

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

LOK SABHA

UNSTARRED QUESTION NO. 16

TO BE ANSWERED ON 2nd February 2018/ Magha 13, 1939 (Saka)

Settlement of Insurance Claims

16. SHRI MOHITE PATIL
VIJAYSINH SHANKARRAO:
SHRI P. R. SUNDARAM:
SHRI DHANANJAY MAHADIK:
DR. J. JAYAVARDHAN:
SHRI SATAV RAJEEV:
DR. HEENA VIJAYKUMAR GAVIT:

Will the Minister of FINANCE be pleased to state:

- (a) the number of complaints received by private and public sector insurance companies for settlement of claims during the last three years;
- (b) the details of the premium collected and claims settled by the public sectors as well as private sector insurance companies during the last three years;
- (c) whether Public Sector Insurance companies are ahead of private life insurance companies in paying out claims;
- (d) if so, the ratio of settlement of claim of public and private sector insurance companies for the financial year 2017;
- (e) whether there is any monitoring mechanism for timely settlement of claims and if so, the details thereof; and
- (f) the other steps taken by the Government to protect the interest of public for getting speedy settlement of their insurance claims?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI SHIV PRATAP SHUKLA)

- (a) The number of complaints received by private and public sector insurance companies in Life Insurance Business and General Insurance Business during last 3 years are given in Annexure-1.
- (b) The details of the premium collected and claims settled by the public sectors as well as private sector insurance companies during the last three years is given in Annexure 2.
- (c) and (d) Public Sector Life Insurance Company- Life Insurance Corporation of India (LIC) is ahead of private life insurance companies in the settlement of claims. The percentage of death claims paid during 2016-17 is as under:

	Percentage of claims settled
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Life Insurance Corporation of India	98.31%
Insurers- Private Sector Life Insurance Companies	93.72%

(e) Insurance Regulatory and Development Authority of India (IRDAI) monitors the claims payment position of the insurance companies by collecting periodical data pertaining to claims. Apart from this, IRDAI periodically carries out onsite inspection of insurance companies.

(f) IRDAI has constituted an Integrated Grievance Management System (IGMS) for real time monitoring of all policy related grievances from consumers. Provisions have also been made under IRDAI (Protection of Policyholder's Interest) Regulations, 2017 for speedy settlement of insurance claims of policyholders.

Annexure -I referred to in reply to part (a) of Lok Sabha Un-Starred Question No. 16 for 02.02.2018

The number of complaints are given as under:

Type	2014-15	2015-16	2016-17
Life Insurer- Public Sector	16769	13588	9222
Life Insurer- Private Sector	14307	11161	8161
General Insurer- Public Sector	9716	10722	12101
General Insurer- Private Sector	16751	15758	15536

Annexure –II referred to in reply to part (b) of Lok Sabha Un-Starred Question No. 16 for 02.02.2018

The data on premiums and claims settlement in respect to Life Insurance and General Insurance (including Health Insurance) business for last three years.

I. Life Insurance

Type	Total Premium of Life Insurers (Rs. In Crore)		
	2014-15	2015-16	2016-17
Life Insurer- Private Sector	88434.35	100499.03	117989.25
LIC of India	239667.65	266444.21	300487.36
Total	328102.01	366943.23	418476.61

Data of Death Claims Settled

Type	2014-15				2015-16				2016-17			
	Individual		Group		Individual		Group		Individual		Group	
	No.	Amount (Rs.in Cr)	No.	Amount (Rs.in Cr)	No.	Amount (Rs.in Cr)	No.	Amount (Rs.in Cr)	No.	Amount (Rs.in Cr)	No.	Amount (Rs.in Cr)
Life Insurer- Private Sector	109007	2733.49	176014	1483.55	104922	2946.49	281893	2303.00	103194	3265.09	425155	3239.56
LIC of India	742243	9055.18	272811	2037.27	749249	9690.17	246745	2494.03	756399	10585.53	290148	2995.61
Total	851250	11788.67	448825	3520.82	854171	12636.66	528638	4797.03	859593	13850.62	715303	6235.17

II. General Insurance (including Health Insurance)

Type	Gross Direct Premium (Rs. In crore)		
	2014-15	2015-16	2016-17
General Insurers- Private Sector	35090	39693	53805
General Insurers- Public Sector	42549	47691	60218
Standalone Health Insurers	2943	4154	5858
Specialised Insurers (ECGC & AIC)	4102	4842	8247
Total	84684	96380	128128

Insurer	Claims Settled (Rs. In crore)		
	2014-15	2015-16	2016-17
General Insurers- Private Sector	19509	24550	26337
General Insurers- Public Sector	31246	36372	45749
Standalone Health Insurers	1,398	1,966	2,708
Specialised Insurers (ECGC & AIC)	5103	4042	3622
Total	57257	66929	78415