



बीमा विनियामक और विकास प्राधिकरण

**INSURANCE REGULATORY AND
DEVELOPMENT AUTHORITY**

CIRCULAR

No: IRDA/ACTL/REG/CIR/197/09/2013

Date: 30th September, 2013

To

All Life Insurance Companies

Sub: IRDA (Non-Linked Insurance Products) Regulations, 2013 & IRDA (Linked Insurance Products) Regulations, 2013 and the clarifications circulars dated 20/06/2013 & 28/06/2013 respectively

1. The Authority received representations from the industry seeking extension of time for implementation of the IRDA (Non- Linked Insurance products) Regulations, 2013 & IRDA (Linked Insurance products) Regulations, 2013 in respect of the Individual products, to enable the insurer to cope up with the system readiness /deployment for the products cleared and to address other issues such as training for the field force etc.,.

2. After detailed examination of such representations, in order to allow insurers time to withdraw the existing products in a phased manner and to launch the products under the new regulations during the extension period, the Authority in exercise of the provisions conferred under Section 14 (2) of the IRDA Act, 1999, Regulations 49 & 51 of IRDA (Non-Linked Insurance products) Regulations, 2013 and Regulations 66 & 68 of IRDA (Linked Insurance products) Regulations, 2013, issue this circular in the form of an addendum to IRDA (Non-Linked Insurance products) Regulations, 2013 & IRDA (Linked Insurance products) Regulations, 2013.

3. In this regard, Regulation 47 (e) of IRDA (Non-Linked Insurance products) Regulations, 2013 and 64 (e) IRDA (Linked Insurance products) Regulations, 2013 shall be modified as below:

“All the existing group policies and all the existing individual products not in conformity with the provisions of this regulation shall be withdrawn from 1st August, 2013 and 01st January, 2014 respectively. Once the product is withdrawn no new members shall be enrolled into the existing group policies after the immediate policy anniversary falling due after 31st July, 2013. However, all group policies at the time of renewal of such policy shall be given an option to switch over to the modified version of the group product, if any, once introduced. Those group policies which do not switch over to the modified version:

- i) may continue to be renewed under the old policy;
- ii) closed to new members and

iii) specific written consent is obtained by the group policyholder to continue in the old policy”.

4. In view of the said extension, products which have the below mentioned features shall be withdrawn immediately and shall not be offered for sale from 01st October, 2013:

- a. **Products with Highest NAV guarantee and with fund level guarantees.**
- b. **Products where benefits are linked to any external index.**

5. It is also clarified that all individual products filed after 30th September, 2013 shall be considered for approval in due course along with all other products received.

6. In this regard, the following information shall be submitted to the Authority:

- a. Statement with details (name of the product, UIN No. etc.,) of the products withdrawn in line with 4 above. The statement shall be submitted within one week from the date of this circular.
- b. A weekly statement with details of the products launched and products withdrawn in accordance with the Annexure enclosed. The statement shall be submitted starting from the end of the first week of October' 2013.
- c. Statement indicating details (name of the product, UIN No. etc.,) of the total products withdrawn (including 6 (a) above). The statement shall be submitted within one week from 31st December, 2013.

All insurers are advised to ensure necessary compliance. Any non-compliance will attract regulatory action under the provisions of the Insurance Act, 1938, Insurance Regulatory and Development Authority Act, 1999 and the relevant regulations framed there under.



(T.S. Vijayan)
(Chairman)

Annexure

Weekly Statement on products to be launched and to be withdrawn:

Period for which the statement is submitted: DD/MM/YY to DD/MM/YY

Weekly Statement on products						
Name of the insurer	No of products which are non-compliant with the regulations-yet to be withdrawn	No of products withdrawn during the week, out of (a)	Cumulative products withdrawn	No of products approved as per regulations , but not launched	No of products launched during the week, out of (d)	Cumulative products launched under the regulations
	(a)	(b)	(c)	(d)	(e)	(f)

Signature of the Compliance Officer

Date