

Processing of various Claims:

The following guidelines are followed and practiced while processing various loss/ claims in accordance with our Re-insurer Sadharan Bima Corporation (SBC)'s Manual:

Motor Claims:

When a claim is reported, the first step is to confirm interalia that the policy is in force. Upon receipt of intimation of loss the same is brought to the notice of the Managing Director of the company.

01. Appointment of surveyors

Immediately a surveyor is appointed from the panel of enlisted surveyors strictly by rotation with the consent of Managing Director (MD). In the appointment letter it is emphasized that the surveyors, apart from their usual duties and assessment of losses, examine the following points and embody their independent views in their survey reports:

- a. Involvement of moral hazard and physical hazard, if any.
- b. Maintenance of the car.
- c. Breach of utmost good faith, if any.
- d. Cause of loss/ accident for ascertaining the exact position the surveyors visit the place of occurrence obtain independent witness and verify with the statement of the driver/ insured.
- e. Basis of depreciation applied (depreciation should be applied from the date of manufacture of the vehicle).
- f. Market value of the vehicle showing the basis of calculation.
- g. Extent of damage and amount payable by the insurer.
- h. Involvement of third party and their liabilities, if any.
- i. Number of persons (both passengers and pedestrian) died or received injuries.
- j. Possible speed of the vehicle at the time of loss.
- k. Number of passengers and/ or weight of the cargo being carried at the time of accident.
- l. Value of salvage.

02. Submission of preliminary and final reports by surveyors

In the appointment letter emphasis is given that the surveyors must submit their preliminary report within 7 (seven) days and final report within 15 (fifteen) days from the date of receipt of the appointment letter. The surveyors are also advised to tell the insured to preserve all the items of salvage for returning the same to RICL before settlement of claim.

03. Colored photograph

The surveyors are advised to take color photographs and the photographs must be signed and sealed by the Surveyors on the reverse mentioning the registration number and date of accident.

04. Inspection of loss

Now-a-days the claims settling department undertake for spot survey by its representative/ company's transport officer/ engineer in order to ascertain the exact assessment of loss. After getting preliminary survey report from Surveyors the concerned department discusses with its representative/ company's Transport Officer along with the Surveyors and verify the findings of Transport Officer (TO).

05. **Correspondence with the insured**

As per policy condition the insured is required to intimate the loss immediately (normally such intimation should be made within 48 hours). The correspondence is made with the insured for collecting necessary papers and documents for disposing of claim. In correspondence, the following points and procedure are usually followed:

- a. All correspondences are marked "without prejudice" on the top of the letter.
- b. The insured is requested to submit all necessary papers at a time.
- c. The insured is asked to submit all the requisite papers for processing the claim within 15 (fifteen) days from the date of receipt of the letter. The documents normally are asked at the first instant are usually as follows:
 - i. Claim form duly completed in all respects by the insured.
 - ii. Three estimates from three reputed workshops.
 - iii. Copy of statement of the driver.
 - iv. Photocopy of driver's licence duly authenticated by the appropriate licensing authority.
 - v. Copy of route permit for commercial vehicles.
 - vi. Copy of tax token.
 - vii. Copy of registration book/ certificate
 - viii. Copy of fitness certificate.
 - ix. Copy of GD Entry by the concerned police station.
 - x. F.I.R. and Police Report, if the loss relates to other than accidental damage.
 - xi. Form KA for bodily injury claim.
 - xii. Form KA and succession certificate issued by the lawful authority for death claim.

06. **Police Report**

These reports are not required for own damage claim, except theft and riot losses where it is required. However, F. I. R. and Police Report are invariably required for death, bodily injury, theft and third party property liability claims.

07. **Removal of vehicles**

Ordinarily the insured is not removed the vehicle from the site of accident to any place prior to primary survey and inspection and during such time the vehicle is to be properly guarded by the insured. However, for security or other genuine reasons, if the vehicle is required to be removed, this may be done and removed to insured's premises under intimation to RICL. But under no circumstances, the vehicle is to be removed to a repairing garage (quoted from SBC's manual).

08. **Salvage**

If a claim is approved and the surveyors recommended to surrender the salvage items, then the insured must surrender salvage material to RICL. Surveyors are advised to instruct the insured categorically "without prejudice" to preserve all the items of salvage and to return to RICL before settlement of the claim. This point is made a condition precedent to settlement of claims and in case the insured fails to account for salvage items as per survey report, his claim amount will be reduced by the value of those items. The surveyors must indicate in their report the approximate value of salvage.

09. **Mode of disposal of salvage on total loss**

In the event of total loss of the vehicle the same is collected from the insured alongwith the certificate of insurance, blue book, tax token, key etc. in original, at the time of settlement of the claim. Regarding disposal of vehicle resulting in total loss, the respective office will dispose of the same through press tender (quoted from policy condition/ manual).

10. **Repairing order/ repairers of the vehicle**

On completion of survey work and inspection (if conducted) by the representative of RICL and with the consent of the surveyors, the insured is allowed to go ahead with the repairing work, without prejudice, from any garage of the insured's choice at his own risk and responsibility. The liability, if any will be determined strictly the terms, conditions limitations and exceptions of the policy as well as surveyor's findings. Under no circumstance, the insured is allowed to go ahead with the repairing work of the vehicles without having concurrence from RICL. If he does so, his claim will be prejudice.

11. **Time limit for disposing of claims**

As per Insurance Act under Article 47 (B) wherein advices were given for claiming the payment within a period of 90 days time from the date of lodgment of claim. We always try to follow the guidelines and Rules of Insurance Act under Article 47 (B). Sometimes, it happens that we are unable to settle the claims within the stipulated time due to non-submission of required papers and/ or non-cooperation of the insured in respect of the claim. But there are some cases where we settle the claim within 60 days or before the stipulated time upon receipt of the relevant documents submitted by the Insured and Surveyors.

12. **Decision on claims**

On receipt of all requisite papers from all concerned parties, immediate action is taken for deciding the merit of the claim. In doing so the information given by the insured on the claim form is compared with the policy records in order to confirm:

- a. That the vehicle and or the interest involved are the ones covered by the policy.
- b. That the loss or damage is prima facie covered by the policy
- c. That the driver, at the time of accident, was one of those permitted to drive.
- d. That the use of the vehicle was within that permitted by the appropriate authority.
- e. That all policy conditions have been complied with.

After thorough scrutiny of the relevant papers and if it is in order the claim department processes the claim file for final approval of the Chief Executive of the Company. The Chief Executive also examines the papers and documents of the claim file and send the file to the Chairman, Claims Committee for discussion and comments of the file and finally the Chairman approve the claim.

13. **Rule of Business for settlement of claim**

Section 8(A) of Insurance Act 1938 which reads as follows:

"Insurance Surveyor: means a person (certified under section 44A) who examines the goods, property or any interests insured under a Policy of general insurance to ascertain the cause, extent and location of any loss and to determine the amount of such loss and the amount which is payable to the insured by the insurer or insurers or any person liable in respect of such loss."

The aforesaid Act is applicable for all classes of claim.

Fire Claims:

When a claim is reported, the first step is to confirm interalia, that the policy is in force on the date of occurrence of the loss or damage. Upon receipt of intimation of loss the same is brought to the notice of the Managing Director of the company.

01. Appointment of surveyors

Immediately a surveyor is appointed from the panel of enlisted surveyors strictly by rotation with the consent of Managing Director (MD). In the appointment letter it is emphasized that the surveyors, apart from their usual duties and assessment of losses, examine the following points and embody their independent views in their survey reports:

- a. The policy is in force on the date of occurrence of the loss or damage
- b. The loss or damage is by a peril insured by the policy;
- c. The property affected by the loss is the same as insured under the policy
- d. Full description of circumstances of the loss such as date of loss time, the place of fire.
- e. Cause of fire
- f. Particulars of the property affected by the loss such as description, value at the time of fire, value of salvage and the claim amount.
- g. Statement of other insurance on the property, name of the insurer, the policy number and the sum insured.
- h. Sound value of all the property.
- i. The assessor can judge whether the fire has been started at more than one place and whether it is a case of arson. He will enquire whether there is a breach of warranty or negligence on the part of the insured.

02. Submission of preliminary and final survey reports by surveyors:

In the appointment letter emphasis is given that the surveyors must submit their preliminary report within 15 (fifteen) days and final report within 30 (thirty) days from the date of receipt of the appointment letter. The surveyors are also advised to tell the insured to preserve all the items of salvage for returning the same to RICL before settlement of claim.

03. Colored photograph

The surveyors are advised to take color photographs and the photographs must be signed and sealed by the Surveyors on the reverse mentioning the registration number and date of accident.

04. Inspection of loss

Now-a-days the claims settling department undertake for spot survey by its representative.

05. Correspondence with the insured

As per policy condition the insured is required to intimate the loss within 15 days. The correspondence is made with the insured by the insurer for collecting necessary papers and documents for disposing of claim. In correspondence, the following points and procedure are usually followed:

- a. Claim for duly completed in all respects and signed by the insured, as well as their bankers or other co-insureds, if any.
- b. Copy of the relevant policy/ endorsement.
- c. Survey report.
- d. Fire brigade report

- e. Copy of F. I. R.
- f. Police investigation report if the matter is disputed.
- g. Copy of stock reports.

06. **Police Report**

These reports are required for riot and strike damage losses.

07. **Regarding salvages**

- a. The insured must take adequate precautions and necessary measures to minimise the loss and our company shall not be liable if the loss is aggravated or enhanced due to insured's negligence or failure to take adequate measures.
- b. The insured must arrange proper security for guarding the damaged premises and stock therein against possibility of theft, looting, pilferage etc. at their responsibility.
- c. Salvages, if any, must be preserved properly till the survey is completed by appointed surveyors and the same should not be disposed of or removed or sold out unless we instruct the insured in writing to do so.
- d. Evidence of loss should not be damaged, destroyed or removed or tampered in any way. Otherwise, it will make survey and assessment of the loss difficult by the surveyors and also seriously prejudice the claim for which our company shall not be liable.

08. **Time limit for disposing of claims**

As per Insurance Act under Article 47 (B) wherein advices were given for claiming the payment within a period of 90 days time from the date of lodgment of claim. We always try to follow the guidelines and Rules of Insurance Act under Article 47 (B). Sometimes, it happens that we are unable to settle the claims within the stipulated time due to non-submission of required papers and/ or non-cooperation of the insured in respect of the claim. But there are some cases where we settle the claim within 60 days or before the stipulated time on receipt of the relevant documents submitted by the Insured and Surveyors.

09. **Decision on claims**

On receipt of all requisite papers from all concerned parties, immediate action is taken for deciding the merit of the claim. In doing so the information given by the insured on the claim form is compared with the policy records in order to confirm:

- a. That the loss or damage is prima facie covered by the policy
- b. That all policy terms and conditions have been complied with.

After thorough scrutiny of the relevant papers and if it is in order the claim department processes the claim file for final approval of the Chief Executive of the Company. The Chief Executive also examines the papers and documents of the claim file and send the file to the Chairman, Claims Committee for discussion and comments of the file and finally the Chairman approve the claim.

10. **Rule of Business for settlement of claim**

Section 8(A) of Insurance Act 1938 which reads as follows:

"Insurance Surveyor: means a person (certified under section 44A) who examines the goods, property or any interests insured under a Policy of general insurance to ascertain the cause, extent and location of any loss and to determine the amount of such loss and the amount which is payable to the insured by the insurer or insurers or any person liable in respect of such loss."

The aforesaid Act is applicable for all classes of claim.

Marine Claims:

When a claim is reported, the first step is to confirm interalia, that the policy is in force on the date of occurrence of the loss or damage. Upon receipt of intimation of loss the same is brought to the notice of the Managing Director of the company.

01. Appointment of surveyors

Immediately a surveyor is appointed by the insured after causing of the loss.

02. Submission of preliminary and final survey reports by surveyors:

Surveyors report will be submitted by the Insured.

03. Correspondence with the insured

As per policy condition the insured is required to intimate the loss immediately. The following papers and documents are required at the time of claim:

- a. Original policy/ endorsement/ certificates
- b. Invoice
- c. Packing list
- d. Bill lading
- e. Bill of entry (for imported).
- f. Insureds claim bill
- g. Survey report
- h. Short landing certificate, if applicable
- i. Copies of correspondence exchanged between the insured and the carriers etc, in attempt of recovery.
- j. Letter of subrogation, if applicable
- k. Letter of indemnity, if applicable
- l. G. A. adjustment report in case of G. A. claim.

04. Time limit for disposing of claims

As per Insurance Act under Article 47 (B) wherein advices were given for claiming the payment within a period of 90 days time from the date of lodgment of claim. We always try to follow the guidelines and Rules of Insurance Act under Article 47 (B). Sometimes, it happens that we are unable to settle the claims within the stipulated time due to non-submission of required papers and/ or non-cooperation of the insured in respect of the claim. But there are some cases where we settle the claim within 60 days or before the stipulated time on receipt of the relevant documents submitted by the Insured and Surveyors.

05. Decision on claims

On receipt of all requisite papers from all concerned parties, immediate action is taken for deciding the merit of the claim. In doing so the information given by the insured in order to confirm:

- a. That the loss or damage is prima facie covered by the policy
- b. That all policy terms and conditions have been complied with.

After thorough scrutiny of the relevant papers and if it is in order the claim department processes the claim file for final approval of the Chief Executive of the Company. The Chief Executive also examines the papers and documents of the claim file and send the file to the Chairman, Claims Committee for discussion and comments of the file and finally the Chairman approve the claim.

06. **Rule of Business for settlement of claim**

Section 8(A) of Insurance Act 1938 which reads as follows:

"Insurance Surveyor: means a person (certified under section 44A) who examines the goods, property or any interests insured under a Policy of general insurance to ascertain the cause, extent and location of any loss and to determine the amount of such loss and the amount which is payable to the insured by the insurer or insurers or any person liable in respect of such loss."

The aforesaid Act is applicable for all classes of claim.

Marine Hull Claims:

When a claim is reported, the first step is to confirm interalia, that the policy is in force on the date of occurrence of the loss or damage. Upon receipt of intimation of loss the same is brought to the notice of the Managing Director of the company.

01. **Appointment of surveyors**

Immediately a surveyor is appointed strictly by rotation with the consent of Managing Director (MD). In the appointment letter it is emphasized that the surveyors, apart from their usual duties and assessment of losses, examine the important points/ observation and embody their independent views in their survey reports.

02. **Submission of preliminary and final survey reports by surveyors:**

In the appointment letter emphasis is given that the surveyors must submit their preliminary report within 15 (fifteen) days and final report within 30 (thirty) days from the date of receipt of the appointment letter. The surveyors are also advised to tell the insured to preserve all the items of salvage for returning the same to RICL before settlement of claim.

03. **Colored photograph**

The surveyors are advised to take color photographs and the photographs must be signed and sealed by the Surveyors on the reverse mentioning the registration number and date of accident.

04. **Correspondence with the insured**

As per policy condition the insured is required to intimate the loss immediately. The following papers and documents are required at the time of claim:

- a. Copy of policy in case of total loss original policy)
- b. Survey report
- c. Note of protest/ affidavit
- d. Adjusters report (if applicable)
- e. Deck and engine log book
- f. Master's and chief engineers detailed report
- g. Load line certificate (note always)
- h. Classification society survey report applicable in case of breath going vessel.
- i. Copy of F. I. R.
- j. Estimates
- k. Receipt accounts of repairs and/ or any parts supplied by ship-owners.
- l. Accounts covering any dry docking and general expenses relating to the repairs.
- m. Registration certificate, safety equipment certificate, valid survey certificate, competency certificate of master.

- n. Letter of subrogation.
- o. Letter of indemnity.

05. **Time limit for disposing of claims**

As per Insurance Act under Article 47 (B) wherein advices were given for claiming the payment within a period of 90 days time from the date of lodgment of claim. We always try to follow the guidelines and Rules of Insurance Act under Article 47 (B). Sometimes, it happens that we are unable to settle the claims within the stipulated time due to non-submission of required papers and/ or non-cooperation of the insured in respect of the claim. But there are some cases where we settle the claim within 60 days or before the stipulated time on receipt of the relevant documents submitted by the Insured and Surveyors.

06. **Decision on claims**

On receipt of all requisite papers from all concerned parties, immediate action is taken for deciding the merit of the claim. In doing so the information given by the insured in order to confirm:

- a. That the loss or damage is prima facie covered by the policy
- b. That all policy terms and conditions have been complied with.

After thorough scrutiny of the relevant papers and if it is in order the claim department processes the claim file for final approval of the Chief Executive of the Company. The Chief Executive also examines the papers and documents of the claim file and send the file to the Chairman, Claims Committee for discussion and comments of the file and finally the Chairman approve the claim.

07. **Rule of Business for settlement of claim**

Section 8(A) of Insurance Act 1938 which reads as follows:

"Insurance Surveyor: means a person (certified under section 44A) who examines the goods, property or any interests insured under a Policy of general insurance to ascertain the cause, extent and location of any loss and to determine the amount of such loss and the amount which is payable to the insured by the insurer or insurers or any person liable in respect of such loss."

The aforesaid Act is applicable for all classes of claim.

Burglary Claims:

When a claim is reported, the first step is to confirm interalia, that the policy is in force on the date of occurrence of the loss or damage. Upon receipt of intimation of loss the same is brought to the notice of the Managing Director of the company.

01. **Appointment of surveyors**

Immediately a surveyor is appointed strictly by rotation with the consent of Managing Director (MD). In the appointment letter it is emphasized that the surveyors, apart from their usual duties and assessment of losses, examine the important points/ observation and embody their independent views in their survey reports.

02. **Submission of preliminary and final survey reports by surveyors:**

In the appointment letter emphasis is given that the surveyors must submit their preliminary report within 15 (fifteen) days and final report within 30 (thirty) days from the date of receipt of the appointment letter. The surveyors are also advised to tell the insured to preserve all the items of salvage for returning the same to RICL before settlement of claim.

03. **Colored photograph**

The surveyors are advised to take color photographs and the photographs must be signed and sealed by the Surveyors on the reverse mentioning the registration number and date of accident.

04. **Correspondence with the insured**

As per policy condition the insured is required to intimate the loss immediately. The following papers and documents are required at the time of claim:

- a. Claim form duly filled in.
- b. Policy copy/ endorsement etc.
- c. Survey report
- d. Police investigation report.
- e. Copy of statement of stock reports.

05. **Time limit for disposing of claims**

As per Insurance Act under Article 47 (B) wherein advices were given for claiming the payment within a period of 90 days time from the date of lodgment of claim. We always try to follow the guidelines and Rules of Insurance Act under Article 47 (B). Sometimes, it happens that we are unable to settle the claims within the stipulated time due to non-submission of required papers and/ or non-cooperation of the insured in respect of the claim. But there are some cases where we settle the claim within 60 days or before the stipulated time on receipt of the relevant documents submitted by the Insured and Surveyors.

06. **Decision on claims**

On receipt of all requisite papers from all concerned parties, immediate action is taken for deciding the merit of the claim. In doing so the information given by the insured in order to confirm:

- a. That the loss or damage is prima facie covered by the policy
- b. That all policy terms and conditions have been complied with.

After thorough scrutiny of the relevant papers and if it is in order the claim department processes the claim file for final approval of the Chief Executive of the Company. The Chief Executive also examines the papers and documents of the claim file and send the file to the Chairman, Claims Committee for discussion and comments of the file and finally the Chairman approve the claim.

07. **Rule of Business for settlement of claim**

Section 8(A) of Insurance Act 1938 which reads as follows:

"Insurance Surveyor: means a person (certified under section 44A) who examines the goods, property or any interests insured under a Policy of general insurance to ascertain the cause, extent and location of any loss and to determine the amount of such loss and the amount which is payable to the insured by the insurer or insurers or any person liable in respect of such loss."

The aforesaid Act is applicable for all classes of claim.