

डॉ. ममता सूरी
वरिष्ठ संयुक्त निदेशक
विभाग प्रमुख (वित्त एवं लेखा)

Dr. (Ms.) Mamta Suri
Senior Joint Director
Head of Dept. (Finance & Accounts)



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

Ref: 113.4/4/F&A-Life/SLIC ARA/21/2014-15

18th May 2016

Mr Sanjay Agarwal,
MD & CEO
Sahara India Life Insurance Co. Ltd.
#1, SaharaIndia Bhawan,
Kopoorthala Complex,
Lucknow 226024

Dear Sir,

Sub: Review of performance of Sahara India Life Insurance Co, Ltd.

**Ref: 1. IRDAI letter no. 113.4/4/F&A-Life/SLIC ARA/118/2014-15 dated 26th
November, 2015**

2. Insurer's letter no. SILICL/CS/MAR-16/44/66749 dated 29th March, 2016

3. IRDAI letter no. IRDA/Life/2014-15/61 dated July 24, 2015

4. Insurer's letter no. SILICL/CS/JUL-15/44/62947 dated 7th July, 2015

This has reference to the above.

The following further clarifications/ comments are sought:

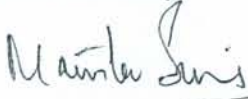
1. Reference is invited to Para 2 in the letter dated 29th March, 2016 wherein the business plan for three years was to be submitted to the Authority. The said details have not been received. Please expedite.
2. Insurer's practice of applying NAV (in case of new business) on the date when premium is adjusted, is not in compliance with Regulation 9(D)(5)(b) of IRDA (Investment) Regulations, 2000.
3. Increase in current asset (Security Deposit) is claimed to be for opening PAN India offices. However, the request for opening New Offices was not approved

by the authority vide its letter dated July 24, 2015. Please comment and also explain the continuation of Security Deposit under Current Assets in Financial Statements and status of the same as on date.

4. As regards the query on reduction observed in surrender & expenses payable for 2014-15, we note that it is due to amount paid during the year. Please explain the reduction observed in the Surrender Payable from ₹ 4.63 crores to ₹ 2.30 crores and Expenses payable from ₹ 4.17 crores to ₹ 2.29 crores when compared to previous year.
5. Increase of 165% in loan on policies is observed. Please furnish details of Products against which loans were extended.
6. In the letter under reference, the account wise details under current assets and current liabilities are indicated to be filed with the 'Authority shortly'. Please expedite.
7. The pro-rata depreciation on building is charged to revaluation reserve. Please explain the reason for charging it to revaluation reserve and also explain the reasons for significant increase in depreciation.
8. We note that unclaimed amount of ₹ 0.168 crores is said to be comprising of policies where 'unclaimed amount is below ₹ 100 per policy'. Please indicate the number of policies involved. It is also indicated in the letter under reference that 'as the cost of refunding is high, the amount is being adjusted in the next premium which is due or at the time of settlement of Claim we will be refunding the amount'. Please provide the details of such adjustments carried out in FY 2015-16 and during 1st April – 15th May, 2016.

Your response to the above queries should reach us within two weeks of receipt of this communication.

Yours faithfully,



(Dr. Mamta Suri)

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