

## **IRDAI (Minimum limits for annuities and other benefits) REGULATIONS, 2015**

**NOTIFICATION F. NO. IRDA/REG./                      DATED**

In exercise of the powers conferred under Section 114 (A) of the Insurance Act 1938 read with Section 26 of Insurance Regulatory and Development Authority of India Act 1999, in consultation with the Insurance Advisory Committee hereby makes the following regulations, namely:-

### **1. Short title and commencement**

- a. These regulations may be called Insurance Regulatory and Development Authority of India (Minimum limits for annuities and other benefits) Regulations, 2015
- b. They shall come into force on (date to be specified) and shall be applicable to all the policies offered by the life insurers after this date.
- c. Unless otherwise provided by these regulations, nothing in these regulations shall deem to invalidate the insurance policies issued prior to these regulations coming into force.

### **2. Definitions:** In these Regulations, unless the context otherwise requires,

- a. "Annuity" means a contract sold by an Life insurer designed to provide payments to the annuitant at specified intervals, either immediately or after a certain period of time on the happening of the specified event and in accordance with the terms and conditions of the contract.
- b. Words and expressions used and not defined in these regulations but defined in Insurance Act 1938 or Insurance Regulatory and Development Authority Act, 1999 (41 of 1999) or, shall have the meanings respectively assigned to them in those Acts as the case may be.

### **3. Minimum limits for annuities and other benefits secured by policies offered by life insurers:**

- a. No life insurer shall pay or undertake to pay an amount of benefit excluding any profit or bonus on any policy of insurance issued, of less than
  - i. an annuity of Rupees one hundred per annum or
  - ii. a gross sum of Rupees one thousand

provided that this shall not prevent an insurer from converting any policy into a paid-up policy of any value or payment of surrender value of any amount.

b. The minimum benefits under regulation 3 (a), shall comply with the extant provisions of IRDA (Non-Linked Insurance products) Regulations, 2013 and IRDA( Linked Insurance products) Regulations, 2013 and subsequent directions issued in this regard.

**4. Action in case of Default:** The Authority may initiate action against the said insurer, in accordance with Section 102 of Insurance Act 1938, in case of default.