



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

**Title:**Bajaj Allianz Life Insurance Co. Ltd.

**Reference No.:**111/2/F&A/C-Insp.R/43/Jun-10

**Date:**17/06/2010

Prohibition of Loans (Section 29 of Insurance Act, 1938)

111/2/F&A/C-Insp.R/43/Jun-10

June 17, 2010

Shri Kamesh Goyal  
Chief Executive Officer  
Bajaj Allianz Life Insurance Co. Ltd.  
G.E. Plaza, Airport Road  
Yerawada, Pune – 411 006

Dear Sir,

**Sub: Prohibition of Loans (Section 29 of Insurance Act, 1938)**

This has reference to correspondence exchanged on the above cited subject resting with your letter dated 10<sup>th</sup> May, 2010.

Your company has provided advances to its employees including CEO and Appointed Actuary in the form of salary advance, travel advance, housing deposit advance etc. This practice of the insurer is in violation of Section 29 of Insurance Act, 1938 which explicitly prohibits grant of loans or temporary advances either on hypothecation of property or on personal security or otherwise, except loans on life policies issued by it within their surrender value, to any director, manager, managing agent, actuary, auditor or officer of the insurance company.

We admonish the same and advise you that any repetition of such instance in future attract penal action against your company.

You are directed to take notice of above for compliance.

Yours faithfully

/Sd-  
(R K Nair)