

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES
LOK SABHA
UNSTARRED QUESTION NO. 2467

ANSWERED ON MONDAY, DECEMBER 18, 2023/AGRAHAYANA 27, 1945 (SAKA)

IRDA

†2467. SHRI PASHUPATI NATH SINGH:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has fixed any criteria and time limit for insurance companies to settle the claims of road accident victims;
- (b) if so, the details thereof;
- (c) whether the Government Insurance Regulatory and Development Authority (IRDA) received the complaints against the insurance companies for not following the prescribed norms;
- (d) if so, the company-wise details thereof for the last three years and the current year; and
- (e) the steps taken/being taken by the Government against the guilty insurance companies in this regard?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE
(DR. BHAGWAT KARAD)

(a) to (e): The criterion for settlement of claims arising out of road accidents is specified under Section 163A of the Motor Vehicles Act, 1988. The amount of compensation is decided by the Motor Accident Claims Tribunals (MACT) which is generally based on the road accident victim's age, income/wages, family responsibilities, life expectancy and previous judgements/directions etc.

The procedure for the claims is prescribed under Rule 150A of Central Motor Vehicles (fifth Amendment) Rules, 2022. Upon receipt claim intimation, insurance company designates an officer to settle the claim who makes an offer to the claimant for settlement before the MACT. If the claimant accepts the offer, MACT records such settlement and the same is deemed to be settled. The insurance companies shall make the payment within thirty days of from the date of receipt of such record for settlement. If the claimant rejects the offer, then the Tribunal adjudicates the claim on merits.

Upon passing of the Award by the MACT under section 168 of the Act, the insurance company is required to deposit the entire amount awarded within thirty days of the date of announcing the award by the Claims Tribunal in a manner specified by the Claims Tribunal.

Insurance policyholder grievances related to motor claim can be registered on Bima-Bharosa portal of IRDAI. Details of grievance registered on the portal including motor vehicle claims (Own Damage and Third Party) is as under:

S. No.	Financial Year	Registered
1	2020-21	6,247
2	2021-22	8,265
3	2022-23	13,791
4	2023-24 (till Nov, 2023)	10,242

Source: IRDAI
