

- i. The award should not be more than Rs. 20 lakh (inclusive of ex-gratia payment and other expenses)
- ii. The award should be made within a period of 3 months from the date of receipt of such a complaint, and the insured should acknowledge the receipt of the award in full as a final settlement within one month of the receipt of such award
- iii. The insurer shall comply with the award and send a written intimation to the Ombudsman within 15 days of the receipt of such acceptance letter
- iv. If the insured does not intimate in writing the acceptance of such award, the insurer may not implement the award

## GRIEVANCE REDRESSAL MECHANISM

Insurance industry is essentially a service industry where, in the present context, customer expectations are constantly rising and dissatisfaction with the standard of services rendered is ever present. Despite there being continuous product innovation and significant improvement in the level of customer service aided by use of modern technology, the industry suffers badly in terms of customer dissatisfaction and poor image. Alleviate this situation the Government and the regulator have taken a number of initiatives.

IRDAI's regulations stipulate the turnaround times (TAT) for various services that an insurance company has to render the consumer. These are part of the IRDAI (Protection of Policyholders' Interests Regulations), 2002. Insurance companies are also required to have an effective grievance redressal mechanism and IRDAI has created the guidelines for that too.

### Grievance redressal mechanism - Consumer courts, Ombudsman

#### 1. Integrated Grievance Management System (IGMS)

IRDAI has launched an Integrated Grievance Management System (IGMS) which acts as a central repository of insurance grievance data and as a tool for monitoring grievance redress in the industry.

Policyholders can register on this system with their policy details and lodge their complaints. Complaints are then forwarded to the respective insurance companies.

#### Grievance redressal mechanism

IGMS tracks complaints and the time taken for their redressal. The complaints can be registered at the following URL:

[http://www.policyholder.gov.in/Integrated\\_Grievance\\_Management.aspx](http://www.policyholder.gov.in/Integrated_Grievance_Management.aspx)

#### 2. The Consumer Protection Act, 1986

This Act was passed "to provide for better protection of the interest of consumers and to make provision for the establishment of consumer councils and other authorities for the settlement of consumer's disputes". The Act has been amended by the Consumer Protection (Amendment) Act, 2002.