

ANTI FRAUD POLICY

Navi General Insurance Limited

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2. Introduction

The Insurance Regulatory and Development Authority of India (“IRDAI”) vide its Circular dated 21st January 2013 having reference No. IRDA/SDD/MISC/CIR/009/01/2013 has directed all insurance companies to take steps to manage fraud and minimize risk emanating from fraud.

The *Corporate Governance Guidelines for Insurers in India* of 18 May 2016 issued by the IRDAI also requires insurance companies to set up a framework to monitor and implement Anti-Fraud Policy for effective deterrence, prevention, detection and mitigation of frauds in such a way that the insurance company is able to monitor risks across all lines of business on a continuous basis.

3. Objective

The objective of this Policy is to put in place an effective Fraud Monitoring framework and ensure that management is aware of its responsibilities for the detection and prevention of fraud and for establishing procedures to prevent fraud and/or detect fraud on its occurrence. This Policy has been further devised to ensure that the fraud detection framework is in line with the requirements as laid down under the Framework, as well as it recognizes the principle of proportionality and reflects the nature, scale and complexity of the business of the Company and risks to which it is exposed. The Policy shall also provide guidance with respect to prevention, detection, mitigation and investigation into fraudulent activities related to ecommerce.

4. Definition

“Fraud” in relation to affairs of a company or anybody corporate, includes any act, omission, concealment of any fact or abuse of position committed by any person or any other person with the connivance in any manner, with intent to deceive, to gain undue advantage from, or to injure the interests of, the company or its shareholders or its creditors or any other person, whether or not there is any wrongful gain or wrongful loss;

“Wrongful gain” means the gain by unlawful means of property to which the person gaining is not legally entitled;

“Wrongful loss” means the loss by unlawful means of property to which the person losing is legally entitled.

5. Scope

This policy and its related procedures apply to all staff, third party service providers, intermediaries and contractors of the Company and all channels of distribution including online sales. This policy shall cover following frauds:

- I. **Intermediary Frauds:** Fraud by intermediaries such as Agents, Corporate Agents, Brokers, Third Party Administrators (TPAs), Surveyors and Loss Assessors or any other intermediaries against the Company or Policyholders;
- II. **Policyholder and /or Claims Fraud:** Fraud against the Company in the purchase or in the execution of an insurance contract including fraud at the time of making a claim.

- III. **Internal Fraud:** Fraud, misappropriation, misrepresentation against the Company by its Director, Manager and / or any other officer or staff member (by whatever name called).
- IV. **Third Party Frauds:** Any fraud done by a party other than the persons connected with the Company will come under Third party fraud.
- V. **Online Fraud:** This type of fraud could inter-alia involve any fraud committed while buying online policy on the Company's digital platform.

Fraud can also be broadly classified as Internal Fraud & External Fraud. Internal Fraud involves involvement of at least one internal party (viz Director, Manager and/or any other officer or staff member) whereas external fraud is perpetrated by an external party without connivance of any internal party.

This may, for example, be achieved by means of

- a. misappropriating assets
- b. deliberately misrepresenting, concealing, suppressing or not disclosing one or more material facts relevant to the financial decision, transaction or perception of the insurer's status
- c. abusing responsibility, a position of trust or a fiduciary relationship

An illustrative list of Frauds as identified is given at *Annexure A* of this document.

6. Impact of Fraud

Fraudulent activities not only impact a Company's bottom line but also create reputational risks for the Company. Depending upon the type and extent of Fraud, the impact includes

- Financial Loss
- Decrease in Profitability
- Negative publicity in press
- Deterioration in Stakeholder relations
- Increase in premium cost to customers
- Loss of Customers' trust
- Low employee morale

7. Roles & Responsibilities

Under the governance structure of the Company, various roles and responsibilities of various stakeholders, under this Policy, shall include the following

7.1. Board of Directors

Board of Directors shall ensure that the Company has an effective Anti-Fraud policy and Code of Conduct policy outlining ethical work conduct & demonstration of integrity by all the employees. In particular, the Board shall be responsible for the following

- To create an environment of integrity, honesty, fairness, openness in the Company as a step towards Fraud Identification and control.
- To approve the Company's Anti-Fraud Policy & any revisions and versions from time to time
- To Monitor reports of the Audit Committee on reported fraud cases [both internal (all cases) and external (above Rupees Ten Lacs threshold)], in case where Fraud has resulted into actual cash out],
- To Monitor reports of the Risk Management Committee on reported external fraud cases (above Rupees Ten Lacs threshold) whether or not resulting into actual cash out.
- To seek for trends, early results from investigations underway and remedy taken by management to address any identified control weakness.

7.2. CEO & Functional Heads

The CEO & Functional Heads have the responsibility of implementing an effective fraud risk assessment Program in relation with activities carried out in their respective functions. In this regard, they shall use the Fraud Risk assessment Program that shall be developed by the Risk Management function. In particular, the CEO & Head of the Departments shall be responsible for the following:

- To set the tone at the top including expected behavior from employees
- To put in place, in association with Risk Management, an effective identification, detection, prevention and mitigation of frauds framework within their respective functions in the Company.
- To establish strong anti-fraud culture within their functions encouraging employees to report suspected frauds in an atmosphere free from any fear of reprisal
- To cooperate with any investigation and to provide free and unrestricted access to all Company records and premises, authority to examine, copy and/or remove all or any portion of the contents of files, desks, cabinets and other storage facilities on the premises without the prior knowledge or consent of any individual who might use or have custody of any such items or facilities only when it is in the scope of their investigation for a fraud or suspected fraud.
- To review & monitor reports of any fraud risks, policies, controls or any investigation,
- To consider Fraud risks whenever introducing any new process or taking up any future responsibilities
- To conduct regular and periodic training of agents when their function is responsible for generating business through Agency channel. The training program shall underline the importance of how to identify fraud, process to be followed upon identification of fraud and how to prevent fraud etc.
- To carry out due diligence and background verification of employees (HR function), staff (HR function) and agents (Business Development and such similar functions responsible for generating business through Agency channel)
- To promptly communicate in writing any instance of internal (actual or suspected) fraud to whistleblower committee (includes CEO, CFO, Head-Internal Audit, Head – HR & Chairman of the Audit committee) , as defined in the Company Policy on Code of Conduct, at whistleblower@navi.com & any suspected or actual case of external fraud to Risk Management. Any concern or allegation involving senior management shall be directed to the Chairperson of the Audit Committee (for Internal frauds) or Risk Management Committee (for external frauds), to avoid filtering by management or other internal personnel.
- To not engage in any business / contractual relationship with persons of criminal record or convicted by a competent court of law.

7.3. Fraud Control Unit

The Company shall establish an independent Fraud Control Unit (“FCU”) which shall commensurate with the volume and scale of business. The Fraud Control Unit will be a dedicated function responsible for identification, detection, investigation and reporting of frauds. The FCU shall also be responsible to identify the vulnerable areas exposed to the risk of potential fraud and put in place adequate control for containment of fraud. The FCU shall more specifically be responsible for the following:

- To lay down Fraud Risk Assessment Program, coordinate with various functions in helping them establish & implement the program in their respective functions
- To identify areas of business that are potentially prone to fraud, regular monitoring activities and remedial actions to mitigate fraud
- To conduct preliminary investigation upon notice of any fraud/suspected fraud. With the permission of the Managing Director & CEO seeking assistance of the external investigation agencies to carry out investigation, if required.
- To seek necessary help and support from functions in relation to any investigation
- To establish procedures and mechanism to receive any internal reports or external reports in connection with any fraud /suspected fraud
- To present to FMGC (Fraud Management and Governance Committee) Fraud investigation reports including observations therein
- To create awareness among employees/ intermediaries/ policyholders to counter insurance frauds.
- To furnish periodic reports to the IRDAI, Government Authority and Board of the Directors of the Company.
- To not engage in any business/contractual relationship with persons of criminal record or convicted by a competent court of law.

In the initial years of business until dedicated Fraud Control Unit is set up by the Company, the aforesaid responsibility will be discharged by the Risk Management Department, Internal Audit and Corporate Legal and Compliance Department respectively to the extent detailed in subsequent paragraph to ensure the effective implementation of this Policy or any amendments thereof.

7.4. Risk Management

The Risk Management function shall carry out the following responsibilities

- To lay down Fraud Risk assessment Program, coordinate with various functions in helping them establish & implement the program in their respective functions
- To identify areas of business that are potentially prone to fraud, regular monitoring of activities and remedial actions to mitigate fraud
- In case of External fraud, to conduct preliminary investigation upon notice of any fraud/suspected fraud. With the permission of the Managing Director & CEO seeking assistance of the external investigation agencies to carry out investigation, if required
- To seek necessary help and support from functions in relation to any investigation
- To prepare an investigation report, based on the investigation carried out, marking and enclosing all the evidences collected during investigations and share the same with the Fraud Management and Governance Committee (“FMGC”)
- To share the findings of any investigation, on recommendation of FMGC, with Corporate Legal & Compliance team to initiate steps with appropriate Law Enforcement agencies.

- To maintain a centralized fraud database (excluding policyholder / claims fraud) of all external frauds within the Company and share with the Fraud Management Governance Committee.
- To establish procedures and mechanism to receive any internal reports or external reports in connection with any fraud /suspected fraud.
- To create Awareness among employees/ intermediaries/ policyholders to counter insurance frauds in assistance with different functions.
- To recommend and initiate steps for internal process remedies and control to plug loopholes in system to strengthen the Fraud control environment
- To provide a report to Compliance & Legal on statistics on various fraudulent cases which come to light for submission to *Insurance Regulatory and Development Authority of India* ("IRDAI")
- To provide the Risk Management Committee of the Company on a quarterly basis, a condensed report for review of reported external fraud cases (above Rupees Ten Lacs threshold)], trends, early results from investigations underway and remedy taken by management to address any identified control weakness.
- To conduct regular and periodic training of employees on both internal & external frauds. The training program shall underline the importance of how to identify fraud, process to be followed upon identification of fraud and how to prevent fraud etc.
- To not engage in any business / contractual relationship with persons of criminal record or convicted by a competent court of law.

7.5. Internal Audit

The Internal Audit shall carry out the following responsibilities in connection with internal fraud

- To conduct the preliminary investigation upon notice of any internal fraud / suspected fraud.
- To seek assistance of the external investigation agencies to carry out investigation, if required after obtaining concurrence from the Managing Director & CEO.
- To seek free and unrestricted access to all Company records and premises, to examine, copy and/or remove all or any portion of the contents of files, desks, cabinets and other storage facilities on the premises without the prior knowledge or consent of any individual who might use or have custody of any such items or facilities only when it is in the scope of their investigation for a fraud or suspected fraud.
- To prepare an investigation report for internal fraud / suspected frauds, based on the investigation carried out, marking and enclosing all the evidences collected during investigations and share the same with the Fraud Management and Governance Committee ("FMGC")
- To recommend and initiate steps for internal process remedies and control to plug loopholes in system to strengthen the Fraud control environment
- To inform the Audit Committee of Company of the outcome of action/ steps taken to put in place for effective control to prevent frauds.
- To maintain a centralized internal fraud database of all internal frauds within the Company and share with the Fraud Management Governance Committee.
- To not engage in any business/contractual relationship with persons of criminal record or convicted by a competent court of law

7.6. Fraud Management Governance Committee

The MD & CEO shall constitute a Fraud Management and Governance Committee (“FMGC”) as per the Code of Conduct policy comprising of at least three members from the senior management, preferably from the following members

1. Chief Financial Officer
2. Head Human Resource
3. Head Internal Audit
4. Chief Risk Officer / Head Risk Management
5. Head Claims
6. Company Secretary
7. Chief Compliance Officer
8. Appointed Actuary or Head Actuarial
9. Head Operations
10. Chief Underwriting Officer

FMGC shall carry out the following responsibilities in terms of their scope under this Policy

- To review, recommend the policies, procedures and control mechanism to identify, detect and report insurance frauds
- To review the findings of the investigations done by Risk Management for external frauds & Internal Audit for Internal frauds and recommend the appropriate course of action which may include but not limited to:
 - I. In case of Internal Fraud, to issue notice to the employee against whom proceedings has been initiated, conduct hearing, record the evidence and based on evidence, hearing conducted, decide upon the case and take disciplinary action as per the Governance Matrix prescribed in the Code of Conduct Policy.
 - II. In case of External Fraud, the FMGC shall decide the course of action considering the nature, severity, cost and impact for pursuing the matter further with the Law Enforcement Agencies. Based on the recommendation of the FMGC, the Risk Management Team shall share the complete investigation reports, evidence, documents with the Corporate Legal & Compliance team, for further pursuing the matter with the Law enforcement agencies
 - III. To keep the entire investigation, disciplinary proceedings confidential to the extent applicable.
 - IV. To ensure no unfair treatment to a person who has reported in good faith of any suspected or alleged incidence of fraud without discrimination, harassment, victimization, retaliation, threat against such person.
 - V. To keep the identity of the person who has reported the suspected or alleged incident of fraud confidential to the extent possible and permitted under the law.
 - VI. To initiate disciplinary action against any person who indulges in any abuse of this policy (for example, any false or bogus allegations made by a person knowing them to be false or bogus or with a *mala fide* intention)

The Committee shall meet on an ad-hoc basis depending upon the responsibilities the committee is expected to discharge as per the Company's Anti-Fraud Policy.

7.7. Whistleblower Committee

Upon receipt of any instance of internal (actual or suspected) fraud or violations of the code of conduct of the Company, based on the nature & severity of the case, the committee may refer the case for further investigation to the Internal Audit and/or Human Resource function.

7.8. Compliance & Legal

The responsibilities of Compliance & Legal shall include the following

- To administer the functions of the Fraud Management & Governance Committee ("FMGC")
- To decide upon the availability of evidence for seeking prosecution through external Law enforcement agencies.
- To file forms FMR 1 and FMR 2 (as prescribed by IRDA vide its Circular bearing ref. no. IRDA/SDD/MISC/CIR/009/01/2013, dated January 21, 2013) providing details of:
 - Outstanding fraud cases; and
 - Closed fraud cases
 - every year within 30 days of the close of the financial year.

7.9. Employees

All employees are custodians of Company's assets and funds and have the responsibility of protecting its reputation from any acts of corruption and misconduct. In particular, the responsibilities of employees shall include the following

- To read this policy along with Code of Conduct policy and understand Fraud and make themselves aware about the potential areas and red flags in their areas of responsibility
- To participate in the process of creating a strong anti-fraud and control environment within their areas of responsibility
- To take responsibility of making third party & intermediaries like agents, partners, vendors, service providers of the Company adhere to standards and principles of this policy
- To disclose potential or actual conflict of interest in any business transactions/relationship being done by the Company with any other party.
- To promptly communicate in writing any instance of internal (actual or suspected) fraud to whistleblower committee, as defined in the Company Policy on Code of Conduct, at whistleblower@navi.com and external fraud to Functional Heads for prompt reporting to Risk Management In case of Internal Fraud, anonymous disclosures or disclosures containing general, non-detailed or offensive information just to harm reputation of a person shall not be entertained
- To cooperate in any investigations that may be required or any disciplinary action that might follow an investigation

7.10. Framework for Exchange of Information

The Company shall closely work with market participants, industry players and the Regulator and promote multiple avenues to enhance mutual cooperation and best practice exchange.

8. Fraud Monitoring and Control

8.1. Fraud Identification

The Company shall create an environment of integrity, honesty, fairness, openness in the Company as a step towards Fraud Identification and control. A list of possible frauds shall be shared through awareness campaign with all employees, agents of NAVI GI to help them in identifying potential Frauds.

The Directors, employees shall disclose potential or actual conflict of interest in any business transactions/relationship being done by the Company with any other party.

The Risk Management Team (RMT) and Head of each department of the Company shall be responsible for putting in place effective identification, detection, prevention and mitigation of frauds framework within their respective functions in the Company.

8.2. Fraud Prevention and Mitigation

- 8.2.1 The Company shall take steps which will include but not limited to regular and periodic training of employees, agents. The training program shall underline the importance of how to identify fraud, process to be followed upon identification of fraud and how to prevent fraud etc.
- 8.2.2 The Company shall as part of fraud prevention process shall carry out due diligence and background verification of its employees, staff, and insurance agents/ Corporate Agent/ intermediaries/ TPAs, as applicable. The due diligence for employees and staff shall be carried out by the HR function as mentioned in section 7.2. The due diligence for other third parties shall be carried out in the same manner as that for outsourcing vendors.
- 8.2.3 The Company shall knowingly not engage in any business/contractual relationship with persons of criminal record or convicted by a competent court of law.
- 8.2.4 Exit interviews shall be conducted for employees leaving the organization regardless of their position to identify potential fraud.
- 8.2.5 The Risk Management Team shall prepare a Risk Assessment program which will assist in implementation of various aspects covered under this Policy.

8.3. Fraud Investigation

Below process shall be followed whenever an instance of fraud is reported, noticed or suspected.

- 8.3.1 The Internal Audit Team and/or Human Resource Team shall conduct the preliminary investigation upon notice of any internal fraud/(actual or suspected). The Internal Audit and/or Human Resource Team may with the permission of the Managing Director &

CEO/Principal Officer may seek assistance of the external investigation agencies to carry out investigation, if required. The designated members of the Internal Audit Team who shall carry out the investigation and will have free and unrestricted access to all Company records and premises, authority to examine, copy and/or remove all or any portion of the contents of files, desks, cabinets and other storage facilities on the premises without the prior knowledge or consent of any individual who might use or have custody of any such items or facilities only when it is in the scope of their investigation for a fraud or suspected fraud.

- 8.3.2 The Internal Audit Team and/or Human Resource based on the investigation carried out, prepare an investigation report marking and enclosing all the evidences collected during investigations and share the same with the Fraud Management and Governance Committee ("FMGC") who shall determine the course of action
- 8.3.3 In case of Internal Fraud, FMGC shall follow the due process of issuing notice to the employee against whom proceedings has been initiated, conduct hearing, record the evidence and based on evidence, hearing conducted, decide upon the case and take disciplinary action as per the Governance Matrix prescribed in the Code of Conduct.
- 8.3.4 The Internal Audit and/or Human Resources team shall further recommend and initiate steps for internal process remedies and control to plug loopholes in system so that such frauds are prevented in future.
- 8.3.5 The Head Internal Audit shall further inform the Audit Committee of Company of the outcome of action/ steps taken to put in place effective control to prevent such frauds in future.
- 8.3.6 For External Frauds, based on the investigation carried out by Risk management function, the FMGC shall decide the course of action considering the nature, severity, cost and impact for pursuing the matter further with the Law Enforcement Agencies. Based on the recommendation of the FMGC, the Internal Audit Team shall share the complete investigation reports, evidence, documents with the Corporate Legal & Compliance team, for further pursuing the matter with the Law Enforcement Agencies.
- 8.3.7 The coordination and cooperation with the External law enforcement agencies shall be done by the Corporate Legal & Compliance team of the Company in line with Section 9 below.
- 8.3.8 The entire investigation, disciplinary proceedings shall be kept confidential to the extent applicable.
- 8.3.9 No unfair treatment shall be given to a person who has reported in good faith of any suspected or alleged incidence of fraud and there shall be no discrimination, harassment, victimization, retaliation, threat against such person.
- 8.3.10 The identity of the person who has reported the suspected or alleged incident of fraud shall be kept confidential to the extent possible and permitted under the law.
- 8.3.11 However, any abuse of this protection (for example, any false or bogus allegations made

by a person knowing them to be false or bogus or with a *mala fide* intention) will warrant disciplinary action.

- 8.3.12 If an employee or an officer reports a suspected or alleged incident of fraud for personal gain or to disrupt the working environment of the company with mala fide intention, such employees would not get any protection and appropriate action shall be taken by the Company against such employee.

9. Coordination with Law Enforcement Agencies

The Internal Audit Team if during course of its investigation of Internal fraud, finds out that the fraud/suspected fraud is caused by elements outside the Company like by Agents, vendors, contractors, third parties etc who are not the employees of the Company, then they through the support of the Corporate Legal & Compliance team shall initiate steps to take action through appropriate Law Enforcement agencies. Before taking the support of the external law enforcement agencies, the findings of their investigation shall be shared with the Corporate Legal & Compliance team who shall decide upon the availability of evidence for seeking prosecution through external enforcement agencies.

10. Fraud Awareness/Information Flow

- 10.1 The Company shall formalize the flow of information from time to time amongst various departments regarding this Policy. Past instances of frauds shall be communicated on a strict no-name basis and without any references through intranet messages, newsletters and/or other regular communication to business managers/Branch Managers/Supervisors. Sharing knowledge of instances of fraud across the Company will allow Employees of the Company to learn from past incidents in other parts of the business, improve internal control deficiencies, minimize repeat incidences of fraud and will provide another means of controlling fraud.
- 10.2 The Company shall share the fraud database information with all other insurers through the General Insurance Council or any other common forum and a well-advised coordination platform shall be maintained so that experience across insurance companies can be shared and better protection mechanism can be discussed and formulated jointly.
- 10.3 The Company will include information about this policy document, fraud reports, instances of frauds, type of frauds on internal newsletter, Intranet portal as deemed fitted. A reference will be included in the employee Code of Conduct. Employees will be reminded of this policy document and the Internal Fraud Policy Statement by their supervisors from time to time.
- 10.4 During the induction program new employees joining the Company will be made aware about the policy Statement during the orientation.
- 10.5 The said policy shall be published on the website of the Company for information of policyholders and all other stakeholders for their information.

11. Implementation, Monitoring and Review

The Head of Risk Management shall monitor the implementation of the policy and shall provide an assurance to the Risk Management Committee at least annually, for effective deterrence, controls, prevention, detection and mitigation of frauds. The Head of Risk Management will review the policy at least annually in line with the Company Business, Products and Process and shall align with the amendment in the Regulatory Guidelines from time to time. Any revised version shall be submitted to the Risk Management Committee for its review and further recommendation to the Board of Directors for approval.

Annexure A

LIST OF INSURANCE FRAUDS

The various type of Fraud that normally is being faced by an insurance company can be classified as below. This list is only a Comprehensive list but not an exhaustive list.

Insured Frauds/claim Frauds

- a) Misrepresentation of facts in the Proposal/ Claim form or any other document
- b) Non-disclosure of material facts
- c) Wrong information pertaining to the claim
- d) Wrong information on the exact cause of loss/damage
- e) Claiming for fictitious damages/loss
- f) Submitting fraudulent and forged claim bills
- g) Submitting of forged documents

Intermediary/Corporate Agent/Brokers/TPA's related frauds

- a) Premium embezzlement
- b) Inflation of premium
- c) Non-disclosure of known material facts
- d) Connivance with the insured in submitting wrong details in the proposal form
- e) Diversion of Premium amount received from the Policyholder/insured
- f) Forging or alteration of premium cheques, financial documents
- g) Disclosure of confidential information to third party
- h) Forging of cheques and proposal form
- i) Reporting and claiming in connivance with insured fictitious loss damage
- j) Submitting of forged medical bills, claim documents in connivance with the Insured/claimant

Internal Fraud done by Employees, contract staff etc.

- a) Connivance in making fraudulent insurance policies
- b) Forging signatures in the proposal form, policy document, claim documents
- c) Siphoning of premium amount
- d) Connivance in forging claim documents
- e) Taking commission from customers on settlement of claims
- f) Stealing company assets like laptops, computers, cover notes etc
- g) Transferring claim amount payable to the insured to some other fictitious account.
- h) Misuse of credit card details and/or collecting premium in cash and in return providing customers with fake or manipulated policy document.
- i) Releasing of excess and/or unauthorized commission to fictitious persons/family members/deactivated intermediaries.
- j) Misappropriation and diversion of funds, unauthorized trading, manipulation between dealing room person and brokers and passing on kickback etc.
- k) Kickbacks to employees from suppliers/vendors/service providers for deficient or services not provided.

Third Party Frauds

- a) Connivance in making fraudulent insurance policies or claims documents.
- b) Issuing fraudulent policies in the name of the Company and siphoning of premium amount.
- c) Kickbacks to employees for deficient or services not provided.
- d) Forging of cheques, signatures, policy document, claim document or any other document to defraud the Company.
- e) Stealing company assets like laptops, computers, cover notes etc

Online Frauds

- a) **Buyer side:** Where buyers file fraudulent claims, chargebacks or compromised payment cards.
- b) **Merchant side:** Frauds committed by any of the merchant partners of the Company which would include non-remittance of premium collected on behalf of the Company and/or incorrect charge backs etc.
- c) **Cyber security:** Transactions effected through fake or stolen credit card/bank accounts to carry out a transaction in the web portal of the Company. Threat of confidential data of the Company being comprised due to any cyber-attack/hacking of the Company systems
- d) **Other Frauds:** Any other type of online fraud which does not fall under either of the above three sub-categories

Key Fraud Risk Indicators

Motor Insurance

SI N o	Key Fraud early warning Risk Indicators	Remarks
1	Date of loss within 5 days of policy inception date	Possibility that loss might have occurred before taking insurance policy from us
2	Claim intimated to us after long period	Possibility to hide the actual facts or damages to avoid investigation and verification of accident spot
3	Reporting of a claim immediately after an endorsement	Possibility that customer wants added/enhanced coverages in a policy and then claim for damages
4	Customer is identified as potential risk/threat during claim notification	Possibility that customer wants to get additional advantage either by asking details queries or questions during notification
5	If claim is reported on break in policy	possibility of claiming previous old damages in a claim
6	NCB availed by customer in a policy and claim reported within initial days of policy inception	Possibility of wrong declaration of NCB
7	High/Low Cost of Auto parts (outliers)	High cost might indicate potential to inflate the cost, low cost might indicate fake/counterfeit parts

Health Insurance

SI No	Key Fraud early warning Risk Indicators	Remarks
1	Hospital sending claims for a particular illness at a particular price	
2	Hospitals billing for services with no supporting documentation	
3	Misrepresentation of dates of service	Showing services on different dates means more money
4	Unbundling of medical procedures instead of bundled service	Unbundling of medical procedures might raise the bill in order to make more money
5	Offering of Services / Tests / Procedures not necessary (like extended stay)	To utilize the full insurance coverage
6	Unwitnessed accidents / invisible injury not reported on the spot	
7	Duplicate Claims / frivolous looking medical bills / multiple inflated claims from an insured	
8	Multiple dependents born within a short period (ex. two years)	
9	Mutually exclusive procedures	Ex if appendix was removed already, not possible to have appendicitis subsequently
10	Many Disability claims arising from one place	Ex. disability certificates issued by the same doctor for many strangers
10	Non-disclosure of pre-existing diseases	
11	Close-proximity claims	Ex Claim made within 15 days of policy inception date
12	Serious underwriting lapses found while processing a claim	
13	Insured appearing to be aggressive in pursuit of a quick settlement	
14	Insured appearing to accept small settlement in order to forego submission of all documentation	

Exercise caution while receiving claims from Hisar, Rohtak, Sonipat & Jhajjar in Haryana

Please Note: The above list is only illustrative and not exhaustive

Annexure B

List of Changes from V5 to V6

Clause	Existing Clause (V4)	Revised Clause (V5)	Rationale
7. Roles & Responsibilities 7.6. Fraud Management Governance Committee	-	The Committee shall meet on an ad-hoc basis depending upon the responsibilities the committee is expected to discharge as per the Company's Anti-Fraud Policy.	To document frequency of FMGC meeting.
8. Fraud Monitoring and Control 8.2. Fraud Prevention and Mitigation	8.2.2 The Company shall as part of the fraud prevention process shall carry out due diligence and background verification of its employees, staff, and insurance agents/ Corporate Agent/ intermediaries/ TPAs, as applicable.	<ul style="list-style-type: none"> The Company shall as part of the fraud prevention process shall carry out due diligence and background verification of its employees, staff, and insurance agents/ Corporate Agent/ intermediaries/ TPAs, as applicable. The due diligence for employees and staff shall be carried out by the HR function as mentioned in section 7.2. The due diligence for other third parties shall be carried out in the same manner as that for outsourcing vendors. 	To reflect clarity in the due diligence process for employees and vendors.