



Ref: IRDA/NL/Cir/Misc/129/07/2015

14th July, 2015

To
CEOs of All General Insurers,

Re: Appointment of Surveyors and Loss Assessors

In terms of section 64UM (4) of the Insurance Act, 1938, as amended by the Insurance Laws (Amendment) Act, 2015, No claim in respect of a loss which has occurred in India and requiring to be paid or settled in India equal to or exceeding an amount specified in the regulations by the Authority shall be admitted for payment or settled by the insurer unless a report has been obtained from a person who holds a licence to act as a surveyor or loss assessor.

2. The attention of general insurers is drawn to the extant regulations and guidelines with regard to appointment of Surveyors and Loss Assessors for assessing loss under a policy of general insurance business.

a. In terms of Regulation 12A(2) of Insurance Surveyors and Loss Assessors (Licensing, Professional Requirements and Code of Conduct) Regulations, 2000 as amended by Amendment Regulations, 2013,

"Surveyors and Loss Assessors shall be appointed either by insurers or insured to assess loss under policy of Insurance in respect of general insurance business; above rupees twenty thousand".

b. As per Regulation 9 (1) of IRDA (Protection of Policyholders' Interests) Regulation, 2002,

"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

1

14th July, 2015

appointed for assessing a loss/ claim, it shall be so done within 72 hours of the receipt of intimation from the insured.”

- c. Para 2.1 of Guidelines on Outsourcing of Activities by Insurance Companies, issued vide reference no. IRDA/Life/CIR/GLD/013/02/ 2011 dated 1st February, 2011, contains a list of core activities of the insurers which the insurers shall not outsource. Item (x) of the list is “Appointment of Surveyors and Loss Assessors”. Accordingly, appointment of surveyors and loss assessors cannot be outsourced by insurers.

3. It is clear from the above that no person other than the insurers and the insured can appoint a surveyor or loss assessor within 72 hours of intimation of claim from the insured to assess loss above rupees twenty thousand under policy of Insurance in respect of general insurance business. It is reiterated that the appointment of Surveyors and loss assessors shall be made by the insurers or the insured only and not by any other person.

4. All the Insurers doing general insurance business are hereby advised to strictly comply with the extant regulatory framework.

This is issued with the approval of competent authority.



(Suresh Mathur)

Senior Joint Director (Non Life)