

**Constitution of Advisory Committee on Loss Prevention and Loss Minimization in General Insurance Industry**

**1. Background:**

- a) Considering the importance of Loss Prevention and Loss Minimization in insurance, the Authority had set up a working group to evaluate current practices followed by the general insurance industry and to suggest segment-wise ways and means to improve Loss Prevention and Minimization and to suggest approach to synergise activities of various stakeholders in order to ensure better Loss Prevention and Minimization.
- b) The working group had recommended setting up an exclusive organisation having objective as promotion of safety and loss prevention. It was recommended that the organisation should be funded by IRDAI and General Insurance Companies. Further, the working group has also identified activities which can be performed by the proposed organisation and it was recommended that to start with organisation may work in areas of Property and Motor lines of businesses.
- c) The report of the working group was also placed on the Authority's website for the stakeholders' comments.

**2. Proposal**

- i) Before contemplating setting up of separate organisation, we may first form a hub on Property Insurance at National Insurance Academy (NIA) and one on Motor Insurance at Institute of Insurance and Risk Management (IIRM).
- ii) Further, an advisory committee under chairmanship of Shri. G Srinivasan, Director, NIA with members from the insurance industry as mentioned in **Annexure I** may be formed to incubate and develop the idea at industry level. There may be two sub-committees within the advisory committee, one on Property insurance and other on Motor insurance.
- iii) To start with the Advisory Committee may work on the activities listed under **Annexure II**.

**Item No: 13**

Placed for approval of the Authority.

**Annexure I List of Members on Advisory Committee**

<b>Sr.</b>	<b>Member's Name</b>
1	Mr. Jose Verghese, Chief Manager, Fire & Engineering Department, United India Insurance Co. Ltd
2	Mr. Thangaraju Mallan, Senior Vice President - Corporate Underwriting, HDFC Ergo GICL
3	Mr. Muthu B, Head Commercial Claims, Chola MS GICL
4	Mr. V. Balkrishna, DGM, GIC Re
5	Shri K M Ram, Head – Other Lines of Business, Insurance Information Bureau of India (IIBI)
6	Mr. Hari Radhakrishnan, Insurance Brokers Association of India (IBAI)
7	Mr K B Manchanda, Indian Institute of Insurance Surveyors and Loss Assessors (IIISLA)
8	Ms. Jayashree Sridhar, Faculty Member, National Insurance Academy (NIA)
9	Mr. Surinderpal Sharma, Chief Manager (Motor), New India Insurance Co. Ltd,
10	Mr. Sanjay Bhagat, Vice President , Auto Claims, TATA AIG GICL
11	Mr. Kunal Jha, Vice President – Actuarial, Go Digit GIL
12	Mr Vikram Singh, Senior Claims Specialist, Munich Re
13	Mr. Jacob K Thomas , In charge-Motor, Insurance Information Bureau of India (IIBI)
14	Mr. Ram Awadh Sing, Indian Institute of Insurance Surveyors and Loss Assessors (IIISLA)
15	Prof. Archana Vaze , Insurance Institute of India (III)
16	Dr. Chilikuri Vijendra , Assistant Professor, Institute of Insurance and Risk Management (IIRM)

**Annexure II**

**Activities to be Performed by Advisory Committee**

**A) On Property Insurance:**

- i. Creating repository of past risk inspection reports and developing standard survey/inspection report formats.
- ii. Setting and reviewing codes and benchmarks in collaboration with various industry participants.
- iii. Creation of database of industrial property risks in the country where total value at risk is above Rs. 50 Crores, using geo code/unique property ID as the location-wise, occupancy-wise property identifier.
- iv. Collect and build segment-wise/ occupancy-wise loss data with geo code, analyse and publish pattern of losses including severity, root cause analysis and suggestions on loss prevention and minimisation techniques.
- v. Issue advisories on packaging and transportation of cargo.
- vi. Publish technical literature on fire hazards, fire safety.
- vii. Any other activity deemed fit by the Competent Authority.

**B) On Motor Insurance:**

- i. Develop guidelines on inspection of vehicles and standard operating processes to be followed by vehicle owners in the event of loss.
- ii. Mapping high exposure accident spots across the country.
- iii. Develop standard matrix (score) to incorporate safety features for each make and model of vehicles.
- iv. Lay down guidelines on repair charges for parts for each model of vehicle to bring standardization across the industry. Creation of garage network master for providing average repair cost in terms of repair of each part, average painting cost and turnaround times for different types of repair.
- v. Develop guidelines on adoption of technology such as Block Chain, Telematics for loss prevention and minimisation and highlight best practices in the world in this regard.
- vi. Any other activity deemed fit by the Competent Authority.

**C) Activities common for both segments**

- i) Creating awareness about Loss Prevention and Minimisation and circulate best practices adopted internationally.

**Item No: 13**

- ii) Co-ordinating with various government agencies/authorities, institutions, insurers and international organizations/bodies etc. on the matters of loss prevention and minimization.