



MINUTES OF THE 62nd MEETING OF THE AUTHORITY

held on February 9, 2010 at 11.30 a.m.
in the Office of the IRDA at 3rd Floor, Parishram Bhavan, Basheer Bagh, Hyderabad.

Present:	Chairman	Shri J Hari Narayan
	Member	Shri K K Srinivasan
	Member	Shri G Prabhakara
	Member	Dr. R Kannan
	Part-time Member	Shri Vijay Mahajan
	Part-time Member	Smt L M Vas
	Invitee	Dr. D V S Sastry

Also present:	Executive Director	Shri K Subrahmanyam
	Executive Director	Shri Prabodh Chander
	CSO (Life)	Shri Kunnel Prem
	Executive Director	Shri A Giridhar
	FA & CAO	Shri N Srinivasa Rao

Chairman extended a warm welcome to all those who were present. Leave of absence was granted Smt Ela R Bhatt, Founder, SEWA and Shri Uttam Prakash Agarwal, President, ICAI who could not attend because of prior commitments.

Confirmation of Minutes of the 61st Meeting of the Authority held on November 26, 2009

Authority approved the minutes of its 61st meeting held on November 26, 2009.

Resolution

Authority resolves to confirm the Minutes of the 61st meeting held on November 26, 2009..

Action Taken Report on the Minutes of the 61st Meeting of the Authority held on November 26, 2009..

Noted.

R2 Application of Max Bupa Health Insurance Company

The R2 application of Max Bupa Health Insurance Co. Ltd was taken up for consideration as proposed by Member Actuary and F&I. The compliance of the company with the actions to be taken by the promoters for amending the shareholder's agreement and other issues discussed at the time of consideration of their R1 application were explained.

The company's detailed comments in the R2 application on how they propose to meet the regulatory requirements on organizational set-up, underwriting arrangements, marketing Rural & Social Obligations and reinsurance arrangements as well as the operational areas such as internal control, management etc were explained.

It was pointed out that the company would start its operations with a capital infusion of Rs.151crores. Max India Ltd, the Indian promoter of the insurance company is a financially strong entity and has a proven track record in insurance sector. The application met all the requirements of R2. The foreign joint venture promoter is also a strong financial entity and hence the company was eligible for issue of certificate of registration on completion of other statutory requirements.

The proposal on the R2 application of Max Bupa Health Insurance Company Limited was approved by passing the following resolution unanimously.

Resolution

IRDA resolves to accord approval of R2 application of Max Bupa Health Insurance Company Limited and issue certificate of registration (Form R3) on compliance with various other requirements/ formalities in accordance with the provisions of Insurance Act, 1938 and IRDA's (Registration of Indian insurance companies) Regulations, 2000 and subject to statutory and other requirements as well as certain requirements to be specified at the time of issue of R3.

R1 Application of L&T General Insurance Company

The R1 application of L&T General Insurance Company Limited was taken up for consideration as proposed by Member- Actuary and F&I. It was explained that the company would be solely promoted by Indian promoter namely: Larsen & Toubro Ltd which will hold 100% stake in the applicant company.

The due diligence reports on the track record, credibility, performance and strength of Larsen & Toubro Ltd were found satisfactory. The report of the SEBI and RBI has obtained as a part of due diligence exercise and nothing adverse has been pointed out. The business plan requirements were in order. The approach to be followed in meeting the rural and social sector requirements was detailed and comprehensive.

The company has confirmed that it will comply with the other requirements to be specified by IRDA on the Memorandum of Association and Article of Association.

The application met the requirements of:

- a) Due diligence of the promoter
- b) The business plan requirements were in order.
- c) The promoter had adequate financial strength to meet the entry capital and other outgoing capital requirements.

The Authority approved the acceptance of R1 application subject to the conditions stipulated in the agenda item.

Resolution

IRDA resolves to approve the R1 of L&T General Insurance Company Limited subject to the condition that at the R2 stage, the company must comply with the conditions as stated in the agenda item and also give detailed reasons as to how the company would be in position to sustain in the insurance sector without promoter having experience in the insurance sector.

Budget for Financial Year 2010-2011

Approved the Budget for financial year 2010-11 as proposed

Resolution

IRDA resolves to approve the Budget for the year 2010-11.

Any other Item with the permission of Chair

Additional Agenda

Review of Guidelines on “Licensing of Corporate Agents”

Since the applicant entities may also belong to service oriented companies, it was suggested by Shri. Vijay Mahajan, that point No. 3 shall include “total Income / assets / turnover of atleast Rs.15 crores” instead on only “turnover of atleast Rs.15 crores”

Approved the revised guidelines on Licensing of group companies as corporate agents subject to the above indicated changes.

Additional Agenda

Office Space at Mumbai and Residential premises owned by TAC at different locations in India

The item was deferred to next board meeting for consideration along with the decisions taken in TAC Board Meeting.

There was no other item for discussion and the meeting concluded with vote of thanks to the Chairman.

**Sd/-
(J Hari Narayan)
Chairman**