

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:4412
ANSWERED ON:08.08.2014
LOSSES INCURRED BY INSURANCE COMPANIES
Kateel Shri Nalin Kumar

Will the Minister of FINANCE be pleased to state:

- (a) whether instance of cheating by insurance companies including the General Insurance Company (GIC) have come to the notice of the Government;
- (b) if so, the details thereof along with the losses suffered by insurance companies during the last three years and the current year, company-wise;
- (c) whether Government has ordered any probe on investigation in this regard;
- (d) if so, the details and the outcome thereof;
- (e) if not, the reasons therefor; and
- (f) the steps taken/being taken by the Government in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SMT. NIRMALA SITHARAMAN)

(a to f): Complaints related to the service provided by Insurance Companies are received from time to time. These are taken up for suitable resolution with the companies/IRDA. The Insurance Regulatory and Development Authority (IRDA) has established the 'Integrated Grievance Management System' (IGMS) in 2011, which enables the Authority to keep track of and suitably address all the complaints flowing into the system and also to capture the complaints based on the specific nature of complaint. IRDA has also laid down Insurance Fraud Monitoring Framework vide its circular IRDA/SDD/MISC/CIR/009/01/2013 dated 21st January, 2013 which is effective from the year 2013-14, and applicable to all Insurers/Reinsurer. It stipulates that each Insurer shall lay down an appropriate framework within their offices and have an Anti Fraud Policy duly approved by the Board.