

Government of India  
Ministry of Finance  
Department of Financial Services  
Lok Sabha  
Unstarred Question No. 4097

Friday, August 10, 2018/Shravana 19, 1940 (Saka)

**Settlement of Insurance Claims**

4097. SHRI SANJAY DHOTRE:  
SHRI RAHUL SHEWALE:  
SHRI BHARTRUHARI MAHTAB:

Will the Minister of FINANCE  
be pleased to state:

- (a) the number of claims settled under term insurance policies upon death of the insured person by the Public and Private Insurance Companies across the country during each of the last three years and the current year, Company-wise including Life Insurance Corporation (LIC) of India and HDFC Life;
- (b) the number of such claims passed/ approved by the said companies during the said period, Company-wise, including LIC and HDFC Life;
- (c) the number of complaints received by the Government against the said companies for denial/partial denial of claims under term insurance policies during the said period along with the present status of such complaints, Company-wise; and
- (d) the steps taken by the Government to ensure smooth and timely payment of sum assured on claims under term insurance policies to their nominees and to curb the clandestine activities of the said companies for denial/partial denial of such claims along with achievements thereof?

Answer

Minister of State in the Ministry of Finance  
(Shri Shiv Pratap Shukla)

(a) and (b): Details of claims paid upon death of the insured person by the life insurance companies during the years 2015-16, 2016-17 and 2017-18, are given at 'Annexure A'.

(c): Details of complaints against the said companies for denial/partial denial of claims upon death of insured person, during the years 2015-16, 2016-17 and 2017-18, is at 'Annexure B'.

(d): As per Regulation 14 of Insurance Regulatory and Development Authority of India (Protection of Policyholders' Interest) Regulations, 2017, certain procedures such as immediate processing upon receiving a death claim, adhering to timelines for settlement of a death claim, reasons to be stated on rejection or repudiation of the claim, interest to be paid due to delay on the part of insurer etc. are required to be followed by insurers for claim settlement in respect of a life insurance policy.

Regulation 17 of the said Regulations states that every insurer shall have in place proper procedures and effective mechanism to expeditiously resolve complaints and grievances of policyholders and claimants efficiently.

As per Insurance Regulatory and Development Authority of India (IRDAI), based on the analysis of claims data of life insurers, if any variation or abnormal discrepancies are noticed, the same are taken up with the insurers. These variations/ deviations/discrepancies noticed are also thoroughly checked by the Inspection Department of the Authority during regular onsite inspection. The Authority also conducts focussed online inspection. In case any grave irregularity is noticed in the claim settlement by the insurer, regulatory and corrective measures are initiated accordingly.

**Annexure A referred to in reply to Lok Sabha Unstarred Question No. 4097 for 10<sup>th</sup> August, 2018**

**Number of claims paid upon death of the insured person by the life insurance companies**

Life Insurers	FY 2015-16		FY 2016-17		FY 2017-18	
	Individual	Group	Individual	Group	Individual	Group
Aditya Birla Sun Life Insurance Company Limited	6372	2309	5727	1948	5292	4593
Aegon Religare Life Insurance Company Limited	508	1	571	0	530	13
Aviva Life Insurance Company India Limited	1255	2068	1128	1206	1056	490
Bajaj Allianz Life Insurance Company Limited	16404	148840	14887	201422	13176	197425
Bharti Axa Life Insurance Company Limited	1009	175	811	205	860	291
Canara HSBC Oriental Bank of Commerce Life Insurance Company Limited	531	525	620	141	797	928
DHFL Pramerica Life Insurance Company Limited	460	15733	428	27149	572	48236
Edelweiss Tokio Life Insurance Company Limited	120	1269	153	1429	180	2068
Exide Life Insurance Company Limited	2889	697	2866	1441	3250	1585
Future Generali India Life Insurance Company Limited	1381	198	1223	12746	1202	767
HDFC Standard Life Insurance Company Limited	11811	13742	12421	38025	12289	72946
ICICI Prudential Life Insurance Company Limited	10615	1876	10539	1774	11216	2665
IDBI Federal Life Insurance Company Limited	920	1753	962	2906	1068	1290
India First Life Insurance Company Limited	1359	6197	1439	7123	1626	8579
Kotak Mahindra Old Mutual Life Insurance Limited	2465	34501	2583	46049	2881	48572
Max Life Insurance Company Limited	8895	3688	9606	5531	10152	7932
PNB Met Life India Insurance Company Limited	2641	1915	3380	1749	3726	1264
Reliance Nippon Life Insurance Company Limited	13714	6354	10473	12266	8553	7262
Sahara India Life Insurance Company Ltd.	717	67	654	88	556	7
SBI Life Insurance Company Limited	15037	19523	17027	23172	18274	32915
Shriram Life Insurance Company Limited	1512	14575	1859	32634	2524	32424
Star Union Dai-ichi Life Insurance Company Limited	1102	4740	1238	5456	1145	4448
Tata AIA Life Insurance Company Limited	3205	1147	2599	695	2793	576
<b>Private Life Insurers- Total</b>	<b>104922</b>	<b>281893</b>	<b>103194</b>	<b>425155</b>	<b>103718</b>	<b>477276</b>
<b>Life Insurance Corporation of India</b>	<b>749249</b>	<b>246745</b>	<b>756399</b>	<b>290148</b>	<b>724596</b>	<b>284103</b>
<b>Life Insurers- Total</b>	<b>854171</b>	<b>528638</b>	<b>859593</b>	<b>715303</b>	<b>828314</b>	<b>761379</b>

Source: Insurance Regulatory and Development Authority of India (IRDAI)

**Annexure B referred to in reply to Lok Sabha Unstarred Question No. 4097 for 10<sup>th</sup> August, 2018**

**Number of complaints for denial/partial denial of claims upon death of insured person by life insurers**

Insurer Name	2015-16				2016-17				2017-18			
	In favour	Partially infavour	Reject	Total	In favour	Partially infavour	Reject	Total	In favour	Partially infavour	Reject	Total
AEGON Religare Life Insurance Company Limited		2	1	3			1	1			2	2
Aviva Life Insurance Company India Limited		2	7	9			5	5				
Bajaj Allianz Life Insurance Company Limited	4	5	9	18	4		6	10	5	1	4	10
Bharti-Axa Life Insurance Company Limited			2	2			10	10	1	1	6	8
Birla SunLife Insurance Company Limited	1		6	7		2	2	4	3	2	14	19
Canara HSBC Oriental Bank of Commerce Life Insurance Company Limited	1	1	2	4		2	1	3	1	1	1	3
DHFL Pramerica Life Insurance Company Limited			2	2		2	1	3			2	2
Exide Life Insurance Company Limited	2	1	5	8		1	8	9		2	6	8
Future Generali India Life Insurance Company Limited	3	5	10	18		4	8	12		1	2	3
HDFC Standard Life Insurance Company Limited		1	24	25	7	1	50	58	28		44	72
ICICI Prudential Life Insurance Company Limited	10	6	80	96	5	5	38	48	4	9	47	60
IDBI Federal Life Insurance Company Limited	4		19	23	7	1	15	23	1		11	12
IndiaFirst Life Insurance Company Limited	4	1	15	20	24	4	66	94	49		88	137
Kotak Mahindra Old Mutual Life Insurance Limited	1		8	9			24	24			4	4
Max Life Insurance Company Limited	11		74	85	2		55	57	4	1	58	63
PNB MetLife India Insurance Company Limited	2		5	7	4		15	19	7		19	26
Reliance Nippon Life Insurance Company Limited	4	3	26	33	1	2	30	33	1		10	11
SBI Life Insurance Co. Limited	6	5	29	40	2	1	11	14	3	5	17	25
Shriram Life Insurance Company Limited			2	2			5	5			10	10
Star Union Dai-ichi Life Insurance Company Limited	1		4	5	1		4	5	2	1	8	11
Tata AIA Life Insurance Company Limited	4	3	69	76	3	1	38	42	3	1	29	33
<b>Private Life Insurers - Total</b>	<b>58</b>	<b>35</b>	<b>399</b>	<b>492</b>	<b>60</b>	<b>26</b>	<b>393</b>	<b>479</b>	<b>112</b>	<b>25</b>	<b>382</b>	<b>519</b>
<b>Life Insurance Corporation of India</b>	<b>49</b>	<b>11</b>	<b>10</b>	<b>70</b>	<b>64</b>	<b>10</b>	<b>11</b>	<b>85</b>	<b>42</b>	<b>12</b>	<b>12</b>	<b>66</b>
<b>TOTAL</b>	<b>107</b>	<b>46</b>	<b>409</b>	<b>562</b>	<b>124</b>	<b>36</b>	<b>404</b>	<b>564</b>	<b>154</b>	<b>37</b>	<b>394</b>	<b>585</b>

Source: Insurance Regulatory and Development Authority of India (IRDAI)

