

IRDAI to tighten insurance advertising norms

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Insurers will soon have to be more cautious in their advertisements as the insurance regulator is in the process of bringing out comprehensive regulation.

As per the draft Insurance Regulatory and Disclosure Regulations 2020, released by the IRDAI, advertisements that make claims beyond the ability of the policy and describe benefits that do not match policy provisions will be treated as “unfair and misleading” advertisements.

They also cannot use terms or phrases that convey a fabricated sense of security, the draft regulations said.

“All insurance advertisements should ensure that communications are clear, fair and not misleading, and they should use material and design to present information legibly and in an accessible manner,” the draft said.

Every insurer or intermediary should recognise standards of professional conduct as prescribed by the Advertisement Standards Council of India (ASCI), and discharge its functions in the interest of policy holders, it added.

Any violation of the norms will attract penal action by the regulator.