

**INSURANCE REGULATORY AND DEVELOPMENT AUTHORITY (Micro Insurance)
(Modifications) DRAFT REGULATIONS, 2014**

F. No. IRDA/Reg/xx/2014 —. In exercise of the powers conferred by section 114A of the Insurance Act, 1938 (4 of 1938) read with sections 14 and 26 of the Insurance Regulatory and Development Authority Act, 1999 (41 of 1999) the Authority in consultation with the Insurance Advisory Committee, hereby makes the following regulations, to further modify the Insurance Regulatory and Development Authority (Micro Insurance) Regulations, 2005, namely:-

1. **Short title and commencement — (1)** These regulations may be called the Insurance Regulatory and Development Authority (Micro Insurance) (Modification) Regulations, 2014.
2. They shall come into force on the date of their publication in the Official Gazette.
3. In the Insurance Regulatory and Development Authority (Micro Insurance) Regulations, 2005

(a) Insert after Regulation (2) (d) the following as Regulation (2) (d) (i)

- **2 (d) (i)**:Notwithstanding Regulation 2 (d) General Insurance policies issued to Micro, Small and Medium Enterprises as defined in Section (7) of Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 under various classes of non-life insurance business will be also qualified as non-life micro insurance business up to Rs 25000 premium p.a. per MSM Enterprise.

(b) Amend Regulation 2 (e) as;

(e) “life micro-insurance product” means a life insurance product designed as per terms stated in Schedule II appended to these regulations;

(c) amend Regulation (2) (f) as

- “micro-insurance agent” means - (i) a Non-Government Organisation (NGO); or (ii) a Self-Help Group (SHG); or (iii) a Micro-Finance Institution (MFI) or (iv) District Cooperative Banks licensed by Reserve Bank of India subject to being eligible as per extant norms of Reserve Bank of India (v) "Regional Rural Bank" established under Section (3) of Regional Rural Banks Act, 1976 subject to being eligible as per extant norms of Reserve Bank of India (vi) Urban co-operative banks licensed by Reserve Bank of India subject to being eligible as per extant norms of Reserve Bank of India (vii) Primary Agricultural Cooperative Societies (viii) Cooperative Societies registered under any of the Cooperative Societies Acts (ix) Companies registered under Companies Act,

1956 that are appointed as Banking Correspondents by Nationalized Banks in accordance to the extant norms of RBI (x) Individual Owners of Kirana Shops located in Rural Areas (xi) Individual Owners of Public Call Offices located in Rural Areas (xii) Individual Owners of Petrol Bunk located in Rural Areas (xiii) Individual Owners of Fair Price Shops located in Rural Areas (xiv) Individual Owners of Medical shops located in Rural Areas who is appointed by an insurer to act as a micro-insurance agent for distribution of micro-insurance products.

Explanation.—For the purposes of these regulations,—

(I) *Non-Government Organisation (NGO)* means a non-profit organization registered as a society under any law, non-profit organizations registered with non-profit objective under Section 25 of Companies Act, 1956 and has been working at least for three years with marginalized groups, with proven track record, clearly stated aims and objectives, transparency, and accountability as outlined in its memorandum, rules, by-laws or regulations, as the case may be, and demonstrates involvement of Committed people.

(II) *Self-Help Group (SHG)* means any informal group consisting of ten or more persons and has been working at least for three years with marginalized groups, with proven track record, clearly stated aims and objectives, transparency and accountability as outlined in its memorandum, rules, by-laws or regulations, as the case may be, and demonstrates involvement of committed people.

(III) *Micro-Finance Institution* means any institution or entity or association registered under any law for the registration of societies or co-operative societies, as the case may be, *inter alia*, for sanctioning loan/finance to its members;

(IV) The entities referred from (i) to (ix) at Regulation 2 (f) above who are already engaged in soliciting the insurance business or appointed as Referral Company are not eligible to be appointed as Micro Insurance Agents.

(v) The individuals referred from (x) to (xiv) at Regulation 2 (f) above who are already engaged in soliciting the insurance business or appointed as Specified Persons of Corporate Agents, Micro Insurance Agents or employees of Insurance Brokers are not eligible to be appointed as Micro Insurance Agents.

(vi) Individuals referred from (x) to (xiv) at Regulation 2 (f) above, who are appointed as Business Correspondents in accordance to the extant RBI Guidelines with any of the Scheduled Commercial Banks only are eligible for appointment as Micro Insurance Agents.

(vi) The onus of proving ownership of individuals referred from (x) to (xiv) at Regulation 2 (f) above rests with the Insurers.

(vii) The definition of 'rural' for the purpose of these regulations is to be followed as defined in Regulation 2 (c) of IRDA (Obligations of Insurers to Rural and Social Sectors) Regulations, 2002.

- (d) Insert after Regulation 2(g) the following as Regulation 2(g)(i)
- For the purpose of these Regulations Micro Insurance is the insurance provided through the Micro Insurance Products approved under these regulations.

(e) Modify existing Regulation 4 as 4 (i)

(f) Insert after Regulation (4 (i)) the following as Regulation (4) (ii)

- 4 (ii): A General Insurance Company has; (a) the option of appointing Micro Insurance Agents either in any one sector of; Micro Enterprises or Small Enterprises or Medium Enterprises or for all three or any combination of two (b) the prerogative of appointing Micro Insurance Agents for various classes of business either independently to each class of business or any combination thereof or to all non-life classes of business as a whole (c) the prerogative of appointing Micro Insurance Agents in these combinations either in the Manufacturing Sector or in the Service Sector or in both.

(g) Modify the existing Regulation 5 (2) as follows;

A micro insurance agent may work with One Life Insurance Company and one General Insurance Company. In addition to this a Micro Insurance Agent may also work with Agriculture Insurance Company of India Ltd for distributing micro insurance products of Crop Insurance and with any one of the standalone life insurance companies registered with the Authority for distribution of health insurance products of the respective standalone health insurance company.

(h) Insert after Regulation 5 (2), the following as Regulation 5 (2) (i)

- **5 (2) (i)**:In addition to One Life Insurance Company and one General Insurance Company, a Micro Insurance Agent may work with Agriculture Insurance Company of India Ltd for distributing micro insurance products of Crop Insurance and with any one of the standalone life insurance companies registered with the Authority for distribution of health insurance products of the respective standalone health insurance company.

(i) Insert after Regulation 5 (3) (c) the following, as Regulation 5 (3) (c) (i) and 5 (3) (c) (ii)

- 5 (3) (c) (i) Every Insurer shall mandate that their respective Micro Insurance Agents shall issue acknowledgement receipts on collection of premiums and every Insurer shall put in place procedures to enable Micro Insurance Agents issue such acknowledgment receipts.

- 5(3) (c) (ii) Insurers are accountable to the premium acknowledgements issued by their respective Micro Insurance Agents.
- (j) Insert after Regulation 5 (4) the following as Regulation 5 (4) (a), Regulation 5 (4) (b) and Regulation 5 (5), 5 (6), 5(7) and 5 (8)
- 5(4) (a): An Insurer may enter into a deed of agreement with a person or entity whose micro insurance agency agreement was terminated (other than on the grounds of fraud / misconduct) after the expiry of 3 months from the date of termination of the said agreement. No Insurer shall re-appoint a Micro Insurance Agent who was terminated on grounds of fraud or misconduct.
 - 5 (4) (b): In case of termination of a Micro Insurance Agent, the lapsed Micro Insurance policies of the terminated Micro Insurance agent may be allotted to another in force Micro Insurance Agent of the same insurer by obtaining the prior consent of such micro insurance agent, for the purpose of conservation and rendering effective policy service to the Micro Insurance policyholders. The Micro Insurance agent who is allotted such lapsed Micro Insurance Policies is entitled to remuneration / commission as per the micro insurance product norms. Remuneration / Commission is payable only on receipt of micro insurance premium.
 - 5 (5): Every Insurer shall carry out due diligence before appointing a Micro Insurance Agent with regard to the reputation, track record and ability to function in compliance with the regulations and in the best interests of policy holders.

(k) Obligations of Insurers and Micro Insurance Agents towards claim settlements

- **5 (6)**: In order to ensure that the objective of taking the micro insurance policy is fulfilled in respect of those beneficiaries / policyholders who are under distress owing to the occurrence of the contingent event covered in the insurance policy all the insurers shall sensitize the Micro Insurance Agents on the need of inculcating the awareness amongst micro insurance policyholders on the availability of insurance coverage against specific insurance events covered.
- **5 (7)**: As part of training programme the Micro Insurance Agents shall be apprised of their obligation to intimate the insurer in the event of occurrence of contingent event covered in the underlying policy of micro insurance.

- **5 (8):** Under certain circumstances, like non receipt of premiums or happening of any calamity in the concerned area which comes to the knowledge of Insurer, the life insurers may proactively notify the Micro Insurance Agent to enable it to examine the status of the micro insurance policy holder / subject matter of insurance covered under micro insurance policy.

(l) Modify Regulation 6 as Regulation 6 (1)

(m) Insert after Regulation 6 (1), the following as Regulation 6 (1) (i), 6 (1) (ii) and 6 (1) (iii)

- 6 (1) (i): A specified Person who resigned from a Micro Insurance Agent is eligible for reappointing as a specified person of other Micro Insurance Agent or any other licensed Corporate Agent only after the expiry of 3 months from the date of resignation.
- 6 (1) (ii): No Micro Insurance Agent shall employ the specified person working for another Micro Insurance Agent.
- 6 (1) (iii): No Micro Insurance Agent shall employ the licensed individual insurance agents, specified persons of licensed corporate agents and employees of Insurance Brokers who are eligible to solicit insurance business as its specified persons.

(n) Insert the following as Regulation 9 (3) to 9(7) after 9(2).

- 9 (3): In order to protect the financial interests of the micro insurance policyholders or beneficiaries, all claim amounts shall be paid by specifically drawing the cheques in the name of the respective policyholders / beneficiaries. No portion of claim amounts shall be paid to any third party other than the policyholder or the beneficiary.
- 9 (4): Notwithstanding the provisions of Regulation 9 (1), on the option exercised by the Micro Insurance Policyholder at the time of applying for Micro Insurance, the Insurers may issue cards evidencing the policy contract. The card shall carry the minimum information of; the name of the policy holder, the policy number, premium payable and the sum assured covered along with the name and logo, if any, of the insurer. Where the cards are substituted for the policy contracts, the insurer shall forward a policy information sheet containing the underlying benefits and exclusions, along with the card at the time of issuance of the policy. The evidence of payment of policy stamp may be shown on the policy information sheet.

- 9 (5): The Micro Insurance Policyholder may be informed that they are entitled to get the detailed terms and conditions of the policy contract through their respective micro insurance agents.
- 9 (6): Where the cards are issued substituting the policy documents all the details of the terms and conditions of the policy shall be made available to the respective Micro Insurance Agents to enable them to discharge their functions envisaged under Regulation (5) (3).
- 9 (7): Where the cards are issued substituting the policy documents, immediately after receipt of the death claim intimation, the Life Insurer shall forward the underlying terms and conditions of the policy contract or a detailed write up as envisaged in the proviso to Regulation 9 (1) in the respective regional language of the beneficiary.

(o) Modify Regulation 11 as Regulation 11 (1)

(p) Insert after Regulation (11 (1)), the following as Regulation 11 (2)

- 11 (2): Every Insurer carrying non life insurance business shall impart at least fifty hours of training at its expense in the local vernacular language to those micro insurance agents who are appointed to distribute non life policies to MSME Sector in accordance to Regulation 4 (ii) of these regulations in those lines of business to which such Micro Insurance Agent is appointed. The training referred herein is in addition to the twenty-five hours training referred at Regulation 11 (1).
- 11 (3): The number of hours of training referred at Regulation 11 (1) and 11 (2) shall be imparted as refresher training on the expiry of every spell of three years from the date of entering into the agreement.

(q) Insert after Regulation (12) (3) the following as Regulation 12 (4)

- **12 (4)**:The remuneration under Micro Insurance products payable to licensed Insurance Intermediaries other than the Micro Insurance Agents shall be in accordance to the provisions of the respective applicable Regulations/Ins Act provisions

(r) Read existing Regulation (13) as Regulation 13 (1)

(s) After Regulation 13 (1), Insert the following as Regulation 13 (2) to 13 (18)

- **13 (2)**: The provisions of IRDA (Standard Proposal Form for Life Insurance) Regulations, 2013 are not applicable to Life Micro Insurance Products.

- 13 (3):The Provisions of IRDA (Linked Insurance Products) Regulations, 2013, IRDA (Non Linked Insurance Products) Regulations, 2013 and IRDA (Health Insurance) Regulations, 2013 are not applicable to the Micro Insurance Products approved as per the provisions of the IRDA (Micro Insurance)(Modification) Regulations, 2014 as modified from time to time.-

Provisions governing Life Micro Variable products

- 13 (4):Notwithstanding anything contrary to the provisions of any other regulations for the time being in force, the Life Micro Insurance Products (including Micro Variable Life Insurance Products) shall be subject to the following regulations.

Explanation: *For the purpose of these regulations a Micro Variable Life Insurance Product is defined as a life insurance product which, apart from offering Life Insurance Coverage, is characterized by a policy account for each policy to which premiums net of charges, if any, are credited and other applicable charges are recovered from the policy account and the balance in the policy account reflects the accruals to the policyholder or beneficiary.*

- 13 (4) (i): The death benefit under Micro Variable Life Insurance Product may be offered **either** (i) the sum assured as agreed in the policy plus the policy account value **OR** (ii) the higher of the sum assured as agreed in the policy or the policy account value, subject to the terms and conditions of the policy contract. The Guaranteed Maturity Benefit shall be the higher of the total premiums paid including top-up premiums paid compounded at 1% p.a. till the date of Maturity or balance in the Policy Account.
- **13 (4) (ii): Lock-in Period:** All micro variable life insurance products shall have a lock-in period of five years from the date of inception of the policy during which period surrenders are not to be allowed, but partial withdrawals may be permitted subject to regulation 13(4)(v).

Explanation: Lock-in period for the purpose of these regulations means the period of five consecutive years from the date of commencement of the policy.

- 13 (4) (iii):The Insurers may at their discretion, based on features of the Micro Insurance Product, permit the flexible premium payment options to enable the micro insurance market segment to remit the premiums in part of the modal

installments, including premium remittances up to 12 calendar months in advance from the due date.

- 13 (4) (iv): Where premiums are allowed to be remitted in advance, the micro insurance products shall offer a discount at a rate, not less than the rate that is filed under File and Use of the respective products.
- 13 (4) (v): Subject to the terms and conditions of the policy contract, insurers may offer the benefits of partial withdrawals from the policy account value from the second policy year onwards, subject to ensuring maintenance of minimum balance equivalent to one annual premium in the policy account.
- 13 (4) (vi): **Guaranteed Interest Rates**: The following interest shall be credited to the Policy Account of Micro Variable Life Insurance products till Maturity or death or surrender whichever is earlier. The insurers shall state specific MFR and AIR at the outset in the file and use application with respect to (i) and (ii) below:
 - i. Minimum Floor Rate (MFR): Minimum of 1% p.a. of the balance in the Policy Account to be credited at the beginning of each quarter till maturity or death or surrender whichever is earlier.
 - ii. Additional Interest Rate (AIR): In addition to the MFR above:
 - a. Minimum of 4% p.a. of the balance in the Policy Account to be credited to the Policy Account at the beginning of each quarter for the first 5 years and
 - b. Subsequently, minimum of 0.5% p.a. of the balance in the Policy Account credited to the Policy Account at the beginning of each quarter for the remaining years.
 - iii. Residual Addition (RA): In addition to the MFR and AIR above, RA shall be credited from end of 5th policy year and onwards to meet RIY requirement. This Interest will not be applicable for policies which are discontinued within the lock in period of 5 years and are subsequently not revived.

Acquisition of Surrender Value under Life Micro Insurance products:

- 13 (5): The guaranteed surrender value, payable after elapsation of at least three years from the date of commencement of the policy, shall not be less than the premiums paid if at least one full year's premium has been received under the policy.
- 13 (5) (a): *Where premiums are continuously paid for at least three consecutive years, the Life Insurers shall offer the special surrender value if higher than guaranteed surrender value which shall be filed under the File*

and Use. The special surrender value acquired shall reflect the possible asset share as on date of surrender.

- 13 (6):The surrender value shall be the higher of the guaranteed surrender value and the special surrender value.
- 13 (7):The minimum paid-up value shall be in accordance with the Section 113 of the Insurance Act, 1938.

Acquisition of Surrender Value under Life Micro Variable Insurance products:

- 13 (8):Notwithstanding anything contrary to the provisions of any other regulations for the time being in force, the surrender value payable under the Non Linked Non Par Life Micro Variable Insurance Products shall be subject to the following regulations.
- **13 (8) (i)**: Where premiums are paid and the policy is in force, on surrender of a micro variable life insurance policy after elapsation of five years, the policyholder shall be entitled to the underlying policy account value without levying any Surrender Charges.
- **13 (8) (ii)**: Where premiums are discontinued under a micro variable life insurance policy, the underlying policy account value shall be transferred to the discontinued policy account, immediately after ninety days from the due date of first unpaid premium if policy duration elapsed is less than three years and immediately after one hundred and eighty days if policy duration elapsed is more than three years, providing the opportunity of remitting the stipulated amounts of premiums within that period. The proceeds of the underlying discontinued policy account value shall be refunded to the policyholder immediately after completion of the five policy years since inception. The risk coverage may be continued during ninety days and one hundred eighty days period respectively, subject to recovery of the mortality costs as per the terms and conditions of the policy contract.
 - a. The discontinued policy account shall be entitled to a minimum guaranteed interest rate of 4 per cent per annum.
 - b. The excess income earned in the discontinued policy account over and above the minimum guaranteed interest rate shall also be added to the discontinued policy account value in arriving at the proceeds of the discontinued policies and shall not be made available to the shareholders.

- **13 (8) (iii):** The Life Insurer is entitled to levy the discontinuation charges which shall not be more than those mentioned under Table – a hereunder. No other fee shall be charged.

Table - a

Where the policy is discontinued during the policy year	Maximum Discontinuance Charges applicable to Micro Variable Life Insurance Products
1	Lower of 20% * (AP or policy account value) subject to a maximum of Rs. 800
2	Lower of 15% * (AP or policy account value) subject to a maximum of Rs. 600
3	Lower of 10% * (AP or policy account value) subject to a maximum of Rs. 400
4	Lower of 5% * (AP or policy account value) subject to a maximum of Rs. 200
5 and onwards	Nil

- **13 (8) (iv):** Where five policy years have elapsed from the date of inception of the policy and the premiums are discontinued under a micro variable life insurance policy, the underlying policy account value shall be refunded, after expiry of one hundred and eighty days from the due date of first unpaid premium, providing the opportunity of remitting the stipulated amounts of premiums within the said period. The risk coverage may be continued during the said period of one hundred and eighty days subject to recovery of the mortality costs as per the terms and conditions of the policy contract.
- **13(9): Continuation of policy account of Life Micro Variable Products under certain circumstances:**
- i) Notwithstanding the provisions of Regulation 13 (7), the life insurers as part of features of product design of life micro variable product, are permitted to offer the option of continuing the Zero Balance Accounts even after payment of the proceeds of the discontinuance policy account value to enable the policyholder to commence the payment of premiums and restitution of life coverage as and when feasible. During the period of zero

balance, the underlying policy shall not be entitled to any life coverage and the insurers shall not accrue any charges for the period of ‘zero balance account maintenance’. The Life Insured shall be allowed to choose this option at the inception of the policy and continuation / restitution / recommencement of the life coverage on life insured remitting premiums as prescribed by the Life Insurer shall be subject to the underwriting policy of the life insurers as they deem fit. The zero balance policy account that is continued or restituted subsequently shall be subject to these regulations as if a new policy is issued. A policy which is surrendered by the policyholder is not entitled to continue as a ‘Zero Balance Account’.

- **13 (10):** The Life Insurers shall sensitize the micro insurance agents on the need for ensuring the persistency of the micro insurance policies and shall render all possible assistance to Micro Insurance Agents to enable them to collect the premiums as envisaged under Regulation (5).
- 13 (11): Difference between Gross Yield and Net Yield for all Variable Life Micro Insurance products: Subject to sub-regulation 13 (8) of these Regulations, the maximum reduction in yield for variable micro life insurance policies from the fifth policy anniversary shall be in accordance with Table (b).

Table: b

Number of years elapsed since inception	Maximum Reduction in Yield (Difference between Gross and Net Yield (% p.a.))
5	4.80%
6	4.50%
7	4.20%
8	4.00%
9	3.80%
10	3.60%
11 and 12	3.30%
13 and 14	3.00%
15 and thereafter	2.65%

- Regulation 13 (11) (i): The net reduction in yield at maturity for policies with term:
 - a) less than or equal to 10 years shall not be more than 3.60% and
 - b) above 10 years shall not be more than 2.65%.

- Regulation 13 (11) (ii): The insurer shall ensure that the reduction in yield in Regulation 13 (11) and Regulation 13 (11) (i) is complied for all gross investment returns.
- Regulation 13 (11) (iii): Insurers shall demonstrate in the File and Use Application the compliance of reduction in yield in (a) and (b) for gross investment returns of 6% p.a., 8%, 10%p.a.
- Regulation 13 (11) (iv): In the process of complying with the reduction in yield, the insurer may arrive at specific non-negative additions, if any, to be added to the policy account value, as applicable, at various durations of time.
- i) **13 (12): Splitting of Policies**: Splitting of micro insurance policies that result into any increase of fees or charges, directly or indirectly to the policyholder is prohibited and a policy will be deemed to be split, if multiple policies of the same nature are sold to a prospect at the same time.
- **13 (13): Financial Viability of the Products**:
 - i) If the pricing assumption for mortality is less than 50% of the prescribed table or more than 110% of the prescribed table, the Appointed Actuary shall justify such assumptions with the actual claims experience for similar products for the past 3 year. Where prior experience is not available the appointed actuary shall justify the reasons for such assumptions.
 - ii) The insurer shall monitor the experience regularly and submit an analysis of all micro-insurance products in terms of expected and actual experience as an annexure to the Appointed Actuary Annual Report under special caption '*Experience under Micro Insurance Product*'.
- **13 (14): Benefit Disclosure**:
 - i) Life Insurers shall make available Benefit illustration in respect of all life micro variable insurance products, illustrating the guaranteed and non-guaranteed benefits at gross investment returns of 4% and 8% respectively and as specified by IRDA or Life Insurance Council from time to time.
- **13 (15)**: Notwithstanding anything contrary to the provisions of any other regulations for the time being in force, the Health Insurance Products offered under Micro Insurance regulations shall be subject to the following regulations.
- **13 (16): Scope of Health Insurance Policies**
 - a. Life Insurance Companies may offer long term health products but the premium for such products shall remain unchanged for at least a period of

every block of three years, thereafter the premium may be reviewed and modified as necessary.

- b. Non-Life and Standalone Health insurance companies may offer individual health products with a minimum tenure of one year and a maximum tenure of three years, provided that the premium shall remain unchanged for the tenure.
- c. Group Health Insurance Policies may be offered by any insurance company, provided that all such products shall only be one year renewable contracts. However, the non-life and standalone health insurers may offer group personal accident products with term less than one year also to provide coverage to any specific events.
- d. Health Insurance policy shall be renewed except on grounds of fraud, moral hazard or misrepresentation.
- e. All Health insurance Policies, except those with tenure of less than one year, shall have a free look period as per the provisions of Regulation (6) of IRDA (Protection of Policyholders Interests) Regulations, 2002.

➤ **13 (16) (i): Review of Micro Health Insurance Products**

- a. All particulars of health insurance product shall after introduction be reviewed by the Appointed Actuary at least once a year. If the claims ratio under the health insurance product is found to be inadequate, the insurers shall revisit the pricing or the benefits.

➤ **13 (16) (ii):** Where the contingencies covered under the health insurance policies offered by life insurers are bound to happen, the provisions of Regulation 13 (4) (c) shall be complied towards settlement of surrender value.

➤ **13 (17): Obligations of the insurer, where the insured or the nominee is not traced:**

Where the insured or his nominee, as applicable cannot be traced, the said proceeds shall be set aside and shown separately in the annual report of the insurer with its age wise break-up. The insurer shall not write back or apportion the said proceeds to the income of the shareholders or to that of any other policyholder. The proceeds so set aside shall be dealt with in such manner as may be specified by the Authority from time to time. A separate statement shall be furnished to the Authority on a half-yearly basis as stipulated from time to time.

- (t) After Regulation 14 Insert the following as Regulation 14 (i), 14 (ii), 14 (iii), 14 (iv), 14 (v) and 14 (1)

- 14 (i): Every Insurer shall furnish information of Micro Insurance Agents appointed and their respective Specified Persons in such form as prescribed from time to time.
- 14 (ii): Every Insurer shall furnish quarterly information on Micro Insurance products in Form –MI-1.
- 14 (iii): Every Insurer shall furnish quarterly new business data of Micro Insurance in Form – MI-2.
- 14 (iv): Every Insurer carrying life insurance business shall furnish quarterly death claim data relating to micro insurance policies in Form – MI -3.
- Regulation 14 (1): For the purpose of forwarding business / claims data on Micro Insurance Business, the business / claims figures relating to social security schemes administered on behalf of any Government shall be excluded.

(u) Replace existing Schedule I with the following

Schedule I (See Regulation 2 (d))

<i>Type of Cover</i>	<i>Maximum Amount of Cover</i>	<i>Term of Cover Min.</i>	<i>Term of Cover Max.</i>	<i>Minimum Age at entry</i>	<i>Maximum age at entry</i>
Dwelling and contents, or livestock or tools or implements or other names assets or crop insurance—against all perils	Rs1,00,000 Per Asset/ Cover	1 year	1 year	N.A	N.A
Health Insurance Contract (Individual)	Rs. 2,00,000	1 year	1 year	Insurers discretion	Insurers discretion
Health Insurance Contract (Family)	Rs 2,00,000	1 year	1 year	Insurers discretion	Insurers discretion
Personal Accident	Rs. 1,00,000	1 year	1 year	Insurers discretion	Insurers discretion

- i. Maximum Premium limits under Crop Insurance to be reckoned on per season / per crop basis.
- ii. In respect of Family, all members of the family of the policyholder may be covered.
- iii. Health Insurance and Personal Accident Insurance may be also offered under Group Insurance

(v) Replace existing Schedule II with the following

Schedule II (See Regulation 2 (e))

- 1. Non Linked Life Insurance product with a maximum sum assured of Rs 200000 with minimum policy term of 5 years.
- 2. A Life Micro Variable product under Non Linked Non-Par with a Maximum Annual Premium of Rs 6000 with minimum policy term of 5 years.
 - i. Micro Insurance schemes may also be marketed under Group Insurance with a minimum Group Size of 5.

Form - MI 1

LIST OF MICRO- INSURANCE PRODUCTS

Year Quarter

Insurer name

Sl. No.	Name of the micro-insurance product	Unique Identification No.	Date of launch of the Product	Category: Individual / Group
	a	b	c	d

@ Information w.r.t. all products which fall within the parameters stipulated for Micro -Insurance products in the IRDA (Micro - Insurance) Regulations, 2005, including those products launched prior to November, 2005.

Note: Data to be entered in cells highlighted green.

Form MI 2

Form - MI 2

Details of New Business Data For MI - Channel wise

Purpose and Objective

This form captures data on new business against all the microinsurance channels along with no. of total existing MI products.

The frequency of the form is quarterly.

Filters and Parameters

Year Quarter

Insurer name

Individual Business
Group Business

Individual Business

#	Particulars	No. of policies	First Year / Premium(In Lakhs)	Total Sum Assured
	Column Code	a	b	c
	Source/Calculation			
1	MI Agents (each row separately to each category of MI Agent)			
a				
b				
2	Corporate Agents			
3	Individual Agents			
4	Brokers			

5	Others (each row to each category)			
#	Total			
6	Total no. of Individual MI Product available			2

Group Business

#	Particulars	No. of schemes	First Year / Premium(In Lakhs)	Lives covered
	Column Code	a	b	c
	Source/Calculation			
1	MI Agents (each row separately to each category of MI Agent)			
a				
b				
2	Corporate Agents			
3	Individual Agents			
4	Brokers			
5	Others (each row to each category)			
#	Total			
6	Total no. of Group MI Product available			

Note:

- 1) @ Information w.r.t. all products which fall within the parameters stipulated for Micro Insurance products in the IRDA (Micro - Insurance) Regulations, 2005 as modified from time to time, including those products launched prior to November, 2005.
- 2) * Data to be furnished for the quarter alone and not on a cumulative basis.

Form MI – 3 (To be submitted for each line of business and type of claims separately)

Form - MI 3

MI Claims Movement Form - Claims

Purpose and Objective

This form captures the Claims movement information of the MI Claims.

The frequency of this form is quarterly.

Year

Insurer name

Product Category

Line of Business

Individual Business

		Claims	
#	Particulars	No. of policies	Total Gross Benefit Amount (including bonus paid)
<i>Column Code</i>		a	b
1	Claims pending at the beginning of quarter \$		
2	Claims Intimated during the quarter		
3	Claims Settled during the year		
4	Claims Repudiated during the quarter	=4(i) +4(ii)	=4(i) +4(ii)
4(i)	Less than 2 year from the date of acceptance of risk		
4(ii)	Greater than 2 year from the date of acceptance of risk		
5	Claims written back during the quarter***		
6	Claims pending at the end of quarter	6=1+2-3-4+5	6=1+2-3-4+5

Aging of pending claims

		Claims	
#	Break up of claims pending -- duration wise*	No. of policies	Total Gross Benefit Amount (including bonus paid)
<i>Column Code</i>		c	d
7	Pending up to 1 month		
8	Pending for more than 1 month and up to 3 months		
9	Pending for more than 3 months and up to 6 months		
10	Pending for more than 6 months and up to 12 months		
11	Pending for more than 1 year		
#	Total	=sum of rows	=sum of rows

* Reckoned from date of first intimation

Aging of settled claims

		Claims	
#	Details of Claims Settled**	No. of policies	Total Gross Benefit Amount (including bonus paid)
<i>Column Code</i>		e	f
14	Settled within 1 month		
15	Settled between 31 to 90 Days		

16	Settled between 91 to 180 Days		
17	Settled between 181 Days to 1 Year		
18	Settled after 1 Year		
	Total	=sum of rows	=sum of rows

** Reckoned from the date of receipt of last requirement

Group Business

		Claims	
#	Particulars	No. of lives	Total Gross Benefit Amount (including bonus paid)
<i>Column Code</i>		g	h
1	Claims pending at the beginning of quarter \$		
2	Claims Intimated during the quarter		
3	Claims Settled during the year		
4	Claims Repudiated during the quarter	=4(i) +4(ii)	=4(i) +4(ii)
4(i)	Less than 2 year from the date of acceptance of risk		
4(ii)	Greater than 2 year from the date of acceptance of risk		
5	Claims written back during the quarter***		
6	Claims pending at the end of quarter	6=1+2-3-4+5	6=1+2-3-4+5

Aging of pending claims

		Claims	
#	Break up of claims pending -- duration wise*	No. of lives	Total Gross Benefit Amount (including bonus paid)
<i>Column Code</i>		i	j
7	Pending up to 1 month		
8	Pending for more than 1 month and up to 3 months		
9	Pending for more than 3 months and up to 6 months		
10	Pending for more than 6 months and up to 12 months		
11	Pending for more than 1 year		
#	Total	=sum of rows	=sum of rows

* Reckoned from date of first intimation

Aging of settled claims

		Claims	
#	Details of Claims Settled**	No. of policies	Total Gross Benefit Amount (including bonus paid)

<i>Column Code</i>		k	l
14	Settled within 1 month		
15	Settled between 31 to 90 Days		
16	Settled between 91 to 180 Days		
17	Settled between 181 Days to 1 Year		
18	Settled after 1 Year		
#	Total	=sum of rows	=sum of rows

** Reckoned from the date of receipt of last requirement

@ Information w.r.t. all products which fall within the parameters stipulated for Micro Insurance products in the IRDA (Micro - Insurance) Regulations, 2005, including those products launched prior to November, 2005, subject to Regulation 14 (2).

\$ Should tally with claims O/S at end of the previous quarter.

*** Pending claims which are written back after a mandatory period, if any.