

लाइफ इन्शुरेन्स एजेन्ट्स फेडरेशन ऑफ इण्डिया
LIFE INSURANCE AGENTS' FEDERATION OF INDIA

National President :

RANVIR SHARMA

Mobile : 09412257429, 07060057429

Secretary General :

B. MARKANDEYULU

Mobile : 9885453688



Regn. No. 2924 of 2000

Chairman :

Organisation, IRDAI, Political - Affairs

N. GAJAPATHI RAO

"Sakuntala", 39-6-78/4,

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LIAFI/C-IRDAI/102

12th Dec 2023

The Chairman,
 Insurance Regulatory & Development Authority of India,
 Survey No 115/1, Financial District, Nanakramguda,
 Gachibowli, Hyderabad-500032.

Dear Sir,

Sub: Impending BIMA SUGAM- Our anxiety - Reg.

We are worried and nervous about Bima Sugam, if it goes live by July 2024. If this is implemented nearly 25 lack Life Insurance Agents and 15 lack General and Standalone Insurance agents will suffer a lot and their future will become gloomy in coming years. We are afraid that lacks of agents will leave this profession and new recruitment will be slowed down.

We are sure that the IRDAI's aim of having one crore agents and spreading Insurance to all 130 crore Indians will be defeated.

We feel the existing systems are enough to spread Insurance to the nook and corner of India, provided the insurers implement IRDAI guidelines in letter and spirit. The insurers should shed their apathy towards agents. IRDAI should examine the facts about why Agents are leaving this profession. For example, in LIC nearly 40 lack agents left this field since 1956. The major reason is 'Agency Profession is not lucrative and respectable'.

One of the objectives of Bima Sugam is fraud minimization and miss-selling.

- Despite of stringent financial laws, one law maker amassed money worth more than 350 crores in notes as appeared in news.

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- b) What is the guarantee that the prospect who is purchasing insurance through Bima Sugam will not resort to fraudulent means to complete his proposal?
- c) The concept of need based selling is forgotten by insurers. They force agents to sell the product they design otherwise they are not giving legitimate dues to Agents.

It is difficult to avoid miss-selling and fraud despite of stringent rules also unless the mindset is changed.

We are also interested to spread insurance to the nook and corner of the country, for achieving this objective:

1. Make Insurance profession lucrative & stable.
2. Accord Professional recognition officially to insurance agents.
3. Impart proper training to agents before they go to field.
4. Publicize the abundant market availability in Bharat.

Sir, we have many more ideas and points to explain, hence we request you to provide some time to hear us. We humbly request your good selves to shelve or keep in abeyance the idea of implementing 'Bima Sugam'.

Thanking You,

Sincerely Yours,

For Life Insurance Agents Federation of India,

Chairman - IRDAI affairs.