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MS Dhoni



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02:43 PM | 29 Jan **Live** MARKET STATS

<b>SENSEX</b> 29,487.34 ▼ -71.84	<b>NIFTY</b> 8,885.95 ▼ -28.35	<b>GOLD (MCX) (Rs/10g.)</b> 27,702.00 ▼ -57.00	<b>USD/INR</b> 61.52 ▲ 0.11
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## Private life insurers rejected one out of five claims in FY 14

ET Bureau Jan 12, 2015, 04.00AM IST

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MUMBAI: Private insurers [Shriram Life](#), [IndiaFirst Life Insurance](#) and [Canara HSBC OBC](#) rejected nearly one in five claims during 2013-14 while state-run Life Insurance Corporation improved its claims settlement ratio to 98.14% during the fiscal, according to the annual report released by Insurance Regulatory and Development Authority. Insurers say they are forced to reject — or repudiate, in industry parlance — a lot of claims due to suppression of relevant facts such as medical history.



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"Insurance non-disclosure is the biggest item, which is leading to repudiation. Customers should be willing to share more information proactively," said Girish Kulkarni, managing director and chief executive of Star Union Dai-ichi, which settled 92.86% claims during the year. In 2013-14, insurers repudiated 18,423 claims for Rs 624 crore while 8,496 claims for a total of Rs 450 crore were pending.

Life insurance companies settled 8.56 lakh claims on individual policies with a total payout of Rs 10,860 crore during the fiscal. The settlement ratio of private sector insurers dropped to 88.31% from 88.65% while the percentage of repudiations during the fiscal was 8.03%. Insurers closely investigate claims which are reported early on during the term of a policy. Insurance companies have been dealing with organised frauds in life insurance, as a result of which they have blacklisted certain areas.

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Tata Motors had announced on January 27 that it intends to raise Rs 7,500 crore with the quantum, pricing and timing to be decided later.

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**Milan Jawani** (Ahmedabad)  
20 Jan, 2015 06:05 PM

If you go with the actual number of claim settlement ration of LIC you will come to know the actual number of cases rejected. (Always % are not important to measure LIC's performance)

**nayan** ()  
12 Jan, 2015 01:01 PM

what was the figure of 2013

**Stanley** ()  
12 Jan, 2015 12:42 PM

Private Companies in which ever field they may be they know one thing for sure how to slit once throat painlessly

**Payal Lakhwani** (hyderabad)  
12 Jan, 2015 11:42 AM

why they reject, IRDA is puppet in hands of huge masters

**Mahtab** (Hyderabad)  
12 Jan, 2015 11:11 AM

Life insurance remains a risky game! However the data in the article makes it clear that the LIC remains the safest bet with its further improvement in the already best claims settlement records. No other company is anywhere near the standards set by LIC An unusual feat for a PSU compan. Three cheers to the trend setter.

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