

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:910  
ANSWERED ON:25.02.2011  
COMPLAINTS AGAINST INSURANCE COMPANIES  
Saroj Smt. Sushila

**Will the Minister of FINANCE be pleased to state:**

- (a) whether the Government has received complaints against insurance companies including New York Life Insurance Company Ltd. for false lucrative offers and payment of lesser amount at the time of maturity of insurance policy;
- (b) if so, the details thereof for the last three years and the current financial year; and
- (c) the corrective steps taken/being taken by the Government in this regard

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA)

(a) & (b): Insurance Regulatory and Development Authority (IRDA) has been receiving complaints against insurance companies. The complaints data is maintained under the categories – Claim Related, Policy Related, New Business, Claim Servicing, Policy Servicing and Sales. The category-wise complaints data of each insurer, including Max New York Life Insurance Company, for the last three financial years and the current financial year is enclosed at Annexure-I and II respectively.

(c): IRDA has taken multiple initiatives in the area of policyholder grievance redressal as detailed below:

(i) The IRDA has recently established the Consumer Affairs Department to give a special focus to and oversee the compliance by insurers of the IRDA Regulations for Protection of Policyholders' Interests and also to empower consumers by educating those regarding details of the procedures and mechanisms that are available for grievance redressal.

(ii) IRDA has issued Guidelines for Grievance Redressal, which lay down specific timeframes and turnaround times for response, resolution, etc which will further strengthen the redressal systems.

(iii) The IRDA is implementing the Integrated Grievance Management System (IGMS), which will create a gateway for policyholders to register complaints with insurance companies first and if need be escalate them to the IRDA Grievance Cell. IGMS is a comprehensive solution which not only has the ability to provide a centralized and online access to the policyholder but complete access and control to IRDA for monitoring market conduct issues of which policyholder grievances are the main indicators.

(iv) IRDA has recently introduced the IRDA Grievance Call Centre (IGCC) that provides for a toll free number 155255. IGCC provides an additional channel for policyholders to lodge their grievances and also seek their status over phone/ e-mail. Further, the IGCC also educates policyholders about the Insurance Ombudsman who provides a channel for fair disposal of complaints falling within the laid down jurisdiction.

(v) With a view to going beyond facilitation of complaints resolution, IRDA has begun to drill down into details of complaints to identify instances of violation/non-compliance of various provisions of the applicable Regulations through enquiries and inspections. Where required, regulatory action is initiated.