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Master Circular on Operations and Allied Matters of Insurers



Date 19-06-2024

IRDAI/PPGR/CIR/MISC/97/06/2024

June 19, 2024

To

All Life Insurers, General Insurers, Health Insurers and Distribution Channels

Subject: Master Circular on Operations and Allied Matters of Insurers

1. This master circular is issued under section 34 of the Insurance Act, 1938, section 14 of the IRDA Act, 1999 and Regulation 56 of the Insurance Regulatory and Development Authority of India (Protection of Policyholders' Interests, Operations and allied Matters of insurers) Regulations, 2024 (hereinafter called "Regulations") on Operations and Allied Matters of the Insurers.
2. This Master Circular shall be reviewed every year unless review or repeal is warranted earlier.
3. The Returns referred under this circular shall be submitted as per the provisions herein and the Master Circular on submission of returns.
4. All words and expressions used herein and not defined in this Master Circular but defined in the Insurance Act, 1938 (4 of 1938), or the Insurance Regulatory and Development Authority Act, 1999 (41 of 1999) or Rules or Regulations made thereunder shall have the meanings respectively assigned to them in those Acts or Rules or Regulations.
5. In order to remove any doubts or difficulties that may arise in the application or interpretation of any of the provisions of this Master Circular, the Competent Authority may issue appropriate clarifications as and when deemed necessary.
6. A master circular covering other matters of the Regulations is issued separately.

This has approval of the Competent Authority.


R K Sharma
Chief General Manager

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CHAPTER-I
ADVERTISEMENT

Advertisements are an important medium to connect to the policyholders/ prospects/ customers. Being an imperative tool in the publicity campaigns to reach out the larger populace, the need for presenting truthful position of the subject matter of advertisement plays a pivotal role in winning the confidence of the prospects/customers.

1. Compliance and Control of Advertisements

1.1 Every Insurer shall have an Advertisement Committee in accordance with Regulation 6 (1) (c) of the IRDAI (Insurance Products) Regulations, 2024 and every distribution channel, which is an entity, shall have a compliance officer who shall be responsible to ensure compliance with the provisions of -

- i. IRDAI (Insurance Products) Regulations 2024;
- ii. IRDAI (Protection of Policyholders' Interests, Operations and Allied Matters of Insurer) Regulations, 2024 as regards issuance of advertisements;
- iii. Any other applicable norms.

1.2 The advertisement committee and / or the compliance officer shall:

- i. establish and maintain a system of control over the content, form, and method of dissemination of all advertisements;
- ii. maintain and retain records of advertisements in accordance with the Insurers' board approved policy.

1.3 There shall be no advertisement:

- i. On services not related to insurance,
- ii. On comparison of rates/ discounts to erstwhile tariff, in case of a general insurance product,
- iii. Highlighting the potential benefits of an insurance product without a fair indication of associated risks, if any,
- iv. Disclosing benefits partially without corresponding limitations/ conditions/ implications,
- v. Exaggerating the benefits of the product,
- vi. Denigrating reputation of a competitor or the industry.



2. Advertisements on linked products and variable annuity pay out options

2.1 An advertisement on the unit linked insurance product, index linked product and annuity products with variable annuity pay-out option shall contain adequate, accurate, explicit and updated information, in simple language. The information may include, but not limited to, following -

- i. A factual picture of inherent risks involved.
- ii. The risk factors associated with specific reference to fluctuations in investment returns.
- iii. The charges related to the fund or to the premium paid and the possibility of increase in charges.
- iv. The contingency on which the guarantee, if any, is payable and the exact quantum of such guarantee.
- v. The results of the funds duly supported by related figures shall only be reported as regards the past performance of the funds in advertisements, as well as in any other promotional material like benefit illustrations, sales brochures, etc. The emphasis on past performance must be reduced in the advertisements, however, past performance, wherever intended to be reported, shall contain:
 - a) Compounding annual returns (shall adopt standardized computations) for the previous five calendar years, expressed as a percentage rounded to the nearest 0.1%.
 - b) Where last five calendar years' data is not available, as many years as possible must be shown.
 - c) Where data is not available for at least one calendar year, past performance shall not be shown.
 - d) It shall clearly state, in the same font and size, that the past performance is not necessarily indicative of future performance.
 - e) Corresponding benchmark index performance, if any, shall be included.

2.2 Unit linked and/or index linked products shall not be advertised as "investment products".

2.3 All the advertisements of linked insurance products and annuity products with variable annuity pay-out option shall disclose the risk factors along with the following warning statements:



- i. Linked insurance products/ annuity products with variable annuity pay-out option are different from the traditional insurance products and are subject to the risk factors.
 - ii. The premium paid in linked insurance policies or the annuity offered under the annuity policies with variable annuity pay-out option are subject to investment risks associated with capital markets and publicly available index. The annuity amount/NAVs of the units may go up or down based on the performance of fund and factors influencing the capital market/publicly available index and the insured is responsible for his/her decisions.
 - iii. ___ is only the name of the Life Insurance Company and ___ is only the name of the linked insurance contract and does not in any way indicate the quality of the contract, its future prospects or returns.
 - iv. Please know the associated risks and the applicable charges, from your insurance agent or intermediary or policy document issued by the insurance company.
 - v. The various funds offered under this contract are the names of the funds and do not in any way indicate the quality of these plans, their future prospects and returns.
- 2.4 On advertisements in hoardings and posters and in audio visual media, wherever the linked insurance contract has been advertised, clause. 2.3 ii and 2.3 iii shall have a place invariably.
- 2.5 The advertisements shall not compare funds offered by one insurer with funds offered by another insurer, implicitly or explicitly.
- 2.6 All the advertisements of participating insurance products shall disclose that-
- i. the risk factors of the bonuses projected under the product are not guaranteed,
 - ii. past performance doesn't construe any indication of future bonuses and
 - iii. these products are subject to the overall performance of the insurer in terms of investments, management of expenses, mortality and lapses.
- 2.7 All insurers shall advertise the launch of unit linked funds or index linked funds under existing insurance products or new insurance products, only with reference to the underlying life insurance coverage and the products associated with it. Further, no press release or statement shall be issued by the insurer without making a reference to the life insurance coverage and the associated products.

3. Advertisements mentioning Rating, Ranking or Awards

Where advertisements mention rating, ranking or awards of the insurer, the following shall be ensured:



- 3.1 Any claim of rating / award shall be based only on those declared by entities which are independent of insurers and its affiliates.
- 3.2 Source of such rating / award is to be disclosed conspicuously and legibly.
- 3.3 No claim of ranking by an insurer, as regards its position in the insurance market, based on any criteria (like premium income or number of policies or branches or claims settlements etc.) is permissible in any of the advertisements.
- 3.4 Where claims paid ratios are published, the ratios shall be arrived basis number of policies and computed on annual audited figures submitted to the Authority. In case of computation of death claims paid ratio, data for individual and group polices shall not be clubbed.
4. **Adherence to Advertisement code**
Every insurer and distribution channel shall comply with standards as prescribed by the Advertising Standards Council of India (ASCI).
5. **Advertisements on Product Combinations**
- 5.1 Unless it is part of product features, insurance advertisements shall not offer as inducement, any award / reward points and discounts.
- 5.2 Where more than one product is promoted, a specific disclosure shall be made stating that it is a combination of products along with product name, UIN and specific details of individual products.
6. **Spurious Phone Calls and Fictitious/Fraudulent Offers**
- 6.1 A public notice cautioning the general public about spurious calls and fictitious offers shall be made on the home page of insurers' website to create awareness on the role of the IRDAI as under:
- "BEWARE OF SPURIOUS PHONE CALLS AND FICTIOUS / FRADULENT OFFERS**
IRDAI or its officials do not involve in activities like selling insurance policies, announcing bonus or investment of premiums. Public receiving such phone calls are requested to lodge a police complaint."
- 6.2 Insurers and Insurance Intermediaries sending commercial communications to their existing or prospective customers shall fulfil the extant regulatory requirements prescribed by the Telecom Regulatory Authority of India.



CHAPTER II
OPENING OF PLACES OF BUSINESS OF INSURERS

Physical presence through brick and mortar offices leads a long way in gaining customer confidence particularly in remote locations of the country. Adoption of technology infrastructure to reach out to customers, enhances ease, speed and efficiency. Hence insurers shall strive towards a physical and digital presence, a phygital approach which can come in handy to reach the last mile. Considering the importance of instilling confidence in the customers by their presence and visibility, opening or closing of places of business needs to be done judiciously ensuring it is not prejudicial to the interests of policyholders.

Places of Business within India

7. Manner of obtaining approval for opening

- 7.1 In the event an insurer does not meet requirements specified in the Regulation 32, the insurer shall submit proposals for opening places of business in Form PB-1 as provided in Schedule A.
- 7.2 Places of business shall be opened within a period of one year from the date of approval after which the approval stands lapsed.

8. Shifting or relocation of places of business

Where the relocation of the places of business is otherwise than within the same city, town or village, Insurer shall apply for prior approval of the Authority in Form PB - 2 as provided in Schedule A.

Places of Business outside India

9. Opening of Representative Office or Liaison Office outside India

Insurers meeting the norms specified in regulation 36 (3) and desirous of opening a representative or a liaison office outside India shall apply in Form FPB -1 as specified in Schedule A.

10. Opening of Foreign Branch Office outside India or at International Financial Services Centres (IFSC)

- 10.1 Any insurer meeting the criteria specified in regulation 39 and desirous of opening a foreign branch office or office at IFSC shall make an application in Form FPB - 2 as provided in Schedule A.

Provided that the foreign branch office of insurer shall transact the class of insurance business only for which the insurer has been granted the certificate of registration.

- 10.2 The Board of the Insurer shall -



- i. approve, inter alia, the operational matters pertaining to establishment and conduct of business of the foreign branch office in the host country.
- ii. monitor the functioning, financial and business performance of the foreign branch office at regular intervals.
- iii. immediately report to the Authority any events or developments which can impair the functioning of the foreign branch office.

11. Infusion of capital into the Foreign Branch Office or Office at IFSC

- 11.1 The insurer shall have in place appropriate arrangements to ensure that the policyholders' liabilities that arise out of foreign operations are adequately ring-fenced in order to protect the interest of policyholders residing in India.
- 11.2 Wherever the insurer's foreign branch office operations require additional capital for meeting the losses or for meeting the capital or other regulatory requirements, such infusion of capital shall be with the prior approval of the Competent Authority.

Activities permitted at a Representative or a Liaison Office

- 12.** A representative or a liaison office opened outside India is permitted to carry out the following activities and incidentals activities thereof-
- a) Undertaking development and promotional activities such as gathering financial, economic and commercial information, educating prospects about advantages of insurance.
 - b) Promotion of company's products, customer service and identifying prospects of the host country.
 - c) Conducting seminars to create awareness on insurance.
 - d) Liaison with foreign brokers, re-insurers for ceding/ accepting reinsurance and support for formalizing treaties.
 - e) Liaison with surveyors/ risk assessors.
 - f) Supporting processing of claims pertaining to risks in host country.
 - g) Sharing expertise on underwriting practices.
 - h) Sharing business information.
 - i) Conducting research or related activity.
- 13.** The Insurers can arrange to identify the prospects through the representative or liaison offices but the acceptance of the proposal and underwriting of risks shall be done only in India and denominated only in Indian rupees.

14. The Insurer shall comply with the Foreign Exchange Management Act, 1999 and any other laws in force governing the operations of such office(s).
15. The representative or liaison office should not contract any liability outside India. No agent would be permitted to be engaged by the representative or liaison office.

Reporting / Disclosures requirements

16. Insurers are required to disclose the following:
 - i. **For places of business in India:** Information about the offices shall be disclosed in form NL-41 and L-45, as the case may be, as per guidelines on Public Disclosures issued by the Authority.
 - ii. **For places of business outside India:** Insurers shall disclose separately key financial information such as premium, claims, investment income, surplus or profit (loss), total capital infused, AUM etc., in their annual report.



CHAPTER III

OUTSOURCING OF ACTIVITIES OF INSURERS

Insurers shall enter into outsourcing arrangement only if it is absolutely necessary and ensure that outcome of such arrangements shall be economical and efficient in providing services to the customers and/or enhances overall value to their insurance business.

Insurers hold a fiduciary role in managing the funds of policyholders. In order to ensure that there is no adverse impact on the interests of policyholders, there is a need to have sound and responsive management practices for effective oversight and exercise of adequate due diligence on their outsourcing activities.

17. Scope and Applicability

- 17.1 These provisions apply to all outsourcing arrangements irrespective of the nature of the outsourcing service provider i.e., whether related party(s) within the same group of insurer or otherwise.
- 17.2 These provisions shall not apply to the activities permitted to be carried out by insurance agents, intermediaries, insurance intermediaries as provided in the Insurance Act, 1938, IRDA Act, 1999 and rules, regulations made thereunder.
- 17.3 As provided in regulation 45(1), the provisions contained in this chapter are applicable to all insurers registered with the Authority excluding those engaged in reinsurance business.

18. Principles for outsourcing of activities

An insurer while outsourcing the activities shall -

- 18.1 conduct suitable due diligence processes including cost benefit analyses in selecting an appropriate service provider and in monitoring its ongoing performance,
- 18.2 enter into a legally binding written contract with each service provider and specify the consideration amount, the nature and details of which shall be appropriate to the materiality or criticality of the outsourced activity/ies to the business of the insurer,
- 18.3 take appropriate steps to ensure both the insurer and the service provider establish procedures and controls to protect the insurer's proprietary and customers' related information and to ensure continuity of services to the insurer, including a plan for disaster recovery with periodic testing of backup facilities,
- 18.4 take appropriate steps to ensure that outsourcing service providers protect confidential information and data related to the insurer and its customers, from intentional or inadvertent unauthorized disclosure to third parties.



- 18.5 be aware of the risks posed and shall manage such risks effectively for material or critical outsourced activities.
- 18.6 assess outsourcing arrangements which are material and such arrangements shall be subject to evaluation of the risks and due diligence.
- 18.7 take appropriate steps to ensure that insurer, their auditors and IRDAI are able to obtain promptly, upon request, information concerning outsourced activity/ies that is relevant to contractual compliance and/or regulatory oversight including, access to the data, IT systems, premises and relevant records.
- 18.8 include written provisions relating to the termination of outsourced activity/ies in its contract with outsourcing service providers and ensure that it maintains appropriate exit strategies.
- 18.9 not outsource any activity that leads to potential conflict of interest with the functions of the insurer or its related parties/ group companies or with the functions of insurance intermediaries or its related parties or its group companies.
19. Outsourcing Committee shall be responsible for maintenance of relevant records, documents relating to outsourcing activities.
20. A summary of the material risks arising out of outsourcing contracts shall be reviewed by the Risk Management Committee at least once a year.
- 21. Activities prohibited from outsourcing**
- 21.1 The insurers are prohibited from outsourcing any of the following activities in any manner:
- i. Investment and related functions.
 - ii. Fund Management including NAV calculations.
 - iii. Compliance with AML and KYC, provided, KYC verification through third party service providers as prescribed in Master Guidelines on Anti-Money Laundering/ Counter Financing of Terrorism (AML/CFT), 2022 dated August 1, 2022 as amended from time to time.
 - iv. Decision making
 - a) on product designing, actuarial functions and enterprise risk management.
 - b) in underwriting and claims functions.
 - c) related to policyholders' grievances redressal and allied matters.



22. Reporting

Insurers shall report the details of the outsourcing activities including the payouts made to its related parties and the related parties of Insurance Intermediaries as specified in the master circular on submission of returns.

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CHAPTER IV

GRIEVANCE REDRESSAL SYSTEM

Timely redressal of grievances is important to build customer confidence in the insurance business. Insurers shall therefore put in place an effective and robust grievance redressal system including enablement of submission of grievances online, arrangement for registering all the grievances submitted to the insurer in various forms like call-centre of the insurer, if deployed and other arrangements for redressal like Internal Ombudsman Schemes. Insurers shall also publicize these arrangements widely.

23. Every Insurer shall

- 23.1 have a Board approved grievance redressal policy.
- 23.2 establish technology based grievance redressal infrastructure (hereinafter called as grievance portal/app) to capture all kinds of grievances against the insurer or the distribution channels and put in place appropriate processes and procedures for redressal of grievances of prospects/policyholders efficiently and speedily within the specified turnaround times.
- 23.3 endeavor to move towards “zero grievances” by adopting consumer friendly processes.
- 23.4 have a system of obtaining customers’ feedback on regular basis, particularly post resolution of the grievance(s). The feedback may also cover the policyholders’ experience with the grievance redressal process and the level of their satisfaction.
- 23.5 provide, in its resolution communication, the contact details of concerned insurance ombudsmen where his / her complaint can be escalated, in case the policyholder is not satisfied by the grievance redressal provided by the insurer.
- 23.6 integrate its grievance portal with the Bima Bharosa portal to facilitate the registering/ tracking of grievance on-line by the policyholders. The insurer’s system must be equipped with a real-time mirroring functionality that ensures their grievance database is consistently synchronized with the Bima Bharosa.
- 23.7 facilitate recording of the grievances on Bima Bharosa received from prospects / policyholders in any form including telephone calls, e-mail, physical posts/couriers, in-person complaint at the insurers places of business.




23.8 have in place their Internal Ombudsman Scheme (guidelines in the matter shall be issued separately).

23.9 have a designated officer to deal with grievances at every place of business and a proper internal escalation matrix in case grievances are not addressed to the satisfaction of the complainant. The details of the grievance redressal mechanism shall be displayed prominently on the websites of the insurer and in all their offices.

23.10 display in prominent place, the name, address and other contact details of the insurance ombudsman within whose jurisdiction the office falls.

24. Every insurer shall ensure that all grievances are resolved as per the timelines herein below:

Activity	Timeline (from date of registration of the grievance)
Written acknowledgement of grievance to a complainant	Immediately
Seek and obtain further details, if any, from the complainant (permitted only once)	Within one week
Resolution of grievance and issue of final letter of resolution	Within two weeks
Closure of grievance on non-receipt of reply from the complainant	Within eight weeks



CHAPTER V

USAGE OF TRADE LOGO OF PROMOTING PARTNERS OR RELATED PARTIES

(Refer Regulation 55)

25. Usage of Trade Logo

- 25.1 All insurers shall endeavor to create their trade logo. Where an Insurer uses the trade logo of any of its promoting partners and / or any other parties, there shall be in place a written agreement setting forth the underlying terms and conditions, and shall be in compliance with the extant laws.
- 25.2 The parties to the agreement shall specify the consideration towards usage of trade logo in the agreement in unambiguous terms.

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CHAPTER – VI
GROUP INSURANCE POLICIES

26. Issuance of group policies under life, general and health insurance

26.1 Every insurer shall have a well-defined Board approved group underwriting policy, which shall inter-alia include:

- i. Criteria for entry of individual members into the group insurance policy.
- ii. Coverage options available for individual members who exit the group during the currency of the policy.
- iii. Appropriate safeguards that are put in place to prevent fraud and misrepresentation.

26.2 Every insurer shall ensure, while issuing a group insurance policy, that the group master policyholder shall not:

- i. collect from the individual member any amounts higher than the insurance premium amount paid to the insurer.
- ii. vary the premium or benefits with regards to the individual members, after issuance of the insurance policy.

26.3 Every insurer shall explicitly indicate the premium charged and benefits admissible to each individual member of the group.

Employer-Employee Group insurance

27. In case a group insurance policy is issued to an employer-employee group:

27.1 the employer shall be treated as the group master policyholder and the employees shall be treated as the members of the group.

27.2 the employer shall share the group insurance policy along with the list of members covered under the policy to all the members of the group in confirmation of insurance protection of each individual member.

27.3 except for group fund-based products, in all other cases, claims shall be paid directly to the employee or the beneficiary as the case may be.

27.4 In order to provide cashless claim settlement for health insurance from the date of commencement of cover, the Insurer shall obtain the details of members of the group from the master policyholder, at the earliest. No claim shall be denied for non-availability of details of members of the group.



Non Employer-Employee Group Insurance

28. In case a group insurance policy is issued to a non-employer-employee group:

- 28.1 there shall not be any policy issued with unnamed members.
- 28.2 the individual group member shall be the insured member and the holder of the policy shall be the master policyholder.
- 28.3 the insurer shall issue a certificate of insurance to the members of the group.

Explanation: For the purpose of this clause "certificate of insurance" means a certificate issued by an insurer to the insured member in pursuance of non-employer-employee group policy giving details of the group insurance policy viz.,

- i. the schedule of benefits, period of cover, the premium to be paid by the individual member, the premium payment frequency, term of the policy, premium paying term, exclusions, etc.
 - ii. status of coverage during the grace period; procedure to be followed to register a claim with the insurer including the full address of the office of the insurer where the claim should be registered, documents required for registering the claim.
- 28.4 The insurer shall provide all services required by the insured member under the policies directly to the claimant and may utilize the services of the group master policyholder in facilitating the intimation of a claim, only if written request is made by the claimant (beneficiary).
- 28.5 In case of group fund-based products issued to non-employer-employee groups, individual member shall directly pay the premium to the insurer through electronic transfer and the holder of the master policy shall be prohibited from accepting either premium amounts or the claims amounts.
- 28.6 The insurer shall ensure that the claim payment is made:
- i. in the name of the insured member or his/her nominee directly through electronic transfer to the claimant's bank account except for cases referred to clause (ii) below.
 - ii. in the name of the group holder of the policy, in case the group holder is a financial institution in whose favour there is a valid assignment, provided that the policyholder or the beneficiary / nominee is well informed in advance about the existence of the assignment, has given his/her confirmation to the outstanding loan amount as on the date of occurrence of the event and consent for payment of such outstanding loan amount to the group holder of the policy, subject to the following conditions being satisfied:



- a) there is authorized assignment made by the insured member in favor of the group holder of the policy on the date of the event;
- b) such authorized assignment shall only be to the extent of outstanding loan as per the outstanding loan schedule on the date of occurrence of the event;
- c) the balance of the claim (i.e., the difference between the sum assured and the outstanding loan amount on the date of occurrence of the event) must be paid directly to the claimant or the insured member;
- d) complete details of the claim amount settled, the remittances made to the holder of the group insurance policy towards outstanding loan balance and the balance claim amount payable to the member/nominee/beneficiary shall be communicated by the Insurer directly to the insured member / nominee / beneficiary.

28.7 The insurer shall have appropriate systems in place to ensure that the premium collected from the insured members are remitted by the group policyholder as per the provisions of Section 64VB of the Insurance Act, 1938. The insurer shall ensure that master policyholder

- i. keeps proper account of each of the member; and
- ii. shall not mislead the member regarding insurance coverage.

28.8 The insurer shall be held responsible to the group members insured in case of violation of the provisions of clause 28.7 above.

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CHAPTER-VII
UNCLAIMED AMOUNT OF POLICYHOLDERS

29. Definition

29.1 "Unclaimed Amounts" shall include any amount held by an insurer, but payable to consumers, including income accrued thereon, on account of their non-contactability through any means and remaining unpaid beyond twelve months from the due date of such payment.

Provided that the following pending amounts shall be held under separate sub-heading "Litigation and others" under unclaimed amounts till such time the payments are made, irrespective of the status of the contactability:

- i. due to any litigation under an insurance policy;
- ii. due to rival claims or open title;
- iii. due to freezing / blocking of insurance policies by any government agency

Provided further that the amounts payable under the following shall not be considered as unclaimed amounts:

- i. Annuity policies and all in-force insurance policies including reduced paid up and fully paid up on due date;
- ii. in respect of claims initiated by consumer;

Explanation 1: A consumer shall be termed non-contactable when such consumer has not responded to any of the insurer's repeated communications for a period of twelve months.

Explanation 2: All amounts, where the consumer is not traceable, shall continue to be part of the unclaimed amounts.

29.2 "Due date" shall mean the date on which any amount or claim is due for payment as per the terms and conditions of insurance policy and/or the extant regulatory framework;

29.3 "Senior Citizens Welfare Fund" (SCWF) shall mean the Fund as defined in section 122 of Part 11 of Chapter VII of the Finance Act, 2015, or any amendment thereof;

29.4 "Settled Claims" shall mean all claims wherein the processing and decision making as regards the liability has been completed by the insurer;



29.5 "Consumer" for the purpose of this circular shall mean proposer, policyholder, life assured, nominee, beneficiary or any other person who has financial interest in the policy as per the terms and conditions of the insurance policy.

30. Treatment of unclaimed amounts

30.1 No insurer shall appropriate or write back any part of the unclaimed amounts belonging to the policyholders/ beneficiaries under any circumstances.

30.2 All insurers having unclaimed amounts of consumers for a period of more than 10 years as on 30th September every year, have to transfer the same to the Senior Citizens' Welfare Fund (SCWF) on or before 1st March of the financial year.

30.3 Every Insurer shall make searchable databases available on their websites, in relation to information about any unclaimed amount of ₹1000/- or more. Such display of information of unclaimed amounts shall continue even after completion of ten years.

30.4 A facility shall be provided on the website of the insurer to enable consumers to find out any unclaimed amount, if any, due to them. For this purpose, the consumer may be allowed to enter the following fields in a window provided on the website for this purpose:

- (a) Policy Number
- (b) PAN of the Policyholder
- (c) Name of the Policyholder
- (d) Date of birth/ date of incorporation of the Policyholder

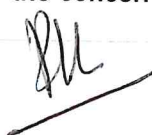
Name of the Policyholder and Date of Birth/ date of incorporation shall be mandatory fields to enter, while others may be optional fields.

30.5 Based on the above information entered, the insurer's website shall, on matching of the two mandatory fields, confirm the name of the policyholder, address, policy no. and amount lying unclaimed with the insurer.

The information regarding unclaimed amounts shall be updated by the insurers on their respective websites on half yearly basis - as on 31st March and 30th September every year. Such updation shall be done within 30 days from the end of the half year. The link to individual websites is also made available on Bima Bharosa at <https://bimabharosa.irdai.gov.in/Home/UnclaimedAmount>.

Insurers shall ensure that the link provided is working at all the times. Deviation if any, shall be brought to the notice of the Authority immediately.

30.6 Consumers shall be eligible to claim the dues under their policies up to 25 years from the date of transfer of the same to the SCWF by the concerned insurer. If no claim is



made up to a period of 25 years after transfer to the SCWF, such amounts shall be escheat to the Central Government, in terms of Section 126 of the Finance Act, 2015.

31. Governance Requirement

31.1 A detailed agenda item covering the following shall be placed before the Policyholder Protection, Grievance Redressal and Claims Monitoring Committee (PPGRMC) of every insurer on a quarterly basis-

- i. Aging analysis of the unclaimed amounts at the end of the quarter in the Form A as provided in Schedule B.
- ii. Progress of settlement of unclaimed amounts with details of number and amounts of claims, during a quarter, in the Form B as provided in Schedule B.
- iii. Steps taken to reduce unclaimed amount by identifying the consumer, creating awareness, etc. in terms of the standard procedures and policy on customer service approved by the Board or PPGRMC Committee.

31.2 The Audit Committee of the Board of every insurer shall oversee the compliance of the provisions of this chapter.

32. Payment of Unclaimed Amounts

32.1 All Insurers shall remit proceeds of all claims / maturity payments/ any other sum due to the policyholders or beneficiaries only through electronic mode as allowed by RBI from time to time.

32.2 The insurers shall put in place foolproof system to automatically validate mobile numbers and email addresses of existing and new consumers.

33. Communication to the Policyholders

33.1 In order to minimize the occurrence of unclaimed amounts, insurers shall keep the policyholders informed about any updates, changes and maturity details by physical or electronic modes such as SMS alerts or instant message services or email or by way of letter, on a regular basis.

33.2 Insurers shall get the contact details and all the necessary support from the distribution channel who had sourced the policy, in reaching out for settlements of the policy dues.

34. Accounting and Disclosure of Unclaimed Amount

34.1 Insurers shall maintain a single segregated fund to manage all unclaimed amounts and the sum of such fund shall be invested in money market instruments, liquid



mutual funds and /or fixed deposits of scheduled banks or such other instruments, as may be permitted by Authority.

34.2 All insurers shall disclose the amount representing the unclaimed amounts as a separate line item in the specified Notes or Schedules to the Balance Sheet. The age-wise analysis of unclaimed amounts shall also be disclosed in the Notes to Accounts as per Form A as specified in Schedule B and shall form part of the Annual Report of all insurers.

34.3 All insurers shall disclose the movement in the unclaimed amounts comprising of the opening balance, income credited, addition of unclaimed amounts, claims settled during the year, amount transferred to SCWF and outstanding at the end of the year as per the format specified in Form C in Schedule B, as a part of Notes to Accounts forming part of the financial statements.

34.4 In case insurers receive claims in respect of unclaimed amounts which have been transferred to the SCWF, insurers may adjust the amount of such claims from the amounts due to be transferred to the SCWF.

34.5 All life insurers shall maintain the "Unclaimed Amounts of Policyholders" under an individual Segregated Fund with a specific SFIN created in line with the procedure adopted for establishing a ULIP Fund specified under the Regulations on Products and circulars/guidelines issued thereunder.

34.6 The value of SFIN above shall be disclosed under the Schedule of Current Assets to the Balance Sheet. The Statutory Auditor shall ensure that the amount mentioned above and "Unclaimed Amounts of Policyholders" under the Schedule of Current Liabilities to the Balance Sheet reconcile and shall report deviation observed, if any.

34.7 In case of insurers other than life insurers, investment of Unclaimed Amount shall be shown under the Schedule of Current Assets to the Balance Sheet. The Statutory Auditor shall ensure that the amount mentioned above and "Unclaimed Amounts of Policyholders" under the Schedule of Current Liabilities to the Balance Sheet reconcile and shall report deviation observed, if any.

34.8 The 'Credit Balance' in the Unclaimed Fund should include the outstanding unclaimed amounts and the income thereon.

35. Accounting of Investment Income

35.1 All insurers shall credit the investment income accruing on the unclaimed amounts to the respective identified unclaimed account. The income on Unclaimed Fund shall be shown as a separate line item in the schedule of Current Assets as well as Current Liabilities, net of Fund Administration Expenses, if any, as per clause 36 below.



35.2 All insurers shall pay the identified unclaimed amount along with the investment income so credited, to the consumers whenever a claim is made as per the procedure. However, where any award/ order of a judicial forum includes any interest component, in such cases, the interest component can be adjusted from the investment income so credited/allocated.

36. Recovery of Fund Administration Expenses

Insurers may recover administration and fund management expenses up to a maximum of 20 basis points per annum on a quarterly basis. The said charges will be computed on the underlying funds at the beginning of every quarter.

37. Unclaimed Amounts and Solvency Margin

The liabilities representing unclaimed amounts and the investment income accrued or earned thereon; and the investments representing such amounts, shall not be considered towards computation of available solvency margin of insurers.

38. Maintenance of Records and Reporting of Unclaimed Amounts

38.1 Insurers shall maintain policy-wise detailed records of unclaimed amounts and investment income accrued thereon.

38.2 Insurers shall furnish statement as provided in Master Circular on Submission of Returns.

38.3 Insurers shall furnish an intimation of transfer of unclaimed amounts to the Senior Citizen's Welfare Fund (SCWF) to the Authority in the format provided in Master Circular on Submission of Returns within 7 days from the date of transfer.

39. Insurers shall make all possible efforts for payment of these dues at the earliest and may adopt the measures as suggested in Annexure-I of Schedule B to this circular.

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CHAPTER VIII

POLICYHOLDERS' ENGAGEMENT AND AWARENESS

Regular engagement with the policyholders and creating awareness on insurance plays an important role in the effective and efficient operations of the insurers along with gaining their trust. As such, insurers shall establish appropriate systems and processes to continuously engage with their customers.

40. Customer Information Sheet (CIS): To disseminate information about the products to the prospects and policyholders in a transparent manner, Insurers shall mandatorily provide CIS in the specified format and obtain acknowledgement of the policyholder.

41. Regular contact with the policyholders

Every insurer shall put in place required systems:

41.1 to verify the contact information including email id, mobile number and bank account details of their policyholders at least at annual intervals and update changes, if any.

41.2 send renewal notice to all policyholders, at least 30 days in advance from the due date, an annual statement of their policies, accrued benefits, and other relevant information.

42. Periodic Statement

Every insurer carrying on life insurance business shall put in place required systems and shall send to all policyholders, at least at annual intervals, an annual benefit statement of their policies:

42.1 disclosing the premium payment status, accrued bonus and other benefits, paid-up value, and other relevant information. In case of linked policies, it shall at minimum contain number of units to the credit of policyholder, fund value at the NAV rate applicable and charges levied in the units from the last issued status report.

42.2 In case of participating policy, the basis used for computing the assets share, the sources of profit, the expenses allowed for computing the asset share, , the asset categories involved along with the yield earned in the last one year, bonus earning capacity and the projection for future bonuses, comparison of expenses allowed for non-participating policies and participating policies with rationale, in case of variation, bonuses declared so far, amounts of funds available for smoothing of bonuses along with strategy to declare such funds to ensure equitable treatment to all generations of the participating policyholder, and overall Internal rate of Return (IRR) since the purchase of the policy.



43. Policyholder awareness

- 43.1 The Insurers and Insurance Councils shall actively promote awareness campaigns to the policyholders/prospects and public at large on various aspects of insurance including types of insurance products, services aspects, etc.
- 43.2 Insurers shall display prominently on their website premium calculator which provides premium chargeable for any person without insisting on collection of contact details like name or mobile/phone number or email id of the inquirer.
- 43.3 Insurers shall display prominently the following on their website, at the minimum;
- a) List of products on offer and products withdrawn
 - b) the prospectus for each product on offer for sale
 - c) Turn-around time for policy servicing
 - d) Procedures to be followed by the policyholder for claim settlement.

A handwritten signature in black ink, consisting of stylized cursive letters, positioned below the list of requirements.

CHAPTER IX
SERVICING OF POLICIES IN CASE OF EXIT OF DISTRIBUTION CHANNEL

44. Where the existing policies, which were serviced by any one of the distribution channel, are currently not being serviced due to termination of the tie-up or due to the exit of the respective distribution channel or otherwise, insurer may provide an option to the policyholders for their policy servicing:
- i. To opt for online mode of premium payment and for all other services; or
 - ii. To allot an insurance agent or direct sales staff.
45. Insurer shall not accept any new policy from the allotted insurance agent or direct sales staff with respect to the same policyholder-
- i. Where the allotted policy is not revived.
 - ii. Where the allotted policy is revived, but lapsed or surrendered within a period of 6 months.
46. Renewal commission, as per the Board approved policy, may be paid to the allotted insurance agent or direct sales staff, as long as the policy is inforce.
47. The provisions of clause 44 shall not be applicable to single premium policies, fully paid up policies and policies sold through distant mode.



CHAPTER X

REPEAL OF THE GUIDELINES AND CIRCULARS

48. List of Circulars / Guidelines repealed

This Master Circular supersedes the following Guidelines/Circulars:

S. No	Circular/Guideline Reference Number	Description
1.	IRDA/CAD/CIR/MISC/059/02/2014 dated 13.02.2014	Spurious Phone Calls and Fictitious / Fraudulent Offers
2.	IRDA/F&A/CIR/GLD/056/02/2014 dated 13.02.2014	Payment of dues to policyholders and disclosure on unclaimed amounts
3.	IRDA/Life/CIR/GDL/044/01/2014 dated 28.01.2014	Guidelines - Processes to be followed for filing of life products under SCS distribution model
4.	IRDA/HLTH/ADVT/CIR/017/01/2015 dated 19.01.2015	Submission of Advertisements in Business Analytics Portal (BAP) – Health Module
5.	IRDAI/LIFE/CIR/MISC189/10/2019 dated 16.10.2019	Master Circular on Advertisement
6.	IRDAI/LIFE/MISC/CIR/172/09/2019 dated 26.09.2019	Circular on Group Life Insurance Products and other operational matters
7.	IRDA/F&A/CIR/Misc/282/11/2020 dated 18.11.2020	Master Circular: Unclaimed Amounts of Policyholders
8.	IRDAI/NL/CIR/MISC/100/05/2022 dated 13.05.2022	Motor Insurance advertisements issued by General Insurers on (i) extra services of Third Party Service Providers (ii) discounts, saving amounts etc.
9.	LC/SP/SI/VER 1.0 dated 03.02.2004	Illustrations - Life Insurance Business: Standards of Practices

S. No	Circular/Guideline Reference Number	Description
10.	IRDAI/LIFE/CIR/ADV/255/12/2016 dated 21.12.2016	Filing of Health Insurance Advertisements by Life Insurers
11.	IRDAI/Life/CIR/Misc/41/2/2024 dated 16.02.2024	Modifications to the Master Circular: Unclaimed Amounts of Policyholders dated 17th November, 2020



SCHEDULE – A

Form PB-1

APPLICATION FOR OPENING OF NEW PLACE OF BUSINESS

(refer clause 7.1)

Approval for Opening of a Place of Business

1. **Name of Insurer:**
2. **Proposed Office Location Details**
 - Address:**
 - State/UT:**
 - District:**
 - City/Town/Village:**
 - Pin Code:**
- 3(a) **Classification of Location #**
 - (i) **Location: Metro/Urban/Semi-Urban**
 - (ii) **Classification: Tier I/II/III/IV/V/VI**
 - (iii) **Type of Office:**
 - (iv) **Classification as per Census (Year):**
 - (v) **Population: as per census (Year)**
- 3(b) **Solvency Margin & Expenses of Management**
 - (i) **Expenses of Management for three years (as on)**
 - (ii) **Solvency Margin for three years (As on)**
- 3 (c) **Other Details:**
 - (i) **Distinctive Code:**
 - (ii) **Proposed date of office Opening:**
4. **Application Submission Details**
 - (i) **How many previously approved offices are pending for opening with the insurer?**
 - (ii) **Proposed total capital expenditure involved in opening of the new office**
 - (iii) **Whether the office would be connected to the insurer's IT network**
 - (iv) **Whether issue of online premium receipts is planned for the proposed offices**



- (v) If connectivity is not provided, what alternative servicing arrangements have been made and what is the distance of the proposed office from the nearest supporting office.
- (vi) Date of approval for opening of offices by the Board of Directors
- (vii) Functions proposed to be handled at the proposed office (Please mention yes/no)
 - a. Sales Support
 - b. Premium Collection
 - c. New Business
 - d. Policy Servicing
 - e. Investment
 - f. Corporate Functions
 - g. Others (to Specify)
 - h. Back end office with no customer interface:

5. Expected Business (only in case of application)

Year	No. of New Policies	Premium income from new business
Year 1		
Year 2		
Year 3		

6. Proposed Manpower (only in case of application)

Designation	No. of Employees

Enclosures:

1. Copy of Board approved Annual Business Plan
2. Statement of Solvency Ratio for 3 FYs
3. Statement of Expenses of Management for 3 FYs

Signature of Chief Exexecutive Officer OR Chief Compliance Officer

For the purpose of these forms Metropolitan Centre is a place where population is 10 lacs and above and Urban Center with a population of 1 lac to 9,99,999, semi Urban from 10,000 to 99,999 population figures to be reckoned as per the latest available decennial census data.



Form PB-2
APPLICATION FOR RELOCATION OF OFFICES
(refer clause 8)

S. No.	Particular	
1	Name of the Insurer	
2	Location details of existing Office	
3	Classification of Location i. Location: Metro / Urban / Semi Urban ii. Classification: Tier I/II/III/IV/V/VI iii. Type of Office iv. Classification as per census (Year) v. Date of office opening	
4.	Location details of proposed relocated office	
5.	Classification of Location i. Location: Metro / Urban / Semi Urban ii. Classification: Tier I/II/III/IV/V/VI iii. Type of Office iv. Classification as per census (Year) v. Date of office opening	
6.	Reasons for re-location	
7.	Date of approval of the Board / committee thereof	
8.	Arrangement made for the servicing of existing policyholders located at the existing location.	
9.	Remarks, if any	

Enclosures:

1. Copy of the Board Resolution



Signature of CEO/CCO

Form - FPB-1
APPLICATION FOR OPENING OF A REPRESENTATIVE / LIAISON OFFICE OUTSIDE INDIA BY
REGISTERED INSURER
(refer clause 9)

The Chairman
Insurance Regulatory and Development Authority of India,
Sy No. 115/1, Financial District
Nanakramguda
Gachibowli
Hyderabad - 500 032

Re: Application for opening of a representative/liaison office outside India by Insurer registered with IRDAI

S. No.	Particulars	Details
A	General Information	
1	Full Name of the Insurance Company	
2	Place and Date of Incorporation	
3	Address of Head Office	
4	Registration No.	
B	Ownership & Management	
1	List of names and addresses of directors and their qualifications and principal business	
i)	Name & Address	
ii)	Qualifications	
iii)	Principal Business	
2	Name, Address and contact details of Chief Executive Officer or Principal Officer of the proposed representative or liaison office	
3	Name, designation, address and contact details of Key Person at Head Quarters who will be responsible for overseeing the company's representative/ liaison office outside India	
C	Details of proposed representative/ liaison office outside India	



S. No.	Particulars	Details
1	Location	
2	Purpose of opening the representative/ liaison office	
3	Activities proposed to be undertaken	
4	Estimated annual expenses and sources and manner of meeting these expenses	
5	Whether approval of the Government of India (in respect of LIC/ PSU's only) and Board of Directors has been taken. If so, submit certified copies of necessary approvals.	
6	Copies of Government/ Regulatory approval or in-principle clearance from host country	
D	Financial Position of the Insurance Company in the preceding three Financial Years	
1	Details of capital: (i) Paid-up capital: (ii) Free Reserves as per last audited Balance Sheet	
2	Highlights of financial position of the Insurer based on last three years financial statements	
3	Solvency Margin Ratio	
4	Management Expense Ratio for last 3 years	
5	Combined Ratio for last 3 years	
6	Has Government of India or any Regulatory body taken any action or imposed any penalty, fine, etc on the insurer. If so, the details thereof.	
E	Supervisory Arrangements	
1	Details of supervisory arrangements to which the Insurer will be subject to in the jurisdiction	



S. No.	Particulars	Details
	where it is proposing to open a representative/ liaison office.	
F	Documents to be enclosed	
1	Copies of Memorandum and Articles of Association	
2	Last 3 years financial statements	
3	Certified copies of approval of the Government of India (in respect of LIC/ PSU's only) and Board of Directors	
4	Copies of Government/ Regulatory approval from host country or inprinciple clearance received from them, if any	
5	Copy of research undertaken, if any, to arrive at a decision for opening a representative/ liaison office in the host country	

We hereby declare that:

- (i) The particulars given above are true and correct to the best of our knowledge and belief;
- (ii) We shall confine our activities outside India to the fields indicated in column C.3 above;
- (iii) We will abide by the terms and conditions that may be stipulated by Insurance Regulatory and Development Authority of India, if approval is given.

(Signature of Chief Executive Officer OR Chief Compliance Officer of the Applicant Company)

Name:

Designation:

Place:

Date:



Form FPB-2
APPLICATION FOR OPENING OF A FOREIGN BRANCH OFFICE OF REGISTERED INSURERS
(refer clause 10.1)

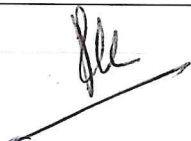
The Chairman
Insurance Regulatory and Development Authority of India
Sy No. 115/1, Financial District
Nanakramguda
Gachibowli
Hyderabad – 500 032

Re: Application for opening of a foreign branch office of Insurers registered with IRDAI

S. No.	Particulars	Details
A.	General Information	
1.	Full Name of the Insurer	
2.	Place and Date of Incorporation	
3.	Address of Corporate Office	
4.	Registration No.	
B	Ownership & Management (as on date of application)	
1.	List of names and addresses of Directors and their qualifications and principal business	
	(i) Name & Address	
	(ii) Qualifications	
	(iii) Principal Business	
2.	Name, Address and contact details of Chief Executive Officer	
3.	Details of shareholders holding more than 5% of the share capital	
C	Financial Position of the Insurer (as on date of application)	
1.	Details of capital:	
	(i) Paid-up capital:	
	(ii) Free Reserves as per last audited Balance Sheet	
2.	Highlights of financial position of the Insurer based on last three years financial statements	



S. No.	Particulars	Details
3.	Net worth for the preceding 3 Financial Years	
4.	Profits for the preceding 5 years	
5.	Solvency Margin Ratio of the preceding 3 Financial Years	
6.	Management Expense Ratio for preceding 3 Financial Years	
7.	Combined Ratio for preceding 3 Financial Years	
8.	Shareholders Fund beyond solvency margin requirement for the preceding 3 Financial Years	
9.	Has Government of India or any Regulatory body taken any action or imposed any penalty, fine, etc on the Insurer, during the preceding 3 Financial Years. If so, the details thereof.	
D.	Details of proposed office outside India	
1.	Location	
2.	Name, Address and contact details of Chief Executive Officer of the proposed branch office outside India	
3.	Purpose of opening the office outside India	
4.	Class of insurance business proposed to be underwritten	
5.	Submit detailed Financial Projections - A description of the model used for financial projections should be provided, based on assumptions, for a period of 5 years, for each year from the beginning. These should set out the following: (i) Size of sales force. (ii) Amount of sales. (iii) Size of sales support and administrative staff. (iv) Premium income. (v) Investment income. (vi) Commissions and other sales related expenses. (vii) Expenses of administration. (viii) Income tax and other taxes.	



S. No.	Particulars	Details
	<ul style="list-style-type: none"> (ix) Statutory reserves. (x) Required solvency margins. (xi) Profit and loss accounts and balance sheets. (xii) First year and renewal expense ratios. (xiii) Capital needs (xiv) Break-even periods and the Return on Capital. (xv) Shareholder dividends: Indian and Foreign. (xvi) Policyholder surpluses and bonus declarations (xvii) This section should also discuss the manner in which the future capital needs 	
6.	<p>Sensitivity Analysis - The analysis set out in S. No. 5 above will be based on a base scenario and a few alternate scenarios. Sensitivity analysis based on "Optimistic" and "Pessimistic" assumptions should also be included. These will relate to assumptions such as:</p> <ul style="list-style-type: none"> (i) Size of sales force (ii) Volume of sales (iii) Average size of sale (iv) Levels of mortality/morbidity, policy terminations for life/ health (v) Administrative expenses (including inflation) (vi) Future investment conditions (vii) A discussion on the manner in which the outcome of the pessimistic scenarios will be handled should be included (viii) Estimated annual expenses and sources and manner of meeting these expenses 	
7.	<p>Whether approval of the Government of India (in respect of LIC/ PSU's only) and Board of Directors has been taken. If so, please submit certified copies of the approvals.</p>	



S. No.	Particulars	Details
8.	Copies of Government/ Regulatory approval or in-principle clearance from host country, if any.	
E	Supervisory Arrangements	
1.	Details of supervisory arrangements to which the Insurer is subject to in the jurisdiction where it is proposing to open an office outside India.	
2.	Nature of the Branch Office (how it is incorporated in the host country)	
3.	Proposed name of the Branch Office in host country	
4.	Place and Date of Incorporation	
5.	Address of Office of FBO	
6.	Registration No.	
F	Ownership & Management of the proposed foreign branch office	
1.	List of names and addresses of Key persons and their qualifications and principal business of the proposed foreign branch office	
2.	Name & Address	
3.	Qualifications	
4.	Principal Business	
5.	Name, Address and contact details of Chief Executive Officer of the foreign Branch Office	
6.	Name, designation, address and contact details of Key Person at Indian Corporate Office who is responsible for overseeing the foreign branch office	
G	Documents to be enclosed	
1.	Copies of Memorandum and Articles of Association	
2.	Preceding 3 financial years financial statements	
3.	Certified copies of approval of the Government of India (in respect of LIC/ PSU's only) and Board of Directors	



S. No.	Particulars	Details
4.	Copies of Government/ Regulatory approval from host country or in-principle clearance received from them	
5.	Copy of research undertaken, if any, to arrive at a decision of opening of branch office in a the host country	
6.	Any other documents, which are deemed relevant and substantiate the opening of office outside India	

We hereby declare that:

- i. The particulars given above are true and correct to the best of our knowledge and belief;
- ii. We shall confine our activities outside India to the fields indicated at Sl. No. D(4) above;
- iii. We will abide by the terms and conditions that may be stipulated by Insurance Regulatory and Development Authority of India, if approval is given.

(Signature of Chief Executive Officer OR Chief Compliance Officer of the Applicant Company)

Name:

Designation:

Place:

Date:

Certification

I, the undersigned, solemnly declare that the facts given in this application form on behalf of the Applicant Company are true and that the projections and estimations are based on reasonable assumptions.

(Signature of Chief Executive Officer OR Chief Compliance Officer of the Applicant Company)

Name:

Designation:

Place:

Date:



SCHEDULE B

Form A

Statement showing the Age-wise Analysis of the Unclaimed Amount
[refer clause 31.1 (i) and 34.2]

(₹ in lakhs)

Particulars	Total Amount	Age-wise analysis (in months)							
		0-6	7-12	13-18	19-24	25-30	31-36	37-120	More than 120
Claims settled but not paid to the policyholders / beneficiaries due to any reasons									
Sum due to the policyholders / beneficiaries on maturity or otherwise									
Any excess collection of the premium / tax or any other charges which is refundable to the policyholders / beneficiaries but not refunded so far									
Cheques issued but not encashed by the policyholder/beneficiaries									
Remittance through NEFT/ RTGS or any other electronic mode bounced back									



Particulars	Total Amount	Age-wise analysis (in months)							
		0-6	7-12	13-18	19-24	25-30	31-36	37-120	More than 120
Total									

lll

Form B
Progress of settlement of unclaimed amounts during the quarter ending
[refer clause 31.1(ii)]

(₹ in lakhs)

Particulars	Unclaimed cases as at beginning of current quarter		Add: unclaimed Cases added during the current quarter		Less: unclaimed Cases settled during the current quarter		Add: Income accrued During The quarter	Unclaimed cases as at the end of the current quarter	
	Number	Amount	Number	Amount	Number	Amount	Amount	Number	Amount
Claims settled but not paid to the policyholders / insured									
Sum due to the insured / policyholders on maturity or otherwise									
Any excess collection of the premium/ tax or any other charges which is refundable to the policyholders but not refunded so far									
Cheques issued but not encashed by the policyholder / insured									
Total									

Note: Current quarter means the quarter immediately preceding the Policyholders Protection Committee meeting. Previous quarter means the quarter immediately preceding the current quarter.

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Form C
Details of Unclaimed Amount
(refer clause 34.3)

(₹ in lakhs)

Particulars	Current Quarter		Previous Quarter	
	Policy Dues	Income Accrued	Policy Dues	Income Accrued
Opening Balance				
Add: Amount transferred to Unclaimed Fund				
Add: Cheques issued out of the unclaimed amount but not encashed by the policyholders (To be included only when the cheques are stale)				
Add: Investment Income on Unclaimed Fund				
Less: Amount of claims paid during the quarter				
Less: Amount transferred to SCWF (net of claims paid in respect of amounts transferred earlier)				
Closing Balance of Unclaimed Amount Fund				



**Annexure – I
(Refer Clause 39)**

Insurers shall adopt following measures for reduction of existing unclaimed amounts and to contain future accumulation of unclaimed amounts:

- i. Prompt existing policyholders at the time of payment of renewal premium (online/offline) to update their mobile number, email address, current address, bank account details, nominee details etc, by flashing existing details and send intimations accordingly.
- ii. Make accountable the respective agents, intermediaries, group master policyholders and other distribution channels involved in the solicitation for tracing of consumers and update the contact details, bank account details etc.
- iii. Undertake ongoing KYC for existing policies, Re-KYC of minors on immediately attaining majority.
- iv. Engage with Credit Bureaus, Account Aggregators, CSC/POS, e-commerce portals for tracing consumers.
- v. Advertise in Print/Digital media to reach out to consumers who are not traceable.
- vi. In all communications (except in respect of termination/exit of contracts) sent to consumer, include a foot-note advising consumer to update contact details, nominee details and bank account details in case of any change.
- vii. To make provisions in the insurer's website/portal/App to enable policyholders to update their contacts including Email-ids, bank details and nominee details at any point of time with secure login.
- viii. Send advance notifications in respect of maturity claims and survival benefits at least 6 months in advance, through all possible modes, and advise them to provide KYC/Bank details; follow-up notifications may be sent every 2 months thereafter to customers who have not responded.
- ix. develop online tool for processing and payment of unclaimed amounts once the consumers identify the amounts due to them in the websites of insurers.
- x. put in place appropriate systems and controls to address fraudulent claims and practices.



