



INSURANCE REGULATORY AND
DEVELOPMENT AUTHORITY



Handbook on Insurance Surveyors and Loss Assessors



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1. About this book

This handbook is designed by the Insurance Regulatory and Development Authority (IRDA) as a guide on Insurance Surveyors and gives generic information only. No Information given herein replaces or overrides the relevant provisions of the Insurance Act, 1938 and Regulations/guidelines/circulars issued by IRDA in this regard.

Please approach a duly licensed surveyor or Insurance Company registered with IRDA for specific information regarding a claim on policy or for any other additional information.

2. Insurance Surveyors and Loss Assessors

Section 64 UM of the Insurance Act, 1938, mandates licensing of Surveyors and Loss Assessors (SLA) for settlement of losses above Rs.20000/- reported under a policy of general insurance. Further, the said section has also laid down the qualification requirements for grant of licence to act as SLA.

IRDA Surveyor Regulations, 2000 & IRDA Surveyors (Amendment) Regulations, 2013

The enactment of IRDA Act, 1999, authorized IRDA to licence eligible persons to act as Surveyor and Loss Assessors (SLA). IRDA framed the Insurance Surveyors & Loss Assessors (Licensing, professional requirements & code of conduct) Regulations, 2000 under powers vested under Section 42D, 64 UM and 114A of the Insurance Act, 1938 and section 26 of IRDA Act, 1999. The said regulations, specifies the eligibility criteria, training and examination requirements for grant of licence to applicants to act as Surveyor and Loss Assessors. The said regulations also specify the Duties and Responsibilities & Code of Conduct for surveyors licensed by IRDA. The Code of Conduct specifies the professional and ethical requirements for conduct of their professional work. It elaborates on the

code which, inter alia, stipulates that a surveyor and loss assessor shall behave ethically and with integrity in professional pursuits, shall strive for objectivity in professional and business judgment, act impartially when acting on instructions from an insurer in relation to a policyholder's claim under a policy issued by that insurer, conduct himself with courtesy and consideration to all people with whom he comes into contact during the course of his work.

Licenses are issued to both individuals and firms/companies to act as Surveyor and Loss Assessors. There are eight areas in which surveyors could be licensed to work, depending on their qualifications. These are Fire, Motor, Miscellaneous, Engineering, Marine cargo, Marine Hull, Loss of Profit and Crop Insurance.

The IRDA is empowered to take regulatory action against surveyors for misconduct and/or violation of Act and Regulatory provisions. These regulations were amended in the year 2013 to bring further additional criteria for grant of licence to act as Surveyors and Loss Assessors including mandatory training and other requirements for grant of both fresh and renewal licence. Further, the amended regulations also allows a policyholder to appoint a surveyor to assess a claim under a policy of general insurance, in which case the expenses towards professional fees (survey fees) have to be borne by him. The said amended regulations

were notified in the official gazette in March 2013 and placed in the IRDA website www.irda.gov.in under the link surveyors.

Further the IRDA (Protection of Policyholders' Interests) Regulations, 2002 also stipulates the time limit for appointment of surveyors, which is 72 hours from date of intimation of claim to insurers/ occurrence of the event resulting in loss or damage and submission of survey report by surveyors, which is one month from the date of appointment by insurer.

The said regulation casts responsibility on the policyholder to co-operate with the surveyor and provide him with all the information/ documents to enable him to assess the loss.

Delay, if any, in the submission of the report by the surveyor should be communicated to the insurer and insured.

3. FAQ'S

1. **Is it mandatory for an insurer to appoint surveyor for each and every loss reported under a policy of general insurance?**

No. It is not mandatory for an insurer to appoint a surveyor for each and every loss reported by a policy of general insurance. Only where the estimated loss exceeds Rs.20,000/-, the insurers are mandated to appoint a licensed surveyor to assess and settle the loss.

2. **What is the need to engage an Insurance Surveyor?**

The need for the engagement of a surveyor is for assessing the loss/damage suffered without any bias or prejudice and by a professional/expert in the field.

3. **What will happen if I am not in a position to furnish the details required by the surveyor?**

If you are unable to furnish all particulars required by surveyor for assessment of the damage/loss, there will be delay in assessment of the claim.

4. **Can the surveyor delay submission of his report beyond 30 days?**

In exceptional circumstances, there could be a delay in submission of survey report by a surveyor,

beyond 30 days from the date of his appointment, in which case he has to necessarily seek extension of time from insurer. However, in no case, the time limit for submission of report can exceed a period of 6 months from the date of his appointment.

5. Can the insurer ask additional report from Surveyor?

Yes. Wherever the insurer finds the surveyor's report incomplete in any respect, he can ask the surveyor to furnish additional report within 15 days of receipt of the original report. In such a case, the surveyor shall furnish the additional report within 3 weeks of the receipt of such communication.

6. Since the surveyors are appointed by the insurance company, do they favour insurance companies?

This is a false notion that surveyors are the representatives of insurance companies and so they favour insurers. A surveyor and loss assessor shall act impartially and maintain confidentiality, neutrality without jeopardizing the liability of the insurer and the claim of the insured.

**7. Who can become a surveyor and loss assessor?
What is the procedure for obtaining a surveyor licence?**

Section 64 UM of the Insurance Act, 1938 stipulates the requisite qualification for grant of licence to act as Surveyor and Loss Assessor.

In order to obtain a licence to act as surveyor and loss assessor; those persons who possess one or more of the qualification set out in Section 64UM of the Insurance Act, 1938 can enroll with IRDA as a trainee, undergo practical training for one year under 'A' or 'B' categorized Surveyor in those departments enrolled with IRDA. Upon completion of practical training and passing of surveyor examination conducted by Insurance Institute of India (Mumbai), one can apply for licence from IRDA. The Authority on being satisfied with the eligibility of applicant, shall grant a licence which shall remain valid for a period of five years from the date of issue.

8. What are the documents to be submitted by an applicant for grant of surveyor licence?

The following are the documents to be submitted for grant of licence to an individual to act as Surveyor and Loss Assessor:

- Application form – Form 1AF
 - Copies of educational qualification certificates duly notarized
 - Copy of mark sheet
 - Copies of four quarterly reports
 - Training completion certificate
 - Demand draft for Rs.5000/- drawn on any bank payable at Hyderabad in favour of IRDA
 - Affidavit on Rs.10 stamp paper
9. **Is it possible for an applicant to submit an application for surveyor licence and other required documents in soft form? Is there an online portal for submission of applications? Is there any system to know my status of application?**

Yes. It is possible for an applicant to submit his application for grant of surveyor licence through an online portal i.e. surveyorbap@irda.gov.in (link available from www.irda.gov.in) and upload all required documents in the portal in soft form. The said portal provides an end to end solution and enables the applicant to know the status of application from submission till its approval and grant of licence by IRDA.

10. How do I know whether the surveyor appointed is an authorized person to take up the assignment of loss assessment or not?

The list of licensed and categorized surveyors and loss assessors is placed in the IRDA website i.e. www.irda.gov.in from which one can know whether the surveyor appointed is a licensed Surveyor or not.

11. Is the loss amount assessed by surveyor binding on insurer/s?

No. The insurers are not bound by the loss amount assessed by the surveyor. The insurer has the right to pay or settle any claim at any amount different from the amount assessed by the appointed surveyor.

12. What is the time limit for the insurer to take a decision on the claim, after submission of surveyor report or additional survey report by the surveyor and loss assessor?

An insurer has to take a decision on the claim within 30 days of receipt of surveyor report or additional survey report by the surveyor. The insurer must either offer a settlement of claim or give reasons for rejection of a claim in writing.

13. Can a policyholder claim interest in case of any delay in settlement of claim?

Once an offer of claim settlement given by insurer is accepted by a policyholder in writing, claim settlement amounts should be disbursed within 7 days from the date of acceptance by policyholder. In case of any delay in disbursement of the claim amount, the insurer is liable to pay interest @ 2% rate above the bank rate prevalent on 1st April of that financial year.

4. Policyholder Servicing Turnaround Times as prescribed by IRDA

Service	Maximum Turn Around Time
General	
Processing of Proposal and Communication of decisions including requirements/issue of Policy /Cancellations	15 days
Obtaining copy of the proposal	30 days
Post Policy issue service requests concerning mistakes/refund of proposal deposit and also Non-Claim related service requests	10 days
Life Insurance	
Surrender value/annuity/pension processing	10 days
Maturity claim/Survival benefit/penal interest not paid	15 days
Raising claim requirements after lodging the Claim	15 days
Death claim settlement without Investigation requirement	30 days
Death claim settlement/repudiation with Investigation requirement	6 months
General Insurance	
Survey report submission	30 days
Insurer seeking addendum report	15 days
Settlement/rejection of Claim after receiving first/addendum survey report	30 days
Grievances	
Acknowledge a grievance	3 days
Resolve a grievance	15 days

5. If you have a grievance:

The Consumer Affairs Department of the Insurance Regulatory and Development Authority (IRDA) has introduced the Integrated Grievance Management System (IGMS) which is an online system for registration and tracking of grievances. You must register your grievance first with the insurance company and in case you are not satisfied with its disposal by the company, you may escalate it to IRDA through IGMS by accessing www.igms.irda.gov.in. In case you are not able to access the insurer's grievance system directly, IGMS also provides you a gateway to register your grievance with the insurer.

Apart from registering your grievance through IGMS (i.e., web), you have several channels for grievance registration—through e-mail (complaints@irda.gov.in), through letter (address your letter to Consumer Affairs Department, Insurance Regulatory and Development Authority, 3rd Floor, Parishram Bhavan, Basheerbagh, Hyderabad:4) or simply call IRDA Call Centre at Toll Free 155255 through which IRDA shall, free of cost, register your complaints against insurance companies as well as help track its status. The Call Centre assists by filling up the complaints form on the basis of the call. Wherever required, it will facilitate in filing of complaints directly with the insurance companies as the first port of call by giving information relating to the address, telephone number,

website details, contact number, e-mail id etc. of the insurance company. IRDA Call Centre offers a true alternative channel for prospects and policyholders, with comprehensive tele-functionalities, serving as a 12 hours x 6 days service platform from 8 AM to 8 PM, Monday to Saturday in Hindi, English and various Indian languages.

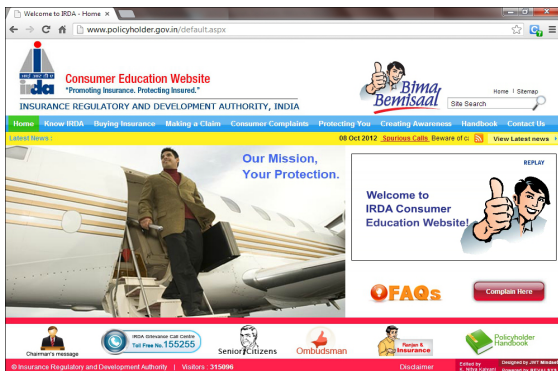
When a complaint is registered with IRDA, it facilitates resolution by taking it up with the insurance company. The company is given 15 days' time to resolve the complaint. If required, IRDA carries out investigations and enquiries. Further, wherever applicable, IRDA advises the complainant to approach the Insurance Ombudsman in terms of the Redressal of Public Grievances Rules, 1998.

Disclaimer:

This handbook is intended to provide you general information only and is not exhaustive. It is an education initiative and does not seek to give you any legal advice.



CONSUMER EDUCATION WEBSITE



Visit

www.policyholder.gov.in

IRDA's Consumer Education Website

created exclusively for
educating policyholders and
the general public about insurance

A public awareness initiative by



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**INSURANCE REGULATORY AND
DEVELOPMENT AUTHORITY**

Promoting insurance. Protecting insured.

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