

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:1221
ANSWERED ON:18.07.2014
AWARENESS CAMPAIGN ON INSURANCE
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Will the Minister of FINANCE be pleased to state:

- (a) whether the benefit of life and nonlife insurance facilities available in the country have not satisfactorily percolated to the rural areas of the country;
- (b) if so, the details thereof and the reaction of the Government thereto;
- (c) whether the Government has launched/proposes to launch any awareness campaign in rural areas in this regard; and
- (d) if so, the details thereof along with the success achieved there from during the last three years and the current year?

Answer

Finance Minister (Shri Arun Jaitley)

(a) and (b): There is a well laid out legal framework mandating insurers to do insurance business in rural areas of the country. In terms of Section 32 B and Section 32 C of Insurance Act 1938, insurers have been prescribed obligations in respect of rural and social sector. Details are spelt under IRDA (Obligations to Rural and Social Sector) Regulations, 2002.

During financial year 2013-14, the life insurers have underwritten 113.46 lakh policies in the rural sector which is 25.70% of the total new policies numbering 441.57 lakh. In non- life sector, a gross direct premium of Rs. 8,196 crore, which constitutes 12.69% of total gross premium (Rs.64,583 crore), was generated from rural areas in 2013-14.

(c) and (d): IRDA, as insurance sector regulator, has been playing pro-active role in promoting insurance education. It has adopted multi-pronged approach to enhance consumer awareness on various tenets of insurance and encouraged all stakeholders to promote insurance awareness among the public. IRDA had taken up various consumer education initiatives under the "Bima Bemisal" campaign. Further, IRDA has launched Consumer Education Website in 2012 for general Public and Policyholders as a single point of reference for dissemination of information about consumer guidance and protection. During 2013, IRDA launched Hindi version of Consumer Education Website so that policyholders can be benefitted to a greater extent. The website [www. policyholder.gov.in](http://www.policyholder.gov.in) has visitors from various places across the country and they can freely access the insurance education material from the website and easily download it.

IRDA has informed that during the last 3 years, 22 seminars were sponsored by IRDA through consumer bodies, of which 15 seminars were conducted in smaller cities targeting rural areas.