

CLAIM PREPARATION  
MANUAL AND CHECKLIST

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# FOR THE INSURED

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STANDARD FIRE &  
SPECIAL PERILS  
(SF&SP) INSURANCE

# Important Reference Requirements

- Policy Copy,
  - Proposal Form
  - Renewal copies, endorsements
  - Risk Inspection Reports, quotations of Insurers, if any.
  - IRDAI - Protection of Policyholders' Interests Regulations, 2017
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## Understand the Policy

- 1.The coverage clause – what the insurer say they cover
- 2.The Exclusions – what the insurer say they do not cover
- 3.The conditions – rights of the insurer and obligations of the insured.
- 4.The schedule of the policy – containing the details of the risk, insured, period of cover etc.
- 5.Endorsements – provisions that may enhance, limit or modify the terms of the policy
- 6.Sum insured total, section wise, sub-limits, if any





# Claim Procedure for Standard Fire & Special Perils (SF&SP) Policy

## **Intimate the claim to the Insurer at the earliest**

As per sec. 15. 1. of the IRDAI Protection of Policyholders' Interests Regulations, 2017, which is on Claim Procedure in respect of a general insurance policy, the following obligations of an insured are seen: An insured or the claimant shall give notice to the insurer of any loss arising under contract of insurance at the earliest or within such extended time as may be allowed by the insurer.

The best rule is to intimate the claim immediately. If there is delay there must be a serious and justifiable reason for the same. It has to be recorded and given to the insurer/surveyor and a copy to be kept in insured's claim file.

## **Obligations of the Insurer as per Regulations**

### **After this there are many obligations of the insurer such as:**

- On receipt of such a communication (claim intimation), a general insurer shall respond immediately and give clear information to the insured on the procedures that he should follow.
- Insurer shall communicate the details of the appointment of surveyor, including the role, duties and responsibilities of the surveyor to the insured by letter, email or any other electronic form immediately after the appointment of the surveyor.

- The insurer / surveyor shall within 7 days of the claim intimation, inform the insured / claimant of the essential documents and other requirements that the claimant should submit in support of the claim. Where documents are available in the public domain or with a public authority, the surveyor/insurer shall obtain them.
- The surveyor shall start the survey immediately unless there is a contingency that delays immediate survey, in any case within 48 hours of his appointment.
- Interim report of the physical details of the loss shall be recorded and uploaded/forwarded to the insurer within the shortest time but not later than 15 days from the date of first visit of the surveyor. A copy of the interim report shall be furnished by the insurer to the insured/claimant, if he so desires.
- Where the insured is unable to furnish all the particulars required by the surveyor or where the surveyor does not receive the full cooperation of the insured, the insurer or the surveyor, as the case may be, shall inform in writing to the insured under information to the insurer about the consequent delay that may result in the assessment of the claim.
- The insurer and/or surveyor shall not call for any information/document that is not relevant for the claim.
- The surveyor shall, subject to sub-regulation 4 above, submit his final report to the insurer within 30 days of his appointment.
- A copy of the surveyor's report shall be furnished by the insurer to the insured/claimant, if he so desires.
- Where special circumstances exist in respect of a claim either due to its special / complicated nature, or due to difficulties associated with replacement/reinstatement, the surveyor shall, seek an extension from insurer for submission of his report. In such an event, the insurer shall give the status to the insured/claimant fortnightly wherever warranted. The insurer may make provisional/ on account payment based on the admitted claim liability.
- Claims shall be settled by the insurer within 30 days of receipt of final survey report and/or the last relevant and necessary document as the case may be.
- In the event the claim is not settled within 30 days as stipulated above, the insurer shall be liable to pay interest at a rate, which is 2% above the bank rate from the date of receipt of last relevant and necessary document from the insured/claimant by insurer till the date of actual payment.

## Duties of the Surveyor

IRDAI Insurance Surveyors and Loss Assessors (Amendment) Regulations, 2015 states the following (sec. 13):

- It shall be the duty of every Licensed Surveyor and Loss Assessor to investigate, manage, quantify, validate and deal with losses (whether insured or not) arising from any contingency, and report thereon to the insurer or insured, as the case may be.,
- All Licensed Surveyors and Loss Assessors shall carry out the said work with competence, objectivity and professional integrity and strictly adhere to the code of conduct as stipulated in these Regulations.
- maintaining confidentiality and neutrality without jeopardising the liability of the insurer and claim of the insured;
- conducting inspection and re-inspection of the property in question suffering a loss;
- examining, inquiring, investigating, verifying and checking upon the causes and the circumstances of the loss in question including extent of loss, nature of ownership and insurable interest;
- conducting spot and final surveys,
- estimating, measuring and determining the quantum and description of the subject under loss
- advising the insurer and the insured about loss minimisation, loss control, security and safety measures, wherever appropriate, to avoid further losses;
- commenting on the admissibility of the loss as also observance of warranty conditions under the policy contract;
- satisfying queries of the insured/insurer and of persons connected thereto in respect of the claim/loss;
- giving reasons for repudiation of claim, in case the claim is not covered by policy terms and conditions
- taking expert opinion, wherever required
- commenting on salvage and its disposal wherever necessary

In the Code of Conduct Section (Sec.16) the Regulations state:

- 1.act impartially, when acting on instructions from an insurer in relation to a policy holder's claim under a policy issued by that insurer;
- 2.conduct himself with courtesy and consideration to all people with whom he comes into contact during the course of his work;

## Process of Claim Submission:

1. Report a claim immediately. Have contact details of the insurer on the policy file with mobile number, email id and postal address. Claim may be formally recorded in a letter sent by email or post, confirming the intimation by phone or any other means.
2. Follow up the appoint of a suitable surveyor till the surveyor appointment letter copy is given or the surveyor actually arrives at the site of loss.
3. Open a claim file and ensure that all communication with the insurer, surveyor and other party is preserved with scanned or true copies of the communication sent.
4. After claim intimation, a copy of the policy may be kept in the claim file. The policy wording, the last renewal endorsement, if any, other applicable endorsements should be also be kept in the claim file for necessary reference.
5. As soon as the loss is detected and during the course of its progress instruct that photographs and videos, if possible, are taken and preserved.
6. Ensure that the names of witnesses are duly recorded and as necessary made available for giving statements to the surveyor. Copies of their statements, if taken in writing by the surveyor, should be kept in the claim file.
7. As soon the loss is detected, inform all authorities as required, such as the Fire Brigade, the Police, the Electric Supply Authorities, the Labour Department and others as applicable according to the local laws.
8. In case of injuries to any employee they should be treated and as required hospitalised immediately. It should be ensured that all employees are fully safe and evacuated from the concerned premises.

## The Loss Notice Procedure

The SF&SP policy states in condition 6:

6. (i) On the happening of any loss or damage the Insured shall forthwith give notice thereof to the Company and shall within 15 days after the loss or damage, or such further time as the Company may in writing allow in that behalf, deliver to the Company

1. A claim in writing for the loss or damage containing as particular an account as may be reasonably practicable of all the several articles or items or property damaged or destroyed, and of the amount of the loss or damage thereto respectively, having regard to their value at the time of the loss or damage not including profit of any kind.
2. Particulars of all other insurances, if any

The Insured shall also at all times at his own expense produce, procure and give to the Company all such further particulars, plans, specification books, vouchers, invoices, duplicates or copies thereof, documents, investigation reports (internal/external), proofs and information with respect to the claim and the origin and cause of the loss and the circumstances under which the loss or damage occurred, and any matter touching the liability or the amount of the liability of the Company as may be reasonably required by or on behalf of the Company together with a declaration on oath or in other legal form of the truth of the claim and of any matters connected therewith.

### **Steps to be Taken Immediately after the loss**

Along with reporting the claim to the insurance company, the following also has to be done to the best of the ability of the insured as per the ground reality which will vary from claim to claim:

- Restore fire protection.
- Take immediate action to minimize the loss.
- Segregate all salvage after informing the surveyor or insurer in writing, and keep the salvage safe, if possible after getting suitable advice from the surveyor/insurer.
- Protect undamaged property from loss.
- Implement means of recording all expenses incurred in connection with the claim.
- Consult contractors/other experts for an initial estimate of the scope and cost of repairs.
- Define plans as to reopening the location and under what conditions.
- Identify temporary measures needed to resume operations.
- Take photographs/videos of the damage, and also collect all reports and photographs of the loss that may appear in the press.
- Appoint one or more persons to represent the company before the surveyor, and all cooperation must be extended to the surveyor.
- Set up clear lines of communication with the surveyor and insurer and ensure that all concerned within the company fully understand the functions of the surveyor and others who may be sent by the insurer.
- Inform the Insurance Broker or other intermediary, and seek their involvement and cooperation to advise and take forward the claim to a speedy conclusion.

## **Survey and other procedures**

Once the surveyor has been appointed, he/she may make an initial visit and also give written instruction as to what documents are to be submitted to him for proving the claim and conducting the survey – subject the IRDAI Regulations referred above. Generally, only the necessary documents are to be asked and documents in the public domain should be directly obtained by the surveyor or insurer. However, if they seek the insured's cooperation in the matter, the same should be provided without hesitation.

## **Submission of Proof as to the cause of loss**

The surveyor / insurer may seek various necessary documents to prove the claim. These can include depending on the type of claim and can be divided into two categories:

### **1. Documents from Public Authorities which can be obtained by means of RTI and may be available free in public domain such as:**

- Police Report including FIR
- Fire Brigade Report
- Electricity Authority Report
- Forensic Lab Report
- Local Authority Report, if applicable
- Weather Report, if the loss was occasioned by a weather peril
- Local Authority Approvals of Building Plan and other approvals
- Fire Brigade approval of the firefighting equipments as per local/state law.

### **2. Documents in the control and custody the insured**

- Ownership / lease deed document
- Approvals from various authorities
- Building plan
- Firefighting facilities
- Electrical approvals
- Other relevant documents based on the type, location etc. of loss
- If machinery damaged – details and price of the machinery
- If stock damaged – details of the stock as also stock reconciliation details, cost of manufacturing etc.
- If building damaged – valuation of building
- If roads and outside property damaged, whether they are included in the schedule and cost of repair. It may be noted that plinth and foundation are automatically covered, unless specifically excluded in the policy, as per the request of the insured.



- Accounting Details such as
  - Accounting statements in details relating to the claim
  - Balance sheet
  - Bank statements as required
  - GST details
  - Others as per requirement

## **Surveyor & Survey Procedures**

Surveyor should visit the site of loss at the earliest

Surveyor should be allowed to visit the site of loss, make detailed inspections, take measurements, photographs, videos, and do other things to assess the extent of damage and quantum of loss

Detailed instructions should be obtained from the surveyor in writing as to what has to be done to prove the claim and carry out the same. If it is not possible to carry out any particular instruction, the surveyor should be informed with reasons and a copy given to the surveyor.

## **The Loss Intimation and Claim Form**

The initial loss intimation, which may be very brief, should be followed by a detailed description of loss as under:

- Where the loss occurred
- When the loss occurred
- The type of loss
- The insured's name, address, and telephone number
- The Broker's name and address
- Who to contact and how to contact him / her.
- Whether there is anything to which the surveyor should give special attention

## **Claim Form**

The claim form is a standard document in printed form, which the insurer has to provide or which can be downloaded from the insurer's website and the same should be filled in truthfully and all details provided. However, if some matter is not answerable, the same should be stated as such with reasons, but no guesswork should be filled in as the same may be used against the insured later on.

## Providing Proof of Loss

The insured has the burden of proving a loss from one of the causes within the terms of the policy and if such proof of loss is made, then the burden is on the insurer to prove that the loss arose from a cause that is excepted from the policy. The chief purpose of a proof of loss is to acquaint the insurance company with certain facts and circumstances relative to the loss, forming a basis for further steps to be taken by the company, ranging from full settlement to absolute repudiation of liability.

Proof of loss varies from policy to policy. In case of named peril policy such as the SF&SP policy, clear proof is required that the peril claimed for is an insured peril. Hence, if fire loss has been claimed clear evidence must be provided that a fire loss took place and that it was a fortuitous loss, meaning the fire was accidental. Accidental means fires even caused by negligence of someone so long as it was not owing to wilful negligence on the part of the insured or those acting on behalf of the insured. In 'all risk' policies, the insured needs to show that a fortuitous loss took place and the onus is on the insurer to show that it was not covered owing to the application of an exclusion in the policy.

## What to Do when the Loss is going on?

1. Immediately notify the loss as already stated
2. Restore Fire Protection
3. Protect the property from further damage
4. Begin salvage process with the knowledge and consent of the surveyor/insurer
  - a. Separate undamaged from damaged goods and begin to segregate what can be saved.
  - b. Dry and protect all motors and electrical equipment.
  - c. Clean, dry, and protect machinery to prevent rust.
  - d. Reprocess any damaged material that can be saved.
  - e. Repackage finished goods, if undamaged.
5. Do not dispose of any materials until the surveyor agrees that they are unsalvageable.
6. Track claim costs which may include costs relating to:
  7. protection and preservation,
  8. temporary repairs and replacement,
  9. permanent repairs and replacement,
  10. extraordinary and expediting expenses.
11. Proper records of claim costs will enable maximum claim recovery.

## Potential Problem Areas

- 1.Exclusions – it is possible that certain property, perils etc. may not be covered.
- 2.Values and Limits

## Property Damage Claim Submission

- 1.Obtain repair estimates or appraisal documents from contractors for structural damage, machinery repair, etc. and collect blueprints, plans, drawings
- 2.Get proper invoices for completed work or clean-up and keep a copy when submitting them to the surveyor/insurer.
- 3.Get replacement invoices where required
- 4.Document insurable interest in damaged property
- 5.Prepare photos or videos, newspaper reports etc. as proof of damage
- 6.Gather asset records (physical or perpetual) to support proof of the damaged property
- 7.Ensure that proper records and backup papers, photos, copies of correspondence are kept with the insured at all time.
- 8.Ensure that whatever is orally stated is also confirmed in writing, because in case of disputes written records will provide proof.

## On Account Payment?

It is customary for insurers to pay an 'on account' payment when the claim is large and if the time to finally conclude the claim settlement may take long time. This has been recognised by the IRDAI Regulations. In Sec. 15. 5(ii) of the Protection of Policyholders' Interests) Regulations 2017 it is stated that: "The insurer may make provisional/ on account payment based on the admitted claim liability." The insured may then press for an interim settlement where the claim is pending close to a month.

## Disposal of Salvage

It is a requirement in claims, that the salvaged (i.e., damaged and not usable items) belong to the insurer and every effort must be taken to ensure that salvage is saved and kept for disposal by the insurer, with the assistance and support of the insured.

It is possible that a claim may be assessed on a 'net' basis which is a settlement after deduction of the value of salvage, if the insured is interested to retain the salvage at the best price in the market. When repairs are conducted, the damaged parts become the property of the insurer. If stocks are partially damaged such as textiles by smoke etc., it is very important to keep them safe and segregated as the value of such salvage can be substantial.

The insured must seek definitive advice from the surveyor/insurer on disposal of salvage, preferably in writing. It is a requirement that all efforts should be made to dispose of salvage as speedily as possible, especially where deterioration can reduce the value as time goes. The insured is usually made responsible for proper storage of salvage and if rental space is taken, the insured may be held liable to pay the rent for the same. Insurers will use recognised salvage buyers and may call for auctions of the salvage through media including electronic media. Salvage of small value may be disposed of by negotiations with buyers.

### **Close Proximity Claims**

It is possible that a claim can happen on the night of the renewal date or after a gap in the policy validity as the renewal was made after a few days or because the premium was not paid in time. Since this possibility exists all the time, it is better to pay the premium well in time and ensure that it has reached the bank account of the insurer. However, if such a gap existed the insurer can institute a detailed enquiry as to whether the policy was existing and valid as on the date and time of loss. There can be delay in settlement of the claim and seeking of many documents from the insured and the insured should be ready to bear with it and cooperate.

### **Rectification of Policy after the Loss**

It is possible that errors or omissions may have crept into the policy issued, showing variance from the actual situation at the site of loss and what was disclosed by the insured in the proposal form or other correspondence. In such cases the insured should seek rectification of the policy, if the surveyor and insurer show reluctance to pay the claim in full. However, if the error or omission is owing to the non-disclosure or any misinformation given by the insured, no rectification of policy is possible. There will also be no modification in the standard terms, conditions and exclusions of the policy after a claim has taken place.

## **Repudiation of Claims**

Repudiation of claim can happen if the peril claimed against has not happened, or the insured has caused the peril or used any fraudulent means to claim or willfully exaggerated the claim. Repudiation will also happen if the claim falls within the exclusion in the policy or there is a material violation of a policy condition.

The onus of repudiation is on the insurer and for which the insurer must provide clear reasons that is stated in the policy. No reason outside the policy can be used for repudiation of a claim. Subsection 9 of Section 15 of the IRDAI Protection of Policyholders' Interests) Regulations, 2017 states: "In case, the amount admitted is less than the amount claimed, then the insurer shall inform the insured/claimant in writing about the basis of settlement, in particular where the claim is rejected, the insurer shall give the reasons for the same in writing drawing reference to the specific terms and conditions of the policy document."

## **Non-Standard or Compromised Claims**

The terms non-standard/compromised/negotiated are used interchangeably. If the terms, conditions and warranties of the Policy are not fully complied, such claims can be treated as 'Non- Standard Claims' by the insurer. However, courts have clarified that where the breach of policy condition or warranty are neither the cause of loss nor have contributed to the quantum of loss, the claim can be treated as Standard Claim. Insurers also may be willing to negotiate claims, where their chance of success in case they wish to go to court is poor. In conducting negotiations with the insured, insured should have all facts and figures with them. If policy clauses are invoked to defeat the claim or confuse the insured, they may ask their Brokers or other claim advisors for assistance and presence during discussions. During such discussions or in subsequent court cases, the value of meticulous correspondence with the surveyor/insurer and proper record keeping of the claim related papers will become invaluable.

## **Reinstatement Value (RIV) Claim – the relevant clause states the following:**

- The amount payable under the policy is to be calculated shall be cost of replacing or reinstating on the same site or any other site with property of the same kind or type but not superior to or more extensive than the insured property when new as on date of the loss,

- Must be commenced and carried out with reasonable dispatch and in any case must be completed within 12 months after the destruction or damage or within such further time as the Company may in writing allow. It is for the insured to write to the insurer to seek further time giving reasons why the reinstatement could not be done within 12 months.
- Until reinstatement costs have been actually incurred, there is no liability for insurer to pay in excess of the market value – this means that upto market value can be paid either as on one or more interim payments to assist the insured in reinstatement.
- The insured has to give in writing within 6 months from the date of loss the intention to reinstate.
- Madras High Court in the case Hefc Ergo General Insurance Co Ltd vs M/S Rohini Movie Park Rukmini on 19 April, 2019 stated that the insurer has no unilateral discretion to change RIV into a market value settlement.

It is therefore required that the intention to reinstatement must be given as early as possible within the 6 months' time allowed. The process of reinstatement should be expedited and it is likely that large scale reinstatement cannot be done within 12 months as stated in the clause. The insured should anticipate this and seek an on-account payment at the earliest based on work done or on the basis of the market value of the lost property and seek consent for extension of time. If the insurer does not allow extension of time or keeps silent waiting for the 12 months to be over, the matter may have to be moved before a court of law or otherwise the claim can become a matter of serious dispute.

Under no circumstance, the insured should agree for settlement on market value, if the reinstatement has been decided upon.

## **Full and Final Settlement Voucher**

In 2015 the Delhi High Court in the case Worldfa Exports Pvt. Ltd. vs United India Insurance Co. Ltd. (2015), expressed strong statements against the misuse of Full and Final Settlement Voucher, in compelling insureds to agree for unjust settlements. The Delhi HC noted the following:

- The insistence of the insurance company to sign a discharge voucher of full and final settlement before release of admitted claim amounts to coercion and undue influence as defined in Sections 15 and 16 of the Contract Act and such contracts are voidable under Section 19 and 19A of the Contract Act.

- The withholding of the admitted amount by the insurance companies unless complete discharge is given, amounts to deficiency in service within the meaning of Section 2(1)(g) of the Consumer Protection Act, 1986 as the insurance companies are not expected to withhold the admitted claim amount till the insured gives the receipt of full and final settlement.
- There is no clause in the insurance policy that the amount assessed by the insurance company shall not be paid unless complete discharge is given.
- No law permits the insurance company to withhold the payment of the admitted amount unless the receipt of full and final settlement is issued by the insured.

Further, it may be added that there is also no provision in the IRDAI Regulations that 'full and final' discharge voucher has to be obtained.

Hence, if insurers try to force a settlement which is unjust, immediate protest letter must be given at the time of signing or immediately thereafter with full reasons and have it sent to the insurer by recorded delivery. If the insurer does not pay the balance amount, the matter must be moved at an early date before the Consumer Forum or the Civil Court.

<b>S.N</b>	<b>Guide Checklist For Correctness In Standard Fire &amp; Special Perils Claims</b>
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<b>A. POLICY</b>	
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1	Is the property lost or damaged covered in the policy and in the period current in the policy?
2	Is the property lost identifiable in the policy – location, address, description etc.
3	Is the sum insured adequate and are there break-up values as may be required?
4	Is Sec 64 VB of the Insurance Act complied with? This means whether premium was paid on time.
5	Is the insurable interest clear? Has the bank interest been recorded in the policy?
6	Have the warranties and conditions been complied with?
7	Has any special warranty condition attached and if so complied?
8	What is the deductible imposed?
9	Is there more than one insurance cover or policy on the same subject matter?
10	What is the basis of indemnity in the policy – market value, reinstatement or any other?
11	Is the building insured with other structures such as compound walls, electrical sub-stations etc.
12	Are there stocks or any other property held on trust or on commission?

<b>PROVING THE CLAIM</b>	
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1	Has the list of the property damaged been properly compiled and submitted?
2	Is the property damaged identifiable in the policy?
3	Are there proper reports and quotations from repairers and manufacturers?
4	Has steps been taken to minimise the loss and save the salvage?
5	Have there been any delays and if so, can reasonable explanations be given to the insurer.
6	Are all photographs of the loss taken so that the loss is also clearly proved by photos as well?
7	Are the documents internal and external as required collected and submitted?
8	Are there physical evidence of the extent/quantum of loss?
9	Has all evidence of ownership /possession available and given as required?
10	Has purchase bills, accounting entries, bank statements, tax records etc. in order and given to the surveyor relating to the loss as needed to prove the claim?
11	If lab reports and forensic reports are required, were they taken by the surveyor or be taken by the insured to prove the claim?
12	If expert opinions were required, were they taken same by the surveyor or in consultation with the surveyor by the insured?





# How to Solve Insurance Disputes and Grievance?

## Why are there Claim Settlement Grievances?

It is well accepted that a genuine claim for covered losses sustained can never be short settled. However, at the same time public policy requires a final resolution of disputes. Once a claim is reported the insured and the insurer is expected to jointly embark on a process of investigating and verifying the facts of the loss and the quantum of the loss. In the process either or both parties may call on contractors, engineers, or other experts to provide technical assistance in scoping and estimating the claim, and on lawyers in interpreting the policy. Courts describe claim settlement as a “a mutually dependent, cooperative relationship”. When the insurer breaches that, it is termed as “opportunistic behaviour”. This is contrary to good faith a fundamental duty which is cast on both parties.

Hence, it is required that the insured watch every step in the claim and if there is any deficiency or if oppressive or opportunistic behaviour by the surveyor or insurer representative is seen, the same should be noted. Where required the failure or deficiency must be brought to the notice of the insurer/surveyor in writing.

Thus, by keeping proper records and taking up failure on the part of the surveyor or insurer, taking up the matter before the grievance authority of the insurer and after that before any legal forum will stand a chance for success and for obtaining full indemnity.

## **IRDA Portal For Grievances**

(See IRDAI and concerned insurer website)

### **How to make a complaint?**

If a customer has a grievance or complaint against the insurer, the customer can approach the Grievance Redressal Officer of the Company's branch or any other office of the company. IRDAI has placed in public domain the mail ids of Grievance Redressal Officers of all insurance companies. The complaint should be given in writing along with the necessary supporting documents. The customer must be given a written acknowledgement of the complaint by the insurer within three days. The insurance company is expected to deal satisfactorily with the complaint within two weeks.

If this does not happen or if the customer is unhappy with the insurer's response, the customer can:

- Approach the Grievance Redressal Cell of the Consumer Affairs Department of IRDA:
- Call Toll Free Number 155255 (or) 1800 4254 732 or send an e-mail to [complaints@irda.gov.in](mailto:complaints@irda.gov.in)
- They can make use of the Integrated Grievance Management System by registering and monitoring of the complaint at [igms.irda.gov.in](http://igms.irda.gov.in). or they can send a letter to IRDAI with the complaint as well by filling and sending the Complaint Registration Form along with any letter or enclosures, if felt necessary, by post or courier to IRDAI.

IGMS was created so that if policyholders are not able to access the insurance company directly for any reason, IGMS provides a gateway to register complaints with insurance companies.

Complaints shall ordinarily be registered with insurance companies first and only if need be taken to IRDAI (Consumer Affairs Department). IGMS has the ability to assign, store and track unique complaint IDs. It also sends intimations to various stakeholders as required, within the workflow. The system has defined target Turnaround Times (TATs) and measures the actual TATs on all complaints.

## **Insurance Ombudsman**

Please see: <https://cioins.co.in/Faqs>

### **Who can approach Insurance Ombudsman?**

Any person including a sole proprietor, micro entrepreneur, members covered in a group insurance policy who has a grievance against an insurer may by himself or through his legal heirs, nominee or assignee or employer as the case may be can approach an Insurance Ombudsman for Redressal of any grievance.

### **What are the complaints that are entertained by the Insurance Ombudsman?**

The Ombudsman will receive and consider complaints or disputes relating to –

1. Delay in settlement of claims, beyond the time specified in the regulations, framed under the Insurance Regulatory and Development Authority of India Act, 1999;
2. Any partial or total repudiation of claims by the life insurer, General insurer or the Health insurer;
3. Disputes over premium paid or payable in terms of insurance policy; (d) misrepresentation of policy terms and conditions at any time in the policy document or policy contract;
4. Legal construction of insurance policies in so far as the dispute relates to claim;
5. Policy servicing related grievances against insurers and their agents and intermediaries;
6. Issuance of life insurance policy, general insurance policy including health insurance policy which is not in conformity with the proposal form submitted by the proposer;
7. Non-issuance of insurance policy after receipt of premium in life insurance and general insurance including health insurance; and
8. Any other matter resulting from the violation of provisions of the Insurance Act, 1938 or the regulations, circulars, guidelines or instructions issued by the IRDAI from time to time or the terms and conditions of the policy contract, in so far as they relate to issues mentioned at clauses (a) to (f).

## **How is the complaint to be lodged?**

The complaint shall be made in writing on a plain paper, duly signed by the complainant and shall state clearly the name and address of the complainant, the name of the branch or office of the insurer against whom the complaint is made, the facts giving rise to the complaint, supported documents if any, the nature and extent of the loss caused to the complainant and the relief sought from the Insurance Ombudsman.

## **Is there any time limit to approach the Insurance Ombudsman?**

Yes. No complaint to the Insurance Ombudsman shall lie unless the complaint is made within one year –

1. From the date of receipt of the order of the insurer rejecting the representation.
2. From the date of receipt of decision of the insurer which is not to the satisfaction of the complainant;
3. After expiry of a period of one month from the date of sending the written representation to the insurer if the insurer named fails to furnish reply to the complainant.

## **What is the Financial Power of an Insurance Ombudsman?**

Ombudsman can, - (i) award any compensation up to the loss suffered by the complainant as a direct consequence of the cause of action; or(ii) award compensation not exceeding Rs. Thirty lakhs (including relevant expenses, if any).

## **Are there any fees / charges payable for lodging a complaint?**

No fees / charges are required to be paid.

## **Consumer Forum**

Source: <https://consumeraffairs.nic.in> › latestnews › FAQ

### **FAQs on Consumer Protection Act 2019**

#### **What is the procedure for filing the complaint before Consumer Commission?**

A complaint:

- Should be in writing
- Can be filed in a regular way (offline)
- Can be filed online

A complaint can be presented by the complainant in person or by his agent. It can even be sent by registered post along with the court fee. Normally three copies of the complaint are required to be submitted out of which one retained for the official purpose, one is forwarded to the opposite party and one is the for the complainant. In case the number of opposite parties is more correspondingly more copies of the complaint are required.

#### **Does consumer need an advocate to represent his case in the Commission?**

Consumer Commissions are intended to give simple and speedy justice. The manner is quite informal and free from the shackles of the Civil Court. There is no need for an advocate or any other pleader and consumer can himself or through his representative file and represent his complaint.

#### **What particulars should be furnished in the complaint?**

- Name, description and address of the complainant;
- Name, description and address of the opposite party or parties;
- Facts relating the complaint and when and where it arose;
- Documents, if any in support of allegations

## **What is the time limit for filing the complaint?**

The complaint shall be filed within two years from the date on which the cause of action has arisen. This would mean two years from the day the deficiency in service or defect in goods has arisen/detected. This is also known as the limitation period for filing the complaint.

Is there any fee for filing a complaint with the Commissions? Every complaint filed shall be accompanied by a fee, as specified in the table given below, in the form of crossed Demand Draft drawn on a nationalized bank or through a crossed Indian Postal Order in favour of the President of the District Commission or the Registrar of the State Commission or the Registrar of the National Commission, and payable at the respective place where the District Commission, State Commission or the National Commission is situated, or through electronic mode as per arrangement made by the Commission concerned.

# IBAI Knowledge Series

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