



## MINUTES OF THE 87<sup>th</sup> MEETING OF THE AUTHORITY

held on 27<sup>th</sup> March, 2015 at 2.00 PM at New Delhi.

<b>Present:</b>	Chairman	Shri T. S. Vijayan
	Whole-time Member	Shri M. Ramaprasad
	Whole-time Member	Shri D. D. Singh
	Whole-time Member	Ms. Pournima Gupte
	Part-time Member	Shri Anup Wadhawan
	Part-time Member	Shri V.K. Gupta

Also present:

Designated Officer	Shri M. Pulla Rao, Sr. J.D. (General)
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Chairman extended a warm welcome to the Members present. Leave of absence was granted to Shri SB Mathur and CA Manoj Fadnis, President, ICAI, who could not attend the meeting because of prior commitments.

Thereafter, the agenda was taken up for discussion.

### **Item No. 1: Confirmation of Minutes of the 86<sup>th</sup> meeting of the Authority held on 23<sup>rd</sup> December, 2014**

Confirmed.

### **Item No. 2: Action Taken Report on the 86<sup>th</sup> Meeting of the Authority held on 23<sup>rd</sup> December, 2014**

Noted.

**Item No. 3: IRDAI (Fee for Registering Cancellation or Change of Nomination) Regulations, 2015**

JD (Life) apprised the members that the IAC recommended for issue of regulations by making suitable modification by specifying that the fee chargeable included all applicable taxes.

The Authority approved the draft regulations with the above amendments.

**Item No. 4: Status of Public Disclosures by Life Insurers for the half year ended December, 2014**

**Noted**

**Item No. 6: Status of Public Disclosures by Non-life Insurers for the half year ended December, 2014**

Noted.

**Item No. 7: Status of Change in the share-holding pattern by Non-life Insurers**

Noted.

**Item No. 8: Action Take Report on balance work of construction of IRDA building at Nanakramguda, Gachibowli, Hyderabad**

Noted

**Item No. 9: Budget for the Financial Year 2015-16**

Approved. However, the budget allocation to IIB and IIRM was approved on tentative basis and subject to resolution of the pending issues being attempted. Further, the release of budget amount of Rs. 150 crore towards the national media campaign for promotion of Pradhan Mantri Suraksha Bima Yojna (PMSBY) and the Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) schemes should be as per demands raised

through IBA and that the IRDAI must consciously pursue the support on the basis of necessary conditions to shape the focus of the campaign.

**Item No. 10: Service Tax collection from Regulated entities for the period 1<sup>st</sup> June, 2012 to 31<sup>st</sup> December, 2013**

Joint Secretary (DFS) sought to know whether the Authority could recover the Service Tax paid by the Authority from insurers, brokers and agents, etc., and all possible efforts should be made to recover the same from the aforesaid entities. Notices for the purpose could be issued to the entities for recovery of tax.

It was explained that even though insurers, TPAs and brokers were available, there was a difficulty in recovering the amounts from individual agents numbering about 20 lakh as the amounts to be recovered were very small and the process of recovery might be very costly.

After due deliberations, it was, in principle, decided to recover the amounts and resolved to authorise the Chairman to constitute a three member committee under the Chairmanship of Mr. VK Gupta, Part-time member and two other officials of the Authority to examine the matter in detail and suggest modalities for deciding the process of recovery.

**Item No. 11: Insurance Regulatory and Development Authority of India (Obligations of Insurer in respect of Motor Third Party Insurance Business) Regulations, 2015**

Approved.

**Item No. 12: Status note on fulfilment of Legal Obligations of Accounts Wing**

On eliciting the reasons for the levy of interest for delayed payment of Service Tax dues, the agenda was noted.

**Item No. 13: IRDAI (Appointment of Insurance Agents) Guidelines, 2015**

Noted

**Item No. 15: IRDAI (Transfer of Equity Shares of Insurance Companies) Regulations, 2015**

Approved. The Chairperson was authorised to make suitable modifications relating to merit and proper criteria.

**Item No. 16: IRDAI (Fee for granting written acknowledgment of the receipt of Notice of Assignment or Transfer) Regulations, 2015**

JD (Life) apprised the members that the IAC recommended for issue of regulations by making suitable modification by specifying that the fee chargeable included all applicable taxes.

The Authority approved the draft regulations with the above amendments.

**Item No. 17: IRDAI (Places of Business) Regulations, 2015**

Joint Director (Life) presented, inter alia, the back ground and the features of the proposed Regulations on places of business.

It was also informed to the Members of the Authority that the proposed Regulations were placed before the Insurance Advisory Committee on 27<sup>th</sup> March, 2015 and that the Members of IAC made the following suggestions:

The members of IAC advised to mandate prior information to the Authority before closing any places of business.

JD(Life) explained to the Authority that the Regulations did not mandate prior approval of the Authority for closure of places of business but stipulated norms and process for closure which included a minimum of two months prior notice to policy holders and alternate arrangements to be in place for servicing. It was for the board of the Insurer to take the call in this matter which could be delegated to the Policyholders Protection Committee of the Insurer.

Chairman suggested that necessary provision in the proposed regulations might be incorporated mandating the Insurers to inform the Authority about the closure two months in advance.

Joint Secretary (DFS) has suggested that in Page 17.19, Point (34) be modified as "The Board of the Indian insurance company shall approve, inter alia, the following operational matters for **establishment and** conducting business of the foreign branch office in the host country+.

The Board approved the proposed Regulations with the above modifications.

**Table Item No. 1: From Jandhan to Jansuraksha**

Agenda was noted and budget of 150 crore for launching nation-wide awareness campaign for promotion of Pradhan Mantri Suraksha Bima Yojana and Pradhan Mantri Jeevan Jyoti Bima Yojana approved vide agenda item no. 9.

**Table Item No. 2: Policy for internship in Authority:**

The Authority considered the proposal and accorded its approval with the following observations:

1. The Topics for internship be decided in consultation with HoDs.
2. The Policy for Internship and Advertisement may be placed on Website

(T. S. Vijayan)  
Chairman