48 | 83 | 12 | 56 | 16 | 229 | 26 | 40 | 2633 | 27 | 3268 | 171 | 3439 |
| 4 | Bharti AXA | 27 | 0 | 164 | 3 | 109 | 1 | 60 | 0 | 28 | 1 | 73 | 1281 | 2401 | 1669 | 2479 | 4148 |
| 5 | Birla Sunlife | 151 | 33 | 314 | 266 | 1042 | 677 | 737 | 315 | 329 | 739 | 297 | 1492 | 401 | 4065 | 2728 | 6793 |
| 6 | Canara HSBC | 6 | 15 | 25 | 1 | 11 | 30 | 13 | 15 | 7 | 20 | 6 | 237 | 279 | 299 | 366 | 665 |
| 7 | DHFL Pramerica | 15 | 0 | 48 | 2 | 63 | 5 | 183 | 13 | 40 | 4 | 6 | 1152 | 61 | 1501 | 91 | 1592 |
| 8 | Edleweiss Tokio | 0 | 0 | 10 | 0 | 14 | 0 | 13 | 0 | 3 | 0 | 6 | 281 | 2 | 321 | 8 | 329 |
| 9 | Exide Life | 21 | 0 | 131 | 4 | 41 | 1 | 59 | 0 | 69 | 7 | 2 | 3854 | 12 | 4175 | 26 | 4201 |
| 10 | Future Generali | 24 | 2 | 91 | 17 | 40 | 6 | 161 | 17 | 72 | 39 | 7 | 3825 | 146 | 4213 | 234 | 4447 |
| 11 | HDFC Standard | 150 | 45 | 128 | 28 | 186 | 57 | 309 | 53 | 564 | 296 | 72 | 4765 | 604 | 6102 | 1155 | 7257 |
| 12 | ICICI Prudential | 85 | 6 | 462 | 44 | 156 | 28 | 189 | 22 | 185 | 104 | 281 | 5685 | 453 | 6762 | 938 | 7700 |
| 13 | IDBI Federal | 18 | 0 | 29 | 0 | 12 | 1 | 49 | 8 | 26 | 8 | 6 | 490 | 95 | 624 | 118 | 742 |
| 14 | IndiaFirst | 132 | 9 | 24 | 0 | 167 | 50 | 56 | 9 | 70 | 32 | 37 | 2378 | 255 | 2827 | 392 | 3219 |
| 15 | Kotak Mahindra | 38 | 2 | 231 | 12 | 444 | 61 | 300 | 38 | 48 | 36 | 30 | 1880 | 280 | 2941 | 459 | 3400 |
| 16 | Max Life | 149 | 10 | 267 | 30 | 170 | 59 | 110 | 13 | 98 | 44 | 3 | 3933 | 658 | 4727 | 817 | 5544 |
| 17 | PNB MetLife | 75 | 4 | 48 | 2 | 276 | 81 | 591 | 17 | 202 | 38 | 23 | 2507 | 364 | 3699 | 529 | 4228 |
| 18 | Reliance | 38 | 2 | 121 | 6 | 18 | 0 | 354 | 26 | 71 | 14 | 2 | 944 | 19 | 1546 | 69 | 1615 |
| 19 | Sahara | 4 | 0 | 9 | 1 | 10 | 1 | 2 | 0 | 33 | 17 | 2 | 3 | 0 | 61 | 21 | 82 |
| 20 | SBI Life | 155 | 16 | 202 | 60 | 685 | 259 | 1838 | 1498 | 579 | 208 | 51 | 1443 | 646 | 4902 | 2738 | 7640 |
| 21 | Shri Ram | 27 | 1 | 42 | 0 | 17 | 0 | 21 | 1 | 12 | 4 | 0 | 274 | 7 | 393 | 13 | 406 |
| 22 | Star Union Daichi | 44 | 7 | 38 | 11 | 207 | 56 | 284 | 66 | 157 | 194 | 4 | 1258 | 230 | 1988 | 568 | 2556 |
| 23 | Tata AIA | 33 | 15 | 51 | 17 | 600 | 163 | 276 | 21 | 237 | 158 | 49 | 1169 | 345 | 2366 | 768 | 3134 |
| (ii) | Private Total: | 1256 | 170 | 2740 | 556 | 5422 | 1573 | 5794 | 2159 | 3163 | 1998 | 1031 | 44028 | 7293 | 62403 | 14780 | 77183 |
| | Total [(i) + (ii)] | 3021 | 197 | 25280 | 1583 | 37049 | 2524 | 8796 | 2243 | 15342 | 2652 | 1451 | 46761 | 7468 | 136249 | 18118 | 154367 |
| | Grand Total | 3218 | | 26863 | | 39573 | | 11039 | | 17994 | | 1451 | 54229 | | 154367 | | |

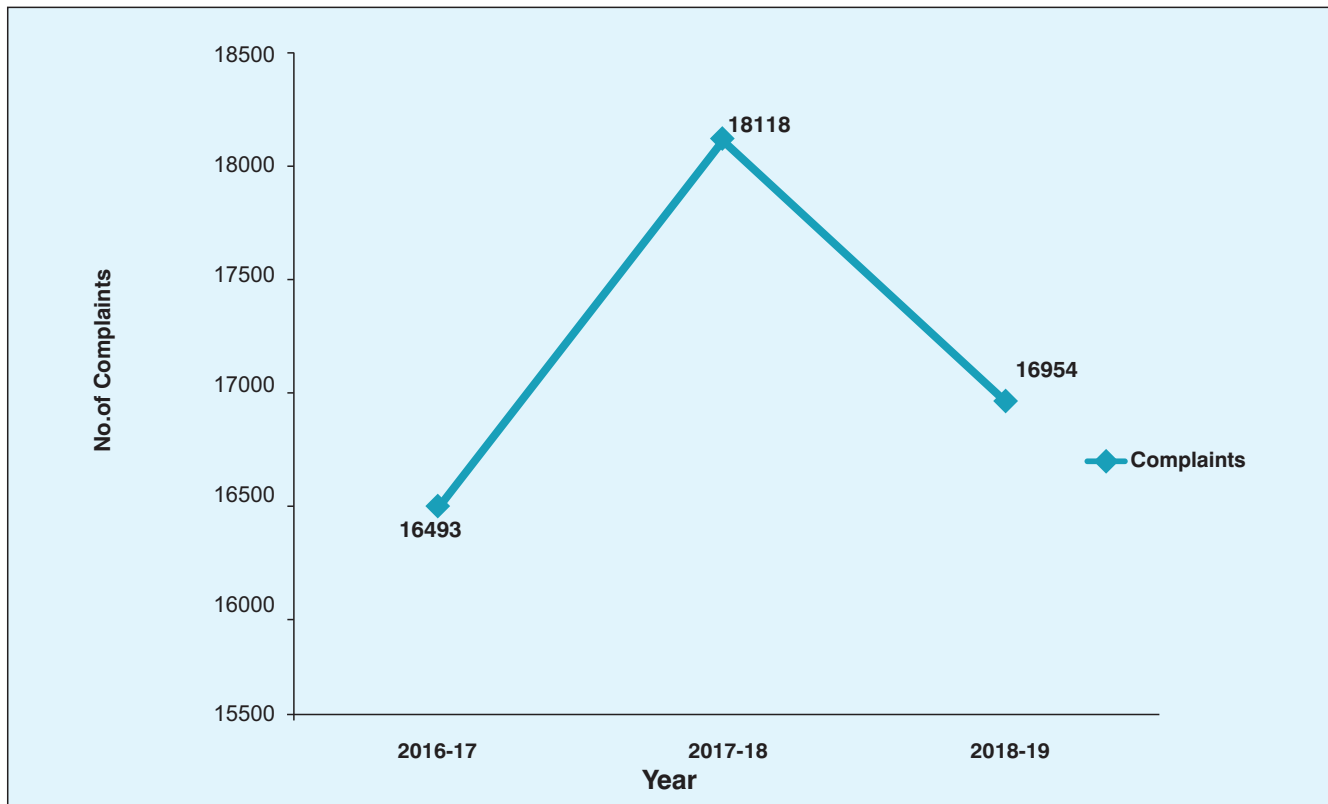
ANALYSIS OF LIFE COMPLAINTS REGISTERED (2018-19)

| S.No | Name of the Insurer | Death Claims | | Others | | Policy Servicing | | Proposal Processing | | Survival Claims | | ULIP Related | Unfair Business Practice | | Total | |
|------|---------------------------|--------------|------------|--------------|-------------|------------------|-------------|---------------------|-------------|-----------------|-------------|--------------|--------------------------|-------------|---------------|---------------|
| | | Non-Linked | ULIP | Non-Linked | ULIP | Non-Linked | ULIP | Non-Linked | ULIP | Non-Linked | ULIP | | Non-Linked (A) | ULIP (B) | Total (A+B) | |
| 1 | LIC | 2507 | 40 | 26490 | 1386 | 40693 | 1250 | 3174 | 118 | 19844 | 1749 | 600 | 3937 | 339 | 96645 | 102127 |
| (i) | Public total: | 2507 | 40 | 26490 | 1386 | 40693 | 1250 | 3174 | 118 | 19844 | 1749 | 600 | 3937 | 339 | 96645 | 102127 |
| 1 | Aegon Life | 4 | 0 | 66 | 0 | 115 | 0 | 40 | 0 | 18 | 1 | 1 | 801 | 3 | 1044 | 5 |
| 2 | Aviva | 9 | 0 | 35 | 4 | 778 | 16 | 62 | 9 | 71 | 9 | 18 | 1061 | 4 | 2016 | 60 |
| 3 | Bajaj Allianz | 102 | 2 | 244 | 33 | 42 | 8 | 45 | 4 | 145 | 9 | 11 | 1615 | 9 | 2193 | 76 |
| 4 | Bharti AXA | 16 | 1 | 226 | 4 | 101 | 2 | 65 | 0 | 49 | 4 | 81 | 1954 | 3857 | 2411 | 3949 |
| 5 | Birla Sunlife | 62 | 8 | 191 | 39 | 231 | 113 | 251 | 76 | 145 | 151 | 75 | 1247 | 374 | 2127 | 836 |
| 6 | Canara HSBC | 14 | 15 | 30 | 1 | 22 | 22 | 30 | 12 | 10 | 21 | 15 | 312 | 213 | 418 | 299 |
| 7 | DHFL Pramerica | 9 | 0 | 72 | 0 | 27 | 2 | 98 | 8 | 15 | 0 | 0 | 712 | 29 | 933 | 39 |
| 8 | Edleweiss Tokio | 5 | 0 | 8 | 0 | 21 | 0 | 41 | 0 | 10 | 1 | 3 | 351 | 1 | 436 | 5 |
| 9 | Exide Life | 20 | 0 | 78 | 0 | 30 | 0 | 42 | 0 | 40 | 1 | 2 | 3248 | 9 | 3458 | 12 |
| 10 | Future Generali | 30 | 3 | 90 | 14 | 33 | 13 | 74 | 10 | 24 | 16 | 1 | 3643 | 181 | 3894 | 238 |
| 11 | HDFC Standard | 92 | 23 | 173 | 47 | 76 | 34 | 149 | 37 | 232 | 88 | 7 | 4346 | 722 | 5068 | 958 |
| 12 | ICICI Prudential | 61 | 6 | 471 | 26 | 164 | 39 | 128 | 97 | 164 | 37 | 181 | 4869 | 150 | 5857 | 6393 |
| 13 | IDBI Federal | 16 | 0 | 23 | 1 | 16 | 4 | 43 | 4 | 17 | 0 | 9 | 548 | 107 | 663 | 125 |
| 14 | IndiaFirst | 48 | 1 | 32 | 5 | 121 | 21 | 45 | 2 | 66 | 16 | 9 | 2540 | 174 | 2852 | 228 |
| 15 | Kotak Mahindra | 18 | 0 | 155 | 3 | 38 | 5 | 23 | 3 | 28 | 2 | 7 | 439 | 205 | 701 | 225 |
| 16 | Max Life | 188 | 10 | 321 | 14 | 91 | 17 | 89 | 17 | 94 | 24 | 2 | 2579 | 592 | 3362 | 676 |
| 17 | PNB MetLife | 51 | 3 | 93 | 1 | 232 | 37 | 544 | 3 | 102 | 14 | 3 | 2144 | 331 | 3166 | 392 |
| 18 | Reliance | 23 | 0 | 107 | 7 | 19 | 1 | 583 | 51 | 101 | 9 | 1 | 1136 | 14 | 1969 | 83 |
| 19 | Sahara | 5 | 0 | 13 | 0 | 16 | 5 | 0 | 0 | 34 | 35 | 1 | 1 | 0 | 69 | 41 |
| 20 | SBI Life | 101 | 12 | 342 | 134 | 337 | 170 | 858 | 578 | 357 | 133 | 35 | 954 | 638 | 2949 | 1700 |
| 21 | Shri Ram | 27 | 0 | 59 | 1 | 7 | 0 | 13 | 1 | 23 | 2 | 2 | 417 | 25 | 546 | 31 |
| 22 | Star Union Daichi | 36 | 3 | 37 | 7 | 180 | 50 | 101 | 28 | 82 | 89 | 0 | 1163 | 269 | 1599 | 446 |
| 23 | Tata AIA | 11 | 4 | 56 | 8 | 504 | 130 | 273 | 26 | 84 | 34 | 9 | 1006 | 301 | 1934 | 512 |
| (ii) | Private Total: | 948 | 91 | 2922 | 349 | 3201 | 689 | 3597 | 966 | 1911 | 696 | 473 | 37086 | 8208 | 49665 | 11472 |
| | Total [(i) + (ii)] | 3455 | 131 | 29412 | 1735 | 43894 | 1939 | 6771 | 1084 | 21755 | 2445 | 1073 | 41023 | 8547 | 146310 | 16954 |
| | Grand Total | 3586 | | 31147 | | 45833 | | 7855 | | 24200 | | 1073 | 49570 | | 163264 | 163264 |

CLASSIFICATION OF LIFE COMPLAINTS FOR THE LAST THREE YEARS



ULIP COMPLAINTS FOR THE LAST 3 YEARS



ANALYSIS OF 'UNFAIR BUSINESS PRACTICE' COMPLAINTS FOR THE LAST 3 YEARS - POLICY TYPE WISE

| S.No | Complaint Description | Conventional | | Health | | Pension | | | ULIP | | | Others | | | Total | | | | |
|------|--|--------------|--------------|--------------|------------|------------|------------|------------|------------|------------|-------------|-------------|-------------|-------------|-------------|--------------|--------------|--------------|--------------|
| | | 2018-19 | 2017-18 | 2018-19 | 2017-18 | 2018-19 | 2017-18 | 2016-17 | 2018-19 | 2017-18 | 2016-17 | 2018-19 | 2017-18 | 2016-17 | 2018-19 | 2017-18 | 2016-17 | | |
| 1 | Advice concerning Exclusions/ limitations of cover not communicated | 101 | 89 | 90 | 4 | 4 | 5 | 6 | 4 | 0 | 19 | 41 | 48 | 0 | 3 | 17 | 130 | 141 | 160 |
| 2 | Annuity/Commuation/Cash Option/Rider/other Options not included as requested | 135 | 91 | 49 | 2 | 2 | 4 | 65 | 25 | 18 | 14 | 10 | 3 | 2 | 4 | 12 | 218 | 132 | 86 |
| 3 | Credit/Debit card debited without consent of Consumer | 855 | 490 | 292 | 9 | 22 | 38 | 18 | 10 | 3 | 163 | 83 | 38 | 10 | 18 | 36 | 1055 | 623 | 407 |
| 4 | Do Not Call Registry | 45 | 32 | 28 | 1 | 0 | 0 | 0 | 1 | 1 | 17 | 12 | 48 | 19 | 39 | 83 | 82 | 84 | 160 |
| 5 | Free-look refund not paid | 1200 | 1694 | 1624 | 12 | 17 | 27 | 30 | 23 | 14 | 214 | 264 | 217 | 70 | 83 | 160 | 1526 | 2081 | 2042 |
| 6 | Illegitimate inducements offered | 3574 | 3882 | 2682 | 7 | 18 | 12 | 8 | 13 | 15 | 1783 | 844 | 687 | 202 | 274 | 292 | 5574 | 5031 | 3688 |
| 7 | Intermediary did not provide material information concerning proposed cover | 2265 | 1882 | 1424 | 5 | 24 | 30 | 35 | 32 | 48 | 708 | 443 | 355 | 153 | 95 | 390 | 3166 | 2476 | 2247 |
| 8 | Malpractices or unfair business practices | 15216 | 16858 | 20619 | 82 | 85 | 163 | 190 | 174 | 266 | 3693 | 3739 | 4682 | 2124 | 3909 | 6870 | 21305 | 24765 | 32600 |
| 9 | Misappropriation of premiums | 824 | 953 | 1127 | 15 | 13 | 11 | 17 | 15 | 16 | 148 | 241 | 456 | 44 | 63 | 190 | 1048 | 1285 | 1800 |
| 10 | Mode of premium payment differs from requested or disclosed | 273 | 279 | 238 | 7 | 9 | 5 | 9 | 4 | 3 | 34 | 32 | 40 | 5 | 18 | 29 | 328 | 342 | 315 |
| 11 | Premium paying period projected is different from actual | 711 | 744 | 982 | 3 | 9 | 7 | 7 | 9 | 11 | 92 | 122 | 213 | 13 | 21 | 73 | 826 | 905 | 1286 |
| 12 | Product differs from what was requested or disclosed | 3624 | 4059 | 3409 | 31 | 23 | 20 | 47 | 41 | 53 | 463 | 436 | 413 | 70 | 272 | 338 | 4235 | 4831 | 4233 |
| 13 | Proposed Insurance not in the interest of proposer | 1176 | 1421 | 1636 | 7 | 52 | 85 | 29 | 24 | 27 | 286 | 234 | 240 | 52 | 42 | 58 | 1550 | 1773 | 2046 |
| 14 | Single premium Policy issued as Annual premium policy | 1955 | 2214 | 1904 | 1 | 1 | 6 | 7 | 8 | 27 | 384 | 392 | 350 | 49 | 190 | 162 | 2396 | 2805 | 2449 |
| 15 | Spurious calls or Hoax Calls | | | | | | | | | | | | | 1202 | 1888 | 2946 | 1202 | 1888 | 2946 |
| 16 | Surrender value projected is different from actual | 320 | 294 | 305 | 3 | 4 | 4 | 14 | 9 | 16 | 68 | 59 | 59 | 14 | 24 | 46 | 419 | 390 | 430 |
| 17 | Tampering, Corrections, forgery of proposal or related papers | 3537 | 3533 | 4049 | 7 | 18 | 16 | 38 | 33 | 40 | 425 | 463 | 570 | 149 | 239 | 362 | 4156 | 4286 | 5037 |
| 18 | Term(Period) of the policy is different/alterd without consent | 304 | 316 | 271 | 3 | 4 | 7 | 4 | 8 | 5 | 36 | 53 | 35 | 7 | 10 | 36 | 354 | 391 | 354 |
| | Total | 36115 | 38831 | 40729 | 199 | 305 | 440 | 524 | 433 | 563 | 8547 | 7468 | 8454 | 4185 | 7192 | 12100 | 49570 | 54229 | 62286 |

STATE/UT WISE DISTRIBUTION OF COMPLAINTS - LIFE – 2017-18



STATE/UT WISE DISTRIBUTION OF COMPLAINTS - LIFE – 2018-19



Analysis of the Grievances Reported against General Insurers

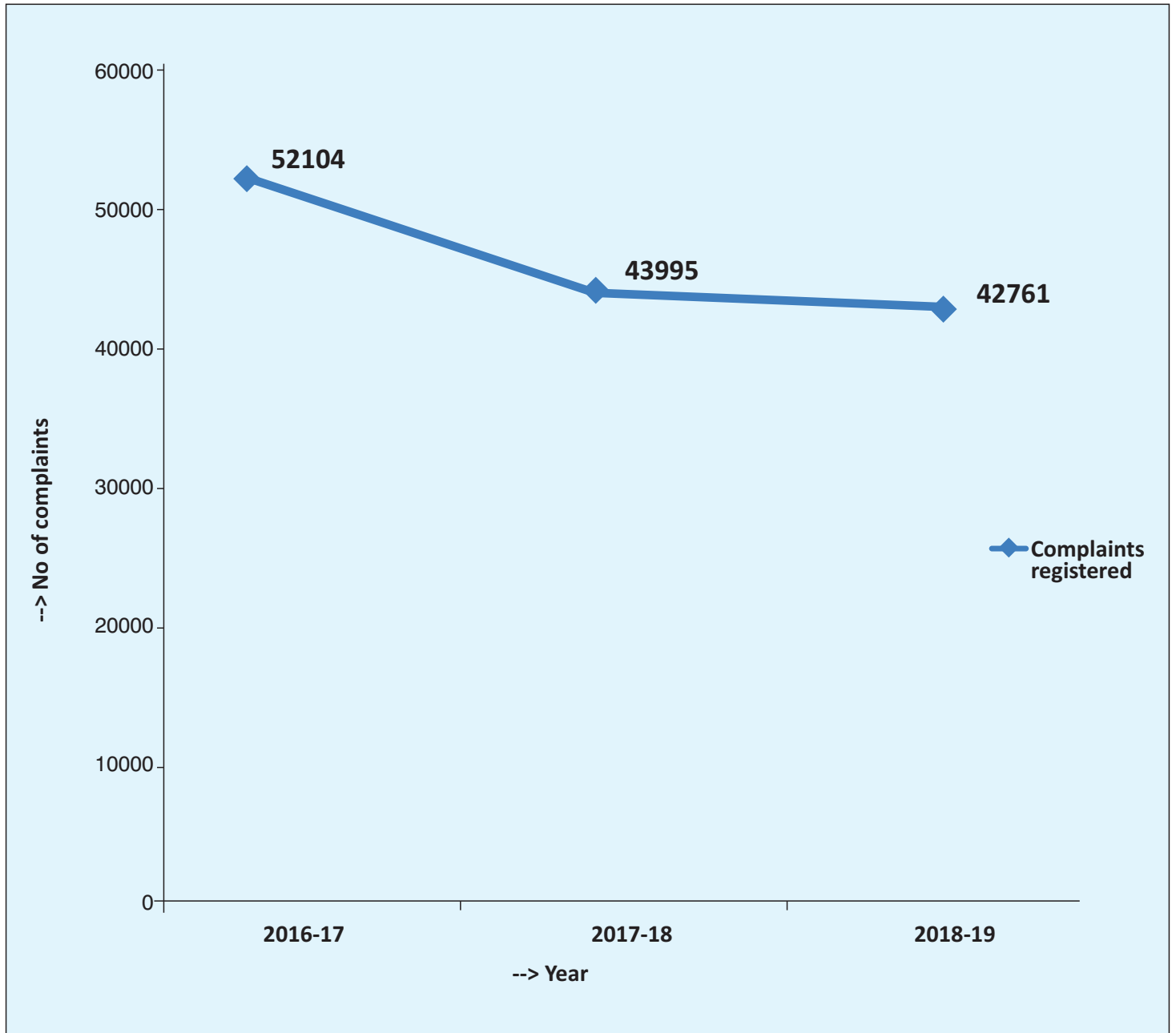
1. Cursory glance of complaints registered & 'attended to' by General Insurers
2. Complaints registered against General Insurers - Graphical Presentation
3. Movement of Complaints
4. Analysis of Complaints registered against General Insurers
5. Classification of General Insurance Complaints - Graphical Presentation
6. Policy Type wise General Insurance Industry Complaints
7. Policy Type wise General Insurance Complaints - Graphical Presentation
8. Analysis of Health Insurance Complaints
9. Analysis of Motor Insurance Complaints
10. State-wise Distribution of Complaints – 2017-18
11. State-wise Distribution of Complaints – 2018-19

**CURSORY GLANCE OF COMPLAINTS REGISTERED
AND ATTENDED TO BY GENERAL INSURERS**

| S.No. | Description | 2018-19 | | 2017-18 | | 2016-17 | |
|-------|---|--------------|--------------|--------------|--------------|--------------|--------------|
| | | Registered | Attended to | Registered | Attended to | Registered | Attended to |
| 1 | Complaints registered by Policyholders directly in IGMS | 3824 | 3723 | 4888 | 4189 | 3173 | 3008 |
| 2 | Complaints of the Policyholders registered by IRDAI in IGMS | 12037 | 11833 | 10936 | 10385 | 12474 | 12194 |
| 3 | Complaints of the Policyholders registered by Life Insurers | 26900 | 26605 | 28171 | 27775 | 36457 | 36225 |
| | Total: | 42761 | 42161 | 43995 | 42349 | 52104 | 51427 |

* Complaints 'Attended to' refers to the cases registered during the year and does not include complaints that were attended to, which relates to earlier year.

TREND OF COMPLAINTS REGISTERED AGAINST GENERAL INSURERS FOR THE LAST 3 YEARS



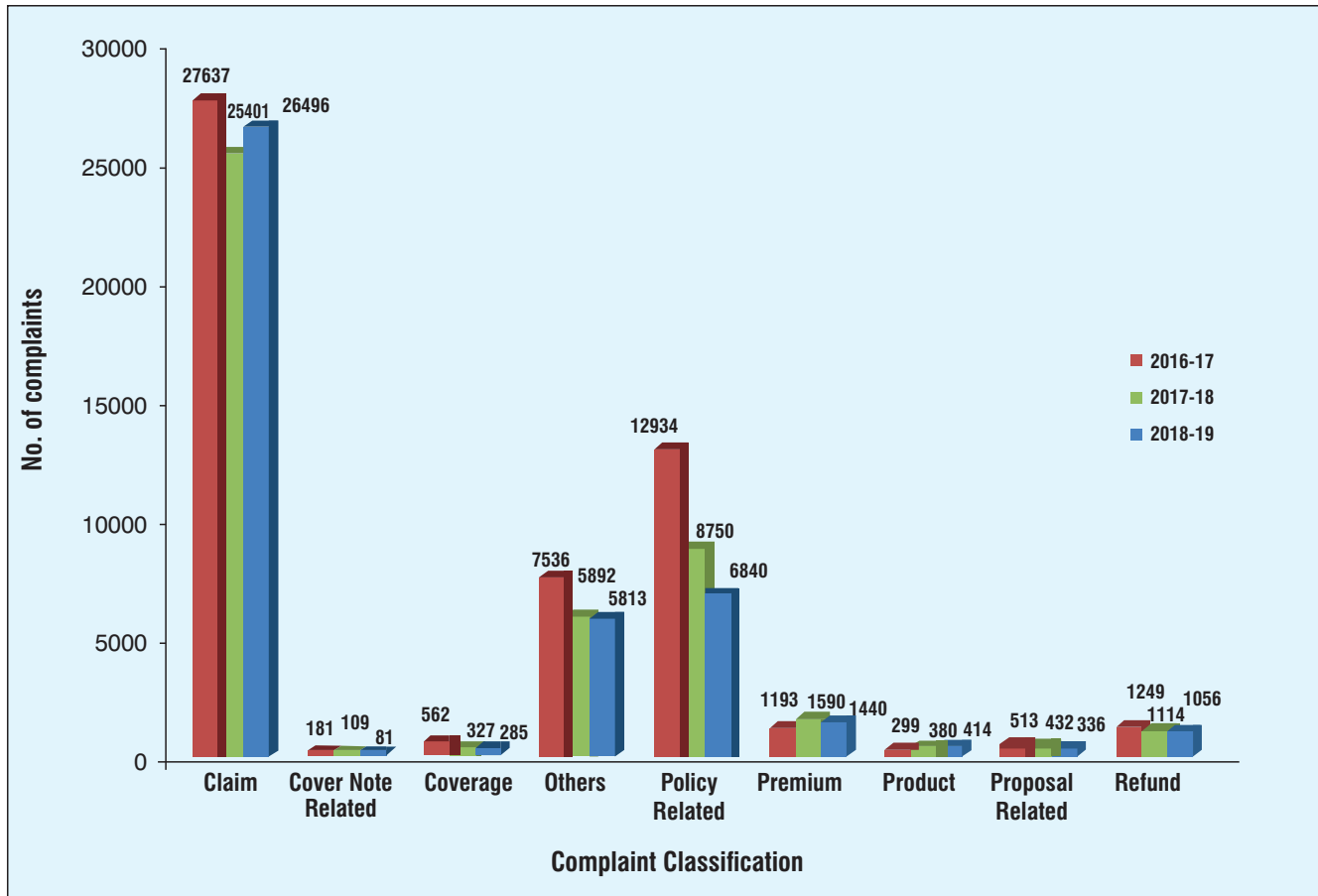
MOVEMENT OF COMPLAINTS - LIFE INSURERS

| S. No | Name of the Insurer | 2017-18 | | | 2018-19 | | | | | |
|-------------|---------------------------------|--------------------------|-----------------------------|--------------------------------|-----------------|--------------------------|----------------------|-------------------|-----------------------------|--------------------------------|
| | | Reported during the year | Attended to during the year | Pending at the end of the year | Opening Balance | Reported during the year | Duplicate Complaints | Actual Complaints | Attended to during the year | Pending at the end of the year |
| 1 | Agriculture Insurance* | - | - | - | 0 | 12 | 0 | 12 | 12 | 0 |
| 2 | ECGC of India | 9 | 8 | 53 | 53 | 15 | 0 | 15 | 68 | 0 |
| 3 | National Insurance | 5571 | 5591 | 169 | 169 | 4739 | 0 | 4739 | 4891 | 17 |
| 4 | The New India Assurance | 4820 | 4852 | 3 | 3 | 5178 | 14 | 5164 | 5137 | 30 |
| 5 | The Oriental Insurance | 2743 | 2121 | 752 | 752 | 2733 | 99 | 2634 | 3359 | 27 |
| 6 | United India Insurance | 9425 | 9212 | 325 | 325 | 8404 | 0 | 8404 | 8464 | 265 |
| (i) | Total - PSU insurers | 22568 | 21784 | 1302 | 1302 | 21081 | 113 | 20968 | 21931 | 339 |
| 1 | Acko General | | | | 0 | 11 | 0 | 11 | 11 | 0 |
| 2 | Aditya Birla Health | 251 | 145 | 107 | 107 | 599 | 4 | 595 | 702 | 0 |
| 3 | Apollo Munich Health | 929 | 918 | 31 | 31 | 1278 | 67 | 1211 | 1230 | 12 |
| 4 | Bajaj Allianz General | 914 | 919 | 2 | 2 | 1113 | 61 | 1052 | 1052 | 2 |
| 5 | Bharati Axa General | 1943 | 1944 | 6 | 6 | 1423 | 73 | 1350 | 1352 | 4 |
| 6 | Cholamandalam MS General | 439 | 440 | 2 | 2 | 237 | 4 | 233 | 235 | 0 |
| 7 | CignaTTK Health | 702 | 707 | 3 | 3 | 739 | 30 | 709 | 709 | 3 |
| 8 | DHFL General | | | | 0 | 12 | 0 | 12 | 12 | 0 |
| 9 | Edelweiss General | | | | 0 | 4 | 1 | 3 | 3 | 0 |
| 10 | Future Generali India | 1113 | 1113 | 3 | 3 | 622 | 20 | 602 | 605 | 0 |
| 11 | Go Digit General | | | | 0 | 117 | 0 | 117 | 117 | 0 |
| 12 | HDFC ERGO General | 1037 | 1037 | 0 | 0 | 1093 | 23 | 1070 | 1070 | 0 |
| 13 | ICICI Lombard General | 3037 | 3091 | 34 | 34 | 2976 | 47 | 2929 | 2889 | 74 |
| 14 | IFFCO Tokio General | 1044 | 1029 | 16 | 16 | 722 | 15 | 707 | 722 | 1 |
| 15 | Kotak General | 63 | 65 | 0 | 0 | 73 | 2 | 71 | 69 | 2 |
| 16 | L&T General. | 137 | 137 | 0 | 0 | 5 | 0 | 5 | 5 | 0 |
| 17 | Liberty Genral | 257 | 260 | 0 | 0 | 291 | 0 | 291 | 291 | 0 |
| 18 | Magma HDI General | 94 | 62 | 49 | 49 | 82 | 2 | 80 | 129 | 0 |
| 19 | Max Bupa Health | 772 | 772 | 0 | 0 | 921 | 29 | 892 | 892 | 0 |
| 20 | Raheja QBE | 1 | 0 | 1 | 1 | 1 | 0 | 1 | 2 | 0 |
| 21 | Reliance General | 454 | 456 | 7 | 7 | 600 | 0 | 600 | 607 | 0 |
| 22 | Reliance Health | | | | 0 | 6 | 0 | 6 | 6 | 0 |
| 23 | Religare Health | 573 | 569 | 4 | 4 | 690 | 46 | 644 | 645 | 3 |
| 24 | Royal Sundaram Alliance | 778 | 782 | 2 | 2 | 566 | 28 | 538 | 530 | 10 |
| 25 | SBI General | 671 | 697 | 29 | 29 | 481 | 10 | 471 | 489 | 11 |
| 26 | Shriram General | 218 | 218 | 0 | 0 | 234 | 3 | 231 | 231 | 0 |
| 27 | Star Health and Allied | 4496 | 4486 | 47 | 47 | 5713 | 28 | 5685 | 5597 | 135 |
| 28 | Tata- AIG General | 1050 | 1050 | 1 | 1 | 1365 | 134 | 1231 | 1228 | 4 |
| 29 | Universal Sompo General | 454 | 454 | 0 | 0 | 458 | 12 | 446 | 446 | 0 |
| (ii) | Total Private Insurers | 21427 | 21351 | 344 | 344 | 22432 | 639 | 21793 | 21876 | 261 |
| | Grand Total [(i) + (ii)] | 43995 | 43135 | 1646 | 1646 | 43513 | 752 | 42761 | 43807 | 600 |

ANALYSIS OF THE REGISTERED GENERAL INSURANCE COMPLAINTS

| S. No | Name of the Insurer | Claim | | Cover Note Related | Coverage | Others | Policy Related | | Premium | Product | Proposal Related | | Refund | Total |
|---------------------------------|-------------------------------|--------------|--------------|--------------------|------------|-------------|----------------|-------------|-------------|-------------|------------------|------------|------------|------------|
| | | 2018-19 | 2017-18 | | | | 2018-19 | 2017-18 | | | 2018-19 | 2017-18 | | |
| 1 | Agriculture Insurance | 9 | - | 0 | - | 3 | - | 0 | 0 | - | 0 | - | 0 | 12 |
| 2 | ECGC of India | 2 | 9 | 0 | 0 | 2 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 15 |
| 3 | National Insurance | 3005 | 3363 | 20 | 36 | 1113 | 1373 | 427 | 590 | 91 | 108 | 7 | 11 | 40 |
| 4 | The New India Assurance | 3401 | 2833 | 6 | 16 | 577 | 392 | 751 | 1089 | 294 | 348 | 5 | 4 | 76 |
| 5 | The Oriental Insurance | 1440 | 1909 | 9 | 9 | 397 | 319 | 488 | 374 | 222 | 87 | 6 | 3 | 42 |
| 6 | United India Insurance | 6250 | 6323 | 17 | 33 | 791 | 1176 | 856 | 1270 | 167 | 278 | 15 | 23 | 235 |
| (i) | Total - PSU insurers | 14107 | 14437 | 52 | 94 | 2883 | 3260 | 2523 | 3323 | 774 | 821 | 61 | 43 | 393 |
| 1 | Acko General | 5 | 0 | 0 | 0 | 4 | 2 | 2 | 0 | 0 | 0 | 0 | 0 | 11 |
| 2 | Aditya Birla Health | 189 | 44 | 0 | 0 | 100 | 21 | 171 | 73 | 4 | 3 | 57 | 38 | 25 |
| 3 | Apollo MUNICH Health | 412 | 319 | 0 | 0 | 209 | 92 | 354 | 348 | 121 | 94 | 17 | 10 | 43 |
| 4 | Bajaj Allianz General | 498 | 488 | 3 | 0 | 222 | 155 | 255 | 197 | 21 | 29 | 22 | 20 | 9 |
| 5 | Bharati Axa General | 444 | 900 | 11 | 5 | 156 | 110 | 606 | 766 | 40 | 29 | 21 | 41 | 11 |
| 6 | Cholamandalam MS Gen | 145 | 244 | 0 | 0 | 26 | 32 | 42 | 147 | 10 | 3 | 7 | 3 | 1 |
| 7 | CignaTK Health | 257 | 222 | 0 | 0 | 299 | 242 | 85 | 113 | 6 | 2 | 23 | 65 | 2 |
| 8 | DHFL General | 0 | 0 | 0 | 0 | 3 | 3 | 3 | 0 | 0 | 0 | 5 | 0 | 0 |
| 9 | Edelweiss general | 0 | 0 | 0 | 0 | 1 | 1 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| 10 | Future Generali India Ins. | 243 | 404 | 5 | 6 | 93 | 138 | 121 | 322 | 5 | 8 | 44 | 63 | 81 |
| 11 | Go Digid General | 53 | 0 | 1 | 1 | 26 | 31 | 31 | 0 | 0 | 0 | 1 | 0 | 0 |
| 12 | HDFC ERGO General | 758 | 634 | 0 | 1 | 119 | 137 | 133 | 223 | 10 | 8 | 11 | 4 | 9 |
| 13 | ICICI Lombard General | 1006 | 1075 | 2 | 1 | 768 | 743 | 835 | 946 | 238 | 178 | 33 | 11 | 6 |
| 14 | IFFCO Tokio General | 529 | 881 | 0 | 2 | 82 | 64 | 57 | 70 | 31 | 6 | 2 | 6 | 3 |
| 15 | Kotak General | 32 | 40 | 0 | 0 | 20 | 10 | 15 | 6 | 0 | 1 | 4 | 2 | 0 |
| 16 | L&T General. | 3 | 82 | 0 | 0 | 2 | 4 | 0 | 44 | 0 | 1 | 0 | 0 | 0 |
| 17 | Liberty Videocon General | 186 | 157 | 0 | 0 | 19 | 19 | 80 | 62 | 1 | 2 | 2 | 5 | 0 |
| 18 | Magma HDI General | 49 | 64 | 0 | 0 | 16 | 13 | 13 | 13 | 1 | 2 | 0 | 0 | 1 |
| 19 | Max Bupa Health | 541 | 268 | 0 | 0 | 111 | 138 | 81 | 64 | 78 | 222 | 17 | 12 | 36 |
| 20 | Raheja QBE | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 |
| 21 | Reliance General | 463 | 327 | 4 | 0 | 2 | 61 | 51 | 37 | 54 | 17 | 8 | 13 | 8 |
| 22 | Reliance Health | 2 | 0 | 0 | 0 | 1 | 1 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| 23 | Religare Health | 422 | 361 | 0 | 0 | 58 | 70 | 85 | 74 | 24 | 32 | 2 | 2 | 20 |
| 24 | Royal Sundaram Alliance | 334 | 401 | 0 | 0 | 49 | 149 | 118 | 153 | 11 | 39 | 1 | 5 | 7 |
| 25 | SBI General | 186 | 366 | 1 | 0 | 95 | 117 | 146 | 154 | 3 | 5 | 18 | 7 | 15 |
| 26 | Shriram General | 182 | 178 | 1 | 0 | 15 | 19 | 29 | 14 | 1 | 1 | 1 | 3 | 0 |
| 27 | Star Health and Allied | 4514 | 2637 | 0 | 0 | 195 | 162 | 621 | 1247 | 31 | 81 | 37 | 25 | 10 |
| 28 | Tata- AIG General | 538 | 476 | 1 | 0 | 61 | 163 | 133 | 297 | 9 | 15 | 14 | 4 | 2 |
| 29 | Universal Sompoo General | 397 | 396 | 0 | 0 | 17 | 13 | 24 | 39 | 4 | 0 | 1 | 3 | 1 |
| (ii) | Total Private Insurers | 12389 | 10964 | 29 | 15 | 177 | 2930 | 4317 | 5427 | 666 | 769 | 353 | 337 | 285 |
| Grand Total [(i) + (ii)] | | 26496 | 25401 | 81 | 109 | 285 | 5892 | 6840 | 8750 | 1440 | 1590 | 414 | 380 | 432 |

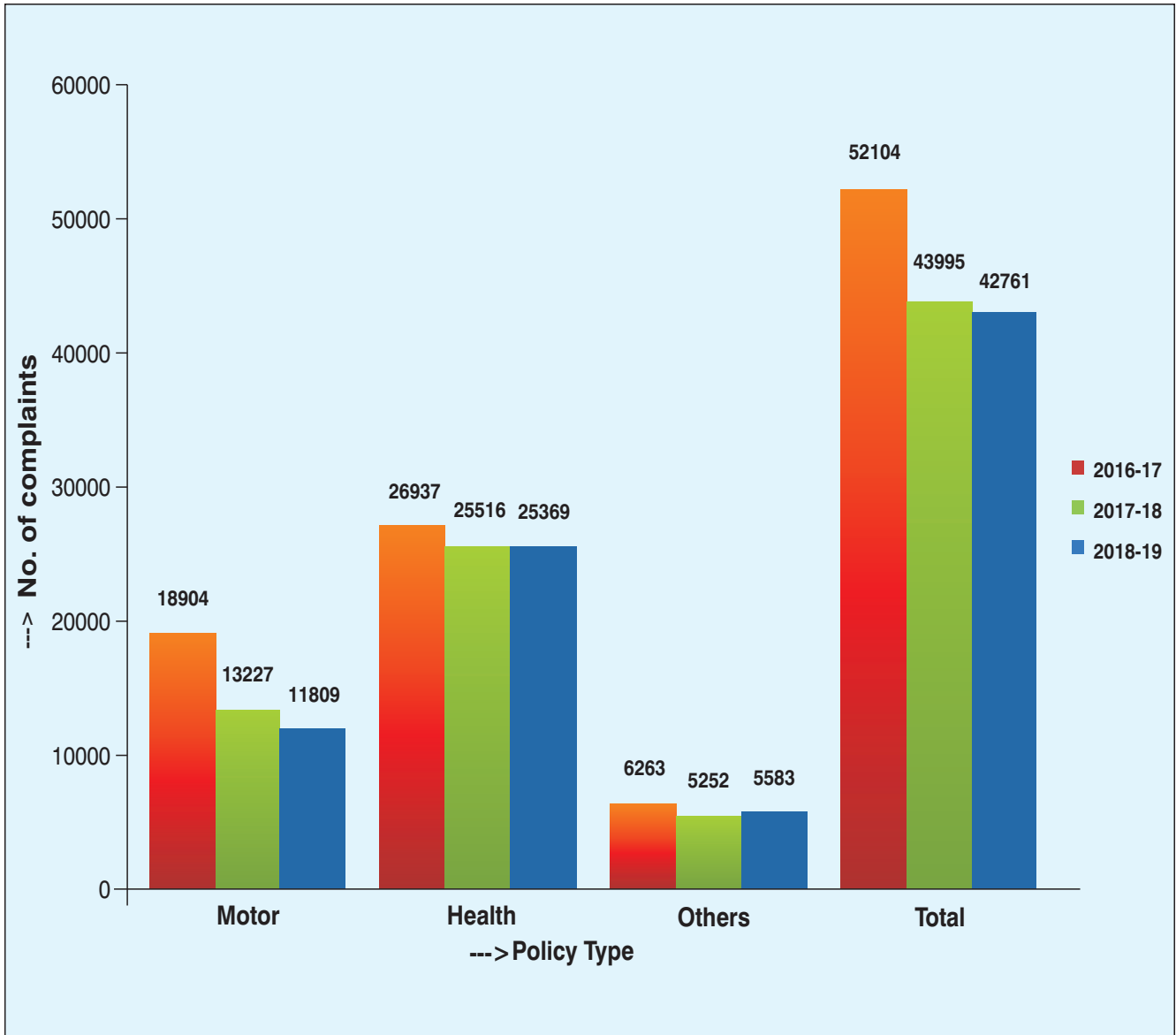
CLASSIFICATION OF GENERAL INSURANCE COMPLAINTS FOR THE LAST 3 YEARS



POLICY TYPE WISE GENERAL INSURANCE INDUSTRY COMPLAINTS FOR THE LAST THREE YEARS

| S.No. | Sector of Insurance | 2016-17 | 2017-18 | 2018-19 |
|-------|---------------------|--------------|--------------|--------------|
| 1 | Motor | 18904 | 13227 | 11809 |
| 2 | Health | 26937 | 25516 | 25369 |
| 3 | Others | 6263 | 5252 | 5583 |
| | Total | 52104 | 43995 | 42761 |

POLICY TYPE WISE GENERAL INSURANCE COMPLAINTS - TRENDS FOR 3 YEARS



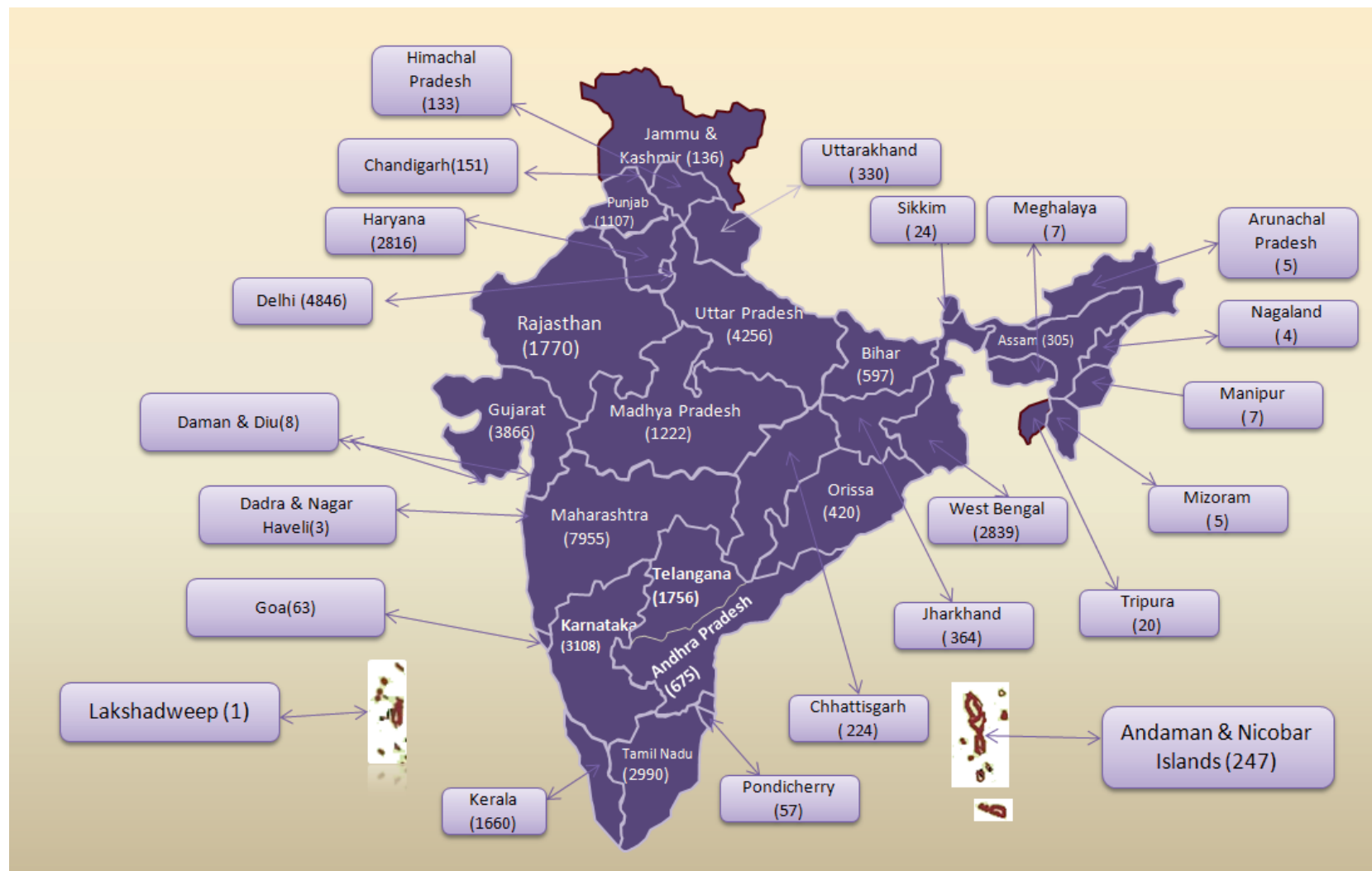
**ANALYSIS OF HEALTH INSURANCE
COMPLAINTS FOR THE LAST THREE FINANCIAL YEARS**

| S.No | Complaint Type | 2018-19 | 2017-18 | 2016-17 |
|--------------|-----------------------|----------------|----------------|----------------|
| 1 | Claim | 16275 | 14969 | 14500 |
| 2 | Coverage | 197 | 234 | 386 |
| 3 | Others | 3317 | 3482 | 4274 |
| 4 | Policy Related | 3539 | 4608 | 6042 |
| 5 | Premium | 995 | 1131 | 695 |
| 6 | Product | 227 | 204 | 130 |
| 7 | Proposal Related | 201 | 201 | 182 |
| 8 | Refund | 618 | 687 | 728 |
| Total | | 25369 | 25516 | 26937 |

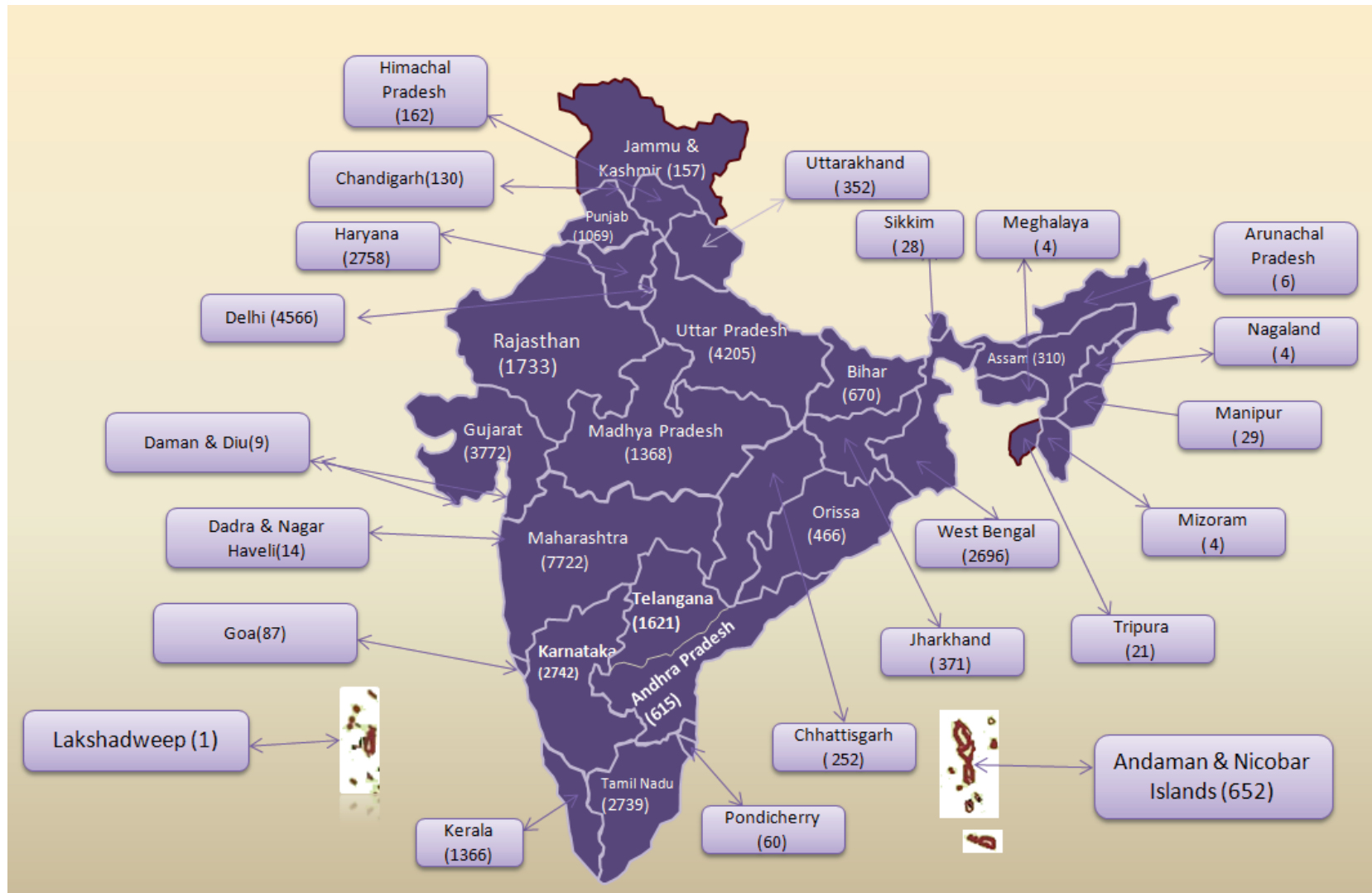
**ANALYSIS OF MOTOR INSURANCE COMPLAINTS
FOR THE LAST THREE FINANCIAL YEARS**

| S.No | Complaint Type | 2018-19 | 2017-18 | 2016-17 |
|--------------|-----------------------|----------------|----------------|----------------|
| 1 | Claim | 7173 | 7511 | 9800 |
| 2 | Cover Note Related | 71 | 90 | 159 |
| 3 | Coverage | 61 | 59 | 105 |
| 4 | Others | 1571 | 1735 | 2428 |
| 5 | Policy Related | 2207 | 2923 | 5343 |
| 6 | Premium | 257 | 353 | 364 |
| 7 | Product | 60 | 94 | 127 |
| 8 | Proposal Related | 97 | 185 | 269 |
| 9 | Refund | 312 | 277 | 309 |
| Total | | 11809 | 13227 | 18904 |

STATE/UT WISE DISTRIBUTION OF COMPLAINTS – GENERAL(2017-18)



STATE/UT WISE DISTRIBUTION OF COMPLAINTS – GENERAL(2018-19)



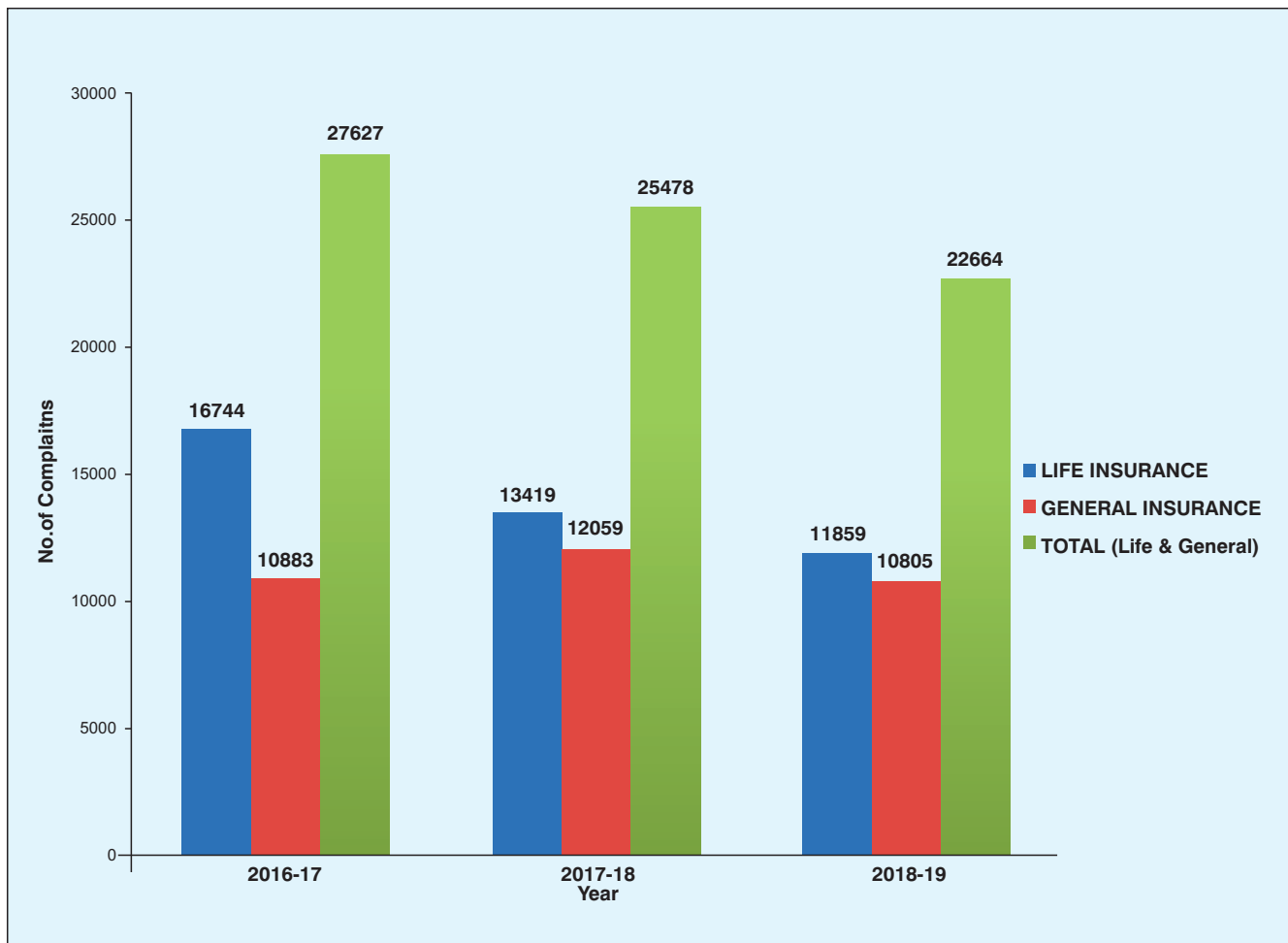
Analysis of the Grievances Reported to Insurance Ombudsmen

1. Cursory glance of Complaints received during the last 3 financial years
2. Complaints received during the last 3 financial years - Graphical Presentation
3. Disposal of Complaints during 2017-18 & 2018-19
4. Classification of Complaints received during 2017-8 & 2018-19
5. Performance of Ombudsmen at Different Centers (LIFE INSURANCE)
6. Performance of Ombudsmen at Different Centers (GENERAL INSURANCE)
7. Performance of Ombudsmen at Different Centers (INDUSTRY)

COMPLAINTS RECEIVED BY THE INSURANCE OMBUDSMEN - CURSORY GLANCE

| Insurance Type | 2016-17 | 2017-18 | 2018-19 |
|----------------------------------|--------------|--------------|--------------|
| LIFE INSURANCE | 16744 | 13419 | 11859 |
| GENERAL INSURANCE | 10883 | 12059 | 10805 |
| TOTAL (Life& General) | 27627 | 25478 | 22664 |

COMPLAINTS RECEIVED BY THE INSURANCE OMBUDSMEN



DISPOSAL OF COMPLAINTS BY THE INSURANCE OMBUDSMEN

| S. No. | Particulars | 2017-18 | | | | 2018-19 | | | |
|-----------|--|----------------------|--------------|--------------|----------------------|----------------------|--------------|--------------|----------------------|
| | | O/S as on 01.04.2017 | Received | Disposed | O/s as on 31.03.2018 | O/S as on 01.04.2018 | Received | Disposed | O/s as on 31.03.2019 |
| 1. | Against Life Insurers | 1376 | 13419 | 9475 | 5320 | 5320 | 11859 | 12103 | 5076 |
| 2. | Against General Insurers | 954 | 12059 | 7750 | 5263 | 5263 | 10805 | 9864 | 6204 |
| 3. | Against Life & General Insurers | 2330 | 25478 | 17225 | 10583 | 10583 | 22664 | 21967 | 11280 |

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

| Classification Type | 2017-18 | 2018-19 |
|---|--------------|--------------|
| Complaints which are not entertainable | 12778 | 10894 |
| Partial or total repudiation of claim | 7481 | 6863 |
| Dispute in regard to premiums paid or payable in terms of policy | 3533 | 1871 |
| Dispute on the legal construction of the policies so far as such dispute relates to claim | 99 | 46 |
| Delay in settlement of claims | 630 | 879 |
| Non issuance of document to customer after receipt of premium | 56 | 47 |
| Misrepresentation of policy terms and conditions at any time in the policy document or policy contract. | 778 | 1584 |
| Policy servicing related grievances against insurers and their agents and intermediaries. | 86 | 239 |
| Issuance of policies which is not in conformity with the proposal form submitted by the proposer | 20 | 22 |
| Any other matter resulting from the violation of provisions | 17 | 219 |
| Total | 25478 | 22664 |

PERFORMANCE OF OMBUDSMEN AT DIFFERENT CENTRES (LIFE INSURANCE)

| Name of Centre | Total No. of Complaints | | No. of Complaints disposed by way of | | | | | | Duration-wise Disposal | | | Duration-wise Outstanding | | | | | | |
|----------------|--|-------------------------|--------------------------------------|------------|-------------|------------|----------|-------------|------------------------|--------------|-------------|---------------------------|-------------|--------------|-------------|-------------|-------------|-------------|
| | O/S as on 31 st March, 2018 | Received during 2018-19 | (I) | (II) | (III) | (IV) | (V) | (VI) | A | B | C | Total | A | B | C | Total | | |
| Ahmedabad | 411 | 693 | 1104 | 0 | 2 | 86 | 0 | 2 | 296 | 386 | 309 | 33 | 44 | 386 | 75 | 308 | 335 | 718 |
| Bengaluru | 229 | 648 | 877 | 35 | 217 | 43 | 0 | 108 | 348 | 751 | 377 | 294 | 80 | 751 | 68 | 58 | 0 | 126 |
| Bhopal | 218 | 620 | 838 | 128 | 46 | 35 | 0 | 201 | 322 | 732 | 343 | 319 | 70 | 732 | 74 | 32 | 0 | 106 |
| Bubaneswar | 149 | 619 | 768 | 3 | 106 | 4 | 0 | 22 | 458 | 593 | 465 | 9 | 119 | 593 | 48 | 103 | 24 | 175 |
| Chandigarh | 1709 | 1475 | 3184 | 0 | 1010 | 10 | 0 | 486 | 746 | 2252 | 765 | 91 | 1396 | 2252 | 184 | 497 | 251 | 932 |
| Chennai | 89 | 901 | 990 | 0 | 69 | 19 | 0 | 93 | 767 | 948 | 778 | 147 | 23 | 948 | 35 | 7 | 0 | 42 |
| Delhi | 348 | 814 | 1162 | 181 | 397 | 17 | 0 | 1 | 331 | 927 | 340 | 331 | 256 | 927 | 150 | 85 | 0 | 235 |
| Guwahati | 56 | 311 | 367 | 8 | 99 | 26 | 0 | 45 | 189 | 367 | 320 | 47 | 0 | 367 | 0 | 0 | 0 | 0 |
| Hyderabad | 130 | 655 | 785 | 0 | 215 | 40 | 0 | 62 | 397 | 714 | 488 | 209 | 17 | 714 | 59 | 11 | 1 | 71 |
| Jaipur | 154 | 374 | 528 | 48 | 200 | 54 | 0 | 49 | 177 | 528 | 336 | 189 | 3 | 528 | 0 | 0 | 0 | 0 |
| Kochi | 134 | 382 | 516 | 0 | 40 | 20 | 0 | 74 | 174 | 308 | 181 | 14 | 113 | 308 | 70 | 124 | 14 | 208 |
| Kolkata | 718 | 1082 | 1800 | 0 | 262 | 200 | 0 | 90 | 337 | 889 | 359 | 139 | 391 | 889 | 161 | 468 | 282 | 911 |
| Lucknow | 330 | 659 | 989 | 36 | 3 | 35 | 0 | 52 | 355 | 481 | 368 | 12 | 101 | 481 | 63 | 224 | 221 | 508 |
| Mumbai | 112 | 844 | 956 | 30 | 92 | 17 | 0 | 32 | 643 | 814 | 682 | 121 | 11 | 814 | 121 | 14 | 7 | 142 |
| Noida | 134 | 583 | 717 | 24 | 103 | 74 | 0 | 36 | 316 | 553 | 327 | 182 | 44 | 553 | 127 | 37 | 0 | 164 |
| Patna | 74 | 389 | 463 | 0 | 76 | 26 | 0 | 24 | 270 | 396 | 278 | 72 | 46 | 396 | 44 | 20 | 3 | 67 |
| Pune | 325 | 810 | 1135 | 8 | 43 | 38 | 0 | 15 | 360 | 464 | 366 | 18 | 80 | 464 | 142 | 292 | 237 | 671 |
| Total | 5320 | 11859 | 17179 | 501 | 2980 | 744 | 0 | 1392 | 6486 | 12103 | 7082 | 2227 | 2794 | 12103 | 1421 | 2280 | 1375 | 5076 |

Note:

O/S : Outstanding

(I) Recommendations

(II) Awards

(III) Withdrawal

(IV) Non-acceptance

(V) Dismissal awards fvg. Ins. Co.

(VI) Not-entertainable

(A) Within 3 months

(B) 3 months to 1 Year

(C) Above 1 Year

PERFORMANCE OF OMBUDSMEN AT DIFFERENT CENTRES (GENERAL INSURANCE)

| Name of Centre | Total No. of Complaints | | No. of Complaints disposed by way of | | | | | | Duration-wise Disposal | | | Duration-wise Outstanding | | | | | |
|----------------|--|-------------------------|--------------------------------------|------------|-------------|------------|----------|-------------|------------------------|-------------|-------------|---------------------------|-------------|-------------|-------------|-------------|-------------|
| | O/S as on 31 st March, 2018 | Received during 2018-19 | (I) | (II) | (III) | (IV) | (V) | (VI) | Total | A | B | C | Total | A | B | C | Total |
| Ahmedabad | 927 | 1632 | 0 | 67 | 131 | 0 | 23 | 721 | 942 | 761 | 50 | 131 | 942 | 215 | 645 | 757 | 1617 |
| Bengaluru | 261 | 635 | 62 | 223 | 50 | 0 | 130 | 304 | 769 | 339 | 389 | 41 | 769 | 88 | 39 | 0 | 127 |
| Bhopal | 174 | 334 | 5 | 23 | 27 | 0 | 76 | 175 | 306 | 181 | 28 | 97 | 306 | 44 | 101 | 57 | 202 |
| Bubaneswar | 55 | 182 | 0 | 7 | 3 | 0 | 1 | 176 | 187 | 179 | 1 | 7 | 187 | 2 | 0 | 48 | 50 |
| Chandigarh | 430 | 928 | 0 | 263 | 1 | 0 | 172 | 540 | 976 | 564 | 41 | 371 | 976 | 116 | 232 | 34 | 382 |
| Chennai | 314 | 754 | 6 | 325 | 92 | 0 | 150 | 351 | 924 | 396 | 414 | 114 | 924 | 100 | 44 | 0 | 144 |
| Delhi | 326 | 695 | 192 | 167 | 34 | 0 | 2 | 321 | 716 | 334 | 113 | 269 | 716 | 112 | 193 | 0 | 305 |
| Guwahati | 44 | 161 | 205 | 3 | 71 | 19 | 0 | 39 | 205 | 136 | 62 | 7 | 205 | 0 | 0 | 0 | 0 |
| Hyderabad | 147 | 449 | 596 | 0 | 186 | 22 | 0 | 81 | 200 | 216 | 260 | 13 | 489 | 63 | 44 | 0 | 107 |
| Jaipur | 122 | 402 | 524 | 15 | 193 | 53 | 0 | 72 | 191 | 371 | 150 | 3 | 524 | 0 | 0 | 0 | 0 |
| Kochi | 366 | 600 | 966 | 0 | 173 | 36 | 0 | 123 | 191 | 203 | 25 | 295 | 523 | 153 | 232 | 58 | 443 |
| Kolkata | 478 | 698 | 1176 | 0 | 67 | 119 | 0 | 33 | 104 | 128 | 74 | 121 | 323 | 145 | 374 | 334 | 853 |
| Lucknow | 100 | 188 | 288 | 0 | 0 | 30 | 0 | 3 | 64 | 68 | 20 | 9 | 97 | 26 | 83 | 82 | 191 |
| Mumbai | 1116 | 1670 | 2786 | 25 | 930 | 177 | 0 | 362 | 469 | 495 | 1144 | 324 | 1963 | 339 | 474 | 10 | 823 |
| Noida | 81 | 518 | 599 | 8 | 84 | 75 | 0 | 52 | 218 | 236 | 180 | 21 | 437 | 110 | 52 | 0 | 162 |
| Patna | 40 | 254 | 294 | 12 | 36 | 15 | 0 | 0 | 76 | 85 | 29 | 25 | 139 | 25 | 130 | 0 | 155 |
| Pune | 282 | 705 | 987 | 0 | 30 | 61 | 0 | 19 | 234 | 246 | 39 | 59 | 344 | 146 | 307 | 190 | 643 |
| Total | 5263 | 10805 | 16068 | 328 | 2845 | 945 | 0 | 1338 | 4408 | 9864 | 4938 | 1907 | 9864 | 1684 | 2950 | 1570 | 6204 |

Note:

O/S : Outstanding

(I) Recommendations

(II) Awards

(III) Withdrawal

(IV) Non-acceptance

(V) Dismissal awards fvg. Ins. Co.

(VI) Not-entertainable

(A) Within 3 months

(B) 3 months to 1 Year

(C) Above 1 Year

PERFORMANCE OF OMBUDSMEN AT DIFFERENT CENTRES (LIFE & GENERAL COMBINED)

| Name of the Centre | Total Number of Complaints | | Number of Complaints disposed by way of | | | | | | Duration-wise Disposal | | | Duration-wise Outstanding | | | | | |
|--------------------|--|-------------------------|---|------------|-------------|-------------|----------|-------------|------------------------|--------------|--------------|---------------------------|-------------|--------------|-------------|-------------|--------------|
| | O/S as on 31 st March, 2018 | Received during 2018-19 | (I) | (II) | (III) | (IV) | (V) | (VI) | Total | A | B | C | Total | A | B | C | Total |
| Ahmedabad | 1338 | 2325 | 0 | 69 | 217 | 0 | 25 | 1017 | 1328 | 1070 | 83 | 175 | 1328 | 290 | 953 | 1092 | 2335 |
| Bengaluru | 490 | 1283 | 97 | 440 | 93 | 0 | 238 | 652 | 1520 | 716 | 683 | 121 | 1520 | 156 | 97 | 0 | 253 |
| Bhopal | 392 | 954 | 133 | 69 | 62 | 0 | 277 | 497 | 1038 | 524 | 347 | 167 | 1038 | 118 | 133 | 57 | 308 |
| Bubaneswar | 204 | 801 | 1005 | 3 | 113 | 7 | 23 | 634 | 780 | 644 | 10 | 126 | 780 | 50 | 103 | 72 | 225 |
| Chandigarh | 2139 | 2403 | 4542 | 0 | 1273 | 11 | 658 | 1286 | 3228 | 1329 | 132 | 1767 | 3228 | 300 | 729 | 285 | 1314 |
| Chennai | 403 | 1655 | 2058 | 6 | 394 | 111 | 243 | 1118 | 1872 | 1174 | 561 | 137 | 1872 | 135 | 51 | 0 | 186 |
| Delhi | 674 | 1509 | 2183 | 373 | 564 | 51 | 3 | 652 | 1643 | 674 | 444 | 525 | 1643 | 262 | 278 | 0 | 540 |
| Guwahati | 100 | 472 | 572 | 11 | 170 | 45 | 84 | 262 | 572 | 456 | 109 | 7 | 572 | 0 | 0 | 0 | 0 |
| Hyderabad | 277 | 1104 | 1381 | 0 | 401 | 62 | 143 | 597 | 1203 | 704 | 469 | 30 | 1203 | 122 | 55 | 1 | 178 |
| Jaipur | 276 | 776 | 1052 | 63 | 393 | 107 | 121 | 368 | 1052 | 707 | 339 | 6 | 1052 | 0 | 0 | 0 | 0 |
| Kochi | 500 | 982 | 1482 | 0 | 213 | 56 | 197 | 365 | 831 | 384 | 39 | 408 | 831 | 223 | 356 | 72 | 651 |
| Kolkata | 1196 | 1780 | 2976 | 0 | 329 | 319 | 123 | 441 | 1212 | 487 | 213 | 512 | 1212 | 306 | 842 | 616 | 1764 |
| Lucknow | 430 | 847 | 1277 | 36 | 3 | 65 | 55 | 419 | 578 | 436 | 32 | 110 | 578 | 89 | 307 | 303 | 699 |
| Mumbai | 1228 | 2514 | 3742 | 55 | 1022 | 194 | 394 | 1112 | 2777 | 1177 | 1265 | 335 | 2777 | 460 | 488 | 17 | 965 |
| Noida | 215 | 1101 | 1316 | 32 | 187 | 149 | 88 | 534 | 990 | 563 | 362 | 65 | 990 | 237 | 89 | 0 | 326 |
| Patna | 114 | 643 | 757 | 12 | 112 | 41 | 24 | 346 | 535 | 363 | 101 | 71 | 535 | 69 | 150 | 3 | 222 |
| Pune | 607 | 1515 | 2122 | 8 | 73 | 99 | 34 | 594 | 808 | 612 | 57 | 139 | 808 | 288 | 599 | 427 | 1314 |
| Total | 10583 | 22664 | 33247 | 829 | 5825 | 1689 | 0 | 2730 | 10894 | 21967 | 12020 | 5246 | 4701 | 21967 | 3105 | 2945 | 11280 |

Note:

O/S : Outstanding

(I) Recommendations

(II) Awards

(III) Withdrawal

(IV) Non-acceptance

(V) Dismissal awards fvg. Ins. Co.

(VI) Not-entertainable

(A) Within 3 months

(B) 3 months to 1 Year

(C) Above 1 Year

CLAIMS

A brief on Claim Handling by Insurance Companies

CLAIM HANDLING BY INSURANCE COMPANIES

I. INTRODUCTION

Claim is a moment of truth as far as an Insurance policy is concerned. The expectation of the policyholder is whenever the claim amount has fallen due, the insurer honors the claim and makes the payment of the insured amount at the earliest and with least possible inconvenience where as the insurer would want to pay the claims only after due satisfactory compliance of all the requirements for making the payment in accordance with the policy terms and conditions. Paying claims without proper examination can result in a situation where fraudulent claims also get entertained and paid. This could severely impact the financials of the company putting in jeopardy the very solvency of the insurance company.

Therefore, the claim handling is a critical function of an insurer which has to be carried out with diligence and prudence without adversely affecting the customer service.

II. Root cause of claim settlement related complaints

Based on consolidation of submissions made by Insurers and our own analysis, the following issues have been identified as root cause of claim settlement related complaints:

A. In respect of Life Insurance Companies

- Non- submission or delay in submission of documents like KYC, hospital/medical records or payment mandate details by the claimant.
- Delay in processing of claim due to Incorrect or incomplete contact details given by the claimant, as it become difficult to establish

contact with the claimant for any requirement or clarifications.

- Non-availability of complete Police records such as Final Police Investigation Report, Chemical Analysis/ Viscera Report, etc which could take time.
- Claims coming from Tier 3 or rural areas take longer time as records are either not properly maintained or are maintained in manual registers
- Operational constraints in terms of geographies and climactic conditions i.e. customers based in remote locations, heavy rainfall/ snowfall etc.
- In the absence of any law / guidelines, hospitals sometimes refuse to share information or provide the required information / documents causing significant delays in claim settlement.
- Absence of credible identity of customers like social security number etc. restricts ability at times to identify and establish the right identity of the customer at hospitals and from treatment records and this becomes a constraint in settling claims
- Non co-operation from Employers –when asked for pay slips, leave records.
- Authorities when hand in glove with fraudsters, especially Gram Panchayat and Aanganwadi workers
- Cases where title is not clear or pending in court for decision with respect to right beneficiary to whom payment is to be made, causes delay in settlement of such claims even

though the decision has been taken to pay the claim.

B. In respect of General Insurance Companies

- Non-submission and non-cooperation in providing required document or information by insured or insured's representative.
- Non-submission of complete information in one go by the customer, majorly financial documents, KYC and NEFT details etc.
- Delayed submission of requirements by customer post communication of deficiency
- Some cases require further investigation to rule out suspected fraud / Abuse which requires additional time
- Dependency on leaders for Co-insurance & Re-insurance claims
- Delay in receipt of premium subsidy from Government for Govt. sponsored scheme
- Delay in reporting of claim by insured for survey
- Dispute between insured and financier resulting in delays in the claim settlement process
- Delay in responding to the queries raised by Surveyor/ Insurance Company.

The following issues were observed to be concentrated to specific line of business:

1. In respect of health Insurance:

- a. Non-utilization of cashless facility by the customer even in case of network adequacy leading to higher requests for reimbursement
- b. Non-standardized hospital documents leading to the need of verification to avoid any abuse scenario

- c. Transition from one Third Party Administrator to another
- d. Dependency on receipt of documents from hospitals causes delay
- e. Non-disclosure of personal medical information at the time of buying of policy (which require verification at claim stage).
- f. Verification of pre-existing conditions and/or ailments
- g. Lack of previous claims history in case of ported policy
- h. Detailed verification is done in case of claims from suspicious hospitals.

2. In respect of Motor Insurance:

- a. Delay in repair of vehicles in the workshop due to non-availability of spare parts, delayed clarification from customer on queries raised etc.
- b. Delay in cancellation of Registration Certificate of vehicle in respect of total loss claims.
- c. Delay in receiving the untraced report from police authorities in respect of theft claims
- d. Verification of Driving License with Road Transport Authorities in cases where details are not available online.
- e. Repair invoices are not handed over to the company / surveyors by the garages which results in delay of settlement of the claims.
- f. Vehicle produced with delay for inspection/ survey due to vehicle being placed in police station, involvement of death in accident etc.

3. In respect of Fire and Marine Policies:

- a. Reinstatement of property consumes significant time

4. In respect of Agriculture Insurance:

- a. Issues of mapping of Villages with Notified units in Ministry of Agriculture, Government of India portal.
- b. Issues of non-uploading of farmers' data by some banks in Ministry of Agriculture, Government of India portal.

The above list is an illustrative one- not exhaustive.

III. INITIATIVES BEING UNDERTAKEN BY GENERAL INSURERS TO ENSURE EXPEDITIOUS SETTLEMENT OF CLAIMS:

Based on consolidation of submissions made by Insurers, various Initiatives being undertaken by the Insurers to ensure expeditious settlement of claims are reproduced below:

Cashless facility Awareness:

- Continuous communication with customer informing of availability and promotion of seamless claim experience using cashless facility.

Communications:

- Proactive communication- Emails, SMS and outbound calling to explain the documents requirement, computation of quantum of claim to be settled and reason for deductions if any through customer service executives.
- System triggered SMS to insured at various stages of the claim like – surveyor assignment (with surveyor details), post survey completion, post payment etc.
- Focus on the personal touch base with the customer via Outbound calling at each event, these are in other words customized assistance which help in understanding /answering the queries at first interaction.

Documents related:

- Claim form with checklist to assist the customer in submission of all information/ documents in one go.
- Separate calling to insured to explain a complicated query (if any) raised in the claim
- Meetings with the Insured and/or Intermediary to ensure the documentation is completed in time for settlement.
- For Personal Accident claims a document collection agency is hired to reach the nominees in rural areas, to help in understanding the document requirement and to help in procuring the same, post which the documents available with the nominee will be shared with Insurer. This enable to process claims at the earliest
- Where the admissibility of the claim is otherwise established, requirement of submission of medical information (in Part B of the claim form) is waived off to expedite claim settlement. (Health)
- Wherever Registration certificate and driving license original is not available, the same is validated in the online government portals by the Company.
- Where the customer is unable to produce hospital records, Insurer contacts the hospital directly with the consent of the customer and obtains the relevant records.
- Explore / discuss and offer market value settlement as & when Insured is unable to Provide reinstatement documents. (Commercial claims)

Monitoring of Intermediaries (Surveyors, TPAs, garages etc.):

- Periodic peer to peer review of claims.
- Frequent review of Surveyors for submission of survey reports ensuring strict surveyor management.

Monitoring and Review of claims:

- Monitoring of claims on a regular basis by a dedicated team at Corporate level.
- Robust monitoring system with daily, weekly and monthly frequencies for Review and Speedy settlement of claims

On account payment:

- “On Account” Payment: Pending final assessment of a claim, an “on account” payment is considered subject to confirmation of Loss due to Occurrence of a peril covered by the policy, Establishment of liability, The minimum liability that might arise under the policy.

Self survey:

- With a view to provide seamless claims journey to the customer, the Insurer provides the customers an option to undertake self-survey in case of claims up to Rs. 50,000/-.

Travel claims:

- Direct initiation of claim based on delay information garnered by the Insurer for common carrier delay claims in domestic travel. Customer is only required to upload the boarding pass to receive claim amount.

Repair related:

- In case insured finds it difficult to comply with the requirement Insurer probes possibilities with the surveyor of arriving at the loss assessment for settlement of the claim
- Spot settlement facility to our customers where

immediate disbursement is made as per assessment without even waiting for the repairs to be completed

Website/Application/portal facility:

- The surveyors are equipped with Tab based application for end to end claim processing which improves the turn around time for settlement. An Application for conducting survey through live streaming is introduced to speed up the claim survey and settlement
- Hospital portal developed where network hospitals can upload the documents on the portal and get authorization approval within 30 minutes.
- Garage mobile app where workshops can also upload the documents in the event of the customer leaving the vehicle and the documents at the cashless workshops.
- Access to Claims module provided to Investigators for seamless submission of reports
- Launched Mobile app to enable customers to access all services over the phone. Tracking system, accessible by the insured to find out the status of his claim
- Quick claim settlement module developed where Health claims UptoRs 25,000/- would be settled on submission of copy of documents through mobile app.

Motor Third Party Claims:

- For Third Party claims wherever the claims are prima facie admissible, we approach the claimant for compromised settlements.

Decentralisation of authority:

- Decentralized claim approval to ensure quick settlement of claims within the respective zone

- We have given Field settlement authority from the range of 10K to 50K to the surveyors for speedy settlement of claim.

Tieups with garages:

- Tied-ups with repair centers to convenience claim settlement for its customers. They are also given an option to get vehicles repaired at a garage of their choice and get the agreed claim amount settled. In the latter, the Company also offers to make advance payment of a certain amount of the claim to the customer to enable claim servicing in case of admissible claims.

Crop Insurance:

- Co-observance of Crop cutting experiments along with use of mobile app for fast assessment of claims.

Miscellaneous:

- Concurrent processing of claims while the survey and assessment is still in progress.
- Joint Meeting are held with insured, surveyors and intermediaries to resolve disputes and other differences to take the claim forward for completion of survey report.
- In-house team of Claims surveyor for expeditious survey of claims
- Annual Functional Trainings in all Lines of Business

IV. INTERMEDIARIES IN HANDLING OF CLAIMS

Surveyors and loss assessors in non-life and third party administrators in health insurance are the most important intermediaries who have a significant role in claim handling. Ensuring that these intermediaries function properly is the most critical to the discharge of claim related functions

by insurers.

Surveyors and loss assessors are appointed by the insurer for surveying and assessing the loss caused when a claim is reported. The report is required to be furnished to the insurer. The insurer would decide upon the claim and may use the report of the surveyors and loss assessors but are not bound by it. The timeliness in appointment and conduct of survey and furnishing a report, the professionalism displayed in their functioning and the quality of the report determines the speed and quality of settlement of claims by insurers.

In case of health insurance, Third party administrators are the most important intermediaries handling policyholder servicing issues. Providing of cashless facility and settlement of reimbursement claims is facilitated by TPAs. The professionalism in conducting both these functions determines the smoothness of claim handling by insurers.

V. COMPLAINTS RELATED TO CLAIMS

Once a claim has been unduly delayed or repudiated by the insurer, there is a cause for complaint. The claimant takes up the matter first with the insurer. All the insurers have put in place internal mechanism to deal with such grievances and resolve them. The resolution of claim related complaints also generally includes review of the decision on claims by a Committee. After review, the decision on the claim is conveyed to the complainant.

Once the complaint is not internally redressed, the claimant is forced to seek adjudication of the dispute. For this purpose, he may approach an insurance ombudsman, consumer forum or a civil court and later take it through the appellate channels if redress is not to his satisfaction.

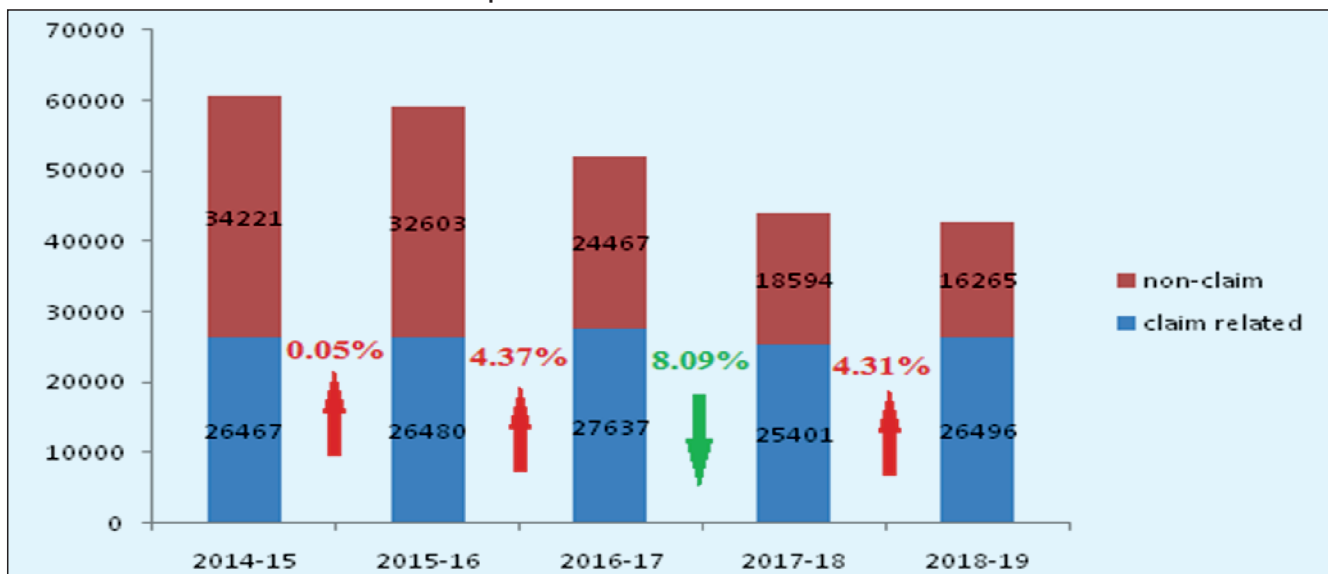
The statistics on claim related grievances indicate that in the Non-Life Sector, claim related complaints constitute a major proportion to the total complaints as compared to the life insurance sector.

The data relating to claim related complaints as obtained from the Integrated Grievance Management System, is as follows:

| Year | No. of Claim complaints | % increase / decrease compared to last year | Total complaints | % of Claim related complaints to total complaints |
|----------------------------|-------------------------|---|------------------|---|
| NON-LIFE COMPLAINTS | | | | |
| 2014-15 | 26467 | | 60688 | 43.61% |
| 2015-16 | 26480 | 0.05% | 59083 | 44.82% |
| 2016-17 | 27637 | 4.37% | 52104 | 53.04% |
| 2017-18 | 25401 | -8.09% | 43995 | 57.74% |
| 2018-19 | 26496 | 4.31% | 42761 | 61.96% |
| LIFE COMPLAINTS | | | | |
| 2014-15 | 31076 | | 278992 | 11.14% |
| 2015-16 | 24749 | -20.36% | 204701 | 12.09% |
| 2016-17 | 17383 | -29.76% | 120847 | 14.38% |
| 2017-18 | 21212 | 22.03% | 154367 | 13.74% |
| 2018-19 | 27786 | 30.99% | 163264 | 17.02% |

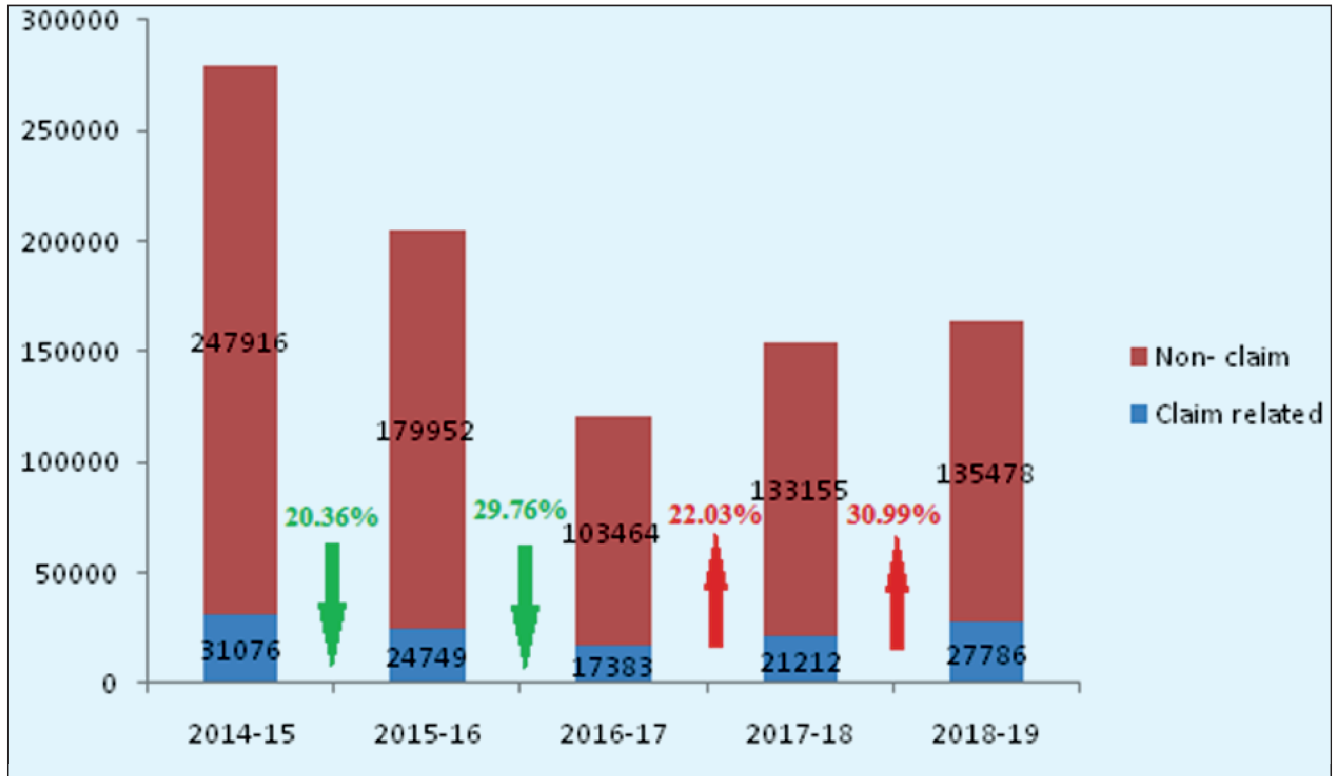
Source: IGMS OF IRDAI

Trends in claim related complaints under Non- Life Insurance:



% change indicates change in no. of claim related complaints over the past year

Trends in claim related complaints under Life Insurance:



-% change indicates change in no. of claim related complaints over the past year.

Claim related complaints as % of total complaints has been increasing over the years in respect of general Insurance complaints. Claims related complaints constitute less than 20% of total complaints against Life Insurance companies whereas they are more than 50% in respect of General Insurance companies. This clearly shows that claim handling is a serious customer service issue in general insurance industry.

There has been an overall decrease in no. of claim related complaints in life insurance over the past 5 financial years with the rate of decrease being close to 10% and in respect of general Insurance it has remained relatively unchanged. While the

volume of complaints in relation to total number of claims is very small, the problems faced by the complainants cannot be wished away given the inconvenience caused to them.

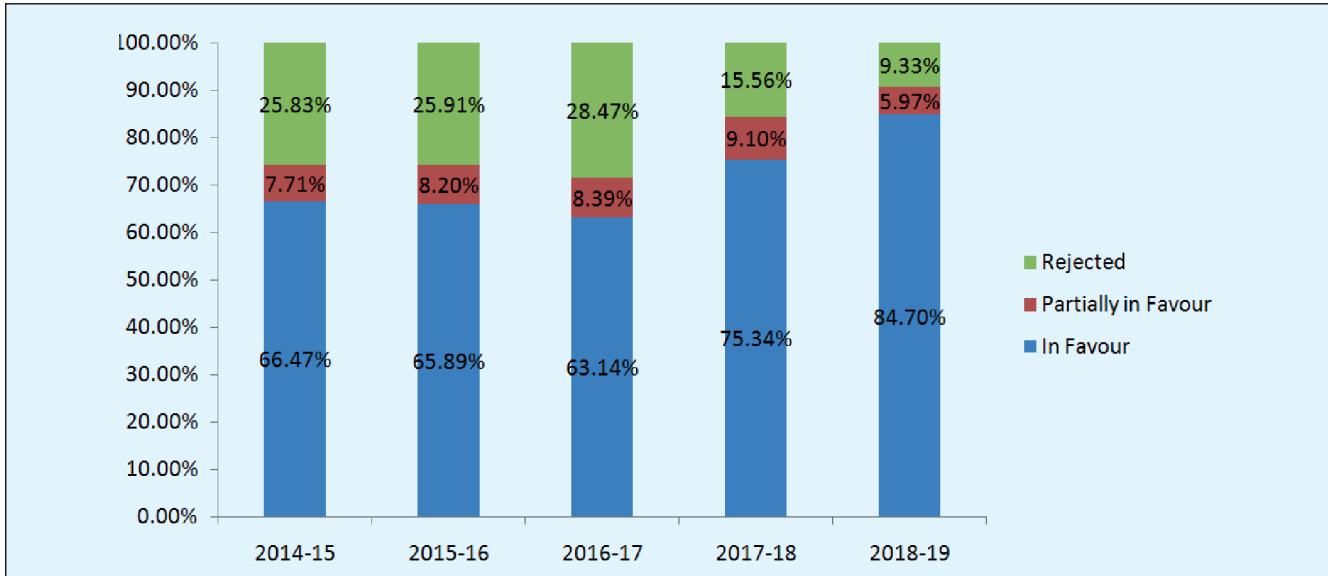
The major claim related complaints as per IGMS are as follows:

1. Insurer not disposing of the claim.
2. Difference between the amount claimed and the amount settled by the Insurer
3. Insurer reduced the quantum of claim without providing proper reasons.
4. Insurer failing to offer settlement of claim after receipt of survey report.

5. Delay on the part of TPA to arrange claim reimbursement

VI. DISPOSAL CLASSIFICATION OF CLAIM RELATED COMPLAINTS IN IGMS

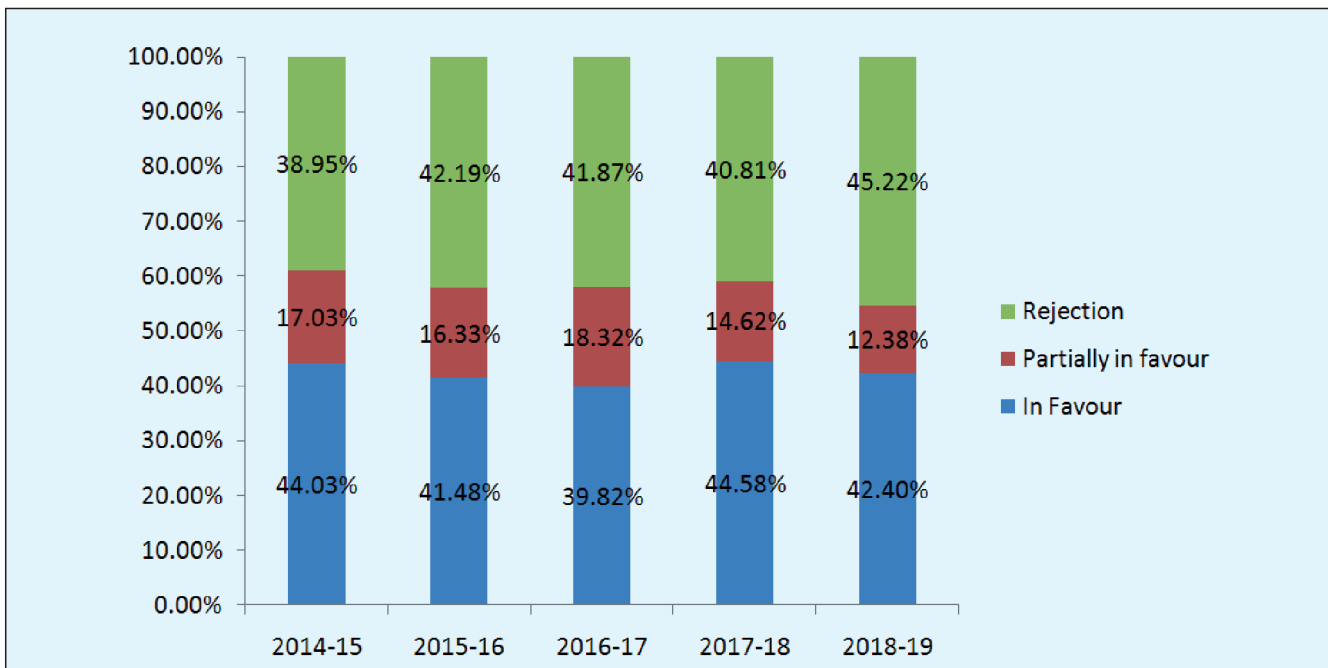
In respect of Life Insurers (including survival and death claims):



No. of complaints being disposed in favour of the complainant has shown a good increase over the

years. (from 66.47% in 2014-15 to 84.7% in 2018-19).

In respect of General Insurers:



Percentage of complaints being disposed in favour of the complainant has reduced over the years (from 44.03% in 2014-15 to 42.4% in 2018-19). However, percentage of complaints disposed against the complainant has increased over the years. (from 38.95% in 2014-15 to 45.22% in 2018-19). Percentage of complaints being disposed in favour of the complainant is very less in General Insurance as compared to Life Insurance.

VII. LEGAL AND REGULATORY FRAMEWORK

The regulatory framework and institutional arrangement for processing claims expeditiously and resolving grievances relating to claims is discussed below in brief:

Section 45 of Insurance Act, 1938:

Section 45 offers protection to policyholders of Life Insurance by holding that a policy cannot be questioned by the Insurer after 3 years from the

date of issue of policy (or date of revival or date of rider) saying that there was a fraud or misrepresentation by the policyholder while taking the policy or revival.

A. Regulations:

- IRDA (Protection of Policyholders' Interest) Regulations, 2017 constitutes the regulatory framework for the protection of policyholders' interests. In terms of Regulation 17 of the above mentioned regulations, every insurer should have in place proper procedures and effective mechanism to address complaints and grievances of policyholders efficiently and with speed. Regulation 14, 15 and 16 deals with claims procedure in respect of life insurance, general insurance, and health insurance policy respectively.

The Turn Around Time (TAT) for claims related services as per the Regulations are as follows:

| | CLAIM SERVICE | Turn Around Time |
|---------------------------------|--|--------------------|
| LIFE INSURANCE CLAIM | | |
| 1. | Maturity claim / survival benefit / penal interest not paid | On/Before due date |
| 2. | Raising claim requirements after lodging the claim | 15 days |
| 3. | Death claim settlement/ Repudiation (without investigation requirement) | 30 days |
| 4. | Death claim settlement / Repudiation (with investigation requirement) | 4 months |
| NON-LIFE INSURANCE CLAIM | | |
| 1. | Surveyor appointment | 72 hours |
| 2. | Survey report submission (except commercial and large claims) | 30 days |
| 3. | Insurer seeking addendum report | 15 days |
| 4. | Additional report submission | 3 weeks |
| 5. | Offer of settlement / Rejection of claim after receiving 1st/ addendum survey report | 30 days |
| HEALTH INSURANCE CLAIM | | |
| 1. | Health claim settlement/ Repudiation(without investigation) | 30 days |
| 2. | Health claim settlement/ Repudiation(with investigation) | 45 days |

- In terms of Regulation 14(2)(iv), Regulation 15(10) and Regulation 16(2)(i) where there is a delay on the part of the insurer in payment of life insurance claims or non-life insurance claims or health insurance claims respectively, the insurer is required to pay interest @ bank rate plus two per cent for the delay.
- IRDAI (Appointment of Insurance Agents) Regulations, 2016, IRDAI (Registration of Corporate Agents) Regulations, 2015, IRDAI (Insurance Brokers) Regulations, 2018, IRDAI (Third Party Administrators – Health Services) Regulations, 2016 and IRDAI (Insurance Surveyors and Loss Assessors) Regulations, 2015 stipulate Code of conduct for insurance agents, corporate agents, Brokers, TPAs and Surveyors respectively wherein aspects relating to claims are also specified.
- IRDAI has issued Circulars Ref No IRDA/HLTH/MISC/CIR/216/09/2011 dated 20-9-2011, Ref. No : IRDA/NL/CIR/MISC/149/06/2017 dated 28-06-2017 in respect of delay in claim intimation/document submission with respect to all life insurance contracts and non-life individual and group insurance contracts. IRDAI advised all companies not to repudiate delayed claims unless and until the reasons of delay are specifically ascertained, recorded and the insurers should satisfy themselves that the delayed claims would have otherwise been rejected even if reported in time.

B. Grievance Redressal System

- To enable timely resolution of grievances, IRDAI has issued Guidelines for Grievance Redressal by insurance companies on 27 July 2010 according to which every insurance

company is required to acknowledge grievances within 3 days and resolve complaints within two weeks.

- Grievance cell in the Consumer Affairs Department of IRDAI also receives complaints from policyholders which include those relating to claims. The complaints are registered and forwarded to the insurers for resolution under advice to the complainants. The insurers are required to examine the complaints and resolve the same within two weeks.
- Where the complaints are not resolved to the satisfaction of the complainant, the complainant can take up the matter with the Insurance Ombudsman or any other appropriate forum.

C. Insurance Ombudsmen in Mediation and Adjudication of Claim related grievances

- In order to provide an expeditious and inexpensive forum for adjudication of matters relating to claims in respect of personal lines of insurance upto a certain limit, Government introduced a system of Ombudsman in the Insurance Sector with effect from 11th November 1998. Currently there are 17 insurance ombudsmen in the country who are allotted to different geographical areas as their areas of jurisdiction
- The basic framework for functioning of Insurance Ombudsman is outlined in Insurance Ombudsman Rules, 2017.
- The grounds relating to claims for which a complaint can be made to the Insurance Ombudsman are prescribed under Rule 13(1) of Insurance Ombudsman rules, 2017. Grounds under which a claim related

complaint can be made with Ombudsman is as follows:

- (a) Any partial or total repudiation of claims by an insurer.
 - (b) Any dispute on the legal construction of the policies in so far as such disputes relate to claims.
 - (c) Delay in settlement of claims.
- Each Ombudsman is empowered to redress customer grievances in respect of insurance contracts on personal lines where the compensation amount sought is less than Rs.30 lakhs. The Insurance Ombudsman adjudicates upon the complaint and issues an Award. The insurer shall comply with the award given by the Ombudsman within 30 days of the receipt of the award from the Ombudsman and it shall intimate the compliance to the Ombudsman.
 - IRDAI in order to monitor the non compliance of the award of Insurance Ombudsman has issued Circulars Ref: CAD/Insu.Omb/10-11 dated 23-11-2010, Ref: IRDAI/Cir/Misc/194/11/2015 dated 03-11-2015, Ref No. IRDAI/CAD /CIR/MISC/063/03/2016 dated 01-04-2016 and Ref No. IRDAI/CAD/CIR/MISC/038/03/2019 dated 05-03-2019. In the recent circular dt.05-03-2019 issued by IRDAI Insurers have been cautioned to comply with the awards passed by Insurance Ombudsman within the prescribed timelines under Insurance Ombudsman Rules, 2017. In cases where the Insurer prefers an appeal against the order of the Judicial/Quasi Judicial body, such appeal against the order should be preferred with the stipulated time limit as per the rules applicable.

D. Supervision and Regulatory action

- IRDAI monitors the claims payment position of the insurance companies by collecting the claims payment data quarterly.
- IRDAI monitors the claim handling systems based on the complaints registered in the IGMS.
- IRDAI regularly inspects the books of the insurance companies which includes the examination of systems and procedures relating to handling of claims, practices of making payment as well as compliance with various regulatory requirements relating to claim handling. Whenever any deviations are noticed regulatory action is initiated.

VIII. INITIATIVES BY INSURERS

Insurers themselves also take several steps for better claims handling. The steps include giving the claim related documents and the list of documents to be submitted along with the policy document itself, having a claim review committee headed by independent persons of repute from the industry / judiciary. The monitoring, supervision and constant interaction with the intermediaries like surveyors/loss assessors, TPAs etc. also enables these intermediaries to perform their responsibilities in accordance with regulations issued by IRDA and the Code of Conduct specified for them.

IX. CLAIMS AND LITIGATION

The basic principle on which insurance operates is 'uberrima fides' i.e. principle of utmost good faith. The good faith is applicable equally to insured as well as the insurer. The insured gives all the information required in the proposal form and the insurer has to give the information about the products like terms, conditions, warranties and exclusions in documents of offer like prospectus,

brochure, advertisement etc. and also make them part of the policy document. The Insurer designs policy and the policy terms and conditions are prepared which could at times put customer to disadvantage. Since the insurer knows only those things about the insured and the risk as is disclosed by him in the proposal, any failure to disclose renders the position of insurer difficult. The insured has chosen to buy the insurance product and is presumed to have satisfied himself about the product as the principle of 'caveat emptor' or 'buyer beware' applies to insurance as well. Protection to an extent is provided to the insured through the 'contra proferentem' rule. As the decision to underwrite a policy is supposed to be taken by the insurer after obtaining all information necessary for understanding the risk and the policy terms and conditions being standard forms drafted by the insurer, while interpreting the clauses of contract, any unclear term is interpreted in favour of the insured and against the insurer. The interplay of these principles, provides reason for disputes in insurance.

Disputes in insurance are basically disputes in contract and have to be taken up in a civil court. To provide scope for settling the disputes through alternate dispute resolution mechanisms, the institution of Insurance Ombudsmen has been created by Government of India under the Redressal of Public Grievances Rules, 1998. However, only disputes on personal lines of insurance and where compensation sought is less than Rs. 30 lakhs can be taken up with Insurance Ombudsman. Absence of mechanisms of appeal against Awards or for enforcement of Awards make the legal recourse the only alternative for persons or insurers aggrieved by

unsatisfactory Awards.

In case of commercial lines of insurance, while resolution through Arbitration and Conciliation is provided for, the Arbitration Awards do not provide finality leaving room for litigation even after arbitration. Further arbitration clause is provided in general for partial repudiation cases of claim and not in cases of denial of claim.

With the increasing publicity about the recourse to Consumer Fora under the Consumer Protection Act, 1986 (now superseded by The Consumer Protection Act, 2019), the volume of cases before Consumer Fora on matters of insurance has also been increasing with more and more people taking recourse to Consumer Fora alleging deficiency of service. The delay in resolving a case before the District Forum and the several years taken in disposal of appeals by State Forum and National Forum because of the huge volume of cases pending before these fora have rendered the recourse to Consumer Fora ineffective in the expeditious resolution of insurance related disputes.

In order to provide a separate forum for dealing with cases relating to third party claims in case of motor accidents, the Motor Accident Claims Tribunals have been set up under the Motor Vehicles Act. Several of these Tribunals are in operation across the country. The number of cases pending before these Tribunals is huge and the time taken for disposal owing to the involved processes, is also substantial. There is no finality to the decisions as cases where the claimants feel that the compensation ordered is too low, they go for Appeal to the High Court and where the insurer feels that the compensation ordered is too high, the insurer goes on an Appeal leading to increased number of appeals before High Court

and if further appealed against, before the Supreme Court. The difficulty in resolving disputes about motor accidents arise of the onerous task of assessing the value of human life lost in the accident and there can always be divergence of views of either party leading to litigation and escalations in the form of appeals. A straight jacketed formula is difficult to implement. However, there is sufficient scope of settlement of disputes at the earliest to save the financial burden in the form of absence of any earning of the deceased, cost of filing a case and pursuing it and the consequent time value of the money ordered at some remote time after the loss

occurred.

In addition to these, disputes regarding claims in other non-life insurance policies which are not on personal lines are taken up before Civil Courts, where long time is taken in deciding the matter, owing to the involved processes. Even after decision of the Court is received, there is the option of Appeal leading to delay in finality of the decision.

X. VOLUME OF LITIGATION

The volume of cases pending before various fora / courts as on 31-03-2019 is given below:

| COURT / FORUM | | LIFE No. of Cases | NON-LIFE No. of Cases |
|-------------------|----------------|----------------------|--------------------------|
| Consumer Forum | District Level | 13784 | 56793 |
| | State Level | 6320 | 21758 |
| | National Level | 552 | 3617 |
| Civil | | 7900 | 1768 |
| High Court | | 2098 | 1811 |
| Supreme Court | | 125 | 1201 |
| MACT Related | MACT | NA | 620582 |
| | State Level | NA | 159923 |
| | National Level | NA | 554 |

(Source-Consolidation of Information furnished by the Insurers)

It is clear from the above that the number of cases relating to life insurance is much less when compared to non-life insurance.

While delays in litigation and large pendency of cases are a common problem in India, the impact of the delay in decision in matters relating to insurance on the insurers and the insured is significant calling for a new approach for dealing with the problem. Since the liability to honour the

decision of the Court which has ordered payment has to be maintained, the cost of engaging counsel and pursuing the matter across different fora is definitely something which affects the financial strength of insurance companies. The occurrence of peril for which insurance was intended to provide cover for puts the claimants in a very difficult position where they have to not only battle the loss / tragedy caused as a consequence

of the occurrence of the peril but also spend substantial amounts of money, time and effort to pursue the legal battle with an institution.

XI. INSURANCE AWARENESS

Insurance awareness can help persons taking insurance to be more aware about the nuances of insurance, what to disclose and what to look for in an insurance product, how to understand the insurance product and comprehend the terms, conditions, exclusions and warranties in the insurance policy. When this meeting of minds of insurer and the policyholder/claimant about mutual rights and obligations is there, disputes warranting litigation would not arise. In non-life insurance, underwriting includes risk assessment. Therefore, suggesting the suitable insurance policy and also mechanisms of mitigating risks can be an important service provided by the insurer to the policyholder.

Building insurance awareness and bringing in more transparency in policy terms and conditions through simplification of language can help in interpretational problems in claim handling, avoiding an important reason for a lot of litigation in claims.

XII. CONCLUSION

Insurers should have proper systems in place for quick and proper handling of claims. Providing a reasoned and timely decision about the claim can help mitigate the agony of the claimant in approaching various channels only to understand why there is a delay and what is the reason for repudiation of claim in full or in part. A suitable mechanism at insurer's level to ensure that this information would be provided promptly would reduce the number of complaints relating to claims.

MIS-SELLING & SPURIOUS CALLS

**A brief on Mis-Selling and Spurious call complaints
in the Life Insurance Sector**

MIS-SELLING COMPLAINTS IN LIFE INSURANCE SECTOR

I. INTRODUCTION

Mis-selling in common parlance refers to unfair or fraudulent practices adopted at the time of soliciting and selling insurance and generally includes selling policies which have not been sought by the customer or which are different from what the customer wanted or was promised or where the product offered for sale is not suitable to the needs of the customer. Therefore, mis-selling in insurance could be described as selling a product/service to a customer in a manner which is detrimental to his/her interest.

II. CAUSES OF MISSELLING COMPLAINTS

The following issues have been observed as causes of mis-selling complaints:

- a) Incorrect explanation of product features and benefits by Sales person sourcing the business.
- b) Regular premium paying product is sold as single premium product.
- c) Policy is sold to prospects assuring Loan / Bonus / Medical Benefits/ Gold coins/Mobile towers/other benefits upon purchase of insurance policy.
- d) Tampering, forgery of proposal/ other related documents.
- e) High attrition rate amongst Sales team wherein the sales person move from one Insurer/Intermediary to another and instigate policyholder to surrender the existing policy and to take a new policy
- f) Inducements such as rebate (commission are offered while sourcing the policy)
- g) Undue pressure on the sales person to meet sales target.
- h) Free look cancellation requests are rejected by Sales personnel who are not authorized to take such decisions.
- i) Splitting of policies wherein multiple policies are issued to the same proposer at the same time.
- j) Life Insurance policies are sold as Tax saving/ Investment plans.
- k) Sales personnel are inadequately trained, thereby recommending unsuitable products to prospects.
- l) Improper/Incorrect financial needs assessment of Prospect is done while sourcing the policy by the sales personnel.
- m) Charges under the policy and lock in period are not properly explained while sale of Unit Linked Insurance Policies.
- n) Lack of awareness on insurance on the policyholder's part thus being misled into buying the insurance policy.
- o) Policyholders not reading policy terms and conditions at point of sale
- p) Policyholders failing to cross-check details
- q) Financial Problems/incapacity of the policyholder to pay future premiums
- r) Insurance made a condition to avail loan/locker facility etc. at bank
- s) Debit of bank accounts with Insurance Premium without explicit consent

III. IMPACT OF MIS-SELLING

Sales related complaints affect the sentiment about the insurance sector. This in turn may impact the initiatives aimed at enhancing the level of insurance inclusion as measured by indicators such as insurance penetration (measured as ratio of premium to GDP) and insurance density (measured as ratio of premium in USD to population). Increased incidence of mis-selling can adversely impact growth in the insurance industry which in turn would impact the availability of long term funds for economic development from the insurance sector. Hence, while there is need to assess and eradicate mis-selling from insurance industry, there is also a need to reassure general public that the regulatory framework of life insurance business is sound enough to protect policyholders' interests and grievances, if any, are capable of being resolved by insurers or settled / adjudicated by insurance ombudsmen or consumer fora.

IV. COMPLAINTS OF MIS-SELLING

A. AS PER IGMS STATISTICS

Integrated Grievance Management System (IGMS) introduced by IRDAI in 2011 is a computerized industry-wide grievance repository for the insurance sector. In IGMS, the complaints relating to misselling are included under the broad category of "Unfair Business Practices".

The complaints relating to broad head of 'unfair business practices' consist of complaints falling within the following complaint descriptions:

1. Product differs from what was requested or disclosed.
2. Term(Period) of the policy is different/

altered without consent

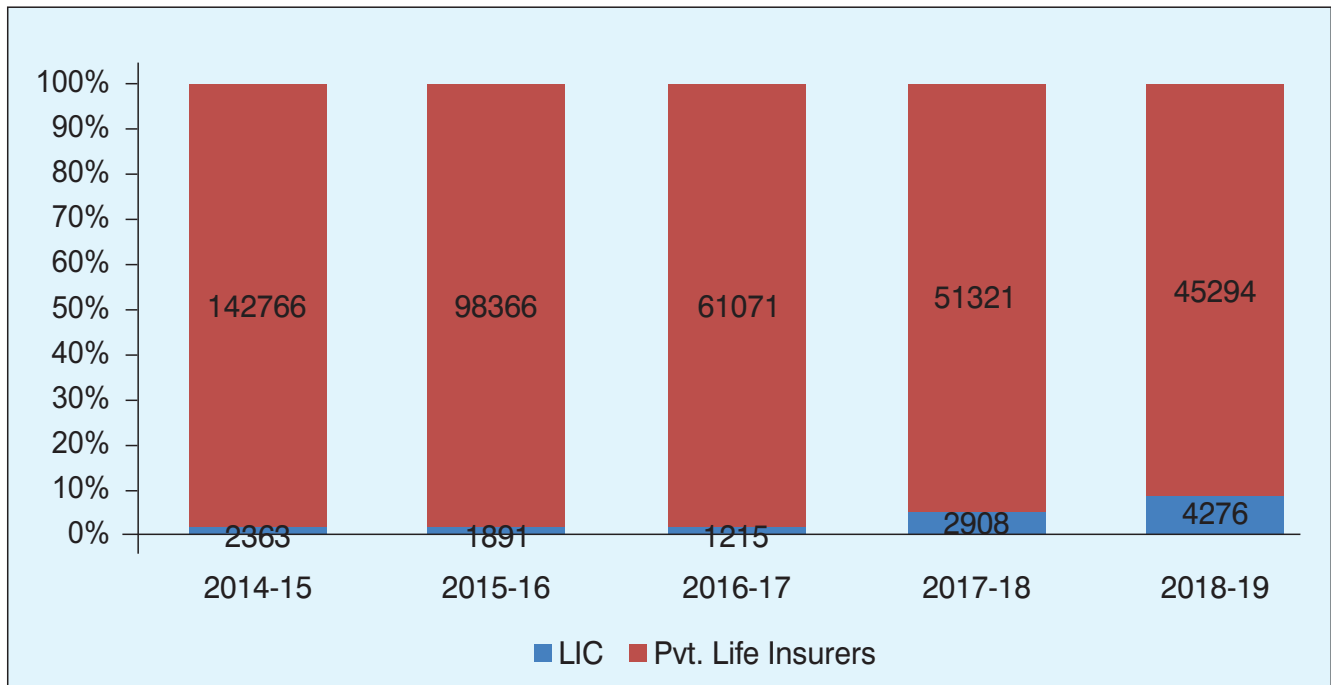
3. Mode of premium payment differs from requested or disclosed
4. Annuity/Commutation/Cash Option /Rider/ other Options not included as requested
5. Proposed Insurance not in the interest of proposer
6. Intermediary did not provide material information concerning proposed cover
7. Single premium Policy issued as Annual premium policy
8. Tampering, Corrections, forgery of proposal or related papers
9. Credit/Debit card debited without consent of Consumer
10. Premium paying period projected is different from actual
11. Surrender value projected is different from Actual
12. Free-look refund not paid
13. Spurious calls or Hoax calls
14. Advice concerning Exclusions/limitations of cover not communicated
15. Illegitimate inducements offered
16. Misappropriation of premiums
17. Malpractices or unfair business practices

The number of complaints relating to misselling in life insurance business as well as the percentage of such complaints to total complaints has reduced over the years. The details are provided in the table below:

| Year | Insurer | No. of UFBP complaints | % change over last year | Total Life complaints | % of UFBP complaints | No. of new policies sold | % of UFBP complaints to new policies sold |
|---------|--------------------|------------------------|-------------------------|-----------------------|----------------------|--------------------------|---|
| 2014-15 | LIC | 2363 | | 80944 | 2.92% | 20171063 | 0.40% |
| | Pvt. Life Insurers | 142766 | | 198048 | 72.09% | 5738812 | 3.45% |
| 2015-16 | LIC | 1891 | -19.97% | 64750 | 2.92% | 20546749 | 0.32% |
| | Pvt. Life Insurers | 98366 | -31.10% | 139951 | 70.29% | 6193339 | 2.26% |
| 2016-17 | LIC | 1215 | -35.75% | 30784 | 3.95% | 20131500 | 0.15% |
| | Pvt. Life Insurers | 61071 | -37.91% | 90063 | 67.81% | 6325145 | 1.42% |
| 2017-18 | LIC | 2908 | 139.34% | 77184 | 3.77% | 21338176 | 0.36% |
| | Pvt. Life Insurers | 51321 | -15.97% | 77183 | 66.49% | 6860602 | 1.13% |
| 2018-19 | LIC | 4276 | 47.04% | 102127 | 4.19% | 21433256 | 0.48% |
| | Pvt. Life Insurers | 45294 | -11.74% | 61137 | 74.09% | 7254556 | 0.84% |

Source: Integrated Grievance Management System and Business Figures-Life of IRDAI

Unfair Business Practices complaints- LIC vis-a-vis Pvt Life Insurers



The number of complaints on unfair business practices has been on a declining trend over the past years. In the current year also, there has been 8.59% drop in the number of Unfair business practices complaints over previous year which can be attributed largely to the review made by IRDAI of the grievance redressal machineries of all life insurers and to the subsequent follow up measures taken up by IRDAI. This apart, based on the inputs provided during the review meetings with the GROs effective monitoring mechanism has been put in place by the Life Insurers towards arresting mis-selling. On the other hand the multi-pronged insurance awareness campaign by IRDAI towards educating the general public has

also resulted into creating awareness on the mis-selling and consequent reduction in such instances.

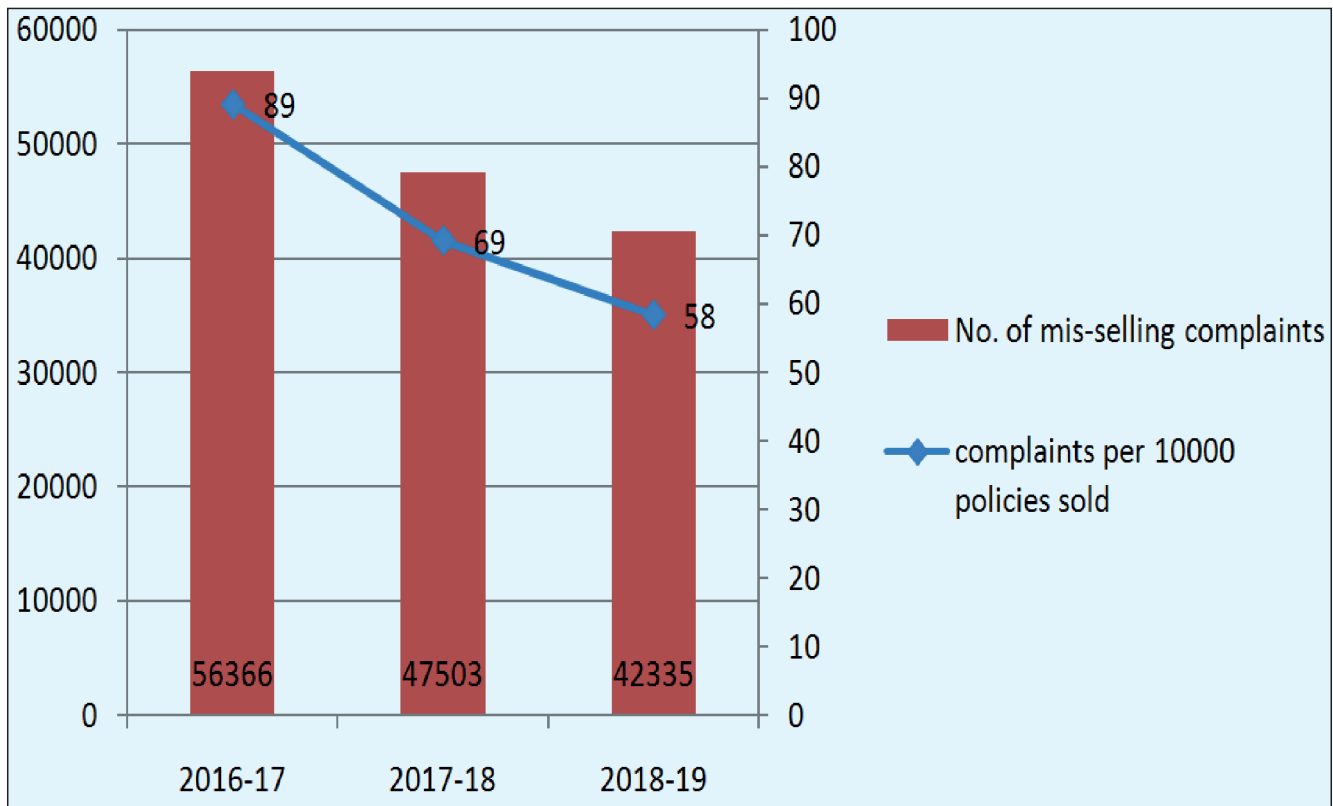
The proportion of complaints relating to unfair business practices to total life complaints has been on a declining trend over the past 5 years except for FY 2016-17.

The proportion of the complaints on mis-selling to new policies has also been on a declining trend over the past 5 years.

B. AS PER DATA SUBMITTED BY INSURERS

Based on consolidation of data submitted by Private Life Insurers, statistics pertaining to mis-selling complaints are reproduced below:

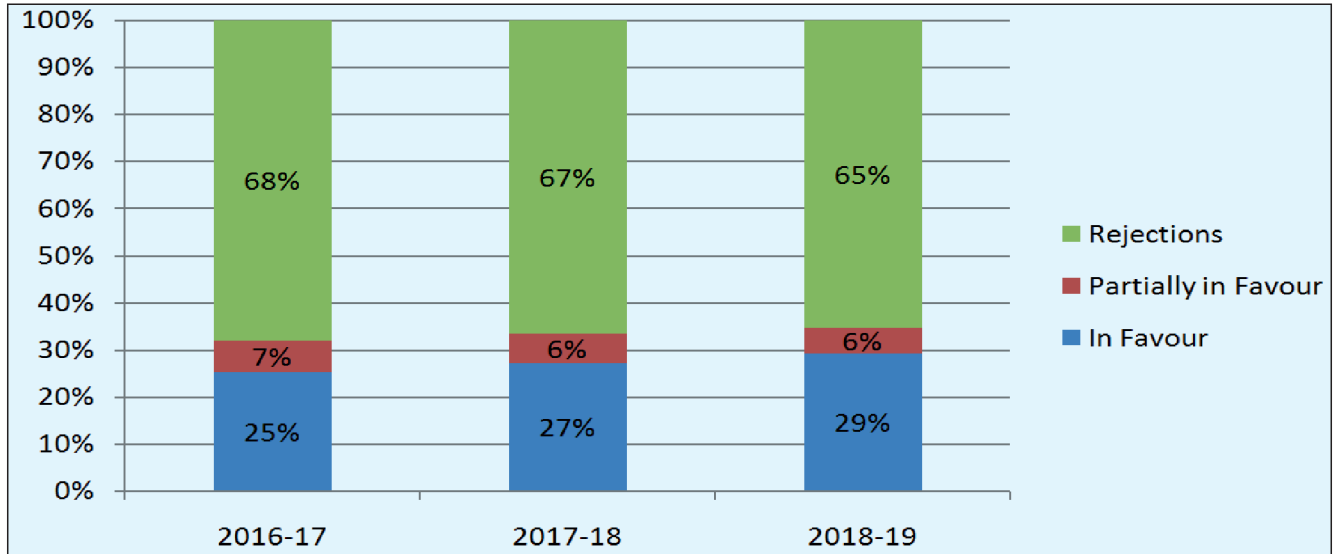
1. Incidence of mis-selling complaints per 10,000 policies sold



No. of mis-selling complaints have reduced from 56366 in 2016-17 to 42335 in 2018-19 in respect of Private Life Insurers. Incidence of mis-selling

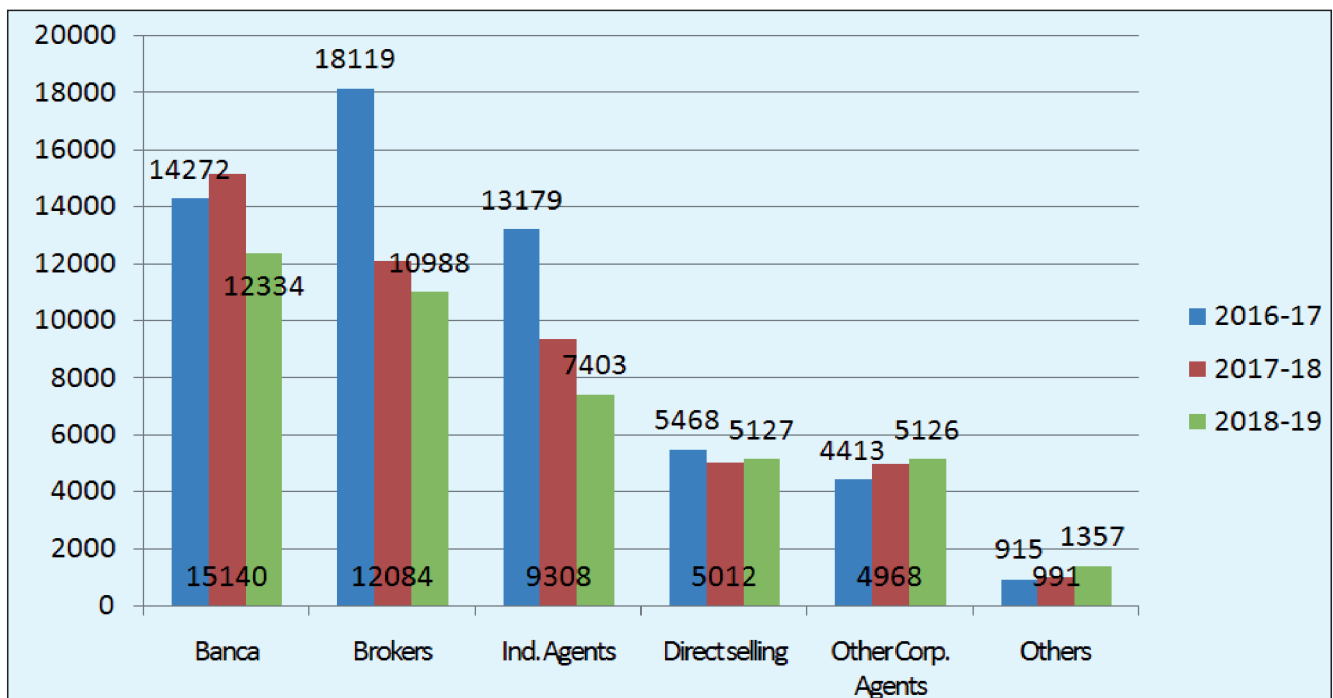
complaints per 10,000 policies sold has also reduced over the years.

2. Acceptance status of mis-selling complaints



Percentage of complaints being disposed in favour of complainant has increased slightly from 25% in 2016-17 to 29% in 2018-19.

3. Channel wise Mis-selling complaints:



V. REGULATORY FRAMEWORK

The regulatory framework for preventing mis-selling and to ensure right selling is discussed in brief.

A. Regulations issued by the Authority:

a. IRDA (Protection of Policyholders' Interests) Regulations, 2017

The basic framework for policyholder protection is contained in these regulations.

The regulations mandate insurer to have in place a Board approved policy for protection of policyholder's which shall at the minimum include steps to be taken for enhancing insurance awareness, Turnaround Time (TAT) for various services rendered, procedure for expeditious resolution of complaints, steps to be taken to prevent mis-selling and unfair business practices, steps to ensure that prospects are fully informed and made aware of the benefits of product being sold.

Insurers are required to display the service parameters and turnaround times as approved by the Board in its website.

Procedure to be followed at the 'point of sale', requirements to be complied with at the proposal stage and disclosures to be made in the life insurance policy are clearly stated in these Regulations.

These Regulations contain a **provision for free-look cancellation within 15 days of receipt of policy (30 days in case of electronic policies and policies obtained through distance mode).**

Every life insurer, while forwarding the policy to the insured, should 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.** On availing of the free-look cancellation, the insured would be entitled to a refund of the premium paid, subject only to a deduction of a proportionate risk premium for the period of cover and the expenses incurred by the insurer on medical examination of the proposer and stamp duty charges. In case of ULIPs, the insurer would also be entitled to repurchase the units at the price of the units on the date of cancellation.

In respect of Individual health insurance policies there is a provision for free look cancellation within 15 days of receipt of policy except those with tenure of less than a year in accordance with Regulation 14 of **IRDAI (Health Insurance) Regulations, 2016.**

The Regulations clearly indicate that the requirements of **disclosure of "material information" regarding a proposal or policy apply both to the insurer and the insured.** Further, every insurer is required to have in place proper procedures and effective mechanism to address complaints and grievances of policyholders efficiently and with speed.

Therefore, the regulations ensure that the prospective policyholder is given a thorough understanding of the specific requirements and

details required for taking an insurance policy. The insurer, agent or intermediary should enable the prospect to take the best cover that would be in his or her interest.

b. The IRDAI (Insurance Advertisements and Disclosure) Regulations, 2000

These regulations require the insurers, agents or intermediaries not to issue "unfair or misleading advertisements" and follow the procedures laid down therein with respect to advertisements (including those on the internet) so that any communication directly or indirectly related to a policy and intended to result in the eventual sale or solicitation of a policy is not misleading or unfair. The Master Circular Ref: IRDAI/LIFE/CIR/MISC/147/08/2015 dated 19-08-2015 issued on Insurance Advertisements, clearly prescribes the details to be made available in the advertisements, and also indicates the do's and don'ts amongst other requirements.

c. IRDAI (Appointment of Insurance Agents) Regulations, 2016

d. IRDAI (Registration of Corporate Agents) Regulations, 2015

e. IRDA (Insurance Brokers) Regulations, 2018

f. IRDA (Web Aggregators) Regulations, 2017

g. IRDAI (Registration of Insurance Marketing Firm) Regulations, 2015

These regulations prescribe code of conduct to ensure that the persons soliciting insurance

business should be eligible persons and they disseminate the requisite information in respect of insurance products offered for sale, understand the policy being sold and should be capable of making suitable advice based on the customer needs so that the policy offered / sold meets the requirements of the prospect. Responsibilities are cast upon the agents and other intermediaries in terms of code of conduct, which are mainly aimed at curbing the mis-selling and to promote best practices during solicitation of the business.

The training curriculum of these intermediaries is also updated to ensure that the sales force is up to date with all the changes and is capable of providing necessary advice at the time of sale to the prospects.

h. Guidelines on Distance Marketing of Insurance Products, 2011

With the increasing recourse taken by insurers, corporate agents and brokers to solicit policies including lead generation through telecalling, SMS, email, internet, DTH, postal mail and other modes which do not involve communication in person as well as requests from clients seeking information and sale of insurance products in distance mode, IRDAI issued Distance Marketing Guidelines. These guidelines cover not only measures for policyholder protection at the time of offer, negotiation and conclusion of sale but also about preparation of standardized script, training of telecallers, monitoring of calls, preservation of call recordings etc.

i IRDAI Regulations on Linked and Non-Linked Life Insurance Products

In order to standardize the minimum elements and attributes in the life insurance products with a view to protect the interests of policyholders, these regulations were initially notified in 2013. After taking into account the feedback received from various stakeholders, they were reviewed and Product Regulations 2019 have been issued.

These regulations ensured that the commission rates are consistent with the premium payment term. The customized benefit illustration requirements have been made applicable. The Regulations prohibited highest NAV guarantee products. They also dealt with splitting of policies, accepting advance premium, misleading names. The regulations also bring in transparency in terms of benefit payouts and enable the customers to choose the right policy.

In case of linked products the regulations make it mandatory for separate training to all the insurance agents/intermediaries before they are authorized to sell linked insurance products, recommending a suitable product and collecting sufficient information about the potential policyholder, inform the upfront charges and indicate how premium paid is appropriated towards various charges from the unit fund and the balance of the fund at the end of the first year and subsequent years.

The customized benefit illustration shall be signed by the Agent/Intermediary as well as prospect signifying his consent after understanding the applicable charges and the risks in the investment.

j. Grievance Redressal Guidelines for

Insurance Sector, 2010

In addition to the above regulations, IRDAI has also issued Grievance Redressal Guidelines for insurance sector specifying the timelines for acknowledging, resolving and closure of grievances reported by the prospect and policyholders.. IRDAI has also provided channels for customers to raise grievances with insurers in the form of Integrated Grievance Management System, IRDA Grievance Call Centre and postal, fax and email channels, wherein IRDAI facilitates resolution of grievances by insurers.

Complainants who are not satisfied with the resolution provided by the insurer can take up with the Insurance Ombudsman or approach Consumer Fora or Courts.

k. Corporate Governance Guidelines – Policyholder Protection Committee

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 has been directed to set up a Policyholder Protection Committee which shall directly report to the Board. The responsibilities of the Policyholder Protection Committee include putting in place proper procedures and effective mechanism to address complaints and grievances of policyholders including mis-selling by intermediaries and reviewing the mechanism as well as status of complaints at periodic intervals.

The Committee is also responsible for ensuring compliance with the statutory requirements as laid down in the regulatory framework and adequacy of disclosure of “material information” to the policyholders.

From the foregoing it can be seen that elaborate regulatory framework has been put in place to ensure that insurers, agents or intermediaries do not resort to mis-selling.

B. Insurance Ombudsmen in Mediation and Adjudication of MIS-selling complaints:

- In order to provide an expeditious and inexpensive forum for adjudication of matters relating to claims in respect of personal lines of insurance upto a certain limit, Government introduced a system of Ombudsman in the Insurance Sector with effect from 11th November 1998. Currently there are 17 insurance ombudsmen in the country who are allotted to different geographical areas as their areas of jurisdiction.
- The basic framework for functioning of Insurance Ombudsman is outlined in Insurance Ombudsman Rules, 2017.
- The grounds relating to mis-selling for which a complaint can be made to the Insurance Ombudsman is as follows:
 - (a) Misrepresentation of policy terms and conditions at any time in the policy document or policy contract;
- Each Ombudsman is empowered to redress

customer grievances in respect of insurance contracts on personal lines where the compensation amount sought is less than Rs.30 lakhs. The Insurance Ombudsman adjudicates upon the complaint and issues an Award. The insurer shall comply with the award given by the Ombudsman within 30 days of the receipt of the award from the Ombudsman and it shall intimate the compliance to the Ombudsman.

C. Insurance Act, 1938 as amended by Insurance Laws (Amendment) Act, 2015

The amendments to the Insurance Act, 1938 have been made through the enactment of Insurance Laws (Amendment) Act, 2015. In terms of section 42 (A)(2) of the insurance act 1938, no person shall allow or offer to allow, either directly or indirectly, as an inducement to any person to take out or renew or continue an insurance policy through multilevel marketing scheme. Further, section 42 (A)(3) of the insurance act 1938 prescribes that the Authority may through an officer authorised in this behalf, make a complaint to the appropriate police authorities against the entity or persons involved in the multilevel marketing scheme. This Amendment Act vide section 42(5) of the insurance act 1938 also prescribes that the insurers shall be responsible for all the acts and omissions of its agents including violation of code of conduct and liable to a penalty which may extend to one crore rupees. These changes will enable the interests of consumers to be better served through provisions like those enabling penalties on intermediaries / insurance companies for misconduct and

disallowing multilevel marketing of insurance products in order to curtail the practice of mis-selling.

VI. MONITORING COMPLIANCE AND REGULATORY ACTION

The compliance with the regulatory framework can be ascertained by way of on-site inspection or off-site monitoring through tools such as complaints, press reports, etc. IRDAI conducts on-site inspection of insurance companies, corporate agents and other intermediaries periodically to verify the books of accounts, examine the systems and procedures, compliance to the regulatory framework, etc. IRDAI also monitors the market conduct of the insurers, agents and intermediaries through complaints, their frequency and severity, press reports etc. Wherever it is found that the entities have not complied with the regulatory framework, IRDAI takes up regulatory action.

VII. CONSUMER EDUCATION

The definitive way of reducing mis-selling is to make the members of public aware of the concept of insurance, kinds of insurance policies, risks covered, benefits offered, exclusions, and conditions etc. This is sought to be achieved through various efforts of financial education to improve financial literacy

- BimaBemisal campaign through print and electronic media,
- Cautioning public against fictitious offers and spurious calls

- Consumer education website www.policyholder.gov.in
- Devising various films, comics, games, handbooks and FAQs relating to insurance and initiatives of IRDAI and publicizing them
- Conducting regular seminars involving customer groups addressing policyholder concerns and policyholder education.

Considering the fact that several complaints were received from members of public relating to spurious calls and fictitious offers involving insurance products, IRDAI launched a multi-pronged campaign to caution members of public through print, electronic and mass media including Internet and by way of specific directions to insurers to incorporate the caution in their publicity material in policy related advertisements as well as advertisements in print, electronic media and TV.

VIII. ACTION BY INSURERS

Insurers have also been taking the issue of mis-selling seriously by doing a root cause analysis of mis-selling complaints to identify the major causes and have taken steps to prevent or reduce mis-selling through steps to ascertain suitability of product, place controls on the various channels, tuning it based on the vulnerability of the channel and have a strategy on dealing with complaints of mis-selling. Some Insurers are now conducting sales audit of the proposals that satisfy certain vulnerability criteria like First time ulip customers, Proposals from Senior Citizens , Premia payable not commensurate to the declared sources of

income etc. to ensure right selling.

Further, every insurer has a Board approved policy to enhance insurance awareness; steps to prevent mis-selling and unfair business practices at point of sale and service; and to ensure that prospects are fully informed and made aware of benefits of product being sold at various stages of sale.

In addition to the action taken by IRDAI based on the examination of complaints by the insurers, Insurers also take up action against the agents or intermediaries in the form of issuing warning letters, terminating employees, filing police complaints and most commonly resorting to claw-back of commission wherever the policies have been cancelled as a consequence of proven mis-selling.

IX. CONCLUSION

To summarize, the problem of misselling in life insurance is a major hindrance in expansion of life insurance business. The regulatory framework is

adequate to prevent misselling. However, greater compliance with the relevant regulations, increased insurance awareness, simpler policy terms and conditions, greater adherence to code of conduct by agents and intermediaries, and self-discipline among insurance intermediaries & insurance companies can significantly reduce the mis-selling complaints without affecting the volume of new business. Since mis-selling impacts the trust and confidence in insurance companies, it is time the insurance companies wake up to the challenge and not only take initiatives in educating and empowering consumers leaving them the freedom to exercise an informed choice but also to rein in unscrupulous agents and intermediaries who are bringing business by resorting to false promises. Putting in place systems to examine complaints from the underwriting perspective and expeditiously redressing them where the policy appears inappropriate can help build trust in the public.

SPURIOUS CALLS – PROBLEM, IMPACT AND EFFORTS OF IRDAI TO CAUTION PUBLIC

I. INTRODUCTION

Spurious calls in the name of regulatory organizations and government or quasi government authorities has been a problem which has been in prevalence for quite sometime now. The calls contain offers of benefits of huge amounts to be released by authorities. As a pre-requisite for such payment, the callers insist upon payment of money for purchase of new policies or fulfilling certain regulatory requirements. The payments are made mostly in cash or sometimes through cheque or net banking. The persons who respond to such calls and who are lured by such offers lose their money and trust in the financial system.

II. OFFERS MADE BY SPURIOUS CALLERS

The general nature of fictitious offers made through such spurious calls, as discerned from the complaints received by IRDAI, are as follows:

- Claiming to be representatives of IRDAI/IGMS and offering insurance policies of different insurance companies with various benefits.
- Claiming that IRDAI is distributing bonus to insurance policy holders out of the funds invested by insurance companies with IRDAI.
- Claiming that the policyholder would receive bonuses being distributed by IRDAI if they purchase an insurance policy and wait for a few months after which the bonus would be released by IRDAI.
- Advising existing policyholders that money in respect of their policy has been

fraudulently transferred to someone else and for receiving that money back from IRDA, they have to fulfil certain formalities including payment of money

- Claiming that they are from the Grievance Cell or IGMS Department of IRDAI making a call in continuation with a complaint made against an insurer and for resolving the grievance and release of benefit, they have to fulfill certain formalities including payment of money.
- Advising customers to subscribe to a fresh policy after surrender of the existing policy and wait for a few months after which the fresh policy would be entitled for additional enhanced returns / benefits.
- Informing that ‘Survival Benefit or Maturity Proceeds or Bonus’ is due under their existing policy and investing in a new insurance policy is mandatory to receive the amounts which are due.
- Advising public to invest in insurance policies to avail gifts, promotional offers, interest free loans, or setting up of Telecom towers or other such offers.

The above list is indicative but not exhaustive.

III. IMPACT OF SPURIOUS CALLS

Spurious calls of the nature indicated above could dent the reputation to IRDAI and other agencies and also financial loss to the gullible public who pay money based on such calls in lure of the offers made. Considering the fact that the mission of Government as well as IRDAI is in promoting financial inclusion by improving access to

insurance related services in both life and non-life segments, such spurious calls would adversely affect the general sentiment of general public in relation to insurance. Given the fact that insurance is a complex financial product and is a subject matter of solicitation, the trust deficit caused due to such spurious calls can dissuade those who are apprehensive but interested in buying insurance because of the benefits of insurance. Since insurance is a product of risk protection, this can impact the general risk coverage of members of public rendering them more vulnerable to risks to their life and property. The premiums received from insured public forms the corpus for insurance companies to make long term investments in instruments such as Government securities and other securities. The money so invested serves as the investment for nation building. As a result, spurious calls are also indirectly hindering not only growth in the insurance sector but also development of the country through the premium funds available for development.

IV. IRDAI'S CAUTION TO PUBLIC

Considering the extent of the problem and the impact of such calls on IRDAI's efforts in protecting the interests of policy holders and ensuring the orderly growth of the insurance sector, IRDAI has taken up a campaign to caution members of public. The emphasis is more on dissuading people from believing such spurious calls and acting upon them so that the problem does not manifest into a financial loss to members of public who make payment believing in the veracity of the calls and offers.

Through the caution, IRDAI has been informing the members of public that:

- IRDAI does not involve directly or through any representative in sale of any kind of insurance or financial products.
- IRDAI does not invest the premium received by insurance companies.
- IRDAI does not announce any bonus for policyholders or insurers.
- IRDAI has put in place Grievance Redressal Cell in Consumer Affairs Department, Integrated Grievance Management System and IRDAI Grievance Call Centre to provide an alternate platform for registering grievances against insurers thereby facilitating resolution of customer grievances by insurers.
- IRDAI or its officials dealing with Grievance Management do not make calls in relation to complaints lodged with IRDAI as IRDAI plays a facilitative role and does not adjudicate upon or investigate into such complaints
- Any person receiving such spurious calls may inform police.

V. CAUTION AGAINST FRAUDULENT ENTITIES

IRDAI has been receiving complaints against entities which are un-authorized in selling insurance policies and are involved in other insurance related activities without a license. It is observed that general public is falling prey to such unscrupulous entities losing their hard earned money.

IRDAI advises general public to be cautious and not to fall prey to such entities.

Few illustrations of modus operandi followed by such entities along with recommended precautions (indicative) to be taken to counter such entities are given below.

1. Sale of fraudulent Insurance policies:

Modus operandi: Representative of fraudulent entity approaches general public promising huge discounts compared to other Insurance Companies, higher coverage etc. and lure public to buy policies. Prospects believing such information to be true purchases such policy and realizes at a later stage that he/she has been cheated.

Precautions to be taken:

In India only an Insurance company licensed by IRDAI can solicit Insurance Business. Before purchasing any Insurance Policy general public/prospects are hereby advised to visit our website www.irdai.gov.in for list of Insurers authorized to sell Insurance Policies. However, in few cases it is observed that fake policies are issued on the letter head of genuine insurance companies. All Insurance Companies have website facility and pan India presence. Prospects may verify the details provided in the policy by visiting the Website of Insurance Company or by visiting their branch or contacting their customer care.

In case you have been sold fraudulent Insurance Policy, you are advised to file a police complaint immediately against the entity and bring it to the notice of IRDAI.

2. Sale of Insurance Policies by unlicensed entities:

Modus operandi: Representative of such entity claiming to be licensed by IRDAI approaches

general public promising to help in purchasing/renewing Insurance policy. These people will purchase/renew policy from a genuine Insurer during the first year so as to gain trust. However, when premium for subsequent renewals are paid to representatives of such entity, fake premium receipt/policy document is issued and the premium amount is siphoned off by the fraudsters which will be noticed only at the time of maturity/claim.

Precautions to be taken:

Proposal form is the most important document based on which the Insurer issues an Insurance Policy. PPHI Regulations prescribes the Insurer to send a copy of proposal form within 30 days of acceptance of proposal (except in marine policies). You should ensure that the details mentioned in the proposal are correct. Recently IRDAI has issued a circular to all Insurers directing them to send all communication relating to issuance and servicing of insurance policies either in the form of a letter, e-mail, SMS or any other electronic form approved by the Authority. Therefore, it is of utmost importance that your contact details are properly updated with your Insurer.

Great care has to be exercised while remitting premium amount. While issuing the cheque you should ensure to write name of the Insurer. In case of suspicion, verify the details of person soliciting the policy with the Insurer.

Further PPHI Regulations prescribe that the Insurance policy document should contain Name, Code number and contact details of the person involved in sales process. You should ensure that details of person with whom you are dealing have been mentioned in the policy

document.

3. Enrolment in Multi-Level marketing (MLM) schemes:

Modus operandi: We have been receiving complaints against websites inviting individuals to become 'partner insurance consultants' with them promising bright prospects and huge remuneration. The prospects are made to purchase insurance and are induced to bring in new members to the group promising commission upon joining of new members (especially senior citizens/unemployed people). The prospect could even be paid some commission on the policy purchased by him so as to gain confidence. In few cases it is observed that prospect is even made an agent of genuine Insurance Company.

Precautions:

It has to be noted that soliciting insurance without being licensed by IRDAI is illegal and in violation of Insurance Act, 1938. Rebate (commission to purchase a policy) is also outlawed in the Insurance Act, 1938.

The maximum commission rate that can be earned by a person soliciting insurance is prescribed in the regulations issued by IRDAI. Therefore, whenever someone approaches promising huge incentives on soliciting insurance policies then the prospect should suspect a foul play.

In this regard, please also refer the Public Notice issued on 09-09-2019 vide Ref. No: IRDA/CAD/MISC/PRE//08/2019 available at our website <https://www.irdai.gov.in>

VI. EFFORTS BY IRDAI TO CAUTION PUBLIC

IRDAI has taken various initiatives to spread

awareness among the members of the general Public particularly against the spurious calls through a multi-pronged strategy. The modes of campaign used by IRDAI directly for cautioning public about such offers are public notices, press releases, advertisements in newspapers, radio spots, television advertisements, caution on the Internet websites of IRDAI and its consumer education website etc.

IRDAI has already issued directions to all the life insurers to incorporate caution against such spurious calls in their publicity material – print, internet and electronic – as well as through SMS to their policy holders. Insurers themselves have also been independently taking up steps for cautioning public through print, electronic and internet media.

The following are the various efforts taken in the direction of cautioning public from spurious calls and fictitious offers

- A massive campaign cautioning general public against spurious callers and fictitious offers was carried out through television in 12 regional languages including Hindi.
- IRDAI has been spreading the awareness against the spurious calls by placing the relevant material i.e. radio jingles, TV Advertisements, press release etc. on IRDAI's Consumer Education Website (www.policyholder.gov.in), which is available both in Hindi as well as in English.
- The information sought by the visitors of IRDAI's Consumer Education Website as part of feedback w.r.t. spurious calls, IRDAI guide them to deal with it during the

monthly review of the feedback.

- IRDAI would continue with the initiatives for protecting policyholders' interests and for promoting insurance awareness.

VII. RECOURSE FOR PERSONS WHO PAID MONEY BASED ON SPURIOUS CALLS

In spite of the best efforts in cautioning public there are several persons who complain about making payment to spurious callers. The various categories in cases where payment is made based on spurious calls and the recourse available are briefly indicated below:

i. The amount is paid to an individual

Being a fraud by an individual, the only recourse available is to take up the matter with police for necessary action.

ii. The amount is paid to a non-insurance related service provider or agency

In such cases, depending on whether the services promised by the agency have been provided or not, the individual has to take up the matter with such agency or the police for necessary action. IRDAI would not be in a position to intervene as the institution does not fall within its regulatory purview.

iii. The amount is paid to an insurance company and a policy is issued

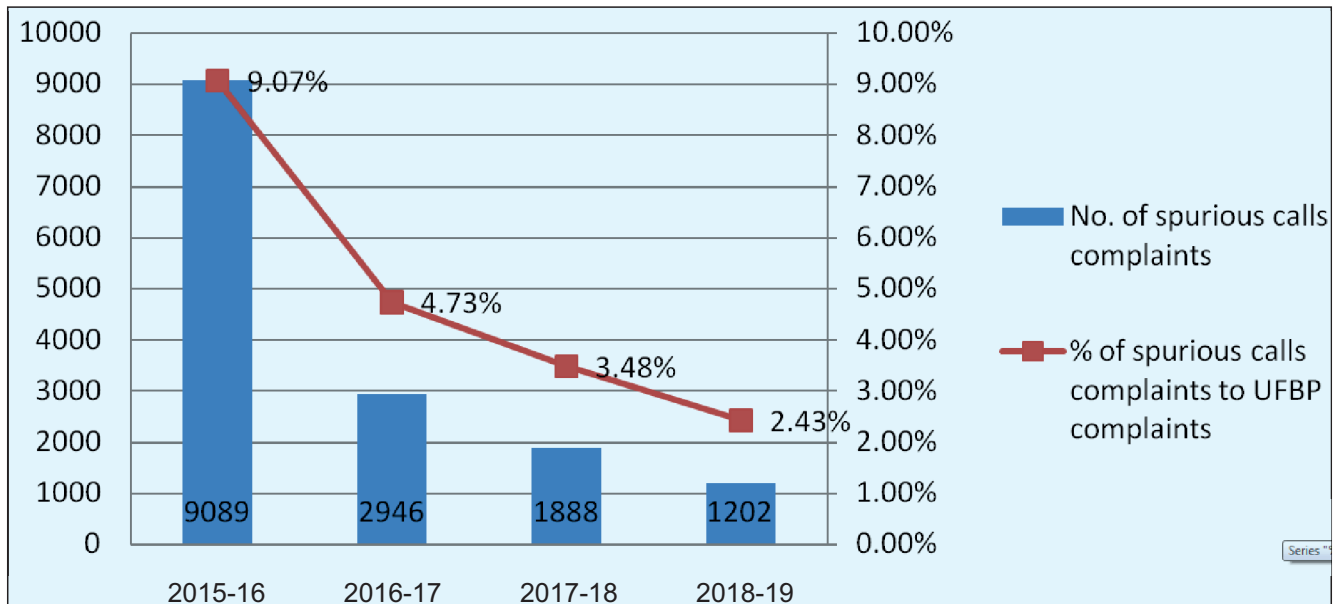
Being a case of fraud, a complaint can be filed with police for necessary action against the telecallers as well as the insurance company whom they represent. However, as an insurance policy is issued by an insurance company, the person may make a complaint of mis-selling with the insurance company bringing to the notice unfair business practice adopted by the telecaller/agent/intermediary in selling the policy and seek changes in the policy or cancellation of the policy. The other channels of making a complaint offered by IRDAI can also be used for registering a complaint against the insurer such as writing to Consumer Affairs Department of IRDAI, sending an email to complaints@irda.gov.in, making a call to toll free numbers (155255 or 1800 425 4732) of the IRDAI Grievance call centre or online on the Integrated Grievance Management System (IGMS) (www.igms.irda.gov.in).

VIII. COMPLAINTS ON SPURIOUS CALLS

The complaints relating to spurious calls are included under the broader complaint category of unfair business practices in the Integrated Grievance Management System of IRDAI which is the industry-wide repository of insurance grievance related information. The number of complaints of this nature as per IGMS is as follows:

| Sl. No. | Year | Number of complaints | % -variation over previous year | % of complaints on spurious calls to the total complaints under UFBP |
|---------|---------|----------------------|---------------------------------|--|
| 1 | 2015-16 | 9089 | | 9.066% |
| 2 | 2016-17 | 2946 | -67.59% | 4.730% |
| 3 | 2017-18 | 1888 | -35.91% | 3.482% |
| 4 | 2018-19 | 1202 | -36.33% | 2.425% |

Spurious calls complaints over the past 4 financial years



It can be seen that there has been a reduction of no. of spurious calls complaints over the past 4 years from 9089 in 2015-16 to 1202 in 2018-19 (overall reduction of 86% in the past 4 financial years). In terms of % share to the total UFBP complaints it has shown reduction of from 9.066% in 2015-16 to 2.425% in 2018-19. This indicates that the extensive campaign for building awareness amongst public and cautioning them from falling prey to spurious calls taken up by both IRDAI as well by the Insurers have shown positive results

IX. ACTION BY IRDAI ON COMPLAINTS

On receipt of complaints under spurious calls made in the name of Insurance Companies, IRDAI forwards the complaint to the named insurer to investigate the complaint vis-à-vis the telephone numbers/Mobile numbers/Names of persons mentioned in the complaint for taking appropriate action under intimation to IRDAI.

Wherever the spurious calling has resulted into issuance of an insurance policy IRDAI takes up the complaint with the insurer concerned for resolution, which is updated by the insurer in IGMS. In case the complainant is not satisfied with the resolution provided by the insurer, he may take up the matter with insurance ombudsmen (for details visit www.ecoi.co.in) for amicable resolution or adjudication under the Insurance Ombudsman Rules, 2017- Alternately, the complainant can file a complaint with Consumer Forum for deficiency of service; or take up before a criminal court for cheating or fraud; or file a suit in a civil court for breach of trust. -

However, through the volume of complaints, IRDAI monitors the market conduct of insurers, agents and intermediaries. Further, during the course of on-site inspection and off-site monitoring of regulated entities like insurance companies, insurance agents, corporate agents and insurance intermediaries (brokers) for

examining the compliance of these entities with the extant regulatory framework, IRDAI focuses on the process of soliciting, offering and selling insurance. Based on the findings, IRDAI initiates regulatory action against the insurers or intermediaries as per the provisions of the Insurance Act and Regulations.

CONCLUSION

The realization of the fact that insurance is for risk protection and not for windfall gains can bring about caution in the members of public. So, there is a need for greater insurance awareness apart from the specific efforts taken by IRDAI in cautioning public against spurious calls. IRDAI on its part has been proactive in devising and implementing a multi-pronged strategy for spreading caution so that people do not fall prey to offers made by spurious callers.



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