



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

Title:To all

Reference No.:--

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Press Note

At its 76th meeting convened on 8.2.2013, the Insurance Regulatory and Development Authority has approved four substantive Regulations.

The Health Insurance Regulations have been approved and they will come into force from the date of publication in the Official Gazette. The Authority hopes that these Regulations will enable the development of a more robust consumer friendly and reliable health insurance system in the country.

The Authority has approved revised Regulations regarding Investments by Insurance Companies. Insurance companies will now be allowed to increase their exposure in equity in a given company from the present level of 10% to a higher level of 12% and 15% depending upon the size of the Controlled Fund of any given insurer. The Authority believes that this is commensurate and appropriate given the size of funds under consideration without adversely affecting the prudential management of investments.

The Authority has also approved the Regulations which would strengthen the Indian Institute of Insurance Surveyors and Loss Assessors and enable this important profession to further improve its professional capability and the effectiveness with which they serve the insurance industry.

The 4th Regulation requires a Standard Proposal Form for sale of life insurance products. This Form which is mandatory for all life insurance products sold in India after six months from the date of publication of these Regulations in the Official Gazette would require insurance companies and intermediaries to capture full details of a policyholder in accordance with the KYC norms and with a view to improving the service levels to prospective policyholders and to further minimise the chances of mis-sale.

During the course of deliberations on Bancassurance Regulations, the Authority decided to propose certain further significant changes and has therefore decided to have further consultations with the Insurance Advisory Committee on the new elements proposed to be included before approving the Regulations.

The Authority believes that the introduction of these Regulations and the earlier Regulations on Product Design and Reinsurance would equip the industry to better serve the needs of policyholders and will enable the orderly growth of the industry.

Apart from the above Regulations which are of a substantive nature, five other Regulations of routine nature were also considered and approved by the Authority.