



ORDER

Sub: Working Group to examine and recommend linking of motor insurance premium with traffic violations

The Government of India is focussing on Intelligent Traffic Management System in the Metropolitan and Smart Cities. In view of this, the Automated Traffic Enforcement and violations of Motor Vehicles Act through e-Challan have been initiated to take action against Registered Owners/Drivers of Motor Vehicles involved in traffic offences. It is perceived that linking Insurance premium to traffic violations committed could reduce road accidents and change driver behavior.

In this regard, the High Powered Committee for Traffic Management in the National Capital Territory (NCT) of Delhi under chairmanship of Union Home Secretary requested Insurance Regulatory and Development Authority of India (IRDAI) to examine the issue of linking insurance premium with traffic violations. Subsequently, in a meeting held under the chairmanship of Special Commissioner of Police, Traffic, Delhi on Integration of Insurance and Traffic Prosecution Data, it was decided that a Working Group will be formed to take the idea forward. Hence, the Working Group is constituted to examine the establishing of a system of linking of motor insurance premium with traffic violations. The Insurance Companies have to undertake a pilot project in NCT, Delhi to implement the premium escalation formula.

2. The Working Group is composed of the following officials of Delhi Traffic Police, IRDAI, Insurance Information Bureau of India (IIBI) and General Insurance Companies.
 - i. Shri. Anurag Rastogi, Chief Actuary & Chief Underwriting Officer, HDFC Ergo General Insurance Co. Ltd., Chairman of the Working Group
 - ii. Shri. Rakesh Paweriya, DANIPS, DCP/Traffic (Central Range), Delhi Traffic Police, Member
 - iii. Shri. Ravinder Soni, DANIPS, ACP/Traffic (Engineering), Delhi Traffic Police, Member
 - iv. Ms. Anjitha Chepyala, DANIPS, ACP/Traffic (Headquarters), Delhi Traffic Police, Member
 - v. Shri Vinay Verma, Deputy General Manager, The Oriental Insurance Co. Ltd., Member
 - vi. Shri. Pankaj Jain, Vice President and Head of Motor Underwriting, Bajaj Allianz General Insurance Co. Ltd., Member
 - vii. Shri. Amitabh Jain, Head - Customer Service Motor, ICICI Lombard General Insurance Co. Ltd., Member
 - viii. Ms. Nimisha Srivastava, Deputy General Manager, IRDAI, Member
 - ix. Shri. Jacob Kunnapally Thomas, Motor Head, IIBI, Member Convener

3. The terms of reference of the Working Group are as under:
- a) To recommend implementation framework and methodology to link insurance premium with traffic violations.
 - b) To study International practices on the above subject and recommend best practices suitable to India.
 - c) To evaluate the current point system for traffic violations implemented by States and evolve standard point system considering each traffic violations.
 - d) To develop data fields required to implement traffic violations as rating factor in Motor Insurance.
 - e) To suggest system of access to traffic violation history data of each vehicle and transfer of data from enforcement authorities to IIBI database.
 - f) To suggest modalities for carrying out an immediate pilot project at NCT of Delhi.
 - g) To consider any other aspect relating to the subject.
4. The Working Group shall submit its report in eight weeks' time from the date of this order.



(T.L. ALAMELU)
Member (Non-Life)

6/9.