



GUIDE ON

**INSURANCE WEB AGGREGATOR
BUSINESS REGISTRATION &
REGULATION**

TOPIC OUTLINE



What is an Insurance Web Aggregator?

Insurance Market Growth Overview

Insurance Web Aggregator License Registration

IWA Functioning

IWA Reporting & Auditing Requirements

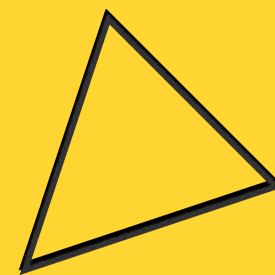


FOREWORD

The Insurance sector in India has changed exponentially over the past decade. The kinds of insurance products have increased, giving insurance buyers more options to choose the best policy and handle their finances associated with life, health, travel and business more efficiently.

There is also a significant increase in the number of internet users and reliance on online channels for financial advice. This has led to the digital push in the Insurance sector and the introduction of the concept of Insurance Web Aggregators in India.

In this guide, we're covering the different aspects of getting the Insurance Web Aggregator Registration and Post-Registration Regulatory Requirements.





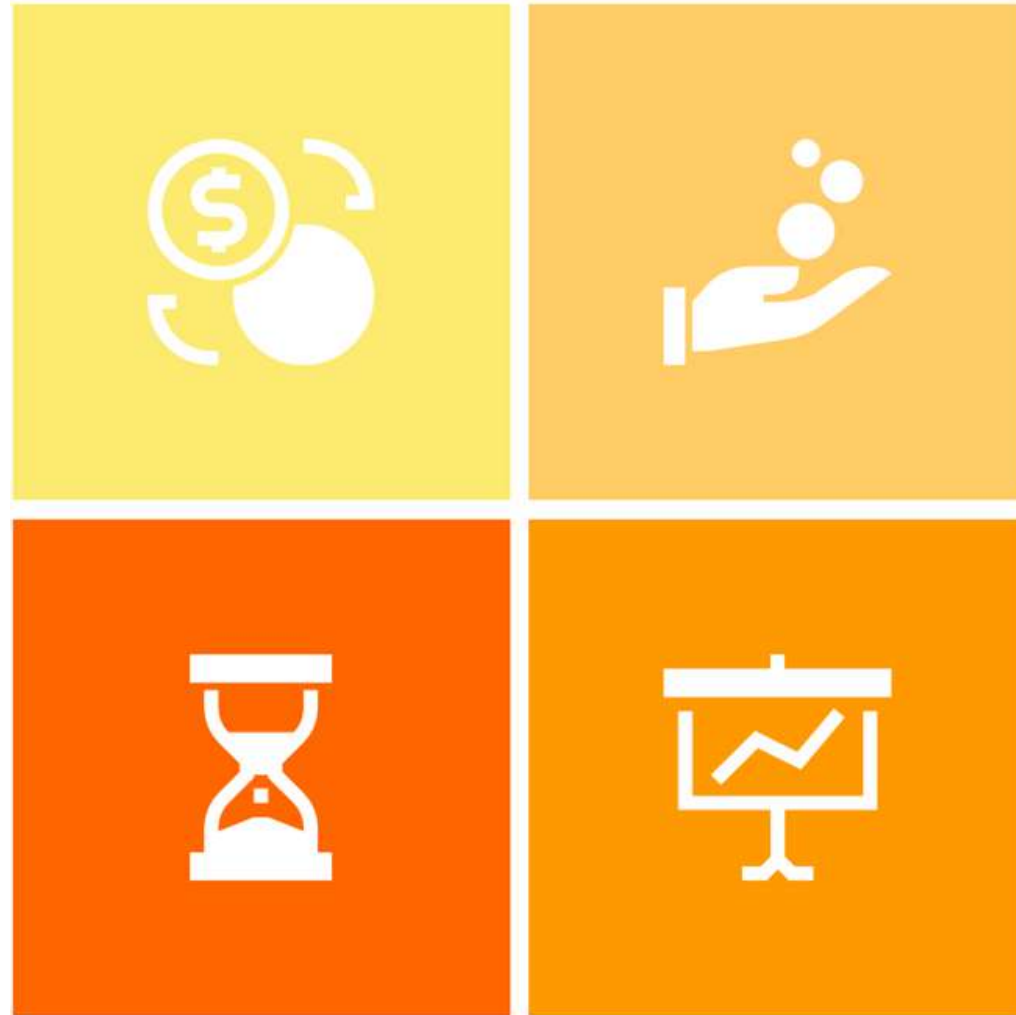
WHAT IS AN INSURANCE WEB AGGREGATOR?



Insurance Web Aggregators are primarily the digital platforms that maintain and provide all information on different insurance products available in the market.

IWAs are designated websites that provide details such as the features, prices, benefits and requirements of insurance products of different insurance companies. They also enable users to compare these different policies and make more refined purchase/ renewal choices.

INSURANCE MARKET GROWTH OVERVIEW



Second-largest Insurance Technology Market in Asia-Pacific with 35% of 3.66 billion InsurTech-based Venture Investments

Market share of Private Sector Companies in General and Health Insurance Market in 2020: 48.03%

Premium from New Life Insurance business in FY 21: \$31.9 Billion

Gross Premiums Written of Non-Life Insurers in FY 21: \$26.52 Billion



**Increasing Market of Digitally
Active Insurance Buyers**

**Demand for More Transparency &
Information in Insurance Purchases**

**High Insurance Penetration with
Digital Efforts**

**Increasing Net Worth and Need
for Risk Management**

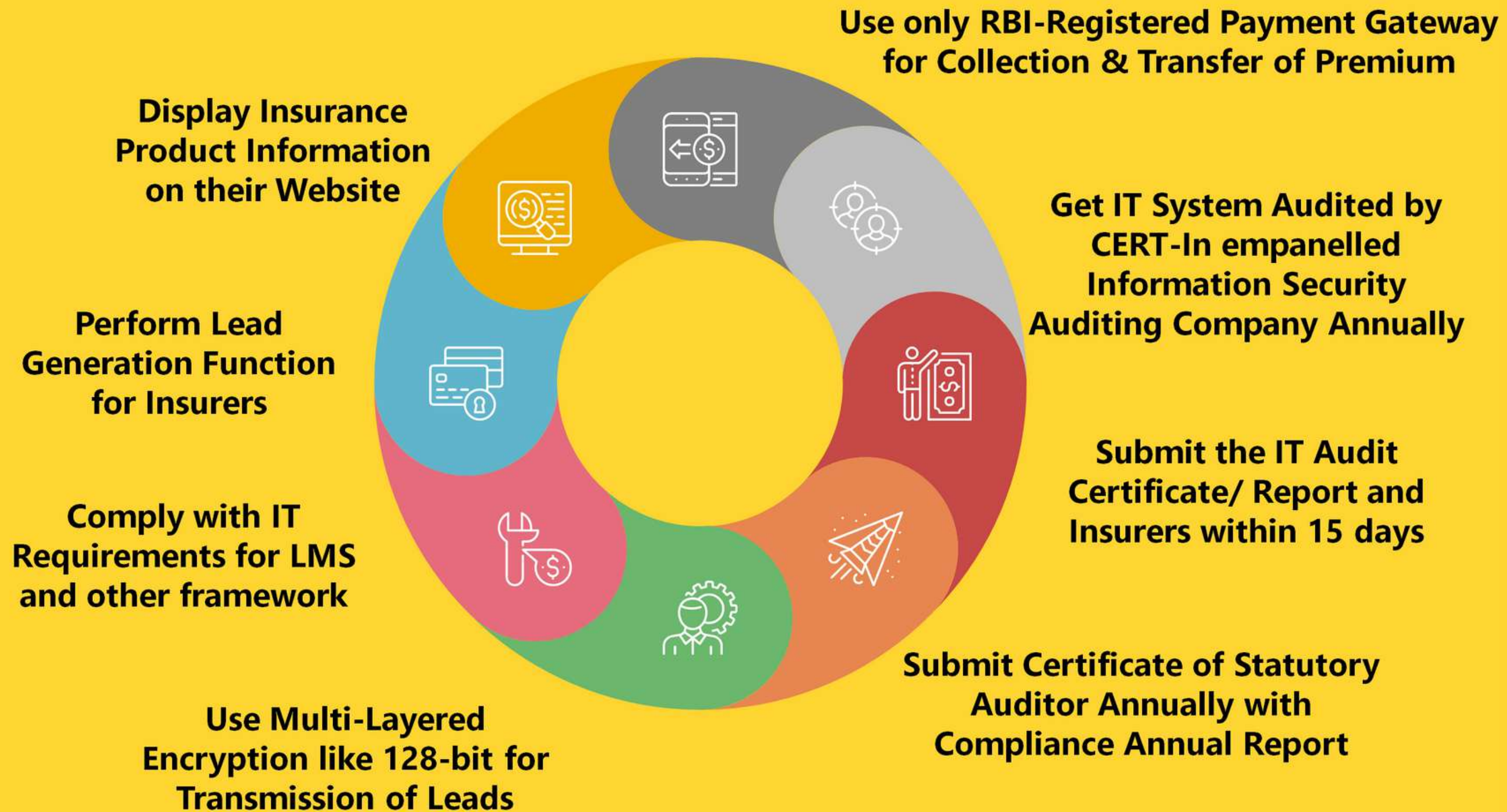
**INSURANCE
WEB
AGGREGATION
GROWTH
FACTORS**

LAWS APPLICABLE TO INSURANCE WEB AGGREGATORS

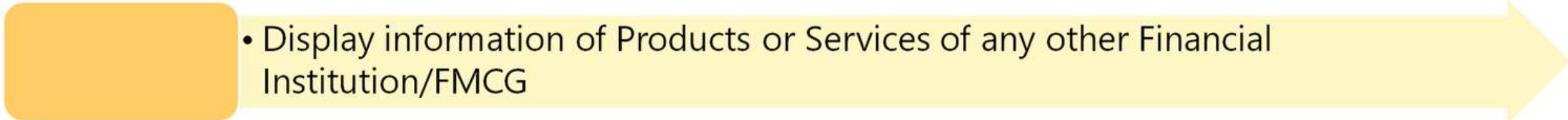
**The Insurance
Regulatory and
Development Authority
of India (Insurance
Web Aggregators)
Regulations, 2017**

The Insurance Act, 1938

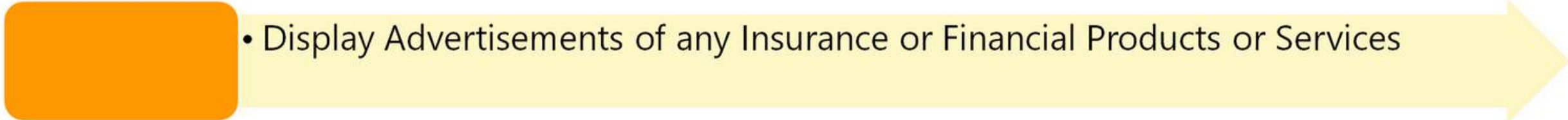
DUTIES & RESPONSIBILITIES OF AN IWA



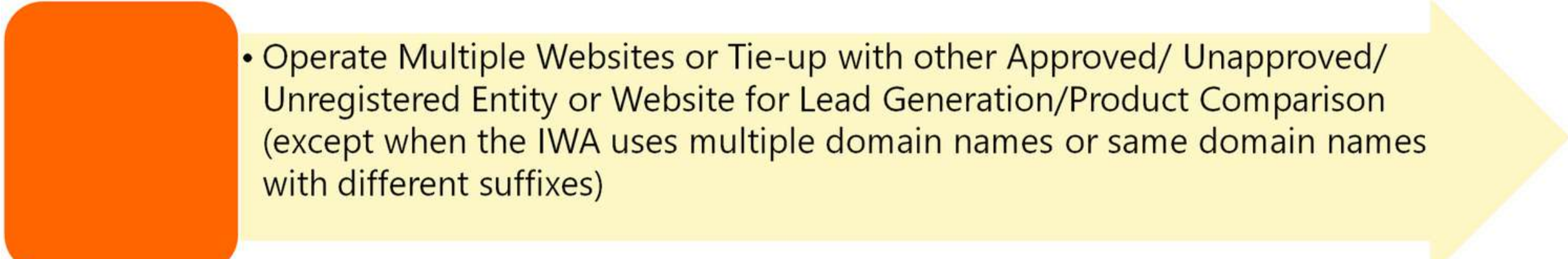
ACTIVITIES THAT AN IWA CANNOT UNDERTAKE



- Display information of Products or Services of any other Financial Institution/FMCG



- Display Advertisements of any Insurance or Financial Products or Services



- Operate Multiple Websites or Tie-up with other Approved/ Unapproved/ Unregistered Entity or Website for Lead Generation/Product Comparison (except when the IWA uses multiple domain names or same domain names with different suffixes)



- Operate Websites of other Financial/ Commercial/ Marketing/ Sales/ Service Entity



- Use other Social Media Sites for Product Comparison



- Operate in any other Manner to Transmit Leads to any Entity engaged in Insurance Business

INSURANCE WEB AGGREGATOR LICENSE REGISTRATION



ELIGIBILITY CRITERIA FOR IWA LICENSE

01

Incorporation under Companies Act, 2013/ LLP Act, 2008 (All LLP Partners must be Indian Residents)

02

Business of Insurance Web Aggregation as the main object of MOA and other documents

03

No Referral Arrangement with any Insurer

04

A Designated Website to undertake Web Aggregation for Insurance Solicitation

09

Principal Officer meets the Eligibility Qualification

05

Principal Officer has undergone Training and Passed Examination

06

Fit and Proper Criteria is met by Principal Officer/ Directors/ Promoters/ Shareholders/ Partners/ Key Management Personnel

07

Authorised Verifier has undergone Training and passed the Examination as per Form-T Para 8

08

Compliance with Form V and Code of Conduct under Form W

10

No prior Application Rejection by the IRDAI in the Preceding Financial Year

ENTITIES NOT ELIGIBLE TO START AN INSURANCE WEB AGGREGATOR BUSINESS



- Insurance Agent



- Corporate Agent



- Micro-Insurance Agent



- Third Party Administrator (TPA)



- Surveyor and Loss Assessor



- Insurance Marketing Firm



- Any other Insurance Intermediary under any IRDAI Regulations

MINIMUM CAPITAL & NET-WORTH REQUIREMENTS

Capital Requirements

- Minimum Paid Up Capital of INR 25 Lakhs
- Capital Issued and Subscribed as Equity Shares
- Contribution by LLP Partners only in Cash
- No Pledge of Shares held as Capital for Credit

Calculation of Equity Capital

- Aggregate Holdings of Equity Shares or Contribution up to 49% of Paid-Up Capital
- Calculation of Equity Capital by Foreign Investors as per Schedule XII Form AA

Net-Worth Requirements

- 100% of Minimum Capital Requirement
- Half-Yearly Review as at September 30 and March 31
- Report of Non-Compliance within 15 days
- Restoration of Net-Worth within 30 days
- Submission of CA-Certified Net-Worth Certificate with the IRDAI

DOCUMENTS REQUIRED FOR IWA LICENSE

Copy of Registration Certificate from ROC

Copy of CA-Certified MoA and AoA/ LLP Agreement

Copy of PAN Card of the Company

CVs of Directors/Designated Partners with Qualification Certificates

CV of Principal Office with Qualification Certificates

Self-Certification by 2 Directors/Designated Partners

Snapshots of Proposed Website' Content with Proof of Domain Name Registration

3-Year Business Plan

Confirmation of Registered Office/ Operations Office

List of People with Control over Website's Content

CA-Certified Net-Worth and Shareholding Pattern of Company

Copies of 3-Year Annual Report & Audited Accounts

Details Infrastructure and IT Framework

Organisational Chart with Functional Responsibilities

Training & Examination Certificates of Principal Officer and Authorised Verifiers

Fit and Proper Criteria Declaration

User ID and Temporary Password for Portal Verification





ELIGIBLE EDUCATIONAL QUALIFICATIONS FOR PRINCIPAL OFFICER

Bachelors or Masters degree in Arts, Science, Social Sciences, Commerce, Engineering, Law or Management or equivalent fields from any recognised institution or university; or

Associate or Fellow of the Insurance Institute of India, Mumbai; or

Post-graduate from the Institute of Insurance and Risk Management, Hyderabad; or

Associate or Fellow of the Institute of Chartered Accountants of India, New Delhi; or

Associate or Fellow of the Institute of Cost and Works Accountants of India, Kolkata; or

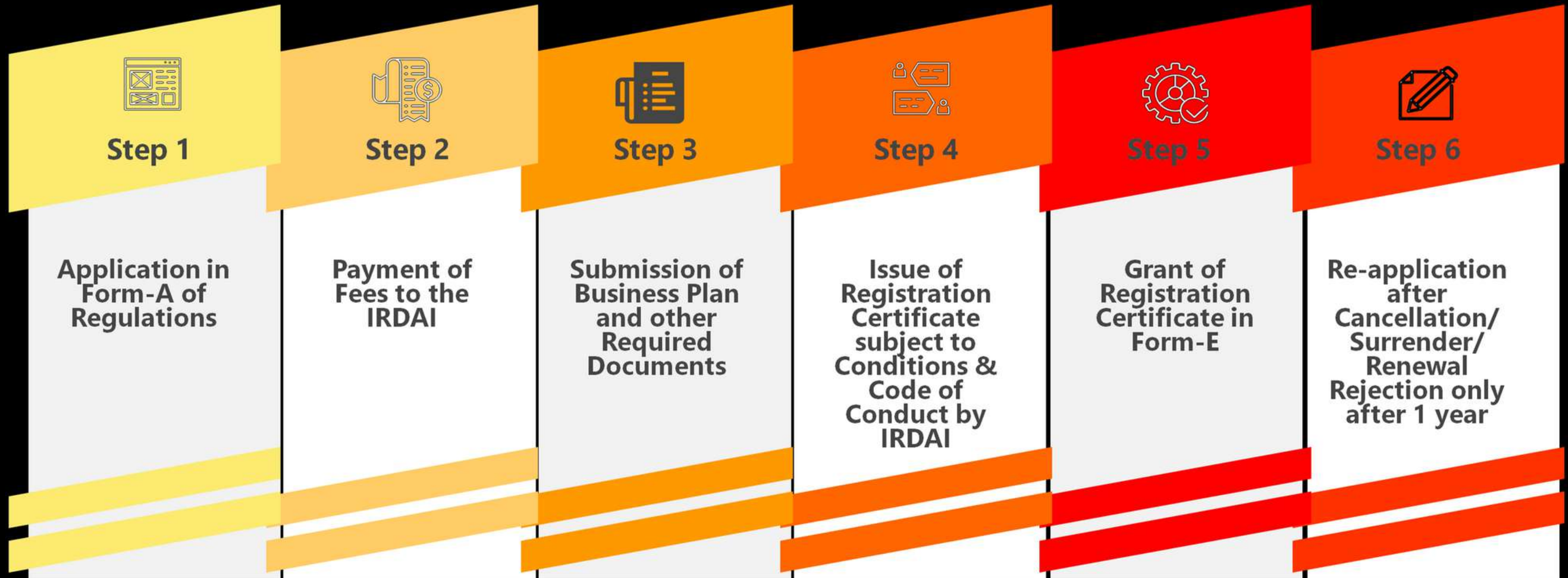
Associate or Fellow of the Institute of Company Secretaries of India, New Delhi; or

Associate or Fellow of the Institute of Actuaries of India; or

Certified Associateship from the Indian Institute of Bankers, Mumbai; or

Any other qualification as provided by the IRDAI under the IWA Regulations.

IWA LICENSE REGISTRATION PROCESS





VALIDITY & RENEWAL OF IWA REGISTRATION CERTIFICATE

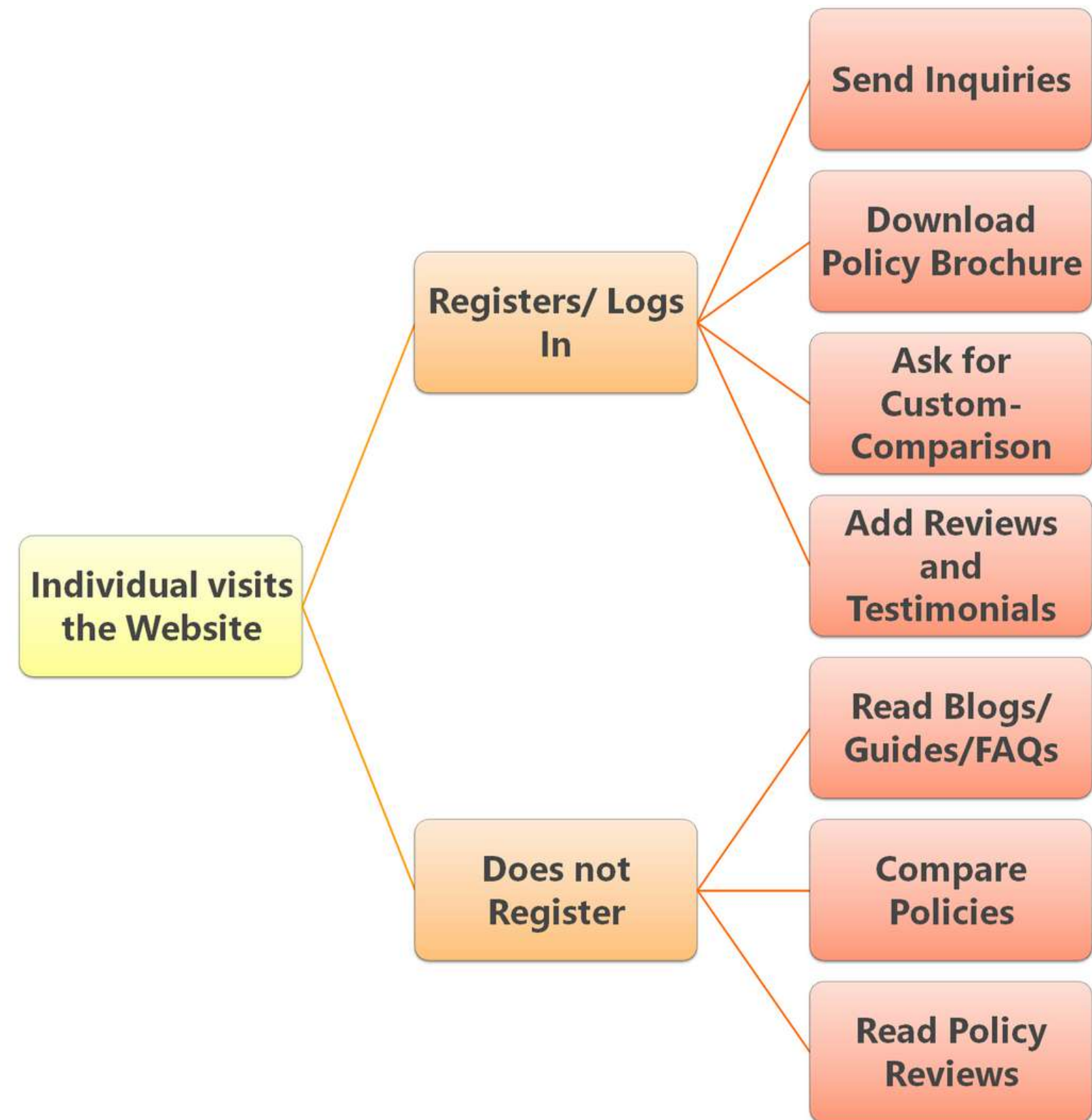


- IWA Certificate of Registration is valid for 3 Years
- Renewal of IWA Registration is done in Form F
- Additional Documents like 3-Year Business Plan; Self-Certified Undertaking; Renewal Training Certificates of PO and Authorised Verifiers are required
- Application to be filed at least 30 days before Expiry
- Renewal Fee of INR 25,000 plus taxes to be paid

INSURANCE WEB AGGREGATOR FUNCTIONING



USER ACTION CHAIN ON IWA WEBSITE



WEB AGGREGATOR'S ARRANGEMENT WITH INSURER



An Agreement with Insurer with provisions regulating their arrangement

Agreement is Valid for Three Years



Requirements to keep the Agreements ready for Inspection by the IRDAI

No provision or promise of product distribution



Termination of Agreement after Intimation to the IRDAI along with reason

No Signing Fees to be Involved in the Insurer-Web Aggregator arrangement



REMUNERATION TO INSURANCE WEB AGGREGATOR



No Charges for
Transmission of
Leads an Insurer



Converted
Leads into Sold
Insurance
Policies Earn
Remuneration
as applicable to
Insurance
Intermediaries

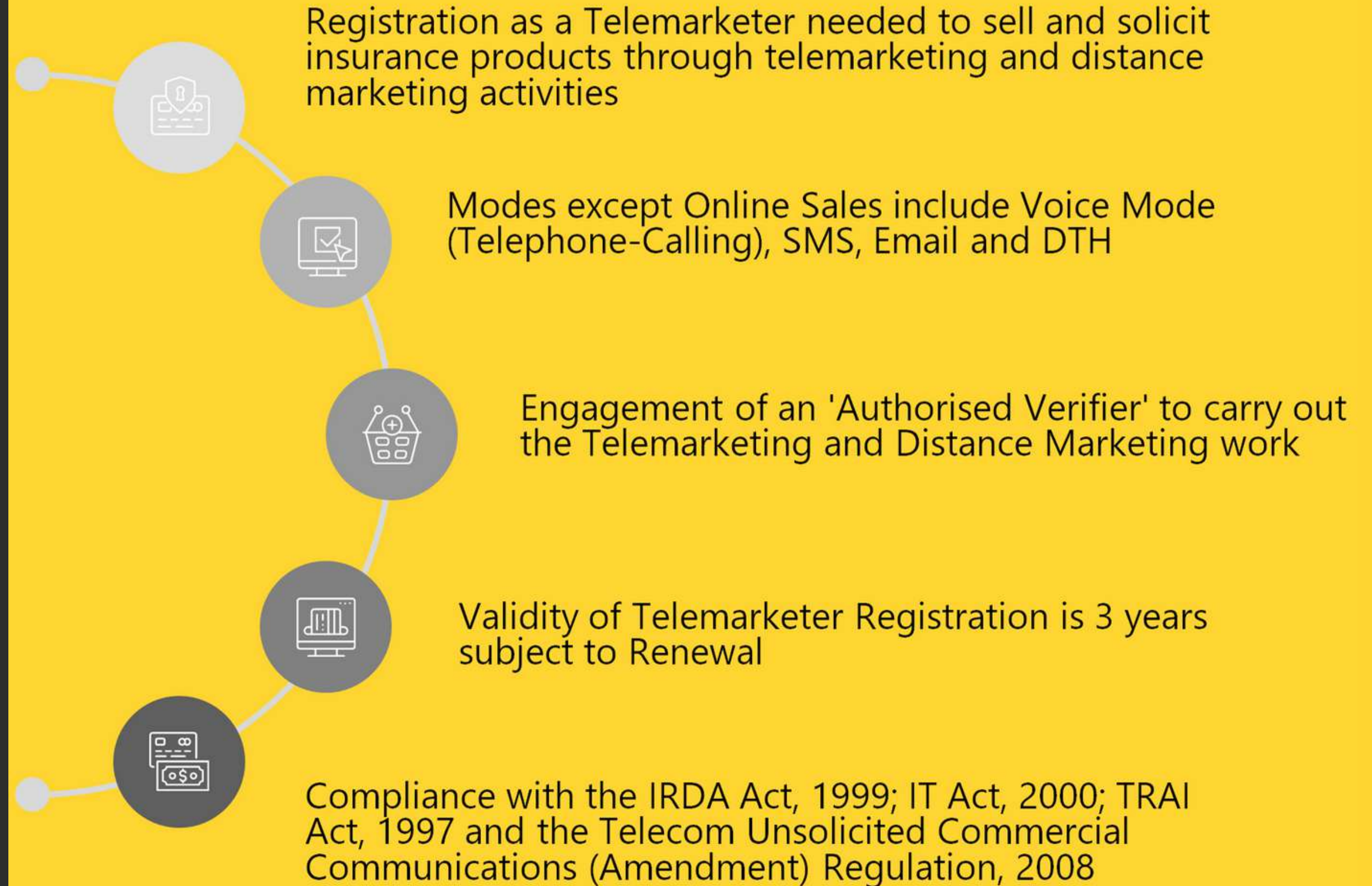


Flat Fee of INR
50,000 for
each insurance
product of an
Insurer



In case of
Insurance Service
Outsourcing
provided by IWA,
Insurer can pay a
mutually agreed
rate

REGISTRATION OF AN IWA AS A TELEMARKETER





**Authorised Verifier to be on rolls of IWA
or Tele-Marketer**

**Solicit Insurance Business only through Tele-Marketing
Mode**

**Receive Inbound Telephone Calls from Prospects/
Policyholders seeking advice**

Sell Insurance Products based on Prospect's needs

**Explain the Main Features of Similar Insurance Products of Other Insurers to
help Customer make more Informed Choice**

**Not Make any Unsolicited Outbound Telephone Call for Solicitation of
Insurance Products**

**Not make any False Promises or Lure a Prospect by
Overselling/Misselling**

**IWA to track every sale of Authorised Verifier to
track Sales and Complaints**

**NOC from Previous IWA or 30 days time period
after applying from one to join a New IWA**

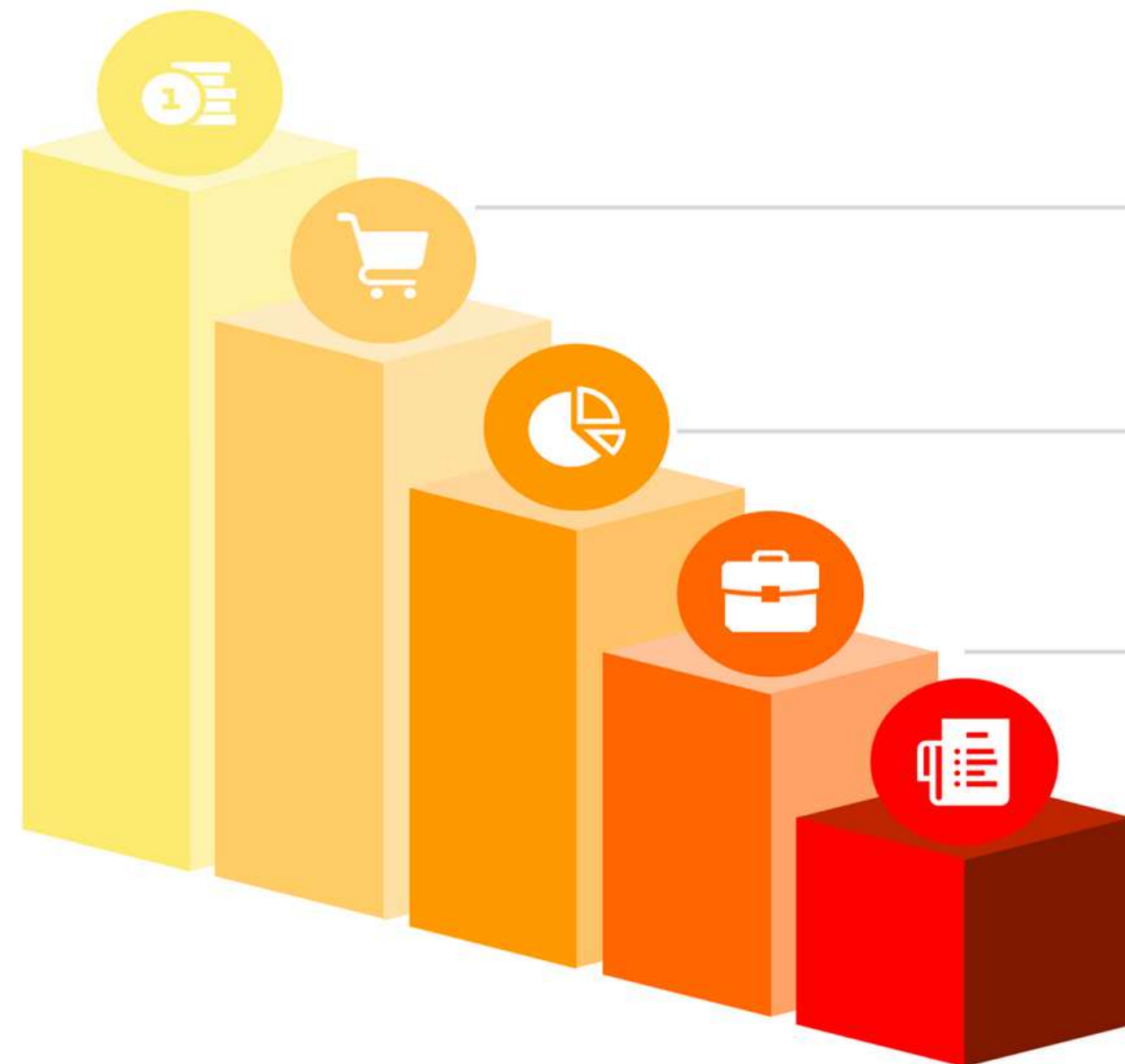


ROLES & RESPONSIBILITIES OF AUTHORISED VERIFIER

INSURANCE WEB AGGREGATOR REPORTING & AUDITING REQUIREMENTS



MAINTENANCE OF BOOKS OF ACCOUNTS & RECORDS



Copy of Audited Financial Statements with Auditor's Report within 90 Days from Close of Accounting Year

Rectification of any Deficiency or Error within 90 Days from Auditor's Report

Maintenance of Books of Accounts, Statements & Documents at the Head Office

Retain all Electronic Records, Books, Documents, Statements & Contracts for at least 10 years

Maintenance of Insurer-wise Records with details like leads, complaints, products, remuneration, KYC records, etc.

DISCLOSURES TO THE IRDAI

Changes in Information that may Affect Certificate of Registration

Name of the Clients whose Insurance Portfolio is managed

Proceedings initiated against the IWA by a regulatory or government body within 30 days

Change in Composition of IWA within 30 days

Change of Principal Officer, Director/Designated Partner

Change in Company's Name

Change in Registered Address

Engagement of service providers or third party vendors for LMS, webhosting, etc.

Opening/Closing of Branch Office

Updated List of Authorised Verifiers to solicit insurance via Telemarketing/Distance Marketing

Claim under the Professional Indemnity Policy

Acquisition of any Property

GET YOUR IWA REGISTRATION DONE WITH ENTERSLICE

CONSULTATION
WITH OUR
BUSINESS EXPERTS



APPLICATION
SUBMISSION AND
IRDAI REPLY(IES)



PREPARATION FOR
APPLICATION AND
DOCUMENT
SUBMISSION



SUCCESSFUL
REGISTRATION AS
AN IWA &
BUSINESS
COMMENCEMENT



Talk to Our Experts!

HOW TO REACH US

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9870310368

EMAIL

info@enterslice.com

HEAD OFFICE ADDRESS

B-78, Sector 60, Noida 201301 Uttar Pradesh





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