

FAQ's on Insurance Ombudsman Rules 2017

1) Who can approach Insurance Ombudsman? What is the procedure for lodging a complaint with an insurance Ombudsman?

Any person including a sole proprietor, micro entrepreneur, members covered in a group insurance policy who has a grievance against an insurer may by himself or through his legal heirs, nominee or assignee or employer as the case may be can approach an Insurance Ombudsman for Redressal of any grievance arising out of an insurance policy by making a complaint in writing to the Insurance Ombudsman within whose territorial jurisdiction the branch or office of the insurer complained against or the residential address or place of residence of the complainant is located.

For territorial jurisdictions of respective Insurance Ombudsman [click here](#).

2) What is the meaning of Insurance on Personal Lines?

Insurance on personal lines means an insurance policy taken or given in an individual capacity, e.g. life insurance, personal accident insurance, mediclaim insurance, insurance of personal property of the individual such as motor vehicle, household articles, etc.

3) What are the complaints that are entertained by the Insurance Ombudsman?

The Ombudsman will receive and consider complaints or disputes relating to -

- (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
- (i) any other matter resulting from the violation of provisions of the [Insurance Act, 1938](#) or the regulations, circulars, guidelines or instructions issued by the IRDAI from time to time or the terms and conditions of the policy contract, in so far as they relate to issues mentioned at clauses (a) to (f).

4) How is the complaint to be lodged?

The complaint shall be made in writing on a plain, duly signed by the complainant 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 documents if any, the nature and extent of the loss caused to the complainant and the relief sought from the Insurance Ombudsman.

5) Is there any time limit to approach the Insurance Ombudsman?

Yes. No complaint to the Insurance Ombudsman shall lie unless the complaint is made within one year -

- * From the date of receipt of the order of the insurer rejecting the representation.
- * From the date of receipt of decision of the insurer which is not to the satisfaction of the complainant;
- * After expiry of a period of one month from the date of sending the written representation to the insurer if the insurer named fails to furnish reply to the complainant.

6) Is the Insurance Ombudsman empowered to entertain a complaint which is received after the expiry of the specified time limit?

Yes, the Insurance Ombudsman, may, if considered necessary, can condone the delay and after calling for objections of the insurer against the proposed condonation and after recording the reasons for condoning the delay, can entertain a complaint which is received after the expiry of the specified time limit. In such cases, the date of condonation is considered as the date of filing of complaint.

7) What is the Financial Jurisdiction of an Insurance Ombudsman?

Ombudsman can, -

- (i) award any compensation up to the loss suffered by the complainant as a direct consequence of the cause of action; or
- (ii) award compensation not exceeding Rs. Thirty lakhs (including relevant expenses, if any).

8) Can a complainant, who has already approached Consumer Forum / court on the same subject, approach the Insurance Ombudsman?

No. Any complainant, whose complaint on the same subject matter is or was before a Court / Consumer Forum or an Arbitrator cannot approach an Insurance Ombudsman.

- 9) **Under what circumstances a complaint can not be filed before and Insurance Ombudsman?**
- I. No complaint to the Insurance Ombudsman shall lie unless -
the complainant makes a written representation to the insurer named in the complaint and -
 - * either the insurer had rejected the complaint; or
 - * the complainant had not received any reply within a period of one month after the insurer received his representation; or
 - * the complainant is not satisfied with the reply given to him by the insurer;
 - II. No complaint before the Insurance Ombudsman can be maintainable on the same subject matter on which proceedings are pending before or disposed of by any court or consumer forum or arbitrator.
- 10) **Should a complainant approach the Ombudsman through a lawyer?**
Not necessary as formal court procedures are not involved.
- 11) **Within what time shall the Ombudsman dispose of the complaint?**
In case both parties agree for mediation, the Ombudsman gives his Recommendation within 1 month; otherwise, he passes an Award within 3 months from the date of receipt of all requirements from complainant.
- 12) **Are there any fees / charges payable for lodging a complaint?**
No fees / charges are required to be paid.
- 13) **Does the Ombudsman conduct hearings of the parties?**
Yes, if considered necessary, the Insurance Ombudsman will conduct hearing of both the parties so as to provide them with reasonable opportunity of being heard before an award is passed.
- 14) **Is there any appeal against an Award of Insurance Ombudsman?**
In case a complainant is not satisfied with the Award of an insurance Ombudsman he can exercise his right to take recourse to the normal process of law against the insurance company. However, the award of Insurance Ombudsman shall be binding on the insurers.
- 15) **Is there any time limit for Compliance of Award by Insurers?**
The Insurer shall comply with the Award within 30 days from the date of receipt of the Award and intimate of its compliance to the Insurance Ombudsman.