



IRDA/ INT/ GDL/ ECM/ 055/ 03/ 2017

9<sup>th</sup> March, 2017

**Guidelines on Insurance e-commerce**

**1. Short title and commencement:** (1) These guidelines are issued under Section 34 of the Insurance Act, 1938 and Section 14 of the IRDA Act, 1999 and are known as Guidelines on insurance e-commerce.

(2) They shall come into force on the date of their issuance.

**2. Objective:** e-commerce is seen as an effective medium to increase insurance penetration and enhance financial inclusion in a cost-efficient manner. The Authority as part of its developmental mandate, issues these guidelines to promote e-commerce in insurance space which is expected to lower the cost of transacting insurance business and bring higher efficiencies and greater reach.

**3. Definitions ---** In these guidelines, unless the context otherwise requires:

(a) "Act" means the Insurance Act, 1938;

(b) "Applicant" means a registered insurer or an insurance intermediary or any other person recognized by the Authority desiring to set-up an Insurance Self Network Platform for selling and servicing of insurance products.

(c) "Authority" means the Insurance Regulatory and Development Authority of India established under sub-section (1) of Section 3 of the Insurance Regulatory and Development Authority Act, 1999 (41 of 1999);

(d) Insurance Self-Network Platform means an electronic platform set-up by any applicant with the permission of the Authority.

*Explanation: For the purposes of these guidelines an insurance agent is not permitted to set up a separate insurance self-network platform and instead can use respective insurer's self-network platform, if available. However, the insurer shall be responsible for compliance of these guidelines on behalf of the insurance agents.*

(e) "Market Participants" on Insurance Self-Network Platform shall include

i) Insurers registered by the Authority

ii) Insurance Intermediaries registered by the Authority

- iii) Insurance Agents appointed by insurers registered by the Authority
  - iv) Any other person so recognized by the Authority
- (f) Words and expressions used and not defined in these guidelines but defined in the Insurance Act, 1938 (4 of 1938) or Insurance Regulatory and Development Authority Act, 1999 (41 of 1999), shall have the meanings respectively assigned to them in those Acts, Rules, Regulations, Guidelines issued under those Acts as the case may be.

## CHAPTER II

### PERMISSION FOR ESTABLISHING INSURANCE SELF-NETWORK PLATFORM FOR UNDERTAKING INSURANCE e-COMMERCE ACTIVITIES IN INDIA

#### 4. Procedure for grant of permission for establishing an Insurance Self-Network Platform (ISNP)

- a) The applicant desiring to set-up an ISNP for undertaking Insurance e-commerce activities in India shall make an application in Form – ISNP - 1.

#### 5. Application for grant of permission

- (a) No person shall set-up an ISNP for undertaking Insurance e-commerce activities in India unless he obtains permission from the Authority.
- (b) The application shall be accompanied with a non-refundable fees of rupees ten thousand plus applicable taxes.
- (c) Existing ISNP's - Insurers and Insurance Intermediaries who already have set-up their own ISNP's or insurance portals for selling and servicing insurance products may continue to operate these platforms / portals  
Provided that they comply with the requirements of these guidelines within a period of three months and obtain necessary permission from the Authority.

#### 6. Application to conform to the requirements

- (a) An application in Form – ISNP -1, which is not complete in all respects and does not conform to the instructions contained in these guidelines, shall be rejected.  
Provided before rejecting the application, the applicant shall be given an opportunity of being heard.
- (b) A time period of 15 days shall be given to the applicant to complete the application.
- (c) The Authority looking into the circumstances of the application shall endeavour to decide on the application within a period of 60 days from the date of submission of all documents.

#### 7. Furnishing of information, clarification and personal representation

- (a) The Authority may require the applicant to furnish such further information or clarification or personal presentation regarding matters relevant to ISNP for undertaking Insurance e-commerce activities in India.