



MINUTES OF THE 72nd MEETING OF THE AUTHORITY

held on April 4, 2012 at 02.30 p.m.

Venue: Meeting room of Hotel Park, New Delhi.

Present:	Chairman	Shri J Hari Narayan
	Member	Shri R.K. Nair
	Member	Shri M Ramaprasad
	Member	Shri Roy Chowdhury
	Part-time Member	Shri Arvind Kumar
	Part-time Member	Shri Jaydeep N Shah
Also present:	Designated Officer	Shri Sriram Taranikanti
	CSO (Life)	Shri Kunnel Prem
	Sr. (JD)	Shri Suresh Mathur
	Sr. (JD)	Shri M. Pulla Rao
	JD (NL)	Shri Randip Singh Jagpal
	JD (Actuary)	Smt. J. Meena Kumari
	JD (F&A)	Dr. Mamta Suri
	JD (Admn)	Shri Mukesh Sharma
	JD (Investments)	Shri S.N. Jayasimhan
	JD	Shri Rakesh Bajaj
	JD (CAD)	Smt. Yegna Priya Bharat
CAO	Shri R.K. Sharma	

Item # 1: Confirmation of Minutes of the 71st Meeting of the Authority held on December 20, 2011.

Confirmed

Item # 2: Action Taken Report on the Minutes of the 71st Meeting of the Authority held on December 20, 2011

In respect of public disclosures by insurers it was decided to capture data related to 13th, 25th, 37th and 49th months channel-wise.

In respect of insurance repositories, Shri Randip Singh Jagpal on a specific query clarified that a detailed letter has been written to the Ministry regarding LIC on the likely conflict of interest in case a company for taking up repository work is floated by LIC as a subsidiary. To avoid the conflict of interest it has been stipulated that those in the insurance business should not have more than 10 % stake in the insurance repository.

To another query Shri Randip Singh Jagpal clarified that the proposal form would be visible to the policyholder along with the policy itself and security issues will be conclusively addressed. In order to popularize the concept and switchover/conversion to the repository system, it was suggested that the incentives should be suitably designed and offered both at Policyholder level and Insurer/Intermediary level and awareness built on benefits of conversion into electronic form of managing policy documents. Further, it was decided to evaluate the issue of stamp duty and the possibility of Insurer saving on it. It was also suggested that the launch needs to be made through well-advertised event. The Authority decided that from the next meeting onwards the status of the repository work will be a regular agenda item till it goes live.

Item # 3 Action taken on the previous Board Meetings - i.e. 61st Authority meeting to 70th Authority meeting

Financial Advisor clarified that the present material placed before the Authority is more of a reproduction of the decisions taken by the Authority and final conclusion of each one of them is proposed to be reflected in the next meeting.

Joint Secretary (Ins) specifically sought information about a decision taken in the meeting dated 28th Mar 2011 regarding the status of policyholders' education fund.

Financial Advisor clarified that the current position of all such matters placed before the Authority will be brought out in the next meeting.

Item # 6: Budget of the Authority 2012-13

Approved.

Item # 8: Cases pending relating to Shareholding Pattern of the Insurance Companies

Noted. It was also decided that the Authority should give its comments or a disclaimer on tax implications. It was also decided that shareholding changes outside the country should be specifically addressed.

Item # 9: Cases pending relating to Registration of Insurance Companies

Noted.

Item # 10: Status of Public Disclosures by Insurers for the quarter ended December 2011

Noted

Item # 11: List of Circulars issued

Noted. However, Chairman advised that a suitable structure be given while presenting the Circulars and all initiatives/activities/actions including penalties, cancellation/suspension of Licenses of IRDA need to be communicated to all stakeholders including SROs and Statutory Organizations through mailing list mechanism as and when they are released.

Item # 12: Solvency position of Insurers

It was decided that the Insurers may be directed to submit the solvency position as at 31-03-2012 by 15-05-2012.

Item # 13: Status Report on Risk based capital approach

Noted.

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

(J Hari Narayan)
Chairman