

INSURANCE SECTOR

1. What is the insurance sector?

Insurance is a type of risk management that is primarily used as a safeguard against the risk of a possible future loss. It can be divided into two types, namely, life insurance and general insurance. While the former provides relief in cases of death or disability, the latter deals with relief in cases other than death.

2. What are the grounds for complaint available?

There can be various grounds for filing of complaints. These include issues such as

- (i) Issues in crediting the amount including situations of delays in granting the amount even after maturity.
- (ii) Other cases of insurance complaints are based on unsatisfactory resolution of complaints, such as inadequate compensation, or negligence of the complaints, or situations where the insurance companies treat the individuals claiming policy maturity compensation wrongly.

3. What are the modes or methods of complaint available?

The consumer can register his complaint through various available mechanisms. These are provided below in a step-by-step manner.

(i) Reaching out to the Insurance Company:

The first step towards resolution of consumer complaints that shall be followed is to register a formal complaint with the insurance company. The consumer shall also attach all the significant documents that substantiate his complaint. The contact details of various [general](#) and [life](#) insurance companies are given on the IRDAI website.

The IRDAI website also provides that a consumer can register his complaint with the Grievance Redressal Officer (GRO) of the insurance company. It is advised that a written acknowledgement

of the complaint shall be taken by the consumer. Moreover, the insurance company shall not take more than two weeks from the date of receipt of complaint for the resolution of complaint.

The contact details of the GROs of various insurance companies is provided in the link given below: [List of GROs - IRDAI](#)

(ii) Reaching the IRDAI Grievance Redressal Cell:

In cases where the insurance company does not resolve the complaint of the consumer within a period of two weeks from the date of receipt of complaint, or when the relief granted is not satisfactory, the consumer can reach out to the online portal of the IRDAI, namely *Bima Bharosa System* (former Integrated Grievance Management System), and can register a complaint. The link for the portal is provided below: [Bima Bharosa](#)

Moreover, the consumer can also send the complaint through mail (complaints@irdai.gov.in) or can also call the toll-free number 155255 (or) 1800 4254 732. Furthermore, a physical complaint can also be sent at the IRDAI's address:

“General Manager

Policyholder's Protection & Grievance Redressal Department- Grievance Redressal Cell,

Insurance Regulatory and Development Authority of India(IRDAI),

Sy.No.115/I,Financial District, Nanakramguda,

Gachibowli, Hyderabad-500032”

An interesting aspect of the complaint redressal system through the Grievance Redressal System of the IRDAI is that only the complaints written by the insured or claimants are entertained, the complaints written by advocates or agents or any other third party on behalf of the consumer are not entertained.

Once registered, the consumer receives a token number which could be used to track the complaint through the *Bima Bharosa System*.

(iii) Reaching out to the Insurance Ombudsman:

An insurance ombudsman has been set up in 2017 by virtue of [The Insurance Ombudsman Rules, 2017](#). The said office acts as an alternate Grievance redressal platform. The intent behind the establishment of the office of the insurance ombudsman is to resolve the grievances of the policyholders in a speedy and cost-effective manner. The office of the insurance ombudsman is under the administrative control of the Council for Insurance Ombudsman (CIO).

To approach the insurance ombudsman, the aggrieved policyholder shall register a complaint with the office of the insurance ombudsman either [online](#) or through written communication, through email or letter. Moreover, it is not required that the person registering the complaint shall be the consumer himself, it can be through the legal heirs, nominees, or assignee of the insurance holder as well.

The insurance ombudsman shall dispose of the complaint within a period of three months from registration, and such a decision shall bind the insurance companies and their intermediaries.

There are a total of 17 ombudsman centres across the country and a complaint shall be filed with the ombudsman under whose jurisdiction, the Branch or office of the insurance company or the intermediaries of such a company falls, or where the residential address or the place of residence of the complainant falls.

(iv) Approaching any other appropriate judicial or quasi-judicial body:

The complainant is free to take the service provider to a court or any other suitable venue (judicial or quasi-judicial). The proceedings in consumer commissions are not mired by the niceties of procedure, allowing the complainant to file a complaint for himself. As a consumer, the aggrieved party can take the service provider to the appropriate consumer commission, based on the pecuniary and territorial jurisdiction. The jurisdictions of the various consumer commissions are as follows-

a) *District Commission:* The aggrieved consumer can reach out to the District Commission under section 34 of the CPA, 2019, which provides that the district commission shall entertain matters where the value of the goods or services paid as consideration does not exceed more than one crore rupees.

b) State Commission: In cases where the value of the goods or services paid as consideration is more than one crore, but less than 10 crores, the consumer can approach the State Commission. Moreover, in cases of unfair contracts, the State Commission has original jurisdiction and the consumer can be directly approached. An appeal against the order of the District Commission can also be made under section 47 of the CPA, 2019.

c) National Commission: The National Commission can entertain matters where the value of goods or services paid as consideration exceeds 10 crores. Section 58 also provides that complaints against unfair contracts can be entertained by NCDRC when the amount of value paid exceeds 10 crores. The NCDRC also has appellate jurisdiction against the orders of any State Commission and Central Authority.

Moreover, it must also be kept in mind, that section 100 of the CPA, 2019 provides that the remedy under CPA is in addition and not in derogation of other available remedies.

Another remedy available to consumers is mediation. Chapter 5 of the Consumer Protection Act provides for establishing mediation cells and resolving consumer complaints using mediation. The following link could be used to file complaints online: [National Consumer Helpline](#)

(v) Central Consumer Protection Authority

If the commission finds violations of rights of consumers or in notice of trade practices which is unfair it can inquire or cause an inquiry, either on receipt of complaint or suo moto or as directed by Central Government. If the commission finds, after preliminary inquiry, of an existence of a prima facie case of consumer rights violation or it is in notice of any unfair trade practice or any wrong or inaccurate advertisement which is prejudicial to public interest or to the interests of the consumers, it can order an investigation by the District Collector or by Director General.

The consumer can complain to the District Collector of the respective district for investigation and subsequent proceedings by the CCPA. He/she/they can also submit a complaint via email, at com-ccpa@nic.in.

4. When would complaints not be accepted?

There are various situations when the complaints of the consumer shall not be accepted, these include filing a complaint with the ombudsman without first reaching out to the insurance

company/insurance broker, the complaint being made is outside the jurisdiction of the insurance ombudsman, or there are no documents substantiating the claims, or the complaint to the insurance ombudsman is not being made within one year from the date of rejection of the complaint by the insurance company, or a period of one month has not elapsed from the expiry of one month of filing the complaint when the insurer has failed to reply.

5. What are the regulatory bodies in this sector?

The Ministry of Finance, Government of India, has authority over the Insurance Regulatory and Development Authority of India (“IRDAI”), a statutory agency entrusted with licensing and overseeing the country's insurance and reinsurance sectors. The Insurance Regulatory and Development Authority Act, 1999 enacted by the Government of India, established the IRDAI. The agency relocated from Delhi to Hyderabad, Telangana, where it now has its main offices. The composition of the authority is specified in Section 4 of the IRDAI Act 1999. It is a ten-member organisation with a chairman, five full-time members, and four part-time members chosen by the Indian government. Recently, in 2017, another rule, establishing the insurance ombudsman office has been passed. One can read more on IRDAI using the following link: [IRDAI](#)

6. What are the rules, Acts, and Guidelines that govern this sector?

Acts-

1- The Insurance Act, 1938

The act aims to amend and consolidate the insurance business by laying down various standards to be followed to be an insurance company. These standards include registration under the Companies Act, licensing from IRDAI, and others.

<https://legislative.gov.in/sites/default/files/A1938-04.pdf>

2- The IRDA Act, 1999

The act provides for the creation of an Authority to safeguard the interests of insurance policyholders, and to control, encourage, and guarantee the insurance industry's orderly expansion.

https://www.indiacode.nic.in/bitstream/123456789/1893/1/A1999_41.pdf

Regulations-

1- IRDA (Protection of policyholders' interests) regulation 2017

The rule provides for the formation of the office of insurance ombudsman under the supervision of the Council for Insurance Ombudsman (CIO).

<https://policyholder.gov.in/w/-protection-of-policyholders-interests-regulations-2017-1>

7. What are the landmark judgements in this sector?

1. *Khatema Fibres Ltd. v. New India Assurance Company Ltd. and Ors.*

In the above case, the Supreme Court observed that the consumer commissions have limited jurisdiction in situations where the insurance company has accepted the insured's claim to the extent of the loss as determined by the surveyor. The insured must be able to prove that the surveyor violated the regulations established by the Insurance Act of 1938 about his obligations, responsibilities, and other professional requirements in order to demonstrate deficit and claim compensation under the Consumer Protection Act, 2019.

2. *Shivram Chandra Jagarnath Cold Storage and Ors.v. New India Assurance Company Limited and Ors.*

In the present case, the insured filed an insurance claim under a policy for stock degradation that covered the stock of potatoes that the insured had kept in cold storage. The surveyor noted that given policy exclusions, the claim should be denied. The Court noted that exclusions are added to shield the insurer from liabilities that it would otherwise bear. Regarding the particular exclusions in the policy, it was determined that the insurer had rightly rejected the claim since

the exception, in this case, was neither overly broad nor incompatible with the primary goal of the insurance policy.

3. *Mavji Kanji Jungi and Ors. v. Oriental Insurance Company Ltd*

According to the judgement of the National Consumer Disputes Redressal Commission, if there is any dispute regarding whether an insurance claim is admissible, the insured shall be given the benefit of the doubt.

4. *Gulab Singh v. HDFC Standard Life Insurance Co. Ltd. & Anr*

In this case, the NCDRC held that the concealment of a material fact, such as the date of birth of the insured, is a valid ground for the dismissal of a complaint. The NCDRC held that insurance contracts are based on utmost good faith and the insured must correctly share all material facts. In another case, *Life Insurance Corporation of India v. Kulwant Kumari*, wherein the court held that burden of proving concealment of material facts is on the insurance company.

8. What is the format of the complaint to be made?

<https://cdrc.gujarat.gov.in/images/pdf/1-CC-Eng.pdf> - DCDRC format.

<https://cdrc.gujarat.gov.in/images/pdf/1-CC-Eng.pdf> - SCDRC format.

<https://ncdrc.nic.in/cc.html> - NCDRC filing.

9. What are the important links and resources?

1. IRDAI Consumer Affairs: [Grievance Redressal Mechanism - IRDAI](#)

[Policyholders Protection and Grievance Redressal - IRDAI](#)

2. Grievance Cell IRDAI: [GRIEVANCE CELL-PPGR - IRDAI](#)

3. Council for Insurance Ombudsman: [About Us CIO](#)

10. What are the other important materials to consider?

52. What consumer should look for before buying a policy?

Consumers should check the premium amount to be paid, whether or not there is availability of guarantee of return, what the lock in period is, return values, what would be implications of premium default, revival conditions of policy, what are the charges that would be deducted, would loan be available etc.

53. What is meant by settlement options?

Settlement option means the facility made available to the policy holder to receive the maturity proceeds in a defined manner (the terms and conditions are specified in advance at the inception of the contract).

54. What is Health Insurance?

The term health insurance is a type of insurance that covers your medical expenses. A health insurance policy is a contract between an insurer and

55. What is the difference between an Insurance Agent and an Insurance Broker?

An insurance agent can represent only one insurer and do business for him. An insurance Broker is basically the representative of the customer and can sell the policies of more than one insurer. In the Indian context an Agent can represent one Life insurer, one Non-Life insurer and one Health insurer. In addition he can represent one credit insurance company and agricultural insurance company too.

56. What is IRDA ?

IRDA is Insurance Regulatory Development Authority. Insurance Regulatory and Development Authority (IRDA) is an autonomous apex statutory body which regulates and develops the insurance industry in India.

57. What is role of IRDA?

Insurance Regulatory and Development Authority of India looks into complaints/grievances from policyholders. This Cell takes up the grievances with the respective insurance companies for redressal.

Policyholders who have complaints against insurers are required to first approach the Complaints/Grievance Redressal Cell of the insurer concerned. If they do not receive a response from the insurer within a reasonable period of time or are dissatisfied with the response of the

company, they may approach the Grievance Redressal Cell in the Consumer Affairs Department of the IRDAI.

58. Does the Insurance Ombudsman operate in any territorial jurisdiction?

Yes, Insurance Ombudsman operates only within the territorial limits specified in IRDAI site under "CONTACT US".

59. What are the Rules of the Insurance Ombudsman Scheme?

The objective of the Insurance Ombudsman Rules is to resolve all insurance related complaints in a cost effective, efficient and impartial manner.

Complaints may pertain to:-

- a) Partial or total repudiation of claims.
- b) Any dispute regarding premium paid or payable in terms of the policy.
- c) Any dispute about the legal construction of the policy relating to claims.
- d) Delay in settlement of claims.
- e) Non-issue of any insurance document to customers after receipt of premium.

These rules are called Public Grievances Rules – 1998 and were notified by the Government of India and published in the Gazette of India on 11.11.1998.

60. How is this territorial jurisdiction to be applied to complaints?

The complaint will lie with the Insurance Ombudsman under whose territorial jurisdiction the Branch or Office of the Insurer complained against is located. However, in case of Group Insurance policies, the complaint may be lodged with the Insurance Ombudsman under whose territorial jurisdiction the place of residence of the complainant falls.

61. Who can approach the Ombudsman?

Any aggrieved individual who has taken an Insurance Policy on personal lines (or if deceased, the legal heir(s) under such policy) can approach the Ombudsman.

62. What are the complaints that are entertained by the Ombudsman?

Complaints pertaining to repudiation of claims totally or partially, delay in settlement of claims, any dispute on the legal construction of the policies in so far as such disputes relate to claims, disputes regarding premiums paid / payable and non-issue of insurance documents.

63. How is the complaint to be lodged?

The complaint is to be made in writing and may be lodged through personal approach or through post / fax / email (followed by hard copy).

64. Is there any time limit to approach the Ombudsman?

Yes. Within one year of the rejection by the insurer of the representation of the complainant or the Insurer's final reply to the representation.

65. Is there any maximum limit for the amount under dispute that can be entertained by the Ombudsman?

Yes. The maximum limit for the amount under dispute for which the Ombudsman can entertain a complaint is up to Rs.20 lakhs.

66. Can a complainant, who has already approached Consumer Forum/court on the same subject, approach the Ombudsman?

No. Any complainant, whose complaint on the same subject matter is or was before a Court/Consumer Forum cannot approach the Ombudsman.

67. What are the prerequisite conditions in short, for lodging a complaint?

- a. The complaint must be by an individual on a 'Personal Lines' insurance and within the terms of reference of the Insurance Ombudsman as set out under the Ombudsman scheme.
- b. A representation should be made to the Insurance Company and either an unsatisfactory reply should have been received or the representation should stand as un-replied for at least 1 month.
- c. The complaint must be lodged within 1 year of the events mentioned in b. above .
- d. The total relief sought must be within an amount of Rs.20 lakhs.
- e. The subject matter of the complaint should not currently be or have earlier been before a Court/Consumer Forum.

68. Should a complainant approach the Ombudsman through a lawyer?

Not necessary, as formal court procedures are not involved.

69. Within what time shall the Ombudsman dispose of the complaint?

In case both parties agree for mediation, the Ombudsman shall give his Recommendation within 1 month; otherwise, he shall pass his Award within 3 months.

70. Can the Ombudsman award ex-gratia payment?

Yes. If the Ombudsman deems it fit in the circumstances of the case, he may award ex-gratia payment.

71. Are there any fees / charges payable for lodging a complaint?

No fees / charges are required to be paid.

72. Does the Ombudsman conduct hearings of the parties?

Yes, wherever considered necessary, the Ombudsman will conduct hearings of both the Parties.

73. If so, can the hearings be conducted outside headquarters?

Yes, hearings may be conducted outside headquarters, where warranted.

74. Can a complaint be lodged against a Private Insurer?

Yes, complaints can be lodged against any Insurer both in Public Sector and Private Sector in both Life and Non-Life sectors.

75. Is there any appeal against a decision given by the Ombudsman?

No, as the Recommendation or Award of the Insurance Ombudsman are both subject to acceptance by the complainant in full and final settlement of the complaint. If such acceptance is not agreeable, the complainant may exercise the right to take recourse to the normal process of law against the insurance company. Further, dismissal of a complaint by the Insurance Ombudsman does not vitiate the complainants' right to seek legal remedy against the insurers complained against, as per normal process of law.

76. Are copies of complaints or queries and correspondence related thereto required to be forwarded to the Office of the Governing Body of Insurance Council?

No, the Ombudsman deals directly with complaint matters.

77. Can information be sought under the Right to Information Act?

Yes, where required, information can be sought from the Public Information Officer of the concerned Ombudsman Centre in the prescribed format, forwarded together with the requisite

prescribed fee. The Appellate Authority vests with a higher ranking official from the concerned Ombudsman Centre.

78. How to make a complaint against an Insurance company?

If you are unhappy with your insurance company, You can approach the Grievance Redressal Officer of its branch or any other office that you deal with. You are required to submit your complaint in writing along with the necessary support documents. You should take a written acknowledgement of your complaint with the date. The insurance company should deal with your complaint within 15 days. If that does not happen or if you are unhappy with their solution you can approach the Grievance Redressal Cell of the Consumer Affairs Department of IRDA: {Having Toll Free Number 155255 (or) 1800 4254 732 or Send an e-mail to complaints@irda.gov.in. In order to make use of the Integrated Grievance Management System: Register and monitor your complaint at www.igms.irda.gov.in alternatively , you may send a letter to IRDAI with your complaint: Please fill up and send the Complaint Registration Form along with any letter or enclosures, if felt necessary, by post or courier to: The GM IRDAI. The General Manager, Consumer Affairs Department - Grievance Redressal Cell, Insurance Regulatory and Development Authority of India (IRDAI) 3-5-817/818, United India Towers, 9th Floor, Hyderguda, Basheerbagh, Hyderabad - 500 02 For more information please visit <http://www.policyholder.gov.in/Ombudsman.aspx>

79. Do I need life Insurance?

Not necessarily, if you have no children or dependents that you support financially, you might not need a life Insurance policy at all. Basically, life insurance provides a solution to those who seek income protection for their families, in case of unfortunate death due to any disease or accident. Life Insurance also facilitates regular saving for creating a corpus for various needs arising in future.

80. Why do insurance companies advise to disclose all the material facts in the proposal for?

It is to be noted that all the disclosures made in a proposal are the basis for underwriting of the policy and therefore any wrong statements or disclosures can lead to denial of coverage at the inception of the policy, cancellation of the policy during its currency or rejection of claim after death of the life assured. So, it is very important that the proposer should disclose all the material facts like health status, age, income details and smoking habits and make correct statements in the proposal form.

81. What are the requirements to be submitted in case of a Maturity Claim?

Usually the Insurance Company will send intimation attaching the discharge voucher to the policyholder at least 1 to 2 months in advance of the date of maturity of the policy intimating the claim amount payable. The policy bond and the discharge voucher duly signed and witnessed are to be returned to the insurance company at the earliest so as to release the insurance company to release maturity payment in time. Please note that if the policy is assigned in favour of any other person, the claim amount will be paid only to the assignee who will also give final discharge.

82. What are special medical reports required to be submitted in Life insurance?

Medical reports depend on the age of entry, sum assured, type of policy, family medical history, special medical reports if required by the insurance company.

83. What documents are required to be submitted in case of death of life assured while the policy is in force?

The basic documents that are generally required are death certificate, claim form and policy bond. Other documents such as medical/hospital records, employer's certificate, police inquest report, post mortem report etc could be called for, as applicable. The claim requirements are usually disclosed in the policy bond.

84. What are the remedies available to insured persons in case of mis-sale of life insurance policies?

The policyholder has a free look period of 15 days (30 days in case of electronic policies and policies obtained through distance mode) from the date of receipt of the policy document, to review the terms and conditions of the policy and if the policyholder disagrees to any of those terms or conditions, he has the option to return the policy to the insurer for cancellation of the policy and get full refund of premium paid.

85. What are the Charges, fees and deductions in a ULIP?

ULIPs offered by different insurers have varying charge structures. Broadly, the different types of fees and charges include Premium allocation charges, Mortality charges. Policy administration charges, surrender charges, fund switching charges etc. However, it may be noted that insurers have the right to revise fees and charges over a period of time.

86. What is a Unit Fund in a ULIP?

The portion of the premium after deducting all the charges including charges for risk cover of life assured is known as Unit fund and the same is invested in equity or debt as per choice of the proposer. At the time of maturity, the unit fund is paid to the policyholder.

87. Is it possible to invest additional contributions above the regular premium in ULIP?

Yes, one can invest additional contribution over and above the regular premiums subject to the feature being available in the product. This facility is known as the "TOP UP" facility.

88. What is the maximum time limit of settlement of Life insurance claims?

As per norms, death claims under a life insurance policy shall be settled within 30 days from the date of receipt of all relevant papers and required clarifications. However, where the circumstances of a claim warrant an investigation in the opinion of the insurer, it shall initiate the same at the earliest and complete such investigation expeditiously, in any case not later than 90 days from the date of receipt of claim intimation and the claim shall be settled within 30 days.

Thereafter:

In respect of Maturity or claim Survival Benefit claims and Annuities, Insurance Company shall initiate the claim process by sending intimation sufficiently in advance or send post-dated cheque or give direct credit to the bank account of claimant through any electronic mode as approved by RBI, so as to pay the claim on or before the due date.

89. Whether any penal interest is paid in case of delay in settlement of Life Insurance claims?

Yes, in respect of any death claim or maturity claim, if there is delay on the part of Insurer beyond the timelines earmarked by IRDAI, the insurer shall pay interest at a rate, which is 2% above bank rate, from the date of receipt of the last necessary document.

90. Is it mandatory to take Life Insurance for availing Home Loan?

No. It is not mandatory. However, securing the property financed under loan, either by way of insurance or other modes, is the prerogative of the lending institutions concerned which may be as per terms and conditions of the loan or may be as per the directives if any, prescribed by the regulator (RBI) governing the lending institution.

91. What is the maximum limit of premium which can be paid in cash?

However, IRDAI has not imposed any limits on cash payment. However as per RBI guidelines, cash payments beyond Rs.50000 should always be accompanied by PAN.

92. What is Pradhan Mantri Vaya Vandana Yojana (PMVVY)?

Pradhan Mantri Vaya Vandana Yojana (PMVVY) is a Government subsidised Pension Scheme for Senior Citizens aged 60 years and above, in which proposer can deposit an amount not more than 15 lakhs for receiving monthly/quarterly/yearly pension varying from Rs. 1000 to 10,000 depending upon amount deposited. The term of the scheme is 10 years. The interest rate contracted at the time of purchase of the policy will remain the same for the entire ten years of the policy term. For the current year (2020-21) the rate of interest is 7.4%. So, it will be an assured return of 7.40% p.a. payable monthly (equivalent 7.66% p.a.) for the full term of 10 years in case of policies purchased during 2020-21.

93. What is the free lookup period in life Insurance ?

This is the prescribed time limit for life insurance policy if consumer want to cancel or change the policy as per requirement .The free look period lasts for 15 days from the date of receipt of policy (policies purchased through distance marketing have the free look period of 30 days). Within these 15 days, the buyer needs to scrutinize the policy document and in case of any mismatch between what was promised and what the customer receives, the latter can return the policy to the company.

Please visit following link for the for more information on life insurance :

http://www.policyholder.gov.in/Life_Handbook.aspx#

Please visit following link for the for more information on health insurance :

http://www.policyholder.gov.in/Health_Handbook.aspx

Please visit following link for the for more information on motor insurance :

http://www.policyholder.gov.in/Motor_Handbook.aspx

94. Should I buy Comprehensive Motor Insurance or Liability Policy only?

Third Party Liability insurance is mandatory for all vehicles plying on public roads in India. This covers Liability for injuries and damages to others that you are responsible for. However, it is prudent to cover loss or damages to the vehicle by way of Comprehensive/Package policy which covers both “Liability” as well as “Own damage” to the insured vehicle. Liability Only cover is also known as Act Only cover.

95. What is the validity period of Motor Insurance?

Unlike life Insurance, a motor policy is usually valid for a period of one year and has to be renewed before the due date. One should pay the premium on time. No Insurer offers a grace period for paying the premium. Incase of lapse of policy by even one day, the vehicle has to be inspected. Moreover, if a comprehensive policy is allowed to lapse for more than 90 days, the accrued benefit of NCB (NoClaim Bonus) is also lost.

In accordance with directions of the Supreme Court, with effect from Oct.2018, liability insurance of new vehicles should be taken for a period longer than one year.

Private cars are required to be insured for three years and new two wheeler vehicles should be insured for minimum five years.

96. What is No Claim Bonus?

No Claim Bonus (NCB) is the benefit accrued to an insured for not making any claims during the previous policy period. As per current norms in India, it ranges from 20% on the Own Damage premium (and not on Liability premium) and progressively increases to a maximum of 50%.

If, however, a claim is lodged, the No Claim Bonus is lost in the subsequent policy period.

NCB is given to the insured and not to the insured vehicle. Hence, on transfer of the vehicle, the insurance policy can be transferred to the new owner but not the NCB. The new owner has to pay the difference on account of NCB for the balance policy period. The original owner can, however, use the NCB on a new vehicle purchased by him.

97. Will my No Claim Bonus get migrated if I want to change my insurance company?

Yes, you can avail of the NCB facility if you change the insurer on renewal. You would have to produce proof of the NCB earned by way of renewal notice from the current insurer. Alternately, you can produce your original expiring policy along with a certification that you have lodged no claims on the expiring policy. For this the proof can be in the form of a renewal notice or a letter confirming the NCB entitlement from the previous insurer.

98. If I get my vehicle fitted with a CNG or LPG kit, is it necessary to inform the Insurance Company?

If a CNG / LPG kit is fitted in the vehicle, the (Road Transport Authority (RTA) office where the vehicle was registered, should be informed so that they make a note of the change in the registration certificate (RC) of the vehicle. The insurance company should also be informed so that the kit is covered on payment of extra premium on the value of the kit.

99. I have sold my vehicle, should I transfer my insurance to the purchaser of the vehicle?

Yes, the insurance should be transferred to the buyer of the vehicle, provided the seller informs in writing of such transfer to the insurance company. A fresh proposal form needs to be filled in by the buyer. There is a nominal fee charged for transfer of insurance along with pro-rata recovery of NCB from the date of transfer till policy expiry. It may be noted that transfer of ownership in comprehensive/package policies has to be recorded within 14 days from date of transfer of ownership in RC failing which no claim will be payable for own damage to the vehicle.

100. Should I continue the insurance in the name of the previous owner even after the vehicle is transferred in RTO records in my name?

No. Registration and insurance of the vehicle should always be in the same name. Otherwise the claim is not payable. A fresh proposal form needs to be filled in. There is a nominal fee charged for transfer of insurance.

101. I have lost the insurance policy. Can I get a duplicate one?

Yes, please approach the same office, which had issued the policy, with a written request. A nominal fee is charged for issuing a duplicate policy copy.

102. What are the documents that are required to be submitted for a Motor Insurance claim?

Generally, the following documents are required to be submitted. However, all the details are mentioned in the policy itself.

Normally, duly filled in claim form, Copy of RC, Copy of driving licence, Original estimate of loss, Original repair invoice and payment receipt are required to be submitted. In serious or major losses, a copy of FIR is also required. In case a cashless facility is availed, only a repair invoice would need to be submitted. In case of theft, original keys of the vehicle and non traceable certificate are also required to be submitted.

103. Why should I buy travel insurance?

To obtain a visa for some countries, overseas travel insurance is compulsory. Even where it is not, it is prudent to obtain a travel insurance policy when you are travelling on business or holiday or for education, research etc as medical treatment costs in many countries are much higher than what they are in India.

104. Can I extend the period of my travel insurance?

You must check with your insurer regarding this as it would depend on the type of policy. Read your policy document and understand what it provides. Most policies, especially overseas travel insurance policies have a provision for one or even two extensions.

105. Do I need prior approval of the insurance company before proceeding with medical treatment in case of contingency abroad?

Normally, prior approval is required in most of the cases though there could be exceptions depending on the emergency involved. Get this aspect clarified at the time of purchasing the policy. Every insurer maintains a list of TPAs for travel within the country and list of claim settling agents for other countries for guidance and settlement of claims of travellers.

106. Can I get a refund under my policy if I cut short my travel?

In case your travel doesn't take off and you show proof of the same, policies would normally provide for premium refund subject to deductions towards administrative costs. Where travel is cut short, policies may or may not allow refund subject to certain conditions. You must read your document and understand whether there is such a provision and if so, how it operates.

107. Is my visa status relevant to obtain overseas travel insurance?

In most cases it would be. Normally, such policies are meant for travellers who visit other countries on business or holiday or education or such other purposes and not for residing permanently abroad.

108. I have taken personal accident policy. I travel to different countries very often for business and at times for leisure. What if I meet with an accident outside India?

You can be rest assured, accident policies offer worldwide coverage. Your claim will be paid even if you meet with an accident overseas.

109. I already have a health and life insurance cover. Why should I buy Personal Accident Insurance?

Life insurance offers a death benefit to your nominee in case you pass away. Health insurance provides compensation and/or reimbursement of hospitalisation and other medical expenses.

A Personal Accident Insurance policy, on the other hand, insures against the financial risk that could arise due to accidental permanent total disability or accidental death of an insured person. In short, the policy is essential as it strengthens your financial portfolio securing the future of dependent family members against unforeseen events.

110. I am a homemaker who spends the majority time at home. Do I also need personal accident insurance?

Accidents can happen to anyone. Motor accidents, rail accidents, natural calamities, the list is endless. These can sound scary. But, getting complacent is not the solution, being financially prepared is. Opting for a Personal Accident Insurance helps you to meet expenses in case a crisis arises.

111. What are the categories under Agriculture?

The activities covered under Agriculture are classified under three sub-categories viz. Farm credit, Agriculture infrastructure, and Ancillary activities.

112. What are the common complaints related to Agriculture?

The agriculture-related complaints are:

- Agri-inputs Like: Seeds; Manures/ Fertilisers; Biocides;
- Lack of Mechanization, Irrigation, Soil erosion, Agri-Marketing, Inadequate Storage Facility, Transportation, Scarcity of Capital

113.. What are the major sources of Agri Credit?

The major sources of Agricultural Credit are:

- Public & Private Sector Banks, Regional Rural Banks, Co-operative Societies, Land Development Banks etc.

114. What are the instructions to Banks with regard to acknowledgement of priority sector loan applications?

Banks should provide acknowledgement for loan applications received under priority sector loan. A time limit is required to be prescribed by the Bank Board within which the bank communicates its decision in writing to the applicants.

115. What is the rate of interest for loans under the priority sector?

The rate of interest on bank loans will be as per directives issued by the Department of Banking Regulation of RBI, from time to time. Priority sector guidelines do not lay down any preferential rate of interest for priority sector loans.

116. Where are the latest instructions on Priority Sector Lending available?

The latest instructions on Priority Sector Lending Targets and Classification have been issued vide RBI Circular FIDD.CO.Plan.BC.04/04.09.01/2015-16 dated July 1, 2015 (amended up to December 15, 2015)

(1) Input Subsidies:

Subsidies can be granted through distribution of inputs at prices that are less than the standard market price for these inputs. The magnitude of subsidies will therefore be equal to the difference between the two prices for per unit of input distributed. Naturally, several varieties of subsidies can be named in this category.

(a) Fertiliser Subsidy:

Distribution of cheap chemical or non-chemical fertilisers among the farmers. It amounts to the difference between price paid to the manufacturer of fertiliser (domestic or foreign) and price, received from farmers.

(b) Irrigation Subsidy:

Subsidies to the farmers which the government bears on account of providing proper irrigation facilities. It may also be through cheap private irrigation equipment such as pump sets.

(c) Power Subsidy:

The electricity subsidies imply that the government charges low rates for the electricity supplied to the farmers. Power is primarily used by the farmers for irrigation purposes.

(d) Seed Subsidies:

High yielding seeds can be provided by the government at low prices. The research and development activities needed to produce such productive seeds are also undertaken by the government; the expenditure on these is a sort of subsidy granted to the farmers.

(e) Credit Subsidy:

It is the difference between interest charged from farmers, and the actual cost of providing credit, plus other costs such as write-offs of bad loans. Availability of credit is a major problem for poor farmers.

117. Is Insurance compulsory?

Yes, The primary assets, like Crop, Agri-produce, Agri-implements like tractor, Pumps, etc acquired under credits are necessarily insured.

118. What is AGMARKNET?

Agmarknet portal is a govt. of India portal on agricultural marketing backed by a wide area information network connecting agricultural markets, State Marketing boards/Directorates.

119. What is the content of AGMARKNET?

The Portal provides both static and dynamic information relating to agricultural marketing in India. The static information is about infrastructure-related (Storage, warehousing, Cold Storage, grading, and packing facilities), Market-related (market fee/ charges, weighment, handling, market functionaries, development programs, market laws, composition of market Committees, income and expenditure, etc), and Promotion-related information (Standards, Grades, Labelling, Sanitary and Phyto-Sanitary).