GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

RAJYA SABHA
UNSTARRED QUESTION No. 1824
ANSWERED ON TUESDAY, 4 AUGUST, 2026/ 13 SHRAVANA, 1948 (SAKA)

DIFFICULTIES FACED BY POLICY HOLDERS

1824 SHRI KARTIKEYA SHARMA:

Will the Minister of Finance be pleased to state?

(a) whether Government has undertaken any assessment of the difficulties faced by policyholders in obtaining settlement of health and life insurance claims;
(b) the insurer-wise details of claim settlement ratio, average claim settlement time, claim repudiation ratio and grievances received during the last three years;
(c) the major reasons identified for delay or rejection of insurance claims and the measures taken to address such issues; and
(d) the measures taken to improve transparency, accountability and ease of claim settlement for policyholders?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)

(a): Insurance Regulatory and Development Authority of India (IRDAI) monitors insurers' claims settlement practices on an ongoing basis through analysis of regulatory returns, supervisory oversight, analysis of claims-related data and policyholder grievances received under the Bima Bharosa portal and other grievance redressal mechanisms. Based on such monitoring, IRDAI takes appropriate regulatory and supervisory measures, wherever necessary, to strengthen claims settlement processes and safeguard the interest of policyholders.

(b): IRDAI has informed that there are no standard industry-wide definitions of Claims settlement ratio, Average Claims Settlement Time, and Claim Repudiation Ratio. Hence, these details are not published by IRDAI. However, insurer-wise grievance details for FY 2023-24,2024-25 and 2025-26 are enclosed as Annexure**.**

(c) and (d): Insurance claims are processed by insurers in accordance with the terms and conditions of the respective insurance policies. The major reasons for delay or rejection of Life Insurance claims include non-disclosure or misrepresentation of material facts at the proposal stage, incomplete or inconsistent claim documentation, extended investigations in early death claims, suspected fraud etc. In Health Insurance, claims may be repudiated due to policy exclusions, exhaustion of the sum insured, non-disclosure or misrepresentation of material facts, established fraud etc. Delays may occur due to incomplete documentation, need for additional medical records or clarifications, verification of disclosures etc. In General Insurance, delays in settlement may arise due to the time required for loss assessment surveys, completion of repairs, determination of the quantum of loss in large claims, submission of mandatory documents such as FIRs, or prolonged negotiations etc. Claims may be rejected where they are not admissible under the policy terms and conditions, involve fraud, result from non-compliance with policy terms or warranties etc.

To facilitate timely and fair settlement of claims, IRDAI has prescribed a comprehensive regulatory framework under IRDAI (Protection of Policyholders' Interests, Operations and Allied Matters of Insurers) Regulations, 2024, read with the Master Circular on Protection of Policyholders' Interests, 2024. The framework, inter alia, provides for the following measures:

1. Policy documents are required to clearly specify the claim procedure and the documents required for settlement of claims.
2. Claims may be intimated through multiple channels, including online platforms, distribution channels and authorised call centres. Insurers are required to provide necessary assistance for registration of claims.
3. Insurers are required to process and settle claims within the prescribed turnaround times. In case of delay beyond the prescribed timelines, insurers are required to pay interest at the bank rate plus two per cent from the date of receipt of claim intimation till the date of payment, which is to be paid suo motu.
4. Insurers are required to ensure fair treatment of claimants and ensure expeditious settlement of claims.
5. No claim shall be rejected or closed solely on the grounds of delayed intimation or for want of documents.
6. In health insurance, insurers and Third-Party Administrators (TPAs) are required to obtain necessary claim documents directly from hospitals. Further, no health insurance claim may be repudiated without the approval of the Product Management Committee (PMC) or the Claims Review Committee (CRC). The reasons for repudiation or partial disallowance are required to be communicated with reference to the relevant policy terms and conditions.
7. Policyholders who are not satisfied with the insurer's decision may avail of the grievance redressal mechanism of the insurer and, thereafter, approach the Bima Bharosa Portal and the Insurance Ombudsman, as applicable. In addition, the complaints can also be registered on Centralised Public Grievance Redress and Monitoring System (CPGRAMS) portal of the Government of India.

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Annexure

Annexure referred in reply to part (b) of Rajya Sabha Unstarred Question No. 1824 for 04.08.2026 on the subject "Difficulties faced by policy holders"

S. No	Company	2023-24	2024-25	2025-26
1	Acko General Insurance Limited	1346	1441	1455
2	Acko Life Insurance Ltd	-	213	331
3	Aditya Birla Health Insurance Co. Limited	3918	5329	7154
4	Ageas Federal Life Insurance Company Ltd	496	407	389
5	Agriculture Insurance Company of India Limited	1397	1098	1828
6	Aviva Life Insurance Company India Limited	857	684	694
7	Axis Max Life Insurance Limited	4290	5165	7486
8	Bajaj General Insurance Limited	2849	3807	5310
9	Bajaj Life Insurance Limited	3054	3827	4420
10	Bandhan Life Insurance Limited	236	309	418
11	Bharti-Axa Life Insurance Company LTD	2793	3892	3167
12	Birla SunLife Insurance Company Limited	1404	1494	1784
13	Canara HSBC Life Insurance Company Limited	1037	1186	886
14	Care Health Insurance Limited	6489	10281	15359
15	Cholamandalam MS General Insurance Company Ltd.	1794	3467	9479
16	CreditAccess Life Insurance Limited	-	12	8
17	Edelweiss Life Insurance Company Limited	965	910	1001
18	Export Credit Guarantee Corporation of India Ltd	280	220	940
19	Galaxy Health Insurance Company Limited	-	-	22
20	Generali Central Insurance Company Limited	887	1211	1336
21	Generali Central Life Insurance Company Limited	761	804	979
22	Go Digit General Insurance Limited	1738	2362	3321
23	Go Digit Life Insurance Limited	52	206	971
24	HDFC Ergo General Insurance Company Ltd.	6020	7326	7849
25	HDFC Life Insurance	4035	4750	7183
26	ICICI Lombard General Insurance Company Limited	5171	7782	11252
27	ICICI Prudential Life Insurance Company Ltd	3629	3557	4972
28	IFFCO TOKIO General Insurance Co. Ltd.	1894	3697	5254
29	IndiaFirst Life Insurance Company Limited	2367	1803	2027
30	IndusInd Nippon Life Insurance Company Limited	1091	1288	1425
31	Kotak Life Insurance Company Ltd	1561	1911	1816
32	Kshema General Insurance Limited	-	276	321
33	Liberty General Insurance Limited	624	609	1003
34	Life Insurance Corporation of India	81021	74104	59313
35	Magma General Insurance Limited	479	673	1021
36	ManipalCigna Health Insurance Company Limited	1707	2041	4022
37	Narayana Health Insurance Limited	-	3	16
38	National Insurance Company Limited	5671	12859	10266
39	Navi General Insurance Limited	471	367	422
40	Niva Bupa Health Insurance Company Limited	5165	7970	12320
41	PNB MetLife India Insurance Company Ltd.	2353	2296	2961
42	Pramerica Life Insurance Limited	306	588	1246

S No.	Company	2023-24	2024-25	2025-26
43	Raheja QBE General Insurance Company Limited	116	273	159
44	Reliance General Insurance Co Ltd	2644	3396	4990
45	Royal Sundaram General Insurance Co. Limited	845	1052	1712
46	Sahara India Life Insurance Co. Ltd.	216	346	134
47	SBI General Insurance Co. Ltd.	2289	4503	5319
48	SBI Life Insurance Co. Ltd.	2952	3041	5711
49	Shriram General Insurance Co. LTD.	908	3733	1893
50	Shriram Life Insurance Company Ltd.	1290	2869	3070
51	Star Health And Allied Insurance Company Limited	16572	20527	25278
52	Star Union Dai-ichi Life Insurance Company Limited	1314	1376	2034
53	Tata AIA Life Insurance Company LTD	2651	3391	4601
54	TATA AIG General Insurance Company Ltd.	3793	3577	7651
55	The New India Assurance Co. Ltd.	6597	7768	9386
56	The Oriental Insurance Company Ltd.	3831	6854	6606
57	United India Insurance Company Limited	7183	10126	11813
58	Universal Sompo General Insurance Company Limited	1255	1259	1594
59	Zuno General Insurance Ltd	170	491	548
60	Zurich Kotak General Insurance Company (India) Ltd	735	983	1542
Grand Total		**215569**	**257790**	**297468**

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