

Know About Insurance Repository System



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Recently, the Union Finance Minister, Mr. P. Chidambaram has launched IRDA's Insurance Repository System (IRS), the first of its kind in the world. Such facility in insurance sector had been sought for a long time. Like shares and bonds, which are being kept in a demat account with a depository, now with IRS, the policyholders can be able to keep their insurance policies in an electronic insurance account with an insurance repository. With e-insurance account, policyholders will not require to keep traditional paper documents.

The sector regulator has recently provided insurance repository licence to five companies i.e. - **Central Insurance Repository Limited, NSDL Database Management Limited, Karvy Insurance Repository Limited, CAMS Repository Services Limited and SHCIL Projects Limited.**

To avail the facilities, policyholders will only need to open an e-insurance account with any of the five insurance repositories.

What is an e-Insurance Account (e IA)?

As its name suggests, it is a paperless account, which facilitates you to access and manage policies online. To be able to buy and keep policies in electronic mode, policyholders will need to open an electronic insurance account with any of the Insurance Repositories. According to the regulator, a policyholder can't have more than one eIA. Once an eIA is opened, policyholder can buy and keep all kinds of electronic policies such as health insurance, term insurance, motor insurance, pension plan, child plan etc. from different insurers in a single electronic account. Each policyholder will be provided a unique user id and password, using which they can login to the concerned repository website to access their accounts.

What are the benefits keeping policies in eIA?

There is no threat of losing the documents of policies kept in eIA. Hence, you can store all insurance policies from different insurers at one place, it'll become easier to view and manage policies electronically sitting at home or office with the access of internet. You won't have to go different insurance offices anymore. Since it is an electronic account and single point service, updating address, nominee name etc. will become faster, easier and more reliable. The repository will notify all concerned insurers about the changes you make. It would also help kerbing mis-selling because the agent will not be able to keep the new insurance policies till the expiry of the 15-day free-look period.

How to make changes in policy details?

Since, the insurance repository is a single point service for all your requirements; you'll only need to make a request to it regarding changes you want. If the changes are at the account level such as-address or contact details, the repository will make changes after due verification, and then notify the concerned insurers. And, if the changes are at the policy level such as- sum assured, name of nominee or account details, the repository will forward your request directly to the concerned insurer. Then, after due verification the insurer will do modifications.

How to buy policy after having eIA?

If you have opened an e-insurance account, buying a new insurance policy in electronic form becomes easier. Since you have already submitted all KYC documents to the repository at the time of opening the account, and have been verified, the insurer will not require doing KYC process again. While buying policy online, you only need to specify your unique electronic account number in the application. The insurer will soon issue policies, and will be reflected in your electronic account.

How to convert existing paper –policies in electronic form?

After having an e-insurance account, policyholder will need to fill a request form addressing the concerned insurance company. This form will be available at all insurance repository offices. It can also be downloaded from the relevant insurer's website. Policyholders will need to fill separate application form for each convention paper policies to convert in electronic form. Completely filled-up and signed application form can be submitted to any of the concerned insurance company or repository offices.

Is there any fee for opening an e-account or converting conventional policies in electronic form?

No, policyholders don't need to pay anything for opening an e-account or converting conventional paper policies in electronic form. Also, all the services provided by insurance repositories will be completely free of cost. The insurer will pay the costs saved on policy issuance and delivery costs.

Who can operate electronic account?

Only policyholder will have the access to the account. In some special cases, when the policyholder is not in a position to operate the account, any person authorised by him can operate.

Can a policy be kept in both the formats?

No, one policy can be kept in only one format. Policyholder will have to choose any one option. Yes, it's not compulsion to keep all policies in one format. Policyholder can opt to keep some policies in electronic form, and some in conventional paper form.

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