



# INDIAN INSTITUTE OF INSURANCE SURVEYORS AND LOSS ASSESSORS

(Promoted by IRDA, Govt. of India)

Ref: IISLA / CC 2019/President Desk

Date: January 14, 2020.

Dear Members,

We are to inform that we had a meeting with CMDs of 4 PSUs, MOF and GIPSA officials on 10-01-2020 at New Delhi in the GIPSA Board Room. This is a sequential meeting to a meeting with Joint Secretary, Ministry of Finance on 06-01-2020. The following are the issues placed before the officials for a decision. Regarding Surveyor Regulations 2019, for which Exposure Draft was published by IRDA; three major concerns namely; (i) Independent nature of SLA - not belonging or aligning with either party to insurance contract, (ii) Automatic Membership of IISLA if IRDAI decides to issue licence to an applicant, and (iii) Allowing all claims to be surveyed by IISLA members only; were placed before the meeting seeking favourable orders for the fraternity.

The officials especially of Ministry of Finance are in agreement with our view that SLA is independent and cannot be an employee. In discussion we have submitted that the insurance companies having the employees who are licensed or not, are to meant to be utilised within NSL. In practice have been utilised much more beyond NSL, that even for total loss claims running into a few lakhs of rupees. We have also informed that several complaints have been made to the Regulator on this issue. Joint Secretary, Ministry of Finance, at this point has opined that such complaints be forwarded to GIPSA for examining the same. While on the subject it was submitted that absence of any 'Monitoring Mechanism' in place, results in any level of claims assessment to the insurance companies themselves; which is not fair and not in the interest of fair indemnity to the policy holder; in view of our experience thus far. The Joint Secretary, MOF opined that there should be a monitoring mechanism, such that the claim handling and processing details are monitored; as suggested by IISLA.

Regarding the No Survey Limit (NSL), the response from officials is not encouraging, except for agreeing the 'monitoring mechanism'. The officials feel that the procedural claim (Claims classified as - procedural and technological) have to be not insisted upon by IISLA, since they fall under 'Automation'. We have submitted that it is either employees or the EOI / LAA agencies that are



# INDIAN INSTITUTE OF INSURANCE SURVEYORS AND LOSS ASSESSORS

(Promoted by IRDA, Govt. of India)

---

getting involved in such loss assessment, which promotes 'conflict of interest'; and we at IIISLA would ensure better services, because all our members are trained and qualified and fully equipped to handle claims in all situations.

SMP issue, which is resulting in good number of existing and practicing SLAs of that insurer are getting out of the list; was discussed and requested that ALL the existing practicing with that particular insurer be continued; in order to not to create a situation of panic in the working cadre of SLAs. CMD of OIC clarified that the listing was as per the policy of 2% of claims in that particular Region. However, they will examine all the appeals made to the appellate mechanism, and finalise judiciously.

We have also submitted that the Survey Fee proposals be finalised by the GI Council, to be applicable and implemented by all the insurance cos. Meeting expressed that GIPSA will examine the same and take it forward.

Meeting concluded with a positive node and hope that our voice will be surely heard by the Industry and Govt.

Wishing you all happy Lohri, Sankranthi and Pongal.

Thanks & Regards,

President IIISLA