

# Foreword

This is an important piece of work. We have tried to make it thorough, lucid and extremely practical and this manual contains all the information that anybody would need to know about the non-life insurance claims process and documentation.

The overwhelming majority of non- life insurance practioners are aware about the existing provisions and laws of claim settlement and regard their knowledge as sufficient.

Till date the claims manual were drafted from the underwriter's perspective. In this manual an attempt is made to widen the horizon by viewing from a totally different angle and an integral entity of insurance industry set up i.e. Brokers.

This manual offers a significant level of detailed and practical guidance on how to address occurrence of an unfortunate event under an insurance policy.

Our purpose has been to create a user friendly guide for perils and pitfalls of insurance claims process. I trust it will become the standard reference for all concerned in the broking fraternity and specially in the claims management vertical. In short it will be a valuable resource for all those in non-life insurance industry and most importantly our valuable customers for whom it is ultimately meant.

I was happy to finalise the basic work done outstandingly by Meenakshi Sharma Claims Manager at J K Risk Managers Head Office.

I also wish to thank Mr. Avya Kapoor, Director Cunningham Lindsey Private Limited and Col. Sanjeev Sethi, Director Aviation- Raymond for chipping in with their views and thoughts on the Liability and Aviation sections.

I also wish to acknowledge the contribution of the Management Committee at JKRMIBL comprising Orindam Sen, Satwinder Singh and Shivani Kohli and all our friends and colleagues at the office who provide a supporting work environment filled with largely happiness, energy, competition, occasional jealous rivalries. All in all a wonderful cocktail of vibrant focused energy!!!!

Rajeev Hajela  
Deputy Director Technical

## Disclaimer

This claims management guide though comprehensive but not exhaustive; is meant to be shared with our customers and will be an annual feature with regular updates in sync with rules and laws governing the claims settlement under the non-life insurance sector as they evolve and change from time to time.

While we have made all efforts in ensuring that we do not slip up in any way, however reliance on the contents herein shall be at the risk and consequence of the reader and user. Insurers are the ultimate authority for seeking documentation and deciding procedure to be followed for claims settlement of claims on their policies.

# **INSURANCE CLAIMS MANUAL**

*DOCUMENTATION FOR CLAIMS*

## CONTENTS

<b>INSURANCE CLAIMS MANUAL.....</b>	<b>2</b>
<b>INTRODUCTION.....</b>	<b>6</b>
<b>FIRE CLAIMS .....</b>	<b>8</b>
<b>GROUP PERSONAL / INDIVIDUAL PERSONAL ACCIDENT CLAIMS.....</b>	<b>10</b>
<b>GROUP / INDIVIDUAL HEALTH CLAIMS.....</b>	<b>12</b>
<b>MARINE CARGO CLAIMS .....</b>	<b>15</b>
<b>MARINE HULL CLAIMS .....</b>	<b>20</b>
<b>ENGINEERING CLAIMS.....</b>	<b>22</b>
<b>MACHINERY BREAKDOWN CLAIMS .....</b>	<b>22</b>
<b>ELECTRONIC EQUIPMENT CLAIMS.....</b>	<b>23</b>
<b>CONTRACTORS ALL RISK CLAIMS.....</b>	<b>24</b>
<b>INDUSTRIAL ALL RISK CLAIMS .....</b>	<b>26</b>
<b>DETERIORATION OF STOCK INSURANCE .....</b>	<b>27</b>
<b>AVIATION INSURANCE CLAIMS.....</b>	<b>28</b>
<b>WORKMEN COMPENSATION CLAIMS.....</b>	<b>30</b>
<b>MISCELLANEOUS INSURANCE CLAIMS .....</b>	<b>32</b>
<b>BURGLARY INSURANCE CLAIMS.....</b>	<b>32</b>
<b>MONEY INSURANCE CLAIMS.....</b>	<b>33</b>
<b>FIDELITY GUARANTEE INSURANCE .....</b>	<b>34</b>
<b>HOUSEHOLDER/HOMEOWNER INSURANCE .....</b>	<b>35</b>
<b>SHOPKEEPER'S INSURANCE CLAIMS.....</b>	<b>36</b>
<b>ALL RISK INSURANCE CLAIMS.....</b>	<b>37</b>
<b>COURIER'S LEGAL LIABILITY CLAIMS.....</b>	<b>39</b>
<b>CARRIER'S LEGAL LIABILITY CLAIMS .....</b>	<b>40</b>

**PRODUCT LIABILITY CLAIMS.....41**

**PUBLIC LIABILITY CLAIMS .....42**

## **PREAMBLE**

The Broker is the extended arm of the customer and is expected to render all kind of services emanating from placement of business and culminating at claim in the product cycle. Every insurance broker should follow recognised standards of professional conduct and discharge their functions in the interest of the policyholders.

Schedule VI-A of INSURANCE REGULATORY AND DEVELOPMENT AUTHORITY (Insurance Brokers) Regulations, 2013 CODE OF CONDUCT – Insurance Broker, point 7 states the conduct of broker in the event of claims by the client as follows:

Conduct in relation to claim by client:—every insurance broker shall: —

- (a) explain to its clients their obligation to notify claims promptly and to disclose all material facts and advise subsequent developments as soon as possible;
- (b) request the client to make true, fair and complete disclosure where it believes that the client has not done so. If further disclosure is not forthcoming it shall consider declining to act further for the client;
- (c) give prompt advice to the client of any requirements concerning the claim;
- (d) forward any information received from the client regarding a claim or an incident that may give rise to a claim without delay, and in any event within three working days;
- (e) advise the client without delay of the insurer's decision or otherwise of a claim; and give all reasonable assistance to the client in pursuing his claim.

Provided that the insurance broker shall not take up recovery assignment on a policy contract which has not been serviced through him or should not work as a claims consultant for a policy which has not been serviced through him, except for claims permitted under regulation 32.

## **INTRODUCTION**

In the light of duties of broker as envisaged by law, Guidelines are being laid down here which are not exhaustive and are of general nature. It may be possible that some of the Guidelines laid down cannot in practice be complied with due to particular circumstances of a case. Such non-compliance need not render the claim as invalid. **The common documents required in each claim are Intimation, Claim Form and Survey Report.**

In the event of loss, certain immediate action to be taken for apprising the client should be

- To intimate to the insurer the occurrence of loss immediately, submit full statement in writing of the claim, providing the nature and extent of loss and also the estimate of loss. Any delay in intimation might jeopardize the claim as the insurer may express inability in accepting liability of the loss / damage.
- To take all steps to reduce and minimize the extent of loss / damage and liability.
- Proximate cause of the loss and assess the type/extent and whether it is within the scope of the policy.
- To extend full co - operation to the insurer and the surveyor appointed for completion of the survey work and for proper assessment of the loss.
- Produce all such records and proof as may be required by the surveyor or the insurer for arriving at the extent of loss and the liability under policy.
- Keep the damaged property under the safe custody until advised by the surveyor / insurer regarding its disposal.
- Inform fire brigade as also police immediately and obtain their reports.
- Obtain meteorological report if required in case of natural calamities.
- Identification of the subject matter insured.

### **1. INTIMATION:-**

Intimation should be given in writing to insurance company immediately on becoming aware of loss or damage.

If the broker receives a telephonic message, details of loss should be noted down

and sent by e-mail immediately to insurance company with copy to Insured.  
The basic information to be advised are:-

- i. Policy Number
- ii. Period of Insurance
- iii. Date & time of loss
- iv. Description of cause of loss
- v. Estimated loss
- vi. Location where survey is to be carried out.
- vii. Contact details of Insured's representative for coordination etc.

## **2. CLAIM FORM:-**

In normal practice Insured will submit the claim form to Insurance company /surveyor along with the claim documents asked in the LOR (Letter of Requirement). But it is advisable that duly filled and signed claim form should be submitted to Insurance Company at the earliest.

## **3. SURVEY REPORT:-**

Surveyor should be appointed within 24 hours and preferably same day.

If this information is with broker it should be sent to Insured in writing immediately and a phone call to surveyor and Insured should be placed to ensure coordination between both the parties.

## **FIRE CLAIMS**

Fire claim can occur on property insured be it building, stocks, plant & machineries and/ or contents

The primary events that could cause claims under fire policies are:

1. Fire and allied perils
2. Act of God Perils ( eg Floods)
3. Earthquake event usually a catastrophic event affecting large number of properties and a wide area

Under the fire policies claims are settled either on the basis of the reinstatement value of the insured property immediately prior to loss or the depreciated value.

Under the reinstatement value policy the payment to be made is the cost of reinstatement of the building or the cost of replacement of machinery to **conditions equal to its condition prior to the occurrence of loss**. There is no depreciation for usage and full reinstatement cost is paid subject to the sum insured available under the policy.

Under Depreciated Value Basis, the value is Estimated cost of Reinstatement (Material + Labour) of a similar property as on the date of loss with suitable escalation for the period since original purchase, less **usage** depreciation for age.

### **General Documents Required:-**

- i. Policy copy
- ii. Basis of arriving at Sum Insured
- iii. Police Panchnama / First Information Report/Final Police Report
- iv. Fire Brigade Report
- v. Photographs of Damaged Property showing extent of damage &/or video film of loss
- vi. Bills/invoices/Stock statements/ sales tax/service tax/CENVAT returns for stock losses
- vii. Loss minimisation steps and expense details if any
- viii. Valuation Report for building and P & M losses
- ix. Invoices/ chartered engineers report for imported P & M

- x. FAR/ Original/repair bills
- xi. Quote for Salvage Value of damaged items.
- xii. Final claim bill
- xiii. Copies of the 3 previous years balance sheets
- xiv. Newspaper clippings of occurrence of losses on account of Act of God related perils / RSMD related perils
- xv. Meteorological Report confirming the occurrence of perils

## **GROUP PERSONAL / INDIVIDUAL PERSONAL ACCIDENT CLAIMS**

Group personal accident claims are part of the employee benefit schemes adopted by the employers to mitigate the sufferings of the employees or their dependants in any mishap to the employee insured either on account of death or disability, hence assume great preposition for long term client relationship

### **Claim Intimation:**

The first step is to intimate the insurers with the following information along with the claim intimation

- Policy No. (Policy to be issued before registration if not done earlier)
- Name & contact details of person intimating the claim
- Date & time of accident / loss
- Nature of injury, Place of accident and Brief description of accident
- Name of the hospital if insured is hospitalized
- Name and address of police station if FIR filed
- Name of person who took insured to hospital
- Contact no. and address if insured is not at the address given in the policy
- Designation and grade of the person and since when he is covered under the policy (for group policy)
- Name of attending physician and family physician
- e-mail id of insured for future correspondence

### **Documents required:**

#### **In Case of Death :-**

- i. Policy Copy
- ii. Original Death Certificate
- iii. Post Mortem Report
- iv. Inquest report
- v. Accident report
- vi. FIR/MLC copy

- vii. Hospital records including Original Discharge Card along with the case history from the concerned Doctor.
- viii. Original Bills, Medical prescriptions, cash memos for medicines and hospital charges incurred in original. X-ray report and other diagnostic reports clearly mentioning the findings of Orthopaedic surgeon.
- ix. Chemical Analysis Report if available
- x. Latest IT return to show Proof of annual income
- xi. Succession Order/legal heir certificate/legal documents to establish identification of legal heir in the absence of nomination under the policy
- xii. Indemnity-cum-declaration bond
- xiii. No objection certificate
- xiv. Copy of pay slip for the month immediately precedent to the month of accident.
- xv. Attendance/muster copy for preferably 12 months prior to accident duly certified showing the employee is employed.

**In Temporary Disability Claims:**

- i. Sick leave certificate from employer confirming that leave have been availed due to accident.
- ii. Orthopaedic Surgeon's report mentioning the nature of injury, disability period for which total rest is required and also fitness date.
- iii. Fitness Certificate from the Doctor
- iv. Original Admission / Discharge Card, if hospitalized Investigation / Lab Reports (X-Rays reports with films & other reports etc)

**In Permanent Partial / Total Disability Claims:**

- i. If the injury results in Permanent Disability, Disability Certificate from the Doctor clearly mentioning the percentage of Disability.
- ii. If the injury results in Permanent Disability, a clear colour photograph showing the disability and identity of the person may also be furnished.
- iii. In case of PTD claims – Disability Certificate from Govt. Registered Medical Practitioners.

## **GROUP / INDIVIDUAL HEALTH CLAIMS**

Health insurance is a key growth driver for general insurance in India. This is an employee benefit scheme for groups. The individual health insurance is as sacrosanct as it drives the state directives of providing every citizen a health support system. The individual payment is eligible for deduction under Indian income tax act.

If an insured is suffering from an illness / disease or meets with an accident any of which requires hospitalisation, insurer should be contacted immediately. Insurers have either their own internal department to administer the health business or may take assistance from TPA (third party administrators) to run the show. Both sets of administering units (internal or external) have their own network of hospitals/medical clinics/ pharmacy/ doctors.

It is advisable to get hospitalised in a Network hospital and undergo Cashless access. If insured is not able to utilize the cashless service, then they should pay the hospitalisation expenses and submit the bills to insurer for Reimbursement. Even if insured opts for Reimbursement, please note it is mandatory that he/she intimates the insurers about the hospitalisation through Email / Phone Line / Fax. While intimating the hospitalisation, the insured needs to provide following information to insurers/ us:

- Name of the Patient
- Patient's Health ID Card Number
- Hospital Name
- Hospital address with contact No etc
- Date of admission
- Illness / disease for which hospitalised and treatment details.

In case of an accident, below mentioned information needs to be provided:

- Date & time of accident / loss
- Brief description of accident along with place of accident
- Name and address of police station if FIR filed
- Name of person who took insured to hospital (if possible)

### **Cashless Claims Procedure**

To avail cashless benefit, insured should intimate the hospitalisation through Pre-authorization Request Form at least 72 hrs prior to getting hospitalised. In case of an

emergency hospitalisation, the insured needs to intimate within 24 hrs of hospitalisation but before discharge from the hospital. The best thing is to inform immediately as far as possible.

Hospital will check for insurers Health ID card and any photo identity card for establishing identity.

The insured should get the preauthorization form filled and signed by the treating doctor, sign and hand over to the hospital for the process. Hospital will stamp the form and fax / e mail it to insurers/TPA for authorization.

The following supporting documents are required for the purpose of assessing the liability under health claims

- i) duly completed claim form
- ii) Bills/ receipts/cash memos from chemist/ surgeon/ pathological/ labs & other relevant tests conducted and discharge certificate/ card from the hospital
- iii) Pathological test reports from a Pathologist supported by the note from attending medical practitioner/ surgeon prescribing such pathological tests.
- iv) Nature of operation / surgical process performed

### **Reimbursement Claims**

The process of reimbursement claims is identical to the cash less process.

- The insured should Intimate the hospitalisation at least 72 hrs prior to getting hospitalised. In case of an emergency hospitalisation, you need to intimate within 24 hrs of hospitalisation.
- Take the necessary treatment at the hospital and settle the hospitalisation bills.
- Before getting discharge, collect all original hospital papers including discharge summary, final bill with break up, lap reports, payment receipts etc.
- Submit the hospitalisation documents along with duly filled claim form to insurers for claim processing within 15 days of discharge from the hospital.

### **Pre-hospitalisation and Post-hospitalisation Claims**

The insured should submit the claim documents to us for processing within 7 days of completion of treatment.

Claim settlement will take approximately 14 working days from the date of receipt of final documents at insurers, provided all documents are in order.

Note: Major exclusions pertain to “Pre-existing diseases”, specified/named exclusions for first 30 days, first year, second, third and/or fourth year of policy periods. Genetic disorders and psychological ailments are also excluded. So are traditional treatment systems such as Chinese, Tibetan, unani, ayurvedic systems, unless any or all of these are specifically “included” in the policy cover.

## **MARINE CARGO CLAIMS**

A cargo policy provides coverage for physical loss or damage to the insured property from a fortuitous, external cause. The three words, **physical**, **fortuitous** and **external** are key words in almost all insurance policies.

- The word physical means the cargo must be actually lost or damaged.
- The word fortuitous means the loss must be accidental.
- The word external means the loss must be caused by some event occurring outside of the property insured.

### **Duties of Insured**

In the event of a claim, an insured has the responsibility to mitigate the extent of damage, taking all reasonable measures to minimize and prevent further loss or damage where possible. This responsibility exists in policy and in law.

The regulations governing various modes of transportation carry strict limitations on the time in which insured must notify the carrier of loss or damage. Failure to provide notification within those time limitations can allow the carrier to avoid liability, and may prejudice the ability to recover the claim from insurer.

When cargo arrives at the final destination, the insured /its representative should:

- Count, weigh, tally, and examine the cargo before signing for it; with Container Shipments, an examination of the container should be made and damage or holes listed
- On sealed shipments, examine and record the seal number. If the seal has been changed, is broken, or missing, record this on the delivery receipt. Retain the seal in all cases (where possible).

### **If damaged or short:**

- Give an explicit, detailed delivery receipt, noting all damages or shortage. Be as specific as possible;
  - i. Under no circumstances should a clean delivery receipt for damaged or short shipments be signed;
  - ii. If the carrier refuses to deliver the goods unless a clean receipt is issued,

immediately file a written protest with the head office or local office of the carrier. Notification to freight forwarder, import agent or other agent acting on your behalf in respect to the shipment; and

- iii. Keep a copy of the delivery receipt.
- Contact all carriers and parties who handled the shipment, advising them of the loss or damage and invite their inspection. Follow this notification with a formal letter or facsimile letter of intent to claim.
  - Keep copies of all correspondence with the carriers and all other parties, as they are required when a claim is presented to insurer:
    - i. If a carrier is not able to deliver shipment, request that it confirms in writing that all efforts have been made to locate the missing shipment, and that it is unable to complete the delivery;
    - ii. If concealed or hidden damage or shortage is discovered, take all steps as noted above; however, immediately notify, in writing, the carrier and all parties who handled the shipment.

### **Documents for Marine cargo Claims**

- Claim form containing the following information:
  - i. Date, time, cause and circumstance of the loss.
  - ii. Details of damaged property.
  - iii. Amount of loss claimed.
  - iv. Sound value of the goods at the time of Loss.
  - v. Other insurance, if any.
- Letter lodging monetary claim with carrier within stipulated time period.
- Payment details of premium amount paid
- Insurance policy/certificate along with the original invoice.
- Bill of Lading (Sea Voyage)/ AWB (air cargo/MTD/CTD for multimodal transport /R R/L R (Inland Transit) / Postal Receipt (sending by post).
- Stores Receipt Note
- Packing list.
- Copies of correspondence exchanged with carriers.
- Copy of notice served on carriers along with acknowledgment/receipt.
- Non Delivery /Shortage/Damage Certificate issued by carriers.

- Discharge voucher.
- Claim Bill
- Triplicate or exchange control copy of Bill of Entry
- Letter of Subrogation duly stamped and executed. Special Power of Attorney (wherever recovery from Railway/other carriers is involved.) Lost Over board Certificate where loss has taken place during loading / unloading.

## **SPECIFIC POLICIES DOCUMENTS**

### **OCEAN TRANSIT**

- Short Landing Certificate /Non-Delivery Certificate/Landing Remarks Certificate (as applicable)
- Quadruplicate copy of Duty Paid Bill of Entry
- Steamer Survey report in original
- Lost Overboard Certificate from the Port Trust countersigned by the master of the vessel or steamer agents (in respect of Loss over Board /Sling Losses).
- Note of Protest and Mate's Receipt in case the vessel had encountered heavy weather enroute, if applicable
- Copy of application filed with Customs for refund of Duty (if applicable)

### **AIR TRANSIT**

- Original Landing Remarks Certificate (for damage claims)

### **INLAND TRANSIT - RAIL**

- Open delivery Certificate or copy of application for open delivery, reply received from the Railways refusing open delivery, copy of the letter of protest sent to Railways with the acknowledgement thereto and certified extract of the remarks made in the station delivery or complaints book.

### **INLAND TRANSIT - ROAD**

- Original Open delivery / Damage certificate or copy of notice given to carriers advising about survey, protest made to them (for Packages delivered apparently in damaged condition).

## **POSTAL TRANSITS**

- Original certificate of damage / loss issued by the postal authorities (for Damage Claims) Original Non Delivery Certificate (for Non Delivery Claims)

## **DUTY AND INCREASED VALUE POLICIES (IMPORTS) CLAIMS**

- Customs Examination Certificate
- Cargo insurer's claim settlement letter
- Customs Duty Refund Application
- Acknowledgement for Customs Duty Refund
- Proof of Market value (increased value claim)

## **GENERAL AVERAGE CLAIM**

In the event of the steamer company declaring General Average, the consignees will be called upon by steamer Agents to make a cash deposit before delivery of the consignment at destination. The consignees should be asked not to comply with this, without prior written concurrence of the dealing office.

As soon as any intimation is received regarding GA and any request from the Insured for issuance of GA Guarantee is received, the insurer should be intimated with full details.

### **Documents for General Average claims**

- Original policy or certificate of Insurance duly endorsed
- Bill of Lading (signed copy)
- Invoice (original or signed copy)
- A copy of Notice declaring General Average by the Ship owner/Agent
- General Average Deposit Receipt (GADR) on the original Lloyd's Form duly endorsed.

**STATUTORY TIME LIMITS FOR LODGING CLAIM AND FOR FILING SUITS:**

The following list is indicative which are liable to change from time to time as per law and companies should act on the actual positions at law at the material time in each case.

<b>Time limit Negligent Party</b>	<b>For filing claims</b>	<b>Filing Suit</b>
Major ports	7 days from date of discharge	6 months from date of discharge
Steamer Company	Application for steamer Survey of Goods should be within 3 days of date of discharge. Notice of claim to be served as quickly as possible but definitely within 1 year from the date of discharge.	1 year from the date Of discharge.
Customs Authority	Refund of Duty should be claimed Within 6 months from date of payment of duty.	
Air Carriers (Domestic)	7 days from the date of delivery in The case of damage/shortage, 14 days from date of booking in case of non-delivery.	2 years from date of Booking or the date of arrival of aircraft (as applicable).
Air Carriers (International)	14 days and 21 days respectively for above circumstances	---- do ----
Railways	6 months from date of booking	3 years from date of delivery of damaged goods or the date when delivery ought to have been given
Road Carriers	6 months from knowledge of loss/ date of transport receipt (as applicable)	---- do ----
Postal Authorities	1 month from date of delivery In case of shortage/damage. 3 months from booking in case of non-delivery.	3 years from date of Booking.

## **MARINE HULL CLAIMS**

### **Notice of Loss/Damage**

In the event of any loss or damage which may give rise to a claim under the policy, the intimation should be sent to insurers immediately and provide a full description as to how, when and where the incident took place.

### **Damage Repairs**

A written repair estimate must be obtained from a competent Ship repairer for Surveyor's prior approval and no repairs should be commenced until Surveyor has been given the opportunity to survey the loss or damage sustained by your vessel.

### **Collision Claim**

In the event of a claim due to collision, insured should not negotiate, pay, settle, admit or repudiate any claim to a third party without insurer's prior written consent. Any claim demand note, writ or lawsuit received from a third party which holding insured responsible for the damage caused by vessel should be sent to insurers immediately.

### **Documentation of Claims - Partial Loss:**

- Master's Incident Statement.
- Statement of Claim supported by the relevant Repairing Invoices.
- Payment Receipts.
- Vessel's ISM Compliant documents (if applicable).
- Vessel's valid Class Maintained Certificate (if applicable).
- Any other relevant supporting claim documents.

### **Total Loss (including CTL):**

- Original Policy.
- Total Loss Certificate issued by an Average Adjuster.
- Vessel's ISM Compliant documents (if applicable).
- Vessel's valid Class Maintained Certificate (if applicable).

- Any other relevant supporting claim documents.

## **ENGINEERING CLAIMS**

### **MACHINERY BREAKDOWN CLAIMS**

The insured should be advised to Notify Claim as soon as possible within the period allowed by the policy.

- Retain all damaged equipment and parts for inspection and take all necessary steps to defend a claim and mitigate the loss.
- Must not admit liability, assume any obligation, or enter into any settlement or incur defense cost without written consent when a third party is affected.

Two types of losses are covered under machinery breakdown policy.

- **Partial Loss**

In case of partial losses, no depreciation is to be charged but when the items are not insured for its present day replacement value, the items are treated as underinsured and the claim amount is proportionately reduced. Depreciation shall be charged in movable items with limited life. (eg crankshaft)

- **Total Loss**

Under total loss basis, the basis of indemnification is the current new market value of the item immediately before the accident plus the cost of removing the damaged machinery less the value of the salvage. Depreciation is applied for Total Loss claims.

#### **Documents Required:-**

- i. Policy Copy
- ii. Detailed estimate of loss.
- iii. Detailed Cause of loss and its identification along with log book
- iv. Technical report of vendor's engineer.
- v. Testing report by manufacturer to exclude manufacturing defect
- vi. Model and specification of the machine.
- vii. Original supporting documents showing the value of the damaged machine
- viii. The original repair quotation(s), if the damaged machine can be repaired
- ix. Repairs bills and receipt
- x. Copy of supply order along with terms & conditions.

## **ELECTRONIC EQUIPMENT CLAIMS**

EEI Policy covers fire & allied perils as well as machinery breakdown, theft and burglary. The losses covered under this category are

- Partial Losses
- Total Loss

The document requirements are identical to as mentioned in MBD.

## **CONTRACTORS ALL RISK CLAIMS**

Contractors' All Risks Insurance is a policy designed to cover an insured during any construction projects involving largely civil engineering. Cover is for damage to the contract works and damage or injury for which insured might become liable for against third parties. The Contractors' All Risks policy is a project based policy issued only for the duration of the contract works and with an extension for "extended maintenance period".

- i. Policy Copy
- ii. Detailed note on circumstances of loss & likely cause thereof.
- iii. Copy of contract for Work.
- iv. Supporting documents /contract clause for obligation to rectify the damage work.
- v. Site plan/lay out plan
- vi. Copy of last bill raised to the principals
- vii. Detailed estimate of repair/rectification complete with basis of BOQ computation and rate adopted.
- viii. Statement of claim complete with proof of payments for material & labour etc.  
The claims under this category of insurance could arise out of following events:

- (a) Claim due to Fire and/or Explosion
- (b) Claim due to Flood, Storm, Cyclone, Earthquake, Subsidence/ Landslide
- (c) Claim due to Riot, Strike, Malicious Damage and Terrorism (RSMD)
- (d) Claims due to bad workmanship, negligence, mishandling.

### **ERECTION ALL RISK CLAIMS**

This policy provides compensation to the Insured for any sudden and unforeseen loss or damage at the erection site as a result of:

- Material Damage to the insured properties.
- Damage to the existing properties of the principal.
- Damage to plant and machinery of the contractor at the site.
- Insured's liability to third parties (death, bodily injury and loss or damage to properties of third parties) consequent upon the happening of an event at the erection site.

The documentation process under this category of claims is identical to CAR claims however if there is loss to machinery then relevant details are to be provided

- i. Policy Copy
- ii. Detail of estimated Loss
- iii. Detailed Cause of loss and at what stage loss was identified
- iv. Written Statement of Claim detailing the property lost or damaged
- v. Purchase invoices/delivery orders
- vi. Technical/Damage Report on extent of damage (when requested)
- vii. Estimate of scope of repair and/or replacement and detailed breakdown of cost for this

## **INDUSTRIAL ALL RISK CLAIMS**

A comprehensive coverage for the Industrial risks having overall Sum Insured of Rs. 100 crores and above in one or more locations in India. The Policy covers not only the Physical Losses or damage but also consequential losses arising out of the business interruption due to accidental unforeseen physical loss or damage to property.

### **Policy Structure**

Section – I - Material Damage which includes Fire & Allied perils, theft, Burglary, Machinery Breakdown, Boiler Explosion, Electronic equipment, etc

Section – II - Business Interruption - Fire Loss of Profit and Machinery Loss of Profit (MLOP is optional).

The claims under this insurance are to be handled as per the respective sections and categorise of assets insured

- i. Policy Copy
- ii. Written Statement of Claim detailing the property lost or damaged
- iii. Purchase invoices/delivery orders
- iv. Technical/Damage Report on extent of damage (when requested)
- v. Estimate of scope of repair and/or replacement and detailed breakdown of cost for this
- vi. Police Report, if lodged
- vii. Any additional information and documentary evidence as may be required by us or appointed Adjusters.

## **DETERIORATION OF STOCK INSURANCE**

This policy provides cover for loss of or damage by deterioration or putrefaction to goods stored in any cold storage space specified. It covers

- Deterioration caused by a rise or fall in temperature due to breakdown or accidental damage to the refrigeration equipment or non-operation of the controlling devices of such equipment.

The insured is required to take adequate steps upon occurrence of event to mitigate the loss:

- Serve immediate Notice of Claim to the Insurers;
- Take all practical steps to mitigate any further loss destruction or damage;
- Not dispose off the damaged property

The insured should submit following documents for assessment of liability

- Completed Claim Form
- Written Statement of Claim giving details of the lost/damaged property
- Purchase invoices/receipts/delivery orders/stock records to quantify the loss or damage
- Technical Report on the cause of the breakdown or failure of the refrigeration system
- Contractor Service Agreement and Maintenance/Service Reports

## **AVIATION INSURANCE CLAIMS**

**Aviation insurance** is insurance coverage geared specifically to the operation of aircraft and the risks involved in aviation. Aviation insurance policies are distinctly different from those for other areas of transportation and tend to incorporate aviation terminology, limits and clauses specific to aviation insurance. The claims documents would relate to various entities involved in operation which would include:

### **FROM THE PILOT/PILOT'S Copies of:**

- A full copy of the pilot's licence which reflects his or her name, ID number, and expiry dates.
- Current medical certificate.
- The last three pages of the pilot's logbook and summary of total time and experience on type.
- Completed SACAA PILOT Questionnaire (The pilot has to send this to the SACAA in any event)

### **FOR THE AIRCRAFT Copies of:**

- Certificate of Registration
- Certificate of Airworthiness
- Maintenance Release
- Last CA43-02 form (from the maintenance organisation)
- Completed SACAA Owners Questionnaire (The owner has to send this to the SACAA in any event) available on our website [www.aviationinsuranceindia.com](http://www.aviationinsuranceindia.com)

### **FOR THE OPERATION - If it was a charter flight copies of:**

- Cargo and passenger manifest
- Load sheet
- AOC
- Copies of the passenger tickets or Airway Bills

### **If it was a training flight copies of**

- Authorisation Sheet
- ATO Certificate

- Depending on the nature of the claim insurance company might insist on reviewing the student pilot's training file OR lease agreement between the rental pilot and the Insured.
- Weight & balance sheet + flight planning sheet if it was a cross country flight or rental flight.

***DGCA Investigation and the Report  
Report from Insurance Company Independent Surveyor.***

## **WORKMEN COMPENSATION CLAIMS**

In the workmen compensation claims which fall under WC Act 1923, following steps need to be undertaken

- i. Intimation to employer / Insurers/ Police authorities/ WC Commissioner about the mishap
- ii. Claim form duly filled in & signed with Salary / Wages particulars verified.
- iii. Police FIR/Panchnama & inquest report duly attested.
- iv. Statutory Auditor's /Chartered Accountant's certificate of total Wages / Salary disbursed from inception of the policy till the date of accident along with number of employees.
- v. Employers Certificate confirming about the accident in work place supported by a copy of intimation given to concerned Statutory Authority.
- vi. Medical prescriptions, cash memos for medicines and hospital charges incurred in original. X-ray report and other diagnostic reports clearly mentioning the findings of Orthopaedic surgeon.
- vii. Proof of Age
- viii. Attendance/muster copy for 12 months prior to accident duly self certified showing the worker involved.
- ix. Wages/salary registrar for 12 months prior to accident duly self certified showing the worker involved.
- x. Since each incident is to be intimated to Labour commissioner, particulars of intimation & Award / Order passed if any.

### **(a) DEATH:-**

- i. Death Certificate in original
- ii. Post Mortem report duly attested
- iii. Final Investigation Report
- iv. If matter is sub-judice in court, Order / Report from Advocate

### **(b) TTD:-**

- i. Orthopaedic Surgeon's report mentioning the nature of injury, disability period for which total rest is required and also fitness date.

**(c) PPD & PTD:-**

- i. If the injury results in Permanent Disability, Disability Certificate from the Doctor clearly mentioning the percentage of Disability.
- ii. If the injury results in Permanent Disability, a clear colour photograph showing the disability and identity of the person may also be furnished.

## **MISCELLANEOUS INSURANCE CLAIMS**

### **BURGLARY INSURANCE CLAIMS**

Burglary and Housebreaking Insurance policy provides financial compensation against loss or damage to property contained in your premises by acts of Burglary and or Housebreaking. The policy covers the property against loss/damage by burglary/house breaking. It also covers damage to insured premises caused by burglars during burglary or attempts at burglary to a limited extent. The Policy pays actual loss/damage to your insured property caused by burglary/house breaking subject to the limit of Sum Insured. If Sum Insured is not adequate, Policy pays only proportionate loss.

Burglary claims will be settled on depreciated valued basis.

- i. Policy copy
- ii. FIR report under section IPC 457 and Theft case IPC 380.
- iii. Estimate of stolen/burgled items
- iv. Invoice copy
- v. Asset Register
- vi. Statement of person who discovered the incidence first.
- vii. In case of damage to installation, civil work etc. - the repair estimate.
- viii. Letter of undertaking, letter of Subrogation, for refunding the claim amount when the stolen property is recovered.

## **MONEY INSURANCE CLAIMS**

Money Insurance covers "Money" carried by the Insured or the authorized employees / messengers while in transit. Money that has not been disbursed and has been retained in a safe is also covered. Money means and includes cash, bank drafts, currency notes, treasury notes, cheques, postal orders and current postage stamps or as specifically defined.

The policy covers:

- loss of money in transit, by the Insured or the Insured's authorized employee(s), occasioned by robbery, theft or any other fortuitous cause.
- loss of money in safe, eg, by burglary, housebreaking, robbery or hold-up, provided always that the limit of the Company's liability for any one loss shall in no case exceed the amount specified against any respective section in the said Schedule to the Policy.

### **Documents required:-**

- i. Policy copy
- ii. DD/FIR registered with the Police in respect of the Loss of Cash.
- iii. A detailed statement from the person carrying the cash at the time of occurrence of the loss narrating in full.
- iv. Statement from the Head of Office giving details of the Case/Occurrence.
- v. Profit & Loss Account and Balance Sheet for previous years
- vi. Copies of Insured's accounting records or other documentation to establish the exact amount of loss including copies of receipts, payment vouchers, pay-in-slips, cheques stubs, bank statements, cash book etc.

## **FIDELITY GUARANTEE INSURANCE**

Fidelity Guarantee Insurance policy provides financial compensation against loss to business caused by any fraudulent or dishonest act of any employee.

Fidelity Guarantee Policy covers financial loss suffered by the Insured as a result of fraud/dishonesty of employees of the insured.

The Policy pays the actual financial loss sustained as a result of the dishonesty/fraudulent act of the employee. Amount payable under the policy is subject to adjustments against any salary, commission security deposit or any other money standing to the credit of the fraudulent employee

The insured is required to take adequate steps upon occurrence of event such as lodging an FIR against the suspected employee/s.

- Give immediate notice to Insurers upon discovery of the loss, act or defalcation by employee(s)
- Report to the police immediately
- Take all practical/reasonable steps to recover the money and/or property lost
- Deduct any money due to or belonging to the defalcator(s) from the amount payable under the policy

The insured should submit following documents for assessment of liability

- Written Statement of Claim on the defalcated amount
- Documents substantiating the defalcated amount
- Police Report
- Internal Inquiry Report on the defalcation
- Employment and termination letter(s) of the defalcator(s)
- Last drawn salary slip and a statement of the balance amount due/amount of claim.

## **HOUSEHOLDER/HOMEOWNER INSURANCE**

This is a package policy specially designed to meet the insurance requirements of a householder by combining under a single policy, a number of standard policies usually taken by householders

The insured is required to take adequate steps upon occurrence of event such as:

- Notify Insurers by telephone in the event of loss/damage;
- Notify the police immediately for theft incident
- Take photographs of the damages and/or point of entry;

The insured should submit following documents for assessment of liability

- Completed Claim Form
- Written Statement of Claim detailing the items lost/damaged
- Estimate of repairs for damaged building/machinery, valuables
- Purchase invoices/receipts/valuation reports of the stolen/damaged items
- Photographs depicting the damaged items or premise of loss/damage (if no Adjusters is appointed)
- Final repair/replacement bill(s).

### **SHOPKEEPER'S INSURANCE CLAIMS**

This is a package policy providing various covers such as Fire, Burglary, Cash-in-transit, PA and/or liability. Depending on the section under which the claim is lodged the procedure for settlement of claims for that specified class of risk as given in the guidelines may be followed.

### **ALL RISK INSURANCE CLAIMS**

Property insurance covering loss arising from any fortuitous cause except those that are specifically excluded. This is in contrast to named perils coverage, which applies only to loss arising out of causes that are listed as covered.

Claims are settled on the basis of completed claim form, if settling authority is satisfied about genuineness of the claim. Surveyor/investigator may be appointed only if considered necessary or where loss is in excess of Rs 20,000/-

## **LIABILITY INSURANCE CLAIMS**

Though litigation is never preferable, it often is a commercial insurance policyholder's only recourse to collect reimbursement for losses or defence costs connected with complex liability claims.

In all such liability claims, where a third party is affected, insured must not admit liability, assume any obligation, or enter into any settlement or incur defense cost without insurer's written consent

The various kinds of third-party liability claims include

- environmental liability claims
- employment practices claims
- cyber liability claims
- product liability claims
- general liability claims
- director and officer liability

Depending on individual circumstance, reliance may be placed on the following documents and information as deemed appropriate:

- Policy Copy
- Proposal Form ( essential)
- Contract Copy
- Detailed version about the incident / alleged misfeasance
- Details of loss caused/injury/death/property damage including all available information on victims as well as estimated quantum of liability.
- Steps taken by the insured to mitigate the loss.
- Statements from witnesses, sketch plans, photographs, visual records of evidence/circumstance, video, etc.
- Press reports
- FIR/Investigation report of Police
- Survey/Investigation Report; Survey Report on the damaged property of some other surveyor, if any
- All notices/summons of the court
- Weather (Meteorological) report.
- Pollution Control Board Report

- Post Mortem Report/Medical Certificate
- Consumer Action Group/Society/Group representation/Report
- Details of other Insurance
- Legal opinion/ Expert's opinion on admission of liability / appeal
- Details of claims, if any, preferred by the affected party / insured for the same loss from any other source.
- Evidence of legal liability of the insured.

### **COURIER'S LEGAL LIABILITY CLAIMS**

- i. Policy Copy
- ii. Proposal Form
- iii. Purchase order for subject shipment/item.
- iv. Original commercial Invoice with Packing List.
- v. Original courier docket copy with remarks of non-delivery, duly endorsed by authorized representative of the courier company.
- vi. Final Claim bill.
- vii. Notice of claim lodged on the courier company (Registered Post with AD), with evidence of receipt of the same.
- viii. Non-delivery Certificate from the courier.
- ix. Letter of Subrogation (Declaration cum Undertaking) on the requisite stamp paper.
- x. Any other information related to claim.

## **CARRIER'S LEGAL LIABILITY CLAIMS**

- Proposal Form
- Completed Claim Form;
- Incident Report giving detailed circumstances (cause & extent) leading to the loss or damage and your comments on negligence if possible;
- Police Report (for vehicular accident/theft/hijack/robbery/missing claims);
- Photos depicting the damaged items;
- Warehouse's incoming and outgoing stock records;
- Delivery Order;
- Copy of contract/agreement/quotation letters on terms and conditions of carriage;
- Third Party's official claim supported by:-
  - Claim Bill/Debit Note less salvage if any;
  - Commercial Invoice/Packing List;
  - Bill of Lading/Airway Bill and Custom Declaration Form;
  - Loading/Stuffing Tally records on quantities & condition of cargo;
  - Unloading/Un-stuffing Tally records on quantities & condition of cargo;
  - QC/Technical Damage Report on extent of damages and reasons for rejection (for damaged cases);
- Repair/Replacement Bill (if applicable)

## **PRODUCT LIABILITY CLAIMS**

- Policy Copy
- Proposal form
- Contract Copy
- Proof of Date of sale vis-a-vis the retroactive date
- Proof of compliance of quality control measures as prescribed.
- Proof of no manufacturing defect in product
- Whether specific instructions for use given by insured, if any, have been complied with or not.
- Proof of coverage of Vendors' Liability covered.
- Establishment of Recovery Rights.
- Loss Minimization Measures - recall; stoppage of sale/destruction of the concerned product.

## **PUBLIC LIABILITY CLAIMS**

A Public Liability policy protects your business against third party claimants if they suffer the following:

- i) Bodily injury, illness, disability, or death
- ii) Loss of /damage to their property

As a result of or related to activities or services performed at the business premises. The characteristics of Third Party Liability are:

- a) Negligence act, error or omissions on the part of the Insured in the conduct of their professional activities
- b) Liability arising from the Third Party
- c) Losses suffered by the Third Party
- d) the First party's legal costs

Claim notification should be done as soon as possible within the period allowed by the policy

### **Duties of Insured**

- Retain all damaged equipment and parts for inspection the insured shall have the duty to defend a claim and mitigate the loss
- When a third party is affected, insured must not admit liability, assume any obligation, or enter into any settlement or incur defense cost without insurer's written consent

### **Once claim is filed, the document submission is as follows:**

1. Proposal form
2. Copies of all relevant documentation including claimant's demand of summons, statement of claims, judgement, chronology of events, notice of interview and transcript of the letter issued by the regulatory authorities, charge sheets, correspondence between you and the claimant, legal opinion advising on the claim, etc.

3. If the defense lawyers are retained, Insures to be notified of the hourly rates charged by provide a copy of their Curriculum Vitae and the budgeted costs of the defense
4. Copies of legal invoices and detailed narrative for any defense incurred.