GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES
LOK SABHA
UNSTARRED QUESTION NO. 2174
TO BE ANSWERED ON 11ᵗʰ December, 2015/Agrahayana 20, 1937 (Saka)
Insurance Claims
2174. SHRI PONGULETI SRINIVASA REDDY:

Will the Minister of FINANCE be pleased to state:

(a)   whether any time limit has been fixed for payment of insurance claims by the public/private sector insurance companies to the victims/families in case of injury or death in road accidents;
(b)   if so, the details thereof and claims reported/settled by life and non-life insurance companies and Motor Accident Claims Tribunals (MACT) along with the details of maximum and minimum compensation awarded to the accident victim families during the last three years and the current year, company and State-wise; and
(c)   the steps taken/being taken by the Government to speedy settlement of insurance claims?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI JAYANT SINHA)

(a) & (b): 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. Wherever liability is clean and undisputed, resolution through Lok Adalat and out of court settlements by Insurers is encouraged to reduce the time involved in such settlements.
The insurers-wise data on claim settled/paid in respect of Motor Third Party liability for last three years is annexed.

(c): Sec 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.
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Annexure referred to in reply to Lok Sabha Un-Starred Question Number 2174 for 11.12.2015

Statement of Motor-TP claims Paid

Insurer	2012-13		2013-14		2014-15	
	Claims paid (Amount Rs.in Lakhs)					
	Number	Amount	Number	Amount	Number	Amount
Bajaj Allianz General Insurance Co. Ltd.	20,241	37,519	15,821	37,604	19,373	40,641
Bharati AXA General Insurance Co. Ltd.	2,316	4,449	6,189	7,881	3,507	12,780
Cholamandalam MS General Insurance Co. Ltd.	10,749	20,157	13,341	31,959	13,061	29,552
Future Generali India Insurance Co. Ltd.	2,319	6,103	4,732	11,755	4,016	12,284
HDFC ERGO General Insurance Co. Ltd.	4,649	13,009	6,211	19,392	5,631	20,605
ICICI Lombard General Insurance Co. Ltd.	13,288	42,668	17,913	56,239	16,051	60,600
Iffco Tokio General Insurance Co. Ltd.	11,718	24,299	17,770	33,476	18,611	45,560
L&T General Insurance Co. Ltd.	65	340	155	818	256	1,168
Liberty Videocon General Insurance Co. Ltd.	0	0	2	1	13	55
Magma HDI General Insurance Co. Ltd.	0	0	98	349	848	3,416
National Insurance Co. Ltd.	59,661	1,20,706	58,188	1,24,917	72,039	1,44,640
New India Assurance Co. Ltd.	1,07,089	1,30,375	1,54,020	1,58,873	1,08,014	1,89,194
Oriental Insurance Co. Ltd.	87,434	1,08,097	91,735	1,16,912	81,576	1,25,887
RAHEJA QBE General Insurance Co. Ltd.	8	18	4	2	2	3
Reliance General Insurance Co. Ltd.	3,636	10,036	12,040	38,197	13,819	48,977
Royal Sundaram Alliance Insurance Co. Ltd.	12,359	20,230	21,913	22,998	24,749	24,306
SBI General Insurance Co. Ltd.	27	58	259	796	832	2,819
Shriram General Insurance Co. Ltd.	335	684	1,941	3,868	3,788	12,833
Tata AIG General Insurance Co. Ltd.	2,214	5,413	3,171	8,115	4,162	14,447
United India Insurance Co. Ltd.	92,676	1,11,939	73,320	1,41,795	1,03,251	1,62,086
Universal Sompo General Insurance Co. Ltd.	734	1,897	1,110	3,380	1,832	6,357
GRAND TOTAL	**431518**	**657995**	**4,99,933**	**8,19,328**	**4,95,431**	**9,58,211**

Source: Insurance Regulatory and Development Authority of India (IRDAI)