The Insurance Ombudsman Rules, 2017[1]

[Last amended on 18.5.2021]

In exercise of the powers conferred by section 24 of the Insurance Regulatory and Development Authority Act, 1999 (41 of 1999) and in supersession of the Redressal of Public Grievances Rules, 1998, except as respects things done or omitted to be done before such supersession, the Central Government hereby makes the following rules, namely:—

1. Short title and commencement.—(1) These rules shall be called the Insurance Ombudsman Rules, 2017.

(2) They shall come into force from the date of their publication in the Official Gazette.

2. The objects of these Rules is to resolve all complaints of all personal lines of insurance, group insurance policies, policies issued to sole proprietorship and micro enterprises on the part of insurance companies and their agents and intermediaries in a cost effective and impartial manner.

3. Application.—These rules shall apply to all insurers and their agents and intermediaries in respect of complaints of all personal lines of insurance, group insurance policies, policies issued to sole proprietorship and micro enterprises.

4. Definitions. —(1) In these rules, unless the context otherwise requires,—

(a) "award" means an award passed by the Insurance Ombudsman under rule 17;

(b) "financial year" means a period of twelve months commencing on the 1st day of April and ending on the 31st day of March;

(c) "Insurance Council" means the Life Insurance Council and the General Insurance Council constituted under section 64C of the Insurance Act, 1938 (4 of 1938);

[2][(d) "Council for Insurance Ombudsmen" means the Council for Insurance Ombudsmen constituted under rule 5;]

(e) "Insurance Ombudsman" means the Insurance Ombudsman [2][appointed] under rule 7;

[3][***]

(g) "Ombudsman" means a person appointed as an Insurance Ombudsman under these rules;

(h) "personal lines" means an insurance policy taken or given in an individual capacity;

(i) "Group insurance" means insurance cover obtained by a group of individuals, either through an employer or otherwise, under a single contract;

(j) "sole proprietorship" means a business that legally has no separate existence from its owner and the income and losses are taxed on the individual's personal income tax return;

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[1] Published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), *vide* notification G.S.R.413 (E) dated 25.4.2017, and subsequently amended *vide* notification G.S.R.785 (E) dated 17.8.2018, notification G.S.R. 147 (E), dated 2.3.2021 and notification G.S.R. 334(E), dated 18.5.2021.

[2] Substituted by notification G.S.R. 147(E), dated 2.3.2021.

[3] Omitted by notification G.S.R. 147(E), dated 2.3.2021.

(k) "micro enterprise" means the micro enterprises as defined in clause (h) of section 2 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006);

[1][(l) "insurance broker" means a person who has been granted a certificate of registration as an insurance broker by the Authority.]

(2) All other words and expressions used in these rules but not defined shall have the meanings respectively assigned to them in the Insurance Act, 1938 and the Insurance Regulatory and Development Authority Act, 1999.

5. [1][**Council for Insurance Ombudsmen**].—(1) There shall be an [1][Council for Insurance Ombudsmen] consisting of nine members including the Chairperson.

(2) The members of the [1][Council for Insurance Ombudsmen] shall comprise of—

(i) two persons representing life insurers to be nominated by the Life Insurance Council;

(ii) two persons representing General insurers, other than stand-alone health insurers, to be nominated by the General Insurance Council;

(iii) one person representing stand-alone health insurers to be nominated by the General Insurance Council;

(iv) one representative of the [1][Authority]; and

(v) one representative of the Central Government in the Ministry of Finance from the Department of Financial Services not below the rank of [1][Joint Secretary or equivalent];

[2]{(vi) the Chairman, Life Insurance Corporation of India (LIC of India) established under the Life Insurance Corporation Act, 1956 (31 of 1956) or the Chairman, General Insurers' (Public Sector) Association of India (GIPSA) provided they are not acting as Chairperson of the [1][Council for Insurance Ombudsmen.]}

(3) The Chairperson of the [1][Council for Insurance Ombudsmen] shall be either the Chairman of the LIC of India or the Chairman of the GIPSA by rotation.

(4) The term of the Chairperson and members of the [1][Council for Insurance Ombudsmen] shall be three years from the date of assumption of charge.

(5) The nominations to the [1][Council for Insurance Ombudsmen] shall be revised every three years or as and when the vacancy arises, whichever is earlier.

(6) A member of the [1][Council for Insurance Ombudsmen] shall not be eligible for re-nomination for a period of three years from the date he ceases to be a member:

Provided that this sub-rule shall not apply to the Chairperson or to the members nominated under clauses (iv), (v) and (vi) of sub-rule (2).

6. Functions of the [1][Council for Insurance Ombudsmen].—(1) The [1][Council for Insurance Ombudsmen] shall issue such guidelines, including, *inter-alia*, relating to the procedure for the day to day administration, secretariat staffing, secretariat administrative infrastructure, and such other related aspects of functioning of Insurance Ombudsman system.

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[1] Substituted by notification G.S.R. 147(E), dated 2.3.2021.
[2] Substituted by notification G.S.R. 785(E), dated 17.8.2018 .

IndiaCode

(2) In case any vacancy arises in any Insurance Ombudsman due to resignation or retirement or death of the Ombudsman, the [1][Council for Insurance Ombudsmen] shall direct an Ombudsman of such other territorial jurisdiction to hold additional charge of the Insurance Ombudsman where such vacancy may arise.

(3) The [1][Council for Insurance Ombudsmen] may constitute such committees and as and when deemed necessary obtain the assistance of outside expertise for preparing the guidelines referred to in sub-rule (1).

[1][7. Selection Committee for appointment of Insurance Ombudsman.—(1) The Council for Insurance Ombudsmen shall appoint such number of Insurance Ombudsman for such territorial jurisdiction as the Council for Insurance Ombudsmen may specify, for discharging the duties and functions under these rules.

(2) The Insurance Ombudsman shall be appointed by the Council for Insurance Ombudsmen on the recommendations of the Selection Committee consisting of the following members, namely:—

(a) the Chairperson of the Authority, or such other whole-time member of the Authority entrusted with matters relating to the general or life insurance business as the Chairperson may authorise, [2][and in case there is a vacancy in the office of the Chairperson of the Authority, the senior most whole-time member of the Authority]— chairperson;

(b) one individual drawn from amongst the non-official members of the Banks Board Bureau possessing necessary expertise and experience in matters relating to general insurance business — member;

(c) one individual drawn from amongst the non-official members of the Banks Board Bureau possessing necessary expertise and experience in matters relating to life insurance business — member;

(d) one individual with a track record of promoting consumer rights or advancing the cause of consumer protection in the insurance sector — member; and

(e) the representative of the Central Government referred to in clause (v) of sub-rule (2) of rule 5 — member.

Explanation.—In this sub-rule, the expression 'Banks Board Bureau' means the autonomous body named as such, set up by the Central Government for selection of whole-time directors of public sector insurance companies.

(3) Where there is vacancy in the office of the non-official member referred to in clause (b) or clause (c) of sub-rule (2), the Central Government may nominate another individual eligible to be such non-official member in matters referred to in the said clauses to be a member of the Selection Committee.

(4) The Council for Insurance Ombudsmen shall invite applications by advertisement for selection of Insurance Ombudsman and such advertisement shall be issued in respect of each vacancy existing in the office of the Insurance Ombudsman at the beginning of a calendar year including any vacancy likely to arise in that calendar year.

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[1] Substituted by notification G.S.R. 147 (E), dated 2.3.2021.
[2] Inserted by notification G.S.R. 334(E), dated 18.5.2021.

7A. Qualification for appointment of Insurance Ombudsman.—A person shall not be qualified for appointment as Insurance Ombudsman, unless he—

(i) is not less than fifty-five years but not exceeding sixty-five years of age as on the last date specified for receipt of application in the advertisement;

(ii) is, or has been, a member of an all-India service or a civil service of the Union and has held a post of Joint Secretary or equivalent to the Government of India; or

(iii) has served for at least twenty-five years in the insurance industry and has held a post not less than one level below that of a director of a board.

7B. Procedure and selection criteria for appointment of Insurance Ombudsman.—(1) The Council for Insurance Ombudsmen shall shortlist up to five candidates from each category of applicants specified in clauses (ii) and (iii) of rule 7A, for each vacancy from amongst eligible applicants, reckoned on the basis of the length of service of the applicants in their respective category:

Provided that where the number of candidates to be shortlisted exceeds the number specified under this rule, on account of two or more candidates having the same length of service, all candidates with such length shall be included in the shortlist.

Explanation.—For the purposes of this rule, the length of service, in respect of an applicant—

(i) who is serving as or has served as a member of an all-India service or a civil service of the Union, shall be reckoned from the date of his first appointment as Joint Secretary to the Government of India or equivalent thereof in the Central Government; and

(ii) who has served in the insurance industry, shall be reckoned from the date of his first appointment to a position either immediately below the level of a director of a board in the insurance industry or at the level of a director of a board, whichever is earlier.

(2) Each shortlisted candidate shall furnish the following particulars, in such manner and form as the Council for Insurance Ombudsmen may specify, namely:—

(a) a declaration and undertaking that he shall ensure absence of conflict of interest in the discharge of functions and duties of Insurance Ombudsman; and

(b) information in respect of—

(i) personal identification details, including income-tax Permanent Account Number, bank account numbers and Director Identification Number;

(ii) professional history, including directorships;

(iii) disclosure regarding criminal prosecution, if any;

(iv) the financial interests, including beneficial ownership, of the candidate and his relatives;

(v) organisational affiliations;

(vi) disclosure regarding the candidate or his relatives—

(A) being a promoter or director or employee of,

(B) having material pecuniary relationship with,

(C) being an employee or proprietor or partner in a firm of auditors, company secretaries or cost accountants of, or in a legal or consulting firm having material transactions with, and

(D) being chief executive or director of any non-profit organisation that has material receipts from, an insurer or its holding, subsidiary or associate company;

(vii) disclosure regarding the candidate or his relatives holding shares in excess of two per cent. in, or being a material supplier, service provider or customer of, or being a lessor or lessee of, an insurer.

(3) The Council for Insurance Ombudsmen shall convey to the Authority, the particulars under sub-rule (2) for its opinion as to the applicant's suitability, integrity and absence of conflict of interest, keeping in view the information conveyed and such other information as it may consider relevant.

(4) After considering the opinion of the Authority under sub-rule (3), the particulars of the candidates referred to in sub-rule (2) shall be laid before the selection committee which shall take into account the suitability of the candidates including as to absence of conflict of interest and finalise the process of shortlisting of candidates for interaction.

(5) In respect of candidates figuring in the shortlist finalised by the selection committee under sub-rule (4) who are public servants or officials falling within the scope of the powers and functions of the Central Vigilance Commission established under the Central Vigilance Commission Act, 2003 (45 of 2003), the Council for Insurance Ombudsmen shall obtain the vigilance clearance through the Ministry of Finance, Department of Financial Services.

(6) In respect of candidates figuring in the shortlist finalised by the selection committee under sub-rule (4) who are other than those referred to in sub-rule (5), the Council for Insurance Ombudsmen shall furnish the information referred to in sub-rule (2) to the Directorates of Enforcement, Revenue Intelligence and Goods and Service Tax Intelligence, and the Central Board of Direct Taxes for their reports on any inquiry or investigation or proceeding instituted against such candidate.

(7) The selection committee shall, after giving an opportunity for interaction to all the candidates shortlisted by it under sub-rule (4), recommend to the Council for Insurance Ombudsmen a candidate for appointment against each vacancy in the office of Insurance Ombudsman, along with up to two additional candidates in order of preference as reserve candidates.

(8) The Council for Insurance Ombudsmen shall, after considering the recommendations of the selection committee under sub-rule (7), appoint the recommended candidate as Insurance Ombudsman unless—

(i) the vigilance clearance required under sub-rule (5) has not been received, or

(ii) the Council for Insurance Ombudsmen is of the opinion that the nature of the inputs is such that it would not be in public interest that he be so appointed, and in such a case, the Council for Insurance Ombudsmen may consider a reserve candidate, in accordance with the order of preference, for appointment.

(9) The Council for Insurance Ombudsmen, after considering of the suitability of the candidates, shall appoint a candidate as an Insurance Ombudsman:

Provided that if the appointed candidate does not assume office or, after assuming office at any time during the same calendar year, either resigns his office or is removed therefrom, or

dies, then the Council for Insurance Ombudsmen may appoint the reserve candidate referred to in sub-rule (7), in accordance with the order of preference, after ascertaining his willingness.]

[1][**8. Term of office of Ombudsman.—**An Insurance Ombudsman shall hold office for a term of three years or till he attains the age of sixty-eight years, whichever is earlier, and shall not be eligible for reappointment:

Provided that every Insurance Ombudsman holding office as such as on the 2nd day of March, 2021, may continue to hold office for the term specified at the time of his appointment or till he attains the age of seventy years, whichever is earlier.]

9. Removal from office of Insurance Ombudsman.—An Ombudsman may be removed from office on the ground of gross misconduct during his term of office, [1][or physical incapacity, or unsoundness of mind, or insolvency, or conviction for an offence involving moral turpitude, or engagement in any other paid employment, or conflict of interest or furnishing as part of the selection process information that is false or omits to specify material facts,] after following due procedure specified as under, namely:—

(a) The [1][Council for Insurance Ombudsmen] shall draw up articles of charge or charges, if any, on the Ombudsman after giving him a reasonable opportunity of being heard;

(b) The [1][Council for Insurance Ombudsmen] shall, as and when deemed necessary, appoint such person or persons to inquire into the allegations levelled against the Insurance Ombudsman;

(c) Upon conclusion of the inquiry, the [1][Council for Insurance Ombudsmen] or the person nominated by it shall forward the inquiry report to the concerned Ombudsman who shall submit his comments or submissions within a specified time;

(d) Upon receipt of the comments or submissions or after the expiry of the stipulated period, the Chairperson of the [1][Council for Insurance Ombudsmen] shall forward the inquiry report, the submissions of the concerned Insurance Ombudsman along with the recommendations of the [1][Council for Insurance Ombudsmen] to the [1][Authority];

(e) The [1][Authority] shall decide upon the action to be taken, if any, against the concerned Insurance Ombudsman and shall communicate such decision to the [1][Council for Insurance Ombudsmen] who shall implement the decision of the [1][Authority].

(f) The [1][Authority] may, wherever it considers necessary, initiate an inquiry *suo moto* against any Insurance Ombudsman and in such case, it shall request the [1][Council for Insurance Ombudsmen] to initiate the proceedings and the [1][Council for Insurance Ombudsmen] shall proceed with the inquiry in accordance with the procedure laid down in this rule.

10. Remuneration, etc., of Insurance Ombudsman.—(1) The Ombudsman shall be allowed a fixed pay of two lakh twenty-five thousand rupees per month and any pension to which he is entitled from the Central Government or a State Government shall be deducted from his salary.

(2) The revised pay shall be such as may be determined by the Central Government:

[1] Substituted by notification G.S.R.147 (E), dated 2.3.2021.

Provided that the other allowances and perquisites payable to the Ombudsman shall be such as may be determined by the [1][Council for Insurance Ombudsmen] with the prior approval of the Central Government.

11. Territorial jurisdiction of Insurance Ombudsman.—(1) The office of the Insurance Ombudsman shall be located at such places and shall have such territorial jurisdiction as may be specified by the [1][Council for Insurance Ombudsmen] from time to time.

(2) The [1][Council for Insurance Ombudsmen] shall specify the territorial jurisdiction of each Ombudsman.

(3) The Ombudsman may hold sitting at various places within his area of jurisdiction in order to expedite disposal of complaints.

[1][(4) Notwithstanding anything contained in or specified under sub-rules (1) and (2), where there is a vacancy in an office of Ombudsman having territorial jurisdiction as specified by the Council for Insurance Ombudsmen under sub-rule (1), the Council may, if it is satisfied that it is necessary in public interest so to do, by order, authorise any other Ombudsman to discharge the functions of such office in addition to his area of jurisdiction for a period not exceeding six months or till the vacancy is filled or till the expiry of his term of office as Ombudsman, whichever is earliest.]

12. Offices of [1][Council for Insurance Ombudsmen] and Insurance Ombudsman.—(1) The [1][Authority] shall make available to the Insurance Ombudsman such secretarial staff as may be determined by the [1][Council for Insurance Ombudsmen].

(2) The salary, allowances and perquisites payable to the staff of the Insurance Ombudsman secretariat and all expenses incurred in connection with administration, including expenses to be incurred by the [1][Council for Insurance Ombudsmen], fees of professional experts engaged under sub-rule (3) of rule 15 and expenses towards Advisory committee constituted under rule 19 shall be borne by the Life Insurance Council and the General insurance Council in such proportion as the [1][Council for Insurance Ombudsmen] may, by a general or special order specify, from time to time, in this behalf.

(3) The Insurance Ombudsman shall submit its annual budget requirements for the ensuing financial year by the 31st January every year to the [1][Council for Insurance Ombudsmen] and the [1][Council for Insurance Ombudsmen] shall, after finalising the budget in consultation with the Ombudsman,, advise the Life Insurance Council and the General Insurance Council to allocate to it the funds including funds for the budgeted expenses of the [1][Council for Insurance Ombudsmen], and [1][Council for Insurance Ombudsmen] shall in turn allocate funds to the respective offices of the Insurance Ombudsman.

(4) The decision of the [1][Council for Insurance Ombudsmen] on allocation of fund to an office of Insurance Ombudsman shall be final.

13. Duties and functions of Insurance Ombudsman.—(1) The Ombudsman shall receive and consider complaints [1][alleging deficiency in performance required of an insurer (including its agents and intermediaries) or an insurance broker, on any of the following grounds]:—

[1] Substituted by notification G.S.R. 147 (E), dated 2.3.2021.

(a) delay in settlement of claims, beyond the time specified in the regulations, framed under the Insurance Regulatory and Development Authority of India Act, 1999;

(b) any partial or total repudiation of claims by the life insurer, General insurer or the health insurer;

(c) disputes over premium paid or payable in terms of insurance policy;

(d) misrepresentation of policy terms and conditions at any time in the policy document or policy contract;

(e) legal construction of insurance policies in so far as the dispute relates to claim;

(f) policy servicing related grievances against insurers and their agents and intermediaries;

(g) issuance of life insurance policy, general insurance policy including health insurance policy which is not in conformity with the proposal form submitted by the proposer;

(h) non-issuance of insurance policy after receipt of premium in life insurance and general insurance including health insurance; and

[1][(i) any other matter arising from non-observance of or non-adherence to the provisions of any regulations made by the Authority with regard to protection of policyholders' interests or otherwise, or of any circular, guideline or instruction issued by the Authority, or of the terms and conditions of the policy contract, insofar as such matter relates to issues referred to in clauses (a) to (h).]

[1][*Explanation.*—For the purposes of this sub-rule, the term "deficiency" shall have the meaning as assigned to it in clause (11) of section 2 of the Consumer Protection Act, 2019 (35 of 2019).]

(2) The Ombudsman shall act as counsellor and mediator relating to matters specified in sub-rule (1) provided there is written consent of the parties to the dispute.

(3) The Ombudsman shall be precluded from handling any matter if he is an interested party or having conflict of interest.

(4) The Central Government or as the case may be, the [1][Authority] may, at any time refer any complaint or dispute relating to insurance matters specified in sub-rule (1), to the Insurance Ombudsman and such complaint or dispute shall be entertained by the Insurance Ombudsman and be dealt with as if it is a complaint made under rule 14.

14. Manner in which complaint to be made.—(1) Any person who has a grievance against an insurer[1][or insurance broker] may himself or through his legal heirs, nominee or assignee, make a complaint in writing to the Insurance Ombudsman within whose territorial jurisdiction the branch or office of the insurer [1][or the insurance broker, as the case may be,] complained against or the residential address or place of residence of the complainant is located.

(2) The complaint shall be in writing, duly [1][signed, or made by way of electronic mail or online through the website of the Council for Insurance Ombudsmen,] by the complainant or through his legal heirs, nominee or assignee and shall state clearly the name and address of the complainant, the name of the branch or office of the insurer against whom the complaint is made, the facts giving rise to the complaint, supported by documents, the nature and extent of the loss caused to the complainant and the relief sought from the Insurance Ombudsman.

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[1] Substituted by notification G.S.R.147 (E), dated 2.3.2021.

(3) No complaint to the Insurance Ombudsman shall lie unless—

(a) the complainant [1][has made a representation in writing or through electronic mail or online through website of the insurer or insurance broker concerned] named in the complaint and—

(i) either the insurer [1][or insurance broker, as the case may be,] had rejected the complaint; or

(ii) the complainant had not received any reply within a period of one month after the insurer [1][or insurance broker, as the case may be,] received his representation; or

(iii) the complainant is not satisfied with the reply given to him by the insurer [1][or insurance broker, as the case may be.]

(b) The complaint is made within one year—

(i) after the order of the insurer [1][or insurance broker, as the case may be,] rejecting the representation is received; or

(ii) after receipt of decision of the insurer [1][or insurance broker, as the case may be,] which is not to the satisfaction of the complainant;

(iii) after expiry of a period of one month from the date of sending the written representation to the insurer [1][or insurance broker, as the case may be,] if the insurer [1][or insurance broker, as the case may be,] named fails to furnish reply to the complainant.

(4) The Ombudsman shall be empowered to condone the delay in such cases as he may consider necessary, after calling for objections of the insurer [1][or insurance broker, as the case may be,] against the proposed condonation and after recording reasons for condoning the delay and in case the delay is condoned, the date of condonation of delay shall be deemed to be the date of filing of the complaint, for further proceedings under these rules.

(5) No complaint before the Insurance Ombudsman shall be maintainable on the same subject matter on which proceedings are pending before or disposed of by any court or consumer forum or arbitrator.

[1][(6) The Council for Insurance Ombudsmen shall develop a complaints management system, which shall include an online platform developed for the purpose of online submission and tracking of the status of complaints made under rule 14.]

15. Insurance Ombudsman to act fairly and equitably.—(1) The Ombudsman may, if he deems fit, allow the complainant to adopt a procedure other than under sub-rule (1) or sub-rule (2) of rule 14 for making a complaint, after notifying the parties to the dispute.

(2) The Ombudsman shall have the power to ask the parties concerned for additional documents in support of their respective contentions and wherever considered necessary, collect factual information relating to the dispute available with the insurer [1][or insurance broker, as the case may be,] and may make available such information to the parties concerned.

(3) The Ombudsman may obtain the opinion of professional experts, if the disposal of a case warrants it.

(4) The Ombudsman shall dispose of a complaint after giving the parties to the dispute a reasonable opportunity of being heard.

[1][(5) The Ombudsman may, on his own or on the request of the complainant, hear a matter through video-conference if he is satisfied that circumstances so require, after notifying the complainant and the insurer or insurance broker concerned, subject to guidelines issued by the Council in this regard and published on its website:

Provided that the Ombudsman may allow the insurer (including its agents and intermediaries) or insurance broker, as the case may be, to be heard through video-conference.]

16. Recommendations made by the Insurance Ombudsman.—(1) Where a complaint is settled through mediation, the Ombudsman shall make a recommendation which it thinks fair in the circumstances of the case, within one month of the date of receipt of mutual written consent for such mediation and the copies of the recommendation shall be sent to the complainant and the insurer [1][or insurance broker, as the case may be,] concerned.

(2) If the recommendation of the Ombudsman is acceptable to the complainant, he shall send a communication in writing within fifteen days of receipt of the recommendation, stating clearly that he accepts the settlement as full and final.

(3) The Ombudsman shall send to the insurer, [1][or insurance broker, as the case may be,] a copy of its recommendation, along with the acceptance letter received from the complainant and the insurer [1][or insurance broker, as the case may be,] shall, thereupon, comply with the terms of the recommendation immediately but not later than fifteen days of the receipt of such recommendation, and inform the Ombudsman of its compliance.

17. Award.—(1) Where the complaint is not settled by way of mediation under rule 16, the Ombudsman shall pass an award, based on the pleadings and evidence brought on record.

(2) The award shall be in writing and shall state the reasons upon which the award is based.

(3) Where the award is in favour of the complainant, it shall state the amount of compensation granted to the complainant after deducting the amount already paid, if any, from the award:

Provided that the Ombudsman shall,—

(i) not award any compensation in excess of the loss suffered by the complainant as a direct consequence of the cause of action; or

(ii) not award compensation exceeding rupees thirty lakhs (including relevant expenses, if any).

(4) The Ombudsman shall finalise its findings and pass an award within a period of three months of the receipt of all requirements from the complainant.

(5) A copy of the award shall be sent to the complainant and the insurer [1][or insurance broker, as the case may be,] named in the complaint.

(6) The insurer [1][or insurance broker, as the case may be,] shall comply with the award within thirty days of the receipt of the award and intimate compliance of the same to the Ombudsman [2][and upload the details in the complaints management system.]

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[1] Substituted by notification G.S.R. 147(E), dated 2.3.2021.

[2] Substituted by notification G.S.R. 147(E), dated 2.3.2021.

(7) The complainant shall be entitled to such interest at a rate per annum as specified in the regulations, framed under the Insurance Regulatory and Development Authority of India Act, 1999, from the date the claim ought to have been settled under the regulations, till the date of payment of the amount awarded by the Ombudsman.
(8) The award of Insurance Ombudsman shall be binding on the insurers [1][or insurance broker, as the case may be.]

18. Review of activities of Insurance Ombudsman.—(1) The Ombudsman shall prepare an annual report detailing the activities undertaken during the previous financial year under their jurisdiction, statement of accounts and any other relevant information and submit to the [1][Council for Insurance Ombudsmen] with a copy to the [1][Authority] by the 30th June every year.

(2) The [1][Council for Insurance Ombudsmen] shall on receipt of annual reports of all Insurance Ombudsman, furnish a report containing a general review of the activities of Insurance Ombudsman during the preceding financial year and such other information as it may consider necessary, to the Central Government and to the [1][Authority] any time after the 30th June but not later than the 30th September, every year.

(3) The [1][Authority] shall consider the annual reports so furnished under sub-rule (1) and the report of the [1][Council for Insurance Ombudsmen] under sub-rule (2) and take suitable steps as it deems fit and necessary.

19. Advisory Committee.—(1) An Advisory Committee consisting of eminent persons not exceeding five and including one Central Government nominee shall be constituted by the [1][Authority] to review the performance of the Insurance Ombudsman from time to time.

(2) The [1][Authority] shall decide the time, venue and quorum of the meeting of the Advisory Committee.

(3) The Advisory Committee shall submit its report to the [1][Authority] for review and further action as deemed necessary.

20. Recommendations to Central Government.—The [1][Authority], in consultation with the [1][Council for Insurance Ombudsmen], may recommend to the Central Government, proposals for effecting improvements in the functioning of the Insurance Ombudsman.

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[1] Substituted by notification G.S.R.147(E), dated 2.3.2021.