

# IRDAI advises all Insurance companies for issuance of Digital Insurance Policies via DigiLocker

It will lead to better customer experience with faster claims processing and settlement, reduction in disputes and reduction in fraud

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IRDAI (Insurance Regulatory Authority of India) in a Circular dated 9th February, 2021, has advised all Insurance companies for issuance of Digital Insurance Policies via DigiLocker. The Circular states, "in order to promote the adoption of Digilocker in the insurance sector, the Authority advises all insurers to enable their IT systems to interact with Digilocker facility to enable policyholders to use digilocker for preserving all their policy documents."

The circular also mentions that the insurers should inform their retail policyholders about Digilocker and how to use it. Insurers are also advised to enable the process by which the policyholders can place their policies in the digilocker. Digilocker team in NeGD (National e-Governance Division) under Ministry of Electronics and Information Technology will provide necessary technical guidance and logistic support to facilitate adoption of Digilocker.

Digilocker is an initiative under the Digital India program by the Ministry of Electronics & Information Technology (MeitY) Government of India where citizens can get authentic documents/ certificate in digital format from original issuers of these certificates. It aims at eliminating or minimising the use of physical documents and will enhance effectiveness of service delivery, making these hassle free and friendly for the citizens.

In the insurance sector, Digilocker will drive reduction in costs, elimination of customer complaints relating to non-delivery of policy copy, improved turn around time of insurance services, faster claims processing and settlement, reduction in disputes, reduction in fraud and improvement in customer contactability. On the whole it is expected that will lead to better customer experience.

The decision of IRDAI came in backdrop of a letter written by Shri Sanjay Dhotre, Minister of State for Electronics & IT, Communications and Human Resource Development, Government of India to Shri Anurag Singh Thakur, Minister of State for Finance and Corporate Affairs with regards to issuance of digital insurance policies to citizen's DigiLocker accounts. In the letter Shri Dhotre had requested Shri Thakur to advise an IRDAI to issue an advisory to all Insurance Companies to make available the digital Insurance policy of all policy holders via their DigiLocker account and acceptance of Digilocker issued documents as valid documents. This will provide an alternate channel to access and manage all their insurance policies in a safe and authentic manner and will be of a great value to their customers."

Insurance certificate is an important document for a citizen and his/ her family. Timely access to insurance certificates can be of critical importance. Thus, providing digital insurance certificates through DigiLocker would be of significant convenience to citizens.

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