

VEHICLE INSURANCE - CLAIM PROCEDURE

General Claims procedure

All insurance contracts are based on the information provided by the insured proposal form. The proposal form forms the basis of insurance contracts. Some important points, which would help you in the claims procedure.

- The loss or damage should be reported to the insurer immediately.
- On receipt of claim intimation, the insurer will forward a claim form.
- Submit the completed claim form along with an estimate of the loss to the insurer. It is preferable to submit an itemized estimate with separate values.
- The insurer will arrange for inspection of the damaged items to assess the loss. In case of major losses, a specialist-licensed surveyor is deputed.
- The insured has to provide the required documents to substantiate the extent of loss.
- In case the cause of loss is not established, it is for the insured to prove that the loss or damage has occurred due to an insured peril.
- On agreement of claim amount between the insured and the insurer, the claim is settled.
- Average Clause - As per the Terms and Condition of the Policy .
- Excess as stated as per the Policy terms and condition will be deducted from the claim payable.
- In view of varied nature of policies, certain points distinct to individual policies, in addition to the above, are listed below : (Documents mentioned are indications and based on the circumstances of the claim insurer may request additional documents)

Motor vehicle (Private & two wheelers) claims

Claims under Act policies

- Notice of an accident (not necessarily a claim) involving third parties should be reported to the insurers.
- The insured may be interested to pay compensation without going into whether he is liable to pay or not. It is therefore an express condition of the policy that no claim should be admitted or a compromise arrived at, without the approval of the insurers.
- In case of major claims, the insurers may be willing to defend criminal case against the driver also on the basis of which compensation claims may be decided in the civil courts.
- Every accident involving third parties is required to be reported to police. M.V.Act provides that a third party victim can proceed against the insurers directly. If the alleged accident is not reported to the insurers, the insurers can consider this as violation of policy condition. In such circumstances, even if insurers are required to pay compensation by a court of law, they have an option of recovering such claim amounts from the insured for violation of specific policy condition.
- The insured can proceed with repairs provided the insurers are submitted an estimate of repairs and the estimated cost of repairs does not exceed Rs.500 in case of Private cars and Rs.150 in case of two wheelers.

Claims under Comprehensive policies

(Steps to be taken in case of an accident)

- Notice of accident should be filed with the insurers.
- If damage is a major one, the accident may be reported before the vehicle is removed from the spot so that the insurers can arrange for spot inspection of damage.
- The vehicle may then be moved to a workshop, preferably to authorized workshop, for estimation of repair charges.
- On receipt of completed claim form and estimate of repairs the insurers will arrange detailed inspection of damage and cost of repairs will be ascertained.
- The insurers will ensure that a person duly licensed drove the vehicle at the time of accident and that the vehicle is the one insured in their books. To that end, they will verify the Registration Certificate and the Driving license of the driver who drove at the time of the accident.
- Upon completion of the above procedure, the repairers will be authorized to carry out repairs. The insurer may undertake to settle the repair bills directly with the garage or reimburse the insured.
- Insurers would like to collect the damaged parts for which replacements have been allowed, as salvage. To ensure that replacements with new parts, have in fact, been effected.
- In case of theft of the car or its accessories, it has to be reported to the police and final report should be submitted.