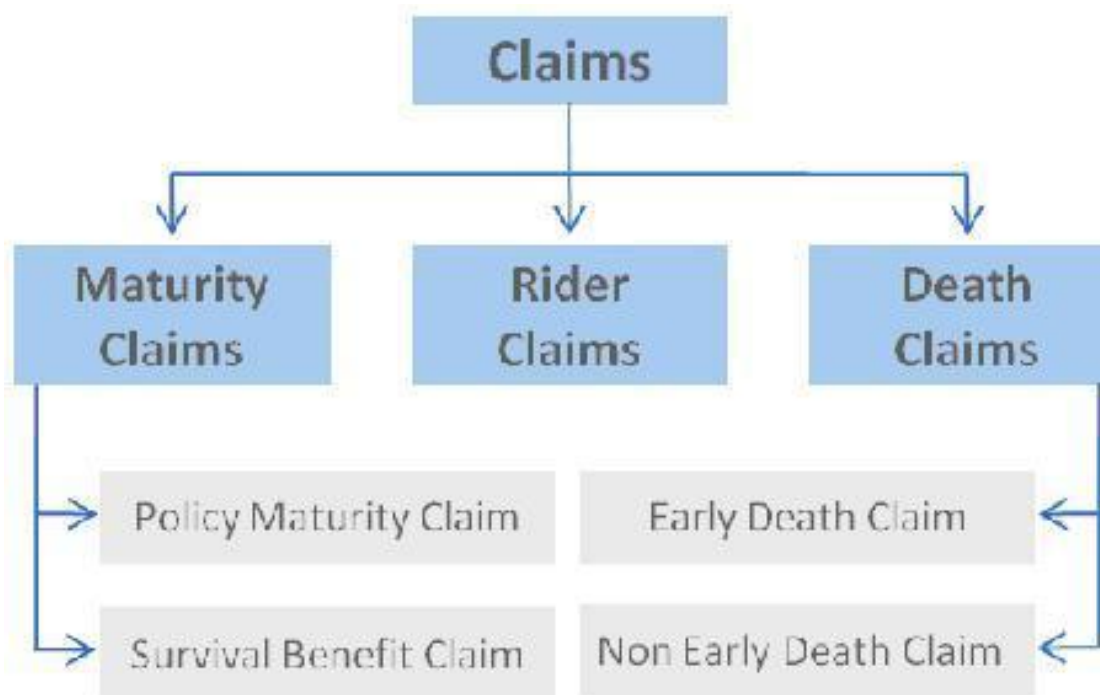




# General Guidelines For Settlement Of Claims

Selection of a proper life insurance policy is a basic requirement of individual's risk management policy. At the same time proper claim settlement is also an important part of the risk management system. A claim is the payment made by the insurer to the insured or claimant on the occurrence of the event specified in the contract, in return for the premiums paid for the insured. The easy and timely settlement of a valid claim is an important function of an insurance company.

**A claim may arise in three basic conditions:**



The Claimant should look about the following points before intimate a claim:

- Whether the policy is in force?
- Whether the policyholder has performed his part? - The policy status with regard to payment of premium, age admission, outstanding loan & interest if any, legal restrictions if any.
- Whether insured event has taken place?
- What are the obligations assumed under the contract?
- Is there any assignment done under the policy?
- Whether all the premiums are paid?



## **Claim Settlement Process: Death Claim**

### **Step One: Intimation of Claim**

The claimant must submit the written intimation as soon as possible to enable the insurance company to initiate the claim processing. The claim intimation should consist of basic information such as policy number, name of the insured, date of death, cause of death, place of death, name of the claimant etc. Claim intimation form can be availed from nearest branch of the insurance company or/and by downloading it from the company website.

### **Step Two: Documentation**

The claimant will be required to provide the following documents along with a claimant's statement:

- I. Certificate of Death
- II. Proof of age of the life assured (if not already given)
- III. Deeds of assignment / reassignments (if required)
- IV. Policy document
- V. Any other document as per requirement of the insurer



For early death Claim, (If the claim has accrued within three years from the beginning of the policy), the following additional requirements may be called for:

- I. Statement from the hospital if the deceased had been admitted to hospital
- II. Certificate of medical attendant of the deceased giving details of his/her last illness
- III. Certificate of cremation or burial to be given by a person of known character and responsibility present at the cremation or burial of the body of the deceased
- IV. Certificate by employer if the deceased was an employee

In special cases as per following the proof of death will be different from the standard specification

- In case of an air crash the certificate from the airline authorities would be necessary certifying that the assured was a passenger on the plane.
- In case of ship accident, a certified extract from the logbook of the ship is required.
- In case of death from medical causes, the doctors' certificate and/or treatment records may be required.



- If the life assured had a death due to accident, murder, suicide or unknown cause the police inquest report, panchanama, post mortem report, etc would be required.

### **Step Three: Submission of required Documents for Claim Processing**

For faster claim processing, it is essential that the claimant submits complete documentation as early as possible.



### **Step Four: Settlement of Claim**

As per the regulation 8 of the IRDA (Policy holder's Interest) Regulations, 2002, the insurer is required to settle a claim within 30 days of receipt of all documents including clarification sought by the insurer. If the claim requires further investigation, the insurer has to complete its procedures within six months from receiving the written intimation of claim.

After receiving the required documents, the company calculates the amount payable under the policy. For this purpose, a form is filled in which the particulars of the policy, bonus, nomination, assignment etc. should be entered by reference to the Policy Ledger Sheet. If a loan exists under the policy, then the section dealing with loan is contacted to give the details of outstanding loan and interest amount, which is deducted from the gross policy amount to calculate net payable claim amount. Generally, all claim payments would be made through the electronic fund transfer.



### **Maturity & Survival Claims:**

The payment by the insurer to the insured on the date of maturity is called maturity payment. The amount payable at the time of the maturity includes a sum assured and bonus/incentives, if any. The insurer sends in advance them intimation to the insured with a blank discharge form for filling various details in it. It is to be returned to the office along with Original Policy document, ID proof, Age proof if age is not already submitted, Assignment /reassignment, if any and Copy of claimant's Bank Passbook & Cancelled Cheque. Settlement procedure for maturity claim is simple after receipt of completed and stamped discharge form from the person entitled to the policy money along with policy documents, claim amount will be paid by account payee cheque.

### **Regarding maturity claims certain points are to be remembered:**

If the life assured is reported to have died after the date of maturity but before the receipt is discharged, the claim is to



be treated as the maturity claim and paid to the legal heirs. In this case death certificate and evidence of title is required.

Where the assured is known to be mentally deranged, a certificate from the court of law under the Indian Lunacy Act appointing a person to act as guardian to manage the properties of the lunatic should be called.

For Survival Benefit claim, Policy bond and discharge voucher is required.

### **Rider Claims:**

The life insurance policy can be attached with different riders like accidental rider, Critical illness Rider, Hospital cash Rider, waiver of Premium Rider etc. For different Riders different proceedings can be opted for claim settlement. In some cases, the claim may proceed as well as with the death Claim (Like Waiver of premium rider, accidental death Rider etc). But in some other cases different documents can be required for along with the duly filled Claim form & Policy Copy:





For Critical Illness Rider, necessary medical documents such as first investigation report, Doctor's prescription, Discharge Summery etc are required

For Accidental disability rider, Attested copy of FIR, Doctor Certificate of disability, Photograph of the injured with reflecting disablement, Original Medical bills with prescriptions/ treatment papers etc are required.

For Hospital cash rider medical documents are required such as Medical & Investigation report, Prescriptions, Medical and Investigation Bills, Discharge Card etc.

### **Conclusion: Importance of Proper Documentation in Claim Processing:**

It is noted that in many cases the life insurance claim has been denied by the insurer because the claimant has failed to follow some step or not able to submit the necessary information to the company. So, it is recommended that when you claim for life insurance, take proper steps and documentation so that you can collect your benefit without difficulty or delay.



## Fire Insurance Claim

If you own fire insurance and in the position of having to claim your fire insurance policy, the below easy steps will help you ensure a fast claim settlement.

### 1. Make Use of any Available Financial or Resources Advance

In case of a fire occurrence, you may have been forced to vacate the space and seek temporary shelter. If you don't have enough money in hand to buy the essentials, you can intimate the insurer to extend some financial help in advance. However, the amount released as an advance payment will be adjusted with the total claim later, only if the insurer has such provision.

### 2. Estimate the Losses

It is essential to estimate the total loss to get reimbursed fully. Try keeping a track of the losses incurred after the incident. While doing so just ensure that

- Not to dispose of the burnt items
- Not to repair the damaged infrastructures
- Keep the evidence of damaged or lost items

### 3. Approach the Insurance Provider and File a Claim



It is advisable to inform the insurance provider as soon as a fire incident occurs. You can either call on their toll-free number or write them informing about the loss and request them to access the loss. You may need to submit a proof of loss claim indicating the loss or damaged items. The claim request should contain the below information

- Date of loss
- Type of loss or damage
- Any related injuries
- Condition of the home or office
- Description of damaged contents
- Location of damage
- Others involved
- Police FIR copy in case Police is involved

#### 4. Estimation of Loss by the Surveyor

A surveyor will be appointed by the insurance company to estimate the actual loss or damage in the spot of the incident. The claim estimation will be done basis on the report made by the surveyor. Help in the investigation to get reimbursed fully. Also, keep the original reports of the investigation or related documents for future reference.

#### 5. It's not Over until You Say So



The insurance company might be in hurry to close your case, especially if there is a mass disaster. The reason is longer your claim is open, the greater the chance for you to find something that was overlooked earlier. In such a stressful situation, the probability is there that you may forget something important to list down in your initial claim. That's why it is recommended to take your time before finally closing your claim.

### **Documents Required for Filing Fire Insurance Claim**

In order to claim fire insurance in India, the below documents need to be furnished:

- Duly authorized copy of the insurance policy along with the schedule and endorsements
- Duly filled claim form
- Newspaper clip on the incident, if there is any
- Photographs
- Previous claim experience

### **Additional Documents**

- Initial committee report, which was compose for investigating the cause of the fire
- Report of fire brigade (if necessary)



- FIR/Letter of Intimation to the police station duly approved
- Forensic reports
- Final Investigation Report

## **Motor Insurance Claim**

### **Formalities for a motor insurance claim**

A claim under a motor insurance policy could be

- For personal injury or property damage related to someone else. This person is called a third party in this context) or
- For damage to your own, insured, vehicle. This is called an own damage claim and you are eligible for this if you are holding what is known as a package or a comprehensive policy.

### **Third Party Claim**

In a third party claim, where your vehicle is involved, it is important to ensure that the accident is reported immediately to the police as well as to the insurance company.



On the other hand, if you are a victim, that is, if somebody else's vehicle was involved, you must obtain the insurance details of that vehicle and make an intimation to the insurer of that vehicle.

### **Own Damage Claim**

In the event of an own damage claim, that is, where your own vehicle is damaged due to an accident, you must immediately inform insurance company and police, wherever required, to enable them to depute a surveyor to assess the loss.

Do not attempt to move the vehicle from the accident spot without the permission of police and the insurance company.

Once you receive permission for removal of the vehicle and for repairs, you can do so.

If your policy provides for cashless service, which means you do not have to pay out of your pocket for covered damages, the insurance company will pay the workshop directly.

In either of these situations, you must intimate the insurance company immediately.



## **Theft Claim**

If your vehicle is stolen, you must inform the police and the insurance company immediately. In addition, you must keep the transport department also informed.

As soon as you receive the policy document, read about the procedures and documentation requirements for claims rather than wait for a claim to arise.

If you have to make a claim, ensure that you collect all the required documents and submit them along with the requisite claim form duly filled in, to the insurance company.

There may be certain specific documentation requirements for specific types of claims. For instance, in respect of a theft claim, there is a special requirement that you should surrender the vehicle keys to the insurance company.

## **Marine Insurance Claim**

**Here are the procedure and formalities involved in settling a marine insurance claim –**



**1. Notice to the Insurer** – Informing the marine cargo insurance about the loss or damage is the first step that needs to be taken by the policyholder. In case, the policyholder is unable to inform the insurance company, someone on his behalf can do so.

**2. Proper Care** – As per the marine cargo insurance, it is imperative for the policyholder to take all the steps to curtail the losses or damages. The policyholder should act as if the goods are uninsured. Just because one has a marine cargo insurance, he/she can't act carelessly.

**3. Survey and Claim** – As per the marine insurance, if at the time of taking the goods delivery, any package shows signs of outward damages, the policyholder or his agents must call for a detailed survey by the ship surveyors and also lodge the monetary claim with the shipping company.

**4. Missing Packages** – In case any of the packages are missing, it is mandatory for the policyholder to file the police report immediately and also obtain a proper acknowledgement. The insurer can ask you to submit the police report if the claim is related to theft.





**5. Claim Duration** – In a marine cargo insurance, the time limit for filing the marine insurance claim is one year from the date of goods discharge, which can further change as per the situation and the conditions specified by the insurer. Upon receiving the claim intimation, the insurer appoints a surveyor who visits the site at which goods are damaged or lost and after the proper inspection, submits its report to the insurance company on the basis of the findings. Moreover, it is always advised to file a marine insurance claim on an immediate basis because the claim process will be much easier, however, any delay could also make the claim process difficult.

In case you have purchased your marine cargo insurer from corporate insurance advisors, make sure to inform them about the claim as soon as possible. They can help you in filing the claim. Further, most of the insurers let you register your claims online.

**Some of the documents which are required for the marine insurance claim settlement are-**

- Copy of the insurance policy or document
- Copy of billing lading
- Survey report



- Original invoice list together with shipping specification
- Copies of letter exchanged with the carriers
- Claim bill

Along with the above documents, you will also need to submit the copy of your monthly declaration of transits and a carrier's consignment note. In case your goods are partially missing, damaged or completely lost, the insurer may also ask for a shortage, damage, or non-delivery certificate respectively.

Further, if you are the exporter, make sure that the date of insurance precedes the dispatch date of the goods in order to ensure that the insurance policy is valid. Further, it is useful to align the insured goods in the same currency as the one which are mentioned in the shipping invoice. It shields you against any currency fluctuations. Moreover, when you have a marine cargo insurance, you are in a better state to take a risk in order to grow your business.

### **Important Points to Note**

- Inform the insurer about the loss or damage as soon as possible



- Take all the steps to ensure the safety of the cargo and minimize losses
- Disclose all the material facts related to the losses or accidents

Indeed, the importing and exporting of goods can expose you to heavy financial losses should your goods carrier be damaged in transit. So, it is necessary to have a marine cargo insurance. Catering to the needs of both the importers and exporters, the marine cargo insurance policy safeguards the goods from the time they leave the seller's warehouse until they reach to the buyer's warehouse.



## Personal Insurance Claim

### GENERAL CONDITIONS:

1. Notice: Every notice and communication to the Company required by this policy shall be in writing. Initial notification can be made by telephone

2. Mis-description: This Policy shall be void and premium paid shall be forfeited to US in the event of mis-representation, mis-description or non-disclosure of any materials facts by you. Non-disclosure shall include failure on your part to intimate us in writing and obtaining written approval from us in respect of Changes in Circumstances arising out of changes in the duty, business, occupation of the insured person(s):

### 3. Claim Procedure:

A) Upon happening of any accident and/or injury which may give rise to a claim under this policy

- You shall give the notice to our call centre immediately and also intimate in writing to our policy issuing office. In case of



Death, written notice also of Death must, unless reasonable cause is shown, be given before internment/ cremation and in any case, within one calendar month after the Death. In the event of loss of sight or amputation of limbs, written notice thereof must also be given within one calendar month after such loss of sight or amputation.

- All certificates, information and evidence from a Medical Practitioner or otherwise required by us shall be provided by you.

B) On receipt of intimation from you regarding a claim under the policy, we are entitled to carry out examination and ascertain details and in the event of Death get the post-mortem examination done in respect of deceased person.

C) Following documents shall be required in the event of a claim.

For Death Claim

- Duly filled up claim form
- Death Certificate
- Original FIR



- Original Panchnama
- Post mortem report

For Permanent Total disablement/Permanent Partial Disablement

- Duly filled up claims form
- Original FIR
- Panchnama
- Hospitalization Report
- Hospital discharge card
- Original Certificate from Doctor of Govt. Hospital stating the degree of disability
- Termination letter for claim under “Loss of Employment”

For Temporary Total Disablement

- Duly filled up claims form
- Original FIR
- Panchnama
- Hospitalization Report
- Hospital discharge card
- Original Certificate from Doctor of Govt. Hospital stating the degree of disability

#### 4. Fraud



All benefit under this Policy shall be forfeited and the policy shall be treated as void in case of any fraudulent claims or if any fraudulent means are used by You or anyone acting on Your behalf to obtain any benefit under this Policy.

## GENERAL EXCLUSIONS

We will not pay for any compensation in respect of Death, Injury or disablement of the Insured Person arising out of:.

1. War, invasion, act of foreign enemy, hostilities (whether war be declared or not) civil war, rebellion, revolution, insurrection, mutiny military or usurped power, confiscation, seizure, capture, assault, restraint, nationalization, civil commotion or loot or pillage in connection herewith.
2. Ionizing radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. For the purpose of this exclusion, combustion shall include any self sustaining process of nuclear fission.
3. The radioactive, toxic, explosive or the hazardous properties of any nuclear assembly or nuclear component.



4. Air travel except as a passenger on a recognized airline operating on regular scheduled air routes and air travel by any charter aircraft duly licensed as a recognized air carrier and flown by professional crews between properly established and maintained airports.
5. Participation in any kind of motor speed contest (including trial, training and qualifying heats)
6. This Insurance does not cover any loss, damage, cost or expense directly or indirectly arising out of
  - a) Biological or chemical contamination
  - b) Missiles, bombs, grenades, explosivesdue to any act of terrorism

## **Mediclaim**

### **Cashless claims**

Cashless settlement of health insurance claims occurs when the insured seeks treatment in a networked hospital. A networked hospital is one which is tied-up with the insurance company. Since treatments are taken at a networked hospital,





the insurance company settles the hospital bills directly with the hospital. You, therefore, do not have to take the burden of paying for the medical expenses yourself.

Here are the steps involved in availing a cashless claim settlement

- If you are seeking a planned treatment, inform the insurance company beforehand. Intimation should be given at least 3 to 4 days prior to being hospitalised. A pre-authorisation form needs to be filled in and submitted with the insurance company. This form acts as a claim notification. In case of planned hospitalisation, the form should be filled in and submitted 3 to 4 days in advance.
- If there is a medical emergency and the insured is being hospitalised under an emergency situation, the insurance company should be informed and the pre-authorisation form should be submitted within 24 hours of hospitalisation.
- Once the pre-authorisation form is submitted, the insurance company assesses the claim based on the form and allows cashless claim settlements. The insured can then avail the required treatments without paying the medical bills incurred.



- All medical bills, medical reports and other medical documents should be submitted to the insurance company.
- If there are other expenses which are being covered, original documented proofs of such expenses should also be submitted with the insurance company.

### **Reimbursement claims**

Reimbursement claim happens when the insured pays for the medical bills himself and then gets the expenses reimbursed from the insurance company. Reimbursement claims occur if the insured avail treatments at a non-networked hospital or if the insurance company does not allow cashless claim settlements.

Here are the steps involved in availing reimbursement of your health insurance claims

- The insured would have to get admitted in a hospital which is not tied-up with the insurance company and avail treatments.
- All the original medical reports and bills should be retained by the insured. The medical bills should also be paid out of the insured's own pockets.



- After being discharged from the hospital, the insured should avail a Discharge Certificate or Discharge Summary from the hospital from which treatment was availed.
- This Discharge Certificate or Summary should be, then, submitted with the insurance company along with a duly filled in claim form, medical reports and bills in original and other relevant documents which the insurance company requires.
- The insurance company would, then, analyse the claim, the related documents and the expenses incurred. The expenses would then be reimbursed.

### **Points to remember**

There are certain important points which the insured should be careful about at the time of health insurance claims. These points help in speedy and smooth claim settlement. The points are as follows:

- **Documents required**

Besides the pre-authorisation form and the original medical bills and reports, other important documents would also be



required at the time of making a claim. These include the following

- o A valid ID proof of the insured
- o Bills of any equipment used in the operation
- o Copy of the policy bond
- o Cancelled cheque
- o Any other documents as required by the insurance company

● **The sum insured limit**

Health insurance claims are admissible only up to the sum insured limit availed by the insured. If the claim exceeds the sum insured, the excess would have to be paid by the insured. So, the insured should check the sum insured limit of the health insurance policy.

● **Exclusions**

There are some instances which are not covered by health insurance plans. These are called exclusions. If a claim is made for an excluded expense, the claim would be rejected. So, the plan exclusions should be checked before making a claim so that a claim for an excluded expense is not made. Even if the claim is made and subsequently rejected, the insured would know the reason for rejection.



- **Timeline**

There is a timeline for submission of the pre-authorisation form in case of a cashless claim. In case of planned hospitalisation, the pre-authorisation form should be submitted 3-4 days in advance while in case of emergency hospitalisation, the form should be submitted within 24 hours. Compliance of these timelines is necessary to avail cashless claim settlements. If the timelines are not followed, the claim might get delayed.

- **List of networked hospitals**

A cashless settlement of claim is possible only if treatments are availed at a networked hospital. So, if the insured wishes to avail cashless claim service, the list of tied-up hospitals should be checked before seeking treatments. The list is easily available at the insurance company's website and can be checked online.

- **Validity of the insurance policy**

Health insurance claims are settled only if the health insurance policy is valid and not lapsed. If the policy has been lapsed, the claim would be rejected. So, the insured should



ensure that the policy continues without lapse to enjoy easy claim settlements.

## **Theft/Burglary Insurance**

Theft insurance is an insurance policy that protects against burglary, robbery and other kinds of thefts. This insurance compensates the insured from loss incurred due to theft. While theft includes all acts of stealing, burglary refers to illegally taking someone else's property by forcibly entering a closed premise.

A theft at home, shop or office can cause huge financial losses. You can cover the risk of theft in your premises with a theft insurance policy. In India, incidences of theft are quite common. And to cover up that a theft insurance policy is important. However, theft and burglaries are two separate things. There is separate cover for theft insurance and burglary insurance plans.

To file a claim for theft you need to furnish proof of non-violent and unforceful attempt into the premises. Whereas, a burglary involves 'forceful and violent entry' into the premises in order to conduct the loot.



## **What is burglary insurance?**

Burglary insurance is an insurance policy which covers the financial loss that you suffer in case of a burglary or attempted burglary into your home or business premises. Burglary is defined as an act of forceful entry into the house or business premises with an illegal intention of theft.

## **Features of burglary insurance**

Burglary insurance policies have the following salient features

- They can be bought by homeowners, tenants as well as business organisations to cover the financial loss suffered due to burglary
- A burglary insurance policy can also cover theft and robbery. That is why the plans are also called burglary and theft insurance plans
- There are different types of burglary insurance plans available in the market
- You can avail different types of burglary insurance policies for covering different types of assets which are exposed to the risk of theft
- A standard burglary insurance policy can be extended to cover losses suffered due to burglaries committed during riots, strikes, fire, etc.



### **What is covered under burglary insurance?**

Burglary insurance covers the following losses which you might face in case of a burglary or attempted burglary –

- Damage to the home or business premises due to forceful and unlawful entry
- Loss of assets or property due to theft and burglary

Coverage under burglary insurance policies can be taken for the following types of assets –

- Cash and valuables
- Home appliances
- Electronic gadgets
- Money in transit
- Cash stored in safe
- Stock in trade
- Business assets
- Plants and equipment used in the factory or business premises
- Jewellery, etc.

### **What is not covered under burglary insurance?**

Burglary insurance policies have the below-mentioned exclusions in which case the claims are not paid –





- Loss or damage which occurs due to war, strikes, riots, etc. unless otherwise specified
- Losses due to natural calamities
- Losses suffered when the property is under renovation
- Losses due to nuclear threats or contamination
- Loss of property because it was confiscated by the Government
- Consequential losses
- If the family members are involved in the burglary, claims would not be covered
- Precious metals and cash might be excluded unless specifically covered under the plan
- Theft or burglary of share certificates, promissory bonds, treasury bills, etc. are not covered
- Theft by employees or housemaids are not covered
- Burglary or theft when the premises were left unattended or when the premise was not completely locked
- Fraudulent claims are not covered
- Theft using a duplicate key is not covered unless the key was acquired forcefully
- Burglary, when proper security was not maintained, would not be covered



## **Types of burglary insurance policies**

Burglary insurance policies can be of different types based on the type of coverage as well as the assets that they cover. Here are some of the commonly found burglary insurance policies in India –

### **1. Stock Declaration Policy**

This policy is for businesses which cannot estimate the exact value of their stock in trade. In such cases, the highest possible value of the stock is taken to be the sum insured so that the losses can be sufficiently covered.

### **2. First Loss Policy**

Under this policy, a portion of the stock is insured which is likely to be burgled. This type of policy is relevant when the total loss cannot be possibly estimated.

### **3. Full Value Policy**

This policy covers the asset for its full value so that in case of loss the full value can be claimed.

### **4. Money in Transit Insurance**



This policy covers the risk of theft or burglary on an amount of money which is in transit. The policy is relevant for businesses where the movement of physical cash is involved.

### **5. Business Premises Insurance**

This policy covers the risk of burglary and theft in the place of business.

### **6. Dwelling Insurance**

Under this policy, your residential house is covered against burglary and theft.

### **7. Jewellery and Valuable Policy**

This policy specifically covers precious jewellery, valuable, works of art and other valuables against burglary.

### **8. Cash in Safe Policy**

This burglary insurance policy covers the risk of theft of the cash which is kept in a safe at the house or at the business premises.

## **Burglary v/s robbery v/s theft**



While the terms ‘burglary’, ‘robbery’ and ‘theft’ are used interchangeably, their meanings are quite different from one another. Here’s how –

1. Burglary is when there is an unlawful and forceful entry into your premises. You might or might not be present on the premises when the burglary occurs
2. Robbery is an unlawful and forceful entry into your premises when you are present on the premises. Your presence is important for the act to be considered a robbery in the eyes of the law
3. Theft involves non-violent and forceful entry into the premises

Some insurance policies can cover the only burglary while others can also cover theft and/or robbery. So, you should know how these terms differ from one another and check whether the policy allows coverage for all three terms or for some of them.

### **Premiums of burglary insurance policies**

The premiums of burglary insurance plans depend on the asset covered, its value and the expected risks. You can, however, reduce the premiums through the following ways –



- By installing safety devices in your house or business premises which would alert you to any unlawful activity
- By installing CCTV cameras which would help in preventing or lowering the risk of burglary
- By fencing the premises which are being insured
- By installing security alarms which would lower the extent of loss, etc.

### **Things to remember when buying burglary insurance**

You can buy a burglary insurance policy online by making an online application to the insurance company which is offering the cover. Before buying the policy, however, the following should be kept in mind –

1. Ensure that all possible assets which face a risk of theft are covered under the burglary insurance policy
2. Compare the available policies before buying
3. Check whether the policy covers only burglary, theft or both
4. The sum insured should be sufficient enough to cover the loss that you suffer. If the sum insured is inadequate, the claim would be settled on a proportionate basis even if the loss is covered under the sum insured. For instance, if the value of an asset is INR 1 lakh but you



insure it for INR 80,000, if there is a loss of INR 50,000, the claim would be paid for INR 40,000

5. The premium of burglary insurance policy can be reduced. Use the available ways to reduce the premium so that the policy becomes affordable

### **Making a claim under burglary insurance**

If a burglary happens and you face a claim, here are the steps which you should take to raise the claim and get it settled –

1. Inform the insurance company immediately of the burglary
2. Take pictures of the loss which you have suffered. These pictures would serve as proof to help the insurance company estimate the extent of loss
3. Record all the losses which you have suffered so that they can be mentioned on the claim form
4. The receipts of repairs and replacement of the burgled items should be kept securely
5. Record everything that happens after the burglary has occurred so that you give documentary evidence to the insurance company if required

A burglary insurance policy proves to be a valuable addition to your insurance portfolio as the policy compensates you for



the financial loss that you suffer in case of burglaries. So, insure your home or your office under a burglary insurance policy and be financially secured against unlawful activities.

## **Claim Settlement in General Insurance**

An insurance claim is a formal request to an insurance company asking for a payment based on the terms of the insurance policy. The insurance company reviews the claim for its validity and then pays out to the insured or requesting party (on behalf of the insured) once approved.

The non-life insurance industry is witnessing shifting trends across policy administration, and claims—the two core functions in insurance.

The claims process is the defining moment in a non-life insurance customer relationship. To retain and grow market share and improve customer acquisition and retention rates, insurers are focused on enhancing customers' claims experience.



In a highly competitive insurance market, differentiation through new and more effective claims management practices is one of the most important and effective ways to maintain market share and profitability.

In particular, insurers can transform the claims processing by leveraging modern claims systems that are integrated with robust business intelligence, document and content management systems. This will enhance claims processing efficiency and effectiveness. It can benefit the insurers both operationally and strategically by enabling them to reduce claims costs to improve their combined ratio, improve claims processing efficiency, and drive customer retention and acquisition.

Today in any insurance office the claim process is built on

- Claim document & content management tool
- Mobile based & smart phone based technology solutions the key
- Straight-Through Processing (STP) processing to minimize delay
- Modern claim processing platform which is seamless & robust





### **Normal claim process followed by General Insurers**

- 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.
- On receipt of such a communication, a general insurer shall respond immediately and give clear indication to the insured on the procedures that he should follow. In cases where a surveyor has to be appointed for assessing a loss/ claim, it shall be so done within 72 hours of the receipt of intimation.
- 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 the insured about the delay that may result in the assessment of the claim.
- The surveyor shall be subjected to the code of conduct laid down by the Authority while assessing the loss, and shall communicate his findings to the insurer within 30 days of his appointment with a copy of the report being furnished to the insured, if he so desires. Where, in special circumstances of the case, either due to its special and complicated nature, the surveyor shall under



intimation to the insured, seek an extension from the insurer for submission of his report.

- In no case shall a surveyor take more than six months from the date of his appointment to furnish On receipt of the survey report or the additional survey report, as the case may be, an insurer shall within a period of 30 days offer a settlement of the claim to the insured. If the insurer, for any reasons to be recorded in writing and communicated to the insured, decides to reject a claim under the policy, it shall do so within a period of 30 days from the receipt of the survey report or the additional survey report, as the case may be.
- Upon acceptance of an offer of settlement by the insured, the payment of the amount due shall be made within 7 days from the date of acceptance of the offer by the insured. In the cases of delay in the payment, the insurer shall be liable to pay interest at a rate which is 2% above the bank rate prevalent at the beginning of the financial year in which the claim is reviewed by it.