

CIRCULAR

039/IRDA/F&A/Cir/Oct.-07

October 11, 2007

The Chief Executive Officers
of All Non-Life Insurers

Submission of Sum Assured details as part of the Monthly Filing on Premium Underwritten

This is further to our Circular No. IRDA/F&A/003/Apr-07 dated April 16, 2007 on the said subject.

Queries have been received from some of the insurers seeking clarification on the manner of submission of the sum assured details.

With a view to ensuring uniformity in presentation of the statistics to the Authority, the manner of presentation of Sum Assured in certain categories would be as indicated below:

1. Packaged Policies

- a) The leading cover in the package is to be used as the basis.
- b) In cases like PA or Health, where there is a schedule of benefits, the principal sum insured is to be used as the basis.

2. Liabilities

- a) The sum insured per event should be indicated
- b) In case of Motor TP cover, the sum insured cell has been blocked by the Authority.

3. Mega policies

For all insurances written on first loss basis, including Mega policies, the sum insured should be the first loss limit per event.

4. Workmen's Compensation

The sum insured cell is being blocked by the Authority.

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5. Others

In several cases, the premium is calculated as a percentage of revenue or wages or some other measure of the extent of exposure. Even in all such cases, the limit of liability per event should be shown as the sum insured.

You are requested to file the monthly statistics taking into account the above said clarifications. The format of filing is being re-sent separately through e-mail at your ID incorporating the modifications indicated at (4) above.

Please note that these instructions are applicable with immediate effect.

Yours faithfully,

(C. R. Muralidharan)
Member