



MINUTES OF THE 61st MEETING OF THE AUTHORITY

held on November 26, 2009 at 11.30 a.m.

in the Office of the IRDA at 3rd Floor, Parishram Bhavan, Basheer Bagh, Hyderabad.

Present:	Chairman	Shri J Hari Narayan
	Member	Shri K K Srinivasan
	Member	Shri G Prabhakara
	Member	Dr. R Kannan
	Part-time Member	Shri Vijay Mahajan
	Part-time Member	Smt Ela R Bhatt
	Invitee	Dr. D V S Sastry

Also present:	Executive Director	Shri K Subrahmanyam
	CSO (Life)	Shri Kunnel Prem
	Executive Director	Shri A Giridhar
	FA & CAO	Shri N Srinivasa Rao

Chairman extended a warm welcome to all those who were present. Leave of absence was granted Smt L M Vas, Addl Secretary, DEA, Ministry of Finance and Shri Uttam Prakash Agarwal, President, ICAI who could not attend because of prior commitments.

The Authority resolved to place on record appreciation of the services of Shri C R Muralidharan who demitted office on November 3, 2009.

Item # 1: Confirmation of Minutes of the 60th Meeting of the Authority held on October 13, 2009

Authority approved the minutes of its 60th meeting held on October 13, 2009.

Resolution No: 61:1

Authority resolves to confirm the Minutes of the 60th meeting held on October 13, 2009.

Item # 2: Action Taken Report on the Minutes of the 60th Meeting of the Authority held on October 13, 2009.

Noted.

Resolution No: 61:3

Item # 4: Business Analytics Project

The Authority approved the agenda note and took note of the progress of the project.

Resolution No: 61:4

IRDA resolves to accord approval of Business Analytics Project.

Agenda Item # 5 : Composition of Various Committees -(Framing New Regulations as a consequence of Amendments to the Insurance Act)

Note on Composition of various Committees was approved with the following changes:

- i. Chairman suggested that the following point may be added in the terms of reference:
“To examine the adequacy of current rules / regulations / circulars / guidelines and to measure impact of amendment on them.”
- ii. It was suggested that “Grievance management / Ombudsmen” may also be included as one of the subjects under Committee No.3. It was also suggested that the said Committee may utilize the expertise available in the Micro Finance Institutions. Chairman requested Mr. Mahajan to Head the Committee.
- iii. It was suggested that “Assignment” may be included as one of the subjects under Committee No.5.
- iv. Committee No.6 may include an expert, preferably with experience in RBI, on ring fencing of the funds pertaining to the business of reinsurer’s branches within India.
- v. It was also suggested that the name of Prof Jayant Verma, IIM Ahmedabad may be included in the Committee No.1

Resolution No: 61:5

IRDA resolves to accord approval of Composition of Committees as indicated in the agenda note, subject to the changes specified above.

Item # 6: Draft Procurement Manual

Resolution No: 61:6

IRDA resolves to accord approval for adoption of the Procurement Manual for IRDA for all the procurements to be notified henceforth.

Item # 7: Proposed Comprehensive Social Insurance Scheme for BPL Families

A brief presentation was made on Proposed Comprehensive Social Insurance Scheme for BPL Families. Chairman suggested that a discussion paper/study be prepared based on analysis of two state specific schemes viz., Arogyasri of Andhra Pradesh and Yeshaswini of Karnataka along with the experience of private insurers in the implementation of Rashtriya Swasthya Bima Yojna in Gujarat and Jharkhand.

Further data on Government of India insurance schemes like Aam Aadmi Bima Yojana (AABY) and Rashtriya Swasthya Bima Yojna (RSBY), atleast for two years to be collected, which would become the basis for proposing annual expenditure (premium / subsidy) under the proposed comprehensive insurance scheme. The scheme can be refined keeping in view the analysis to be carried on Aarogyasri and Yeshaswini.

Item # 8: Any other Item with the permission of Chair

Additional Agenda Item # 1
Insurance Awareness Campaign Proposed By IRDA

The members of the Board were briefed about the Authority's proposal for carrying out an Insurance Awareness Campaign, as a consumer education initiative. The campaign is proposed under the brand name "Bima Bemisaal"(which includes a brand logo).

While the tagline of the campaign shall be “Promoting Insurance. Protecting Insured”, the campaign would cover the following areas: (i). Development (What is insurance/Need for insurance/What is life insurance/What is general insurance/Managing risks effectively) (ii). Policyholder protection (covering rights and duties). (iii). Grievance redress (channels available for redress, in particular, the Insurance Ombudsman).

It was briefed that the proposal has already been taken up with DAVP, Gol, with a proposed budget of Rs.15 crores and its duration would be upto March, 2011. The media plan , which was circulated, includes print, television, radio and internet. The print creatives were also circulated to the members.

Mr.Mahajan also suggested that apart from the helpline of the Ministry of Consumer Affairs, there should be a dedicated helpline (toll free for the complainant) for the insurance industry. Chairman mentioned that the insurance councils could be advised to work on this and have a helpline at the council level.

Further, Chairman suggested that the vernacular ads in the areas falling under the jurisdiction of the particular Ombudsman could be specific to the particular Indian language.

Chairman also informed the members about the proposal to engage NCAER for the impact studies relating to the campaign.

Resolution No: 61:8:1

IRDA resolves to accord approval for Insurance Awareness Campaign as proposed.

Additional Agenda Item # 2

Summary of Actuarial Reports received from the life companies for the year ending March 31, 2009

The Authority noted the performance of both life and non-life companies as briefed by Member (Actuary).

There was no other item for discussion and the meeting concluded with vote of thanks to the Chairman.

(J Hari Narayan)
Chairman