

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF FINANCIAL SERVICES  
**LOK SABHA**

**UNSTARRED QUESTION NO. 4015**

TO BE ANSWERED ON 9<sup>th</sup> December, 2016/Agrahayana 18, 1938 (Saka)  
**Road Accident Insurance Claims**

4015. SHRI GAURAV GOGOI:  
SHRI JYOTIRADITYA M. SCINDIA:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government is aware that a large number of insurance claims of road victims with the public sector non-life insurance companies are pending;
- (b) if so, the details thereof and the total amount disbursed/pending by the such insurance companies during the last three years towards road accidents claim, year/ company-wise; and
- (c) the steps proposed to be taken by the Government to direct these insurance companies to clear the backlog of pending claims?

**ANSWER**

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE  
(SHRI SANTOSH KUMAR GANGWAR)

(a) to (c): Yes, Madam. As per the Insurance Regulatory and Development Authority of India's (Protection of Policyholders interest) Regulations 2002, the Authority has prescribed time limits for resolution of insurance claims. However, due to the nature of Motor Third Party Liability, the resolution is generally through the courts of law. The motor insurance claims data (paid and outstanding) furnished by Insurance Regulatory and Development Authority of India (IRDAI) is annexed.

Section 140 of Motor Vehicle Act, 1988, defines that the liability to pay compensation in certain cases can be discharged on the basis of the principle of no fault (i.e. the claimant involved in a motor vehicle accident is not required to prove wrongful act, neglect or default on the part of the owner of the vehicle or by any other person). Based on this principle, many cases get settled quickly. Also, wherever liability is clean and undisputable, resolution through Lok Adalat and out of court settlements by Insurers is encouraged to reduce the time involved in settlements. Further, Section 165 of the Motor Vehicles Act, 1988, empowers State Government to constitute, by notification in the Official Gazette, one or more Motor Accidents Claims Tribunals (MACT) for such area as may be specified in the notification for the purpose of adjudicating upon claims for compensation in respect of accidents involving the death of, or bodily injury to persons arising out of the use of motor vehicles, or damages to any property of a third party so arising, or both.

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## Annexure referred to in reply to Lok Sabha Un-Starred Question Number 4015 for 09.12.2016

(Amount in Lakhs)

Insurer	F.Y	Claims paid						Outstanding claims					
		Motor OD		Motor TP		Total Motor		Motor OD		Motor TP		Total Motor	
		Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
National Insurance Co. Ltd	2015-16	6,10,126	1,51,303	55,098	1,60,265	6,65,224	3,11,568	2,60,745	1,77,120	4,81,754	10,17,499	7,42,499	11,94,619
	2014-15	6,08,188	1,38,071	72,039	1,44,640	6,80,227	2,82,711	64,097	33,250	2,39,380	4,61,831	3,03,477	4,95,081
	2013-14	6,01,447	1,27,851	58,188	1,24,917	6,59,635	2,52,768	72,289	43,512	1,67,812	2,86,397	2,40,101	3,29,909
New India Assurance Co. Ltd.	2015-16	8,32,645	2,05,864	1,26,412	1,99,224	9,59,057	4,05,088	2,61,241	1,30,382	7,38,421	14,94,689	9,99,662	16,25,071
	2014-15	6,29,055	1,75,731	1,08,014	1,89,194	7,37,069	3,64,925	66,153	44,895	1,62,455	3,19,821	2,28,608	3,64,715
	2013-14	5,87,164	1,26,367	1,54,020	1,58,873	7,41,184	2,85,240	32,356	24,498	1,83,701	4,16,979	2,16,057	4,41,476
Oriental Insurance Co.Ltd.	2015-16	3,36,424	75,736	75,006	1,33,409	4,11,430	2,09,145	1,81,275	1,14,926	4,38,103	10,11,456	6,19,378	11,26,382
	2014-15	2,80,147	60,821	81,576	1,25,887	3,61,723	1,86,708	43,592	32,775	1,47,177	3,19,773	1,90,769	3,52,549
	2013-14	2,48,294	54,801	91,735	1,16,912	3,40,029	1,71,714	39,739	29,848	1,58,707	3,06,615	1,98,446	3,36,463
United India Insurance Co. Ltd	2015-16	2,76,893	1,08,721	65,346	1,93,414	3,42,239	3,02,136	1,58,962	1,34,981	6,00,213	21,88,644	7,59,175	23,23,624
	2014-15	2,56,159	91,028	1,03,251	1,62,086	3,59,410	2,53,114	44,676	36,852	1,87,997	6,92,499	2,32,673	7,29,351
	2013-14	2,65,261	78,993	73,320	1,41,795	3,38,581	2,20,787	46,598	31,075	1,88,126	6,68,634	2,34,724	6,99,709