



Leadership and beyond
न्यू इन्डिया एश्योरन्स
NEW INDIA ASSURANCE

Financial Standing Order - 2016

Financial Authority Powers & Limits
Effective from 29.07.2016

For Office Use Only
Not for Public Circulation



FOREWORD

The market situation in the non-life insurance sector has become very competitive consequent to de-tariffing. The introduction of new players and channels of distribution as well as the increasing expectations and demands from the customers have made the business environment further competitive. This situation warrants further delegation of financial powers to officers to enable them to discharge their functions in an effective manner.

In order to render consistent and efficient customer service to our widespread clientele, the company has decided to further delegate financial powers to the officers which shall help in reducing our TAT in respect of claims settlement. Our Board of Directors has approved the delegation of enhanced financial powers which is effective from 29.07.2016.

However, the enhanced powers should be used judiciously and in a very prudent manner. I am sure that the enhanced delegation of powers shall facilitate quick decision making resulting in better customer service. I am also confident that the more number of satisfied customers as a result of quick claim settlement process will help us in achieving our goals and to retain our ' No.1 ' position in the industry.

Mumbai

26.09.2016

G. SRINIVASAN

(Chairman-cum-Managing Director)



Dated: 26th September, 2016

G.Ms. / CVO / D.G.Ms. / Chief Managers, Head Office

All Regional / LCBO In-charges

Re : Financial Standing Order-2016

We are pleased to enclose herewith the Financial Standing Order-2016 approved by the Board of the Company which comes into effect from 29.07.2016

Financial powers have been revised at various levels keeping in view the aspect of quick decisions and speedy disposal.

We advise you to ensure that the powers are exercised with due care and caution keeping in mind the need for keeping economy in expenditure. The FSO-2016, at several places, mentions in the remarks column, that powers are to be exercised subject to observance of prescribed procedures, rules, instructions, etc. It may be ensured that approvals are accorded after fulfilling these requirements and wherever the procedures are found not established the procedures may first be laid down.

Please circulate to all offices under control.

S. N. RAJESWARI

GENERAL MANAGER & FINANCIAL ADVISOR



Financial Standing Order - w.e.f. 29.07.2016

Section	Contents	Page Nos.
Chapter 1	General (Applicability and date of commencement: Definitions: Extent of Authority; Exercise of Power; Enhancement of Power; Precautions in exercise of Powers; Passing of vouchers for payment; Validity; Power to Interpretation; Unspecified Heads).	1 - 4 ✓
	Abbreviations	5 - 6 ✓
Chapter 2		
Sections		
I	Technical Department dealing with Underwriting, refunds, co-insurance, claims Surveys, Salvage etc	7 - 9 ✓
II	Rural insurance Department	10 ✓
III	Estate and Establishment Department	11 - 14 ✓
IV	Personnel Department	15 - 17 ✓
V	Accounts Department	18 - 19 ✓
VI	Investment Department	20 - 23 ✓
VII	General Powers (Applicable to all Departments)	24 - 27 ✓
VIII	Capital Expenditure (Other than IT/MS group)	28 - 29 ✓
IX	Information Technology / Management Services Group	30 - 33 ✓
X	Claims Settling Authority	34 - 42 ✓
XI	Credit Insurance Risk Cell	43 ✓



Chapter - 1

FINANCIAL STANDING ORDER 2016

I. APPLICABILITY AND DATE OF COMMENCEMENT

The Financial Authority powers and limits prescribed in this order shall extend to and cover all the officers of the Company in India and shall come into force **with effect from 29.07.2016.** This order shall supersede all previous instructions with regard to matters concerning Financial Authority, Powers and Limits.

II. DEFINITIONS

Unless otherwise specified or a contrary intention is evident from the context :

- a) "Board" means the Board of Directors of the Company.
- b) "Authority" means the official in the specified designations/ cadre and also the Chairman-cum-Managing Director and Board wherever specifically mentioned.
- c) "Appropriate/ Competent Authority" means official(s) authorised to sanction the expenditure/ advance/ payment/ disbursement under any of the rules, regulations, schemes, circulars etc. approved by the Board.
- d) "Officer-in-charge" means the officer in charge of a Branch Office/ Divisional Office/ Regional Office/Claims Hub/LCBO or Department of the Head Office or any other set up as an independent unit. The Officer-in charge in respect of Regional or Head Office may nominate any officer subordinate to him to act as "Officer-in-charge" in so far as any or all of the relevant items covered under these delegations.
- e) "Authority Concerned" Means the authority with whom financial powers are vested.
- f) "Year" means the financial year i.e. from 1st April to 31st March.

III. EXTENT OF AUTHORITY

The authorities prescribed in the annexure specify the lowest rank for a particular function. They also specify the maximum limit upto which an official of the specified cadre should exercise financial powers. Officials above the stated cadre automatically have the authority of the lower cadre. Sanction should be accorded by the appropriate/competent authority as per these delegations even where the benefit is directly or indirectly to a higher authority in the Office unless otherwise specified the residual powers in respect of all items rest with the Board.

**IV. EXERCISE OF POWER**

- a) Though the limits upto which an authority should exercise power are specified in the order, such power can be exercised only when he is specially authorized in writing to exercise those powers. The officer-in-charge/ Departmental Head shall issue office orders specifying the names and designations of the persons and nature and extent of powers to be exercised by each of them. Copies of these orders shall be simultaneously endorsed to the Accounts and Internal Audit Cum Inspection Department at the HO/ RO/ DO as the case may be.
- b) Officers-in-charge and officers in the rank of Manager and above derive the relevant powers indicated automatically by virtue of their postings.
- c) Where any financial power and limit is not in accordance with the functions entrusted to an officer in practice or otherwise, the Departmental head should advise in writing the authority concerned not to exercise specific powers at all or to exercise specific powers only on a restricted scale to be specified.
- d) The items under the grouping "GENERAL POWERS" are meant for exercise of powers by the officers of all the Departments.

V. ENHANCEMENT OF POWERS

Where the circumstances so require Officer-in-charge or any other higher authority may authorise subordinate authority to exercise powers applicable to next higher authority for a specific period for specific purpose or function. While granting the enhanced power the Officer-in-charge should ensure that the powers so granted are not enhanced power, for instance, an Officer-in-charge of region shall not grant enhanced power to an officer immediately lower to his rank so as to enable that officer to exercise power applicable to his own. Enhanced powers need not be to the full extent but may be limited to such extent and/or to such items as deemed fit. Copies of such permission should be sent to the Accounts and Internal Audit Departments. The written permission shall mention, inter-alia, the powers delegated and the period for which these powers are delegated.

VI. PRECAUTIONS IN EXERCISE OF POWERS

In exercising the power, the authority shall ensure that the procedures laid down in various Acts, Statutes, Rules, Regulations, Manuals, Circulars, Codes, Standing Orders and/or other orders and guidelines / instructions issued from time to time are strictly complied with. Every authority authorising or incurring expenditure should be guided by high standards of financial propriety. Special emphasis is laid, inter alia, on the following:



- i) All expenses, either of revenue or capital nature, incurred in any year should be within the Budget limits allocated by HO for that year. Budget approval is only a general sanction and there should be specific approval by the competent authority for incurring every expenditure.
- ii) The expenditure should not prima-facie be more than what the occasion demands.
- iii) No officer shall normally exercise powers in sanctioning expenditure which may directly or indirectly be to his own advantage/ benefit.
- iv) The expenditure laid out must be legitimate and genuinely required to be incurred in the normal conduct of business.
- v) Every officer is expected to exercise the same vigilance, discretion and judiciousness in respect of expenditure incurred out of the company's funds as any person of ordinary prudence would exercise in respect of expenditure incurred out of his own resources.
- vi) Purchases shall be made in most economical manner in accordance with projections of definite requirements.
- vii) All major purchases shall be made after following tendering procedures or through invitation of competitive bids.
- viii) Purchase order shall not be split up to avoid the necessity for obtaining the sanction of higher authority required with reference to the total amount of the order.
- ix) Officers-in-charge/Department head shall be responsible for enforcing standards of financial discipline and economy in his office as a whole and in sub-ordinate office (s) and for observance of the provisions of this Order.
- x) The amount of allowances granted to meet expenditure of a particular type should be so regulated that the allowance are not on the whole a source of profit to the recipients.
- xi) The amount sanctioned /incurred in respect of each transaction as a whole and not any installment or part of transaction shall be taken into account to determine the level of authority.
- xii) All financial proposals which come to CMD for consideration, other than claims and investments, shall be scrutinized by Financial Advisor.

**VII) PASSING OF VOUCHERS FOR PAYMENT**

The extent of financial power laid down herein includes similar power for passing vouchers and also for passing journal vouchers affecting such items. The amount payable or estimated to be payable in respect of each transaction as a whole and not any installment or part of a transaction shall be taken into account to determine the level of authority. Unless expressly provided otherwise, in respect of an expenditure / payment already approved in writing by the appropriate/competent authority, any officer of a lower rank may sanction the disbursement/ pass journal vouchers provided, the certified copy of the sanction by the appropriate/ competent authority is attached to the voucher as supporting evidence.

VIII) VALIDITY

Officer-in-charge may from time to time revise the orders issued in paragraph IV (a) above whenever and to whatever extent considered necessary under intimation as per paragraph IV above. Any order by an Officer-in-charge would be valid until the said order is cancelled, revoked, modified or varied in writing by the same or another appropriate authority. In other words, the concerned authority shall continue to exercise the powers delegated so long it is not revoked, cancelled or modified. In the case of enhanced authority, however, such an authority shall lapse on expiration of the period specified there in or upon the transfer of the authority who is vested with such enhanced powers, whichever is earlier. Where an authority is curtailed or restricted, such modified authority shall continue to be in force until another order is passed canceling, revoking or modifying the same.

IX) POWER OF INTERPRETATION

In case of difficulty/ doubt in interpreting any provision(s) of this order, reference must be made by the appropriate Authority to the CMD, whose decision in the matter shall be final.

X) UNSPECIFIED HEADS

Regarding functions/items not covered, specific prior sanctions must be obtained in writing from H. O. to the extent of limits indicated below:

GM.	:	Upto Rs. Twenty Lac.
CMD.	:	Upto Rs. Fifty Lac.
Board	:	In excess of Rs. Fifty Lac.



ABBREVIATIONS USED

Officers :

CMD.	:	Chairman-cum-Managing Director
GM.	:	General Manager
FA	:	Financial Advisor
DGM	:	Deputy General Manager
CRM	:	Chief Regional Manager
RM	:	Regional Manager
CM	:	Chief Manager
SDM	:	Senior Divisional Manager
Mgr.	:	Manager
DM	:	Divisional Manager
SBM	:	Senior Branch Manager
Dy. M	:	Deputy Manager
BM	:	Branch Manager
AM	:	Assistant Manager
ABM	:	Assistant Branch Manager
AO	:	Administrative Officer
OIC	:	Officer Incharge

Offices :

HO	:	Head Office
RO	:	Regional Office
LCBO	:	Large Corporate Brokers Office
HUB	:	Non-suit Hub, Legal Hub and TP Hub.
DO	:	Divisional Office
BO	:	Branch Office
IRDAI	:	Insurance Regulatory and Development Authority of India
GIC-Re	:	General Insurance Corporation of India
NIA	:	The New India Assurance Company Limited
NIA-Pune	:	National Insurance Academy, Pune.
GIPSA	:	General Insurers Public Sector Association
PSU	:	Public Sector Undertaking (previously Public Sector Units)
GBIC	:	Governing Body of Insurance Council
CIRO	:	Credit Insurance Risk office
III	:	Insurance Institute of India



Committees :

RPC	:	Regional Purchase Committee
DICC	:	Divisional Inhouse Conciliatory Committee
RICC	:	Regional Inhouse Conciliatory Committee
CHC	:	Claims/Legal Hub Committee
DCC	:	Divisional Claims Committee
RCC	:	Regional Claims Committee
LCBOCC	:	LCBO Claims Committee
HCC	:	Head Office Claims Committee
IIC	:	In-house Investment Committee
IC	:	Investment Committee of the Board
HLITC	:	Higher level IT Committee
ITC	:	IT Committee of the Board
HRCC	:	Head Office Reinsurance Commutation Committee
HRCPC	:	Head Office Reinsurance Commutation Processing Committee.
CSR	:	Corporate Social Responsibility Committee.
PC	:	Publicity Committee
HEC	:	HO Estate Committee
RPC	:	Regional Property Committee
MOC	:	Market Operations Committee

- Constitution of HO Estate Committee (Purchase/Sale Committee) (to be constituted by CMD).
 - Chairman cum Managing Director and three General Managers.
- The Regional Purchase Committee to be constituted by overseeing General Manager of the Regional Office.
- Constitution of IT Purchase Committee: (to be constituted by CMD)
 - Chairman cum Managing Director and three General Managers.

**Chapter - 2****Section - I****TECHNICAL DEPARTMENT DEALING WITH UNDERWRITING, REFUNDS, CO-INSURANCE, CLAIMS SURVEYS, SALVAGE ETC**

Sr. No.	Description of Power	Authority	Maximum Limit in Rs.	Remarks
A Re-insurance				
1	a) Fresh Contracts	CM	Actuals	
	b) Cancellation of Contracts	DGM	Actuals	
2	Renewals of Contracts (On same terms)	MANAGER	Actuals	
3	Signing all types of documents relating to Re-Insurance	DEPUTY MANAGER/ MANAGER	Actuals	
4	Cash claims including all incidental expenses relating thereto	CM	1 Crore	
	a) PER RISK	DGM	Actuals	
	b) PER EVENT	DGM	Actuals	
5	Refund of premium for excess amount received	CM	Actuals	
B Reinsurance Accounts				
1	Rendering of Accounts	DEPUTY MANAGER/ MANAGER/ CHIEF MANAGER	Actuals	
2	Settlement of Accounts	DEPUTY MANAGER/ MANAGER/ CHIEF MANAGER	Actuals	
C Commutation				
1	Acceptance of Commutation/ Cut -off proposals where net settlement is due to New India.	Board	Actuals	
		Head Office Re-insurance Commutation Committee	i) Rs.1 Crore #, When, bad debt to be written off does not exceed 33.33% of #	



Sr. No.	Description of Power	Authority	Maximum Limit in Rs.	Remarks
	(#=For the total of book balances plus outstanding including IBNR/IBNER)	Board	Actuals	
			ii) Rs. 2,00,000 #, irrespective of the percentage of Bad debt to be written off.	
		Head Office Re-insurance Commutation Processing Committee	i) Rs.10,00,000 #, When, bad debt to be written off does not exceed 10% of #	
			ii) Rs.2,00,000 #, When, Bad debt written off does not exceed 33.33% of #	
2	Acceptance of Commutation/Cut -off proposals where net settlement is payable by New India. (#=For the total of book balances plus outstanding including IBNR/IBNER)	Board	Actuals	
		Head Office Re-insurance Commutation Committee	i) Actuals where the discount on commutation/ cut-off is not less than 20% of #	
			ii) Rs.2,00,000 #, irrespective of percentage of discount	
		Head Office Re-insurance Processing Commutation Committee	Rs.2,00,000/- #, when, discount on commutation/ cut-off is not less than 33.33% of #.	
3	Acceptance of settlement of commutation / cut-off as approved by Competent authority	Manager	Actuals	



B Refunds				
Sr. No.	Description of Power	Authority	Maximum Limit in Rs.	Remarks
1	Refund of premium on cancellation of policy from inception or otherwise on alteration, refund of excess of deposit premium received or of any other kind	Board	Actuals	Excluding Hull Policy lay-up refund which will be authorized by OIC of RO upwards on Actual basis
		AO	5000	
		BM/AM	25,000	
		DM/SBM/Dy.M	10,00,000	
		SDM/M	15,00,000	
		DCC	25,00,000	
		RO-INCHARGE/ LCBO-INCHARGE/ CM/RM	Actuals	
2	Refund of cash Deposit	DO In Charge	Actuals	
3	Refund of excess premium	Officer In Charge	Actuals	
4	Co-Insurance	Officer In Charge	Actuals	
C Survey or Research Projects				
1	Expenses relating to Research conducted by the companies with the approval of CMD	DGM	1,00,000	
		GM	5,00,000	
		CMD	Actuals	
2	Reimbursements of Company's share of expenses connected with research / Survey projects of GIC/NIA/IRDAI/GIPSA and /or PSU	RO-INCHARGE/ LCBO-INCHARGE/ CM/RM	Actuals	As per approval of the project by the appropriate authority
D Co-Insurance				
1	Settlement of Accounts	CHIEF MANAGER/ REGIONAL MANAGER	Actuals	As per approval of the appropriate authority



Section - II

RURAL INSURANCE DEPARTMENT

Sr. No.	Description of Power	Authority	Maximum Limit in Rs.	Remarks
1	Expenses on Fairs, Melas, Exhibitions for spreading Rural Insurance awareness	RO-INCHARGE / CM / RM	ACTUALS	
2	Purchase of ear-tags	OIC of BO	50,000	From Suppliers whose rates have been approved by GM/ DGM/ CM/ CRM/ RM
		OIC of DO	2,00,000	
		RO-INCHARGE / LCBO-INCHARGE / CM / RM	ACTUALS	
3	Expenses on fixing ear tags and fees of Veterinary Doctor (other than in connection with claims)	OIC of BO	10,000	At Rates approved by RNTB Dept.
		OIC of DO	25,000	
		RO-INCHARGE / LCBO-INCHARGE / CM / RM	ACTUALS	



Section - III

ESTATE AND ESTABLISHMENT DEPARTMENT

Sr. No.	Description of Power	Authority	Maximum Limit in Rs.	Remarks
1	Printing and Stationery	AO	5,000	Subject to observance of procedures for invitation of Quotations / tenders and acceptance of the Offer by the Competent Authority
		BM/AM	25,000	
		DM/SBM/Dy.M	1,00,000	
		SDM/M	1,25,000	
		RO-INCHARGE / LCBO-INCHARGE / CM / RM	Actuals	
2	Cartage and Freight, Postal charges, rates and taxes, Policy Stamps, Revenue Stamps, Uniform Washing charges.	AO	5,000	As per Rules
		Officer In charge of BO/DO	Actuals	
		Deputy Manager at RO/HO	Actuals	
3	Electricity charges, Ground Rent	OIC of MO/BO/DO	Actuals	
		HO/RO-Dy. Mgr.	Actuals	
4	Office up keep and Maintenance	BO Incharge	5,000	
		DO Incharge	25,000	
		HO/RO-Dy. Mgr.	25,000	
		CM/RM	Actuals	
5 Maintenance, repairs and renewals on movable and immovable properties				
a	All movables other than vehicles	AO	2,000	Subject to observance of prescribed procedure
		BM/AM	10,000	
		DM / SBM /Dy.M	30,000	
		SDM/M	50,000	
		RO-INCHARGE / LCBO-INCHARGE / CM / RM	2,00,000	
		DGM	Actuals	



Sr. No.	Description of Power	Authority	Maximum Limit in Rs.	Remarks
b	Vehicles owned by the Company and all immovable properties	AO	10,000	Subject to observance of prescribed procedure
		BM/AM	20,000	
		DM / SBM /Dy.M	30,000	
		SDM/M	50,000	
		RO-INCHARGE / LCBO-INCHARGE/ CM / RM	2,00,000	
		DGM	3,00,000	
		GM	Actuals	
c	Vehicles under the Loan Scheme	Dy. M	Actuals	As per the Loan Scheme
6	Rent of premises (monthly)	OIC	Actuals	As per sanction of Competent Authority
7	Rental/Hire charges for Sundry Assets (monthly) (Other Than Generators)	DM/SBM/Dy.M	5,000	As per sanction of Competent Authority
		SDM/M	15,000	
		RO-INCHARGE / LCBO-INCHARGE / CM / RM	25,000	
		DGM	50,000	
		GM	Actuals	
8	a) Telephone at residence	AO	3,000	Subject to observance of limits for calls laid down
		BM/AM	5,000	
		DM/SBM/Dy.M	10,000	
		SDM/M	20,000	
		RO-INCHARGE / LCBO-INCHARGE / CM / RM	Actuals	



Sr. No.	Description of Power	Authority	Maximum Limit in Rs.	Remarks
	b) Telephones (Offices)	AO	5,000	Subject to observance of limits for calls laid down
		BM/AM	15,000	
		DM / SBM /Dy.M	25,000	
		SDM/M	50,000	
		RO-INCHARGE / LCBO-INCHARGE / CM / RM	Actuals	
9	Sale of Old Newspapers and Journals	OIC	Actuals	
		BO/DO/RO		
		CHIEF MANAGER		
10	Sale of Old and unused Stationery	BM/Dy. M	5,000	
		SDM/M	10,000	
		RO-INCHARGE / LCBO-INCHARGE / CM / RM	Actuals	
11	Hire charges for Generator/ other Equipments	SDM/M	15,000	Subject to approval by RO/HO
		RO-INCHARGE / LCBO-INCHARGE / CM / RM	Actuals	
12	Payments to Hired Watchman, Security Guards etc.	Manager	Actuals	As per approval of RO/LCBO Incharge& for HO-DGM Estate
13	Interior furnishing of Offices, including cost of cabins, false ceiling and like	CRM/CM	2,00,000	Subject to norms laid down by Estate/Budget Dept. and Tender as per CVC guidelines.
		RO Headed by DGM	5,00,000	
		RPC	10,00,000	
		DGM	20,00,000	
		GM	50,00,000	
		HEC	ACTUALS	



Sr. No.	Description of Power	Authority	Maximum Limit in Rs.	Remarks
14 A	Approval to hiring/leasing of premises for office/ residence including taxes and payments to societies/ condominiums (per month)	RO-INCHARGE For Offices in Non-Metro	1,00,000	Cases involving payment of deposits or advance rents (whether with or without interest) in excess of 6 months rent should be submitted to the HEC for approval.
		RO-INCHARGE For Offices in Metros	1,50,000	
		GM	5,00,000	
		HEC	Actuals	
B	Approval to hiring/leasing of premises for Transit/ Guest House excluding taxes and payments to Societies/Condominiums (per month)	Scale V/VI/CRM	7,5000	
		Scale VII	1,00,000	
		HEC	Actuals	



Section - IV

PERSONNEL DEPARTMENT

Sr. No.	Description of Power	Authority	Maximum Limit in Rs.	Remarks
1	Salary and allowances incentives, LTS, Leave encashment, Company's contribution to P. F., MBIS and other authorized deductions from salaries of employees including Income tax, Professional tax etc.	AO	Actuals	As per Rules in force
2	Overtime wages to employees	AO	Actuals	As per Rules in force and on approval of appropriate Authority.
3	Ex-gratia in lieu of Bonus to employees.	AO	Actuals	As per Rules in force and on approval of appropriate Authority.
4	Advances to employees including loans towards Housing and purchase of vehicles	AO	Actuals	As per Rules in force and on approval of appropriate Authority.
5	Grants to Employees, Mutual Benefit Society, Staff Recreation Sports Club.	SDM/M	Actuals	As per Rules in force and on approval of appropriate Authority.
6	Subsidy to PF Trust towards interest.	SDM/M	Actuals	As per Rules in force and on approval of appropriate Authority.
7	Terminal dues to employees.	SDM/M	Actuals	As per Rules in force.



Sr. No.	Description of Power	Authority	Maximum Limit in Rs.	Remarks
8	Expenses shared by GIC and PSU Insurers for recruitments, special events / programmes, sports / drama activities etc.	SDM/M	Actuals	As approved by the CMD.
9	Fee to Doctors for pre-employment medical examination in connection with recruitment.	DM/SBM/ Dy.M	Actuals	
10	Other expenses related to Recruitment expenses.	Manager	10,000	
		RO-INCHARGE/ LCBO-INCHARGE/ CM / RM	25,000	
		DGM	Actuals	
11	Traveling & Halting allowances including payment of advances.	AO BM/AM DM/SBM/ Dy.M SDM/M	7,500 15,000 30,000 Actuals	a) As per rules, Tours should be approved in advance by the OIC of BO/DO/RO. b) At HO, for employees below Chief Manager, tour should be approved by Chief Manager and for others by the next Higher authority of the employee c) The amounts indicated are in addition to the journey fare. d) The bills have to be approved by the Officer one step above. Deviations from approved programmes have to be re-approved by tour sanctioning authority before passing the bill.



Sr. No.	Description of Power	Authority	Maximum Limit in Rs.	Remarks
12	Training Expenses			
a	Course fees for training programmes and other expenses.	AO	Actuals	
b	Honorarium to Faculty Members.	AO	Actuals	
13	Recruitment			
a	Advertisement in Newspapers	Manager	1,00,000	
		CM	Actuals	
b	Recruitment Fees to recruiting Agency	CM	10,00,000	
		DGM	50,00,000	
		GM	Actuals	
c	Pre-recruitment training	CM/CRM	3,00,000	
		DGM	5,00,000	
		GM	Actuals	
d	Induction training for Direct recruits	CM/CRM	3,00,000	
		DGM	5,00,000	
		GM	Actuals	
e	Misc. expenses on recruitment	CM	1,00,000	
		DGM	Actuals	



Section - V

ACCOUNTS DEPARTMENT

ACCOUNTS DEPARTMENT				
Sr. No.	Description of Power	Authority	Maximum Limit in Rs.	Remarks
1	Bank charges	AO	1,500	Interest, if any, paid on Overdrafts should be reported to DGM/GM (Accounts)
		BM/AM	3,000	
		DM/SBM/Dy.M	12,000	
		SDM/M	20,000	
		RO-INCHARGE/ LCBO- IN-CHARGE/ CM/RM	Actuals	
2	Write Off :			
i.	Losses arising out of misappropriation, defalcations, etc.	CMD	Actuals	In consultation with FA and CVO.
ii.	Bad debts	CMD	50,000	
iii.	Book value of Assets other than monies recoverable	RO-INCHARGE / LCBO- INCHARGE/ CM/RM	Actuals	Subject to approval of DGM/GM at HO
3	Inter-bank transfer, inter-office transfers and book transfers	OIC of BO/DO/ RO and CM	Actuals	As per Rules in force
4	Refund of Security Deposit / Earnest Money deposit other than those relating to Guarantee Dept.	OIC of BO/DO/ RO and CM	Actuals	As per Rules in force
5	Payment to former share holders	DM/SBM/Dy.M	Actuals	As per IRDA guidelines



Sr. No.	Description of Power	Authority	Maximum Limit in Rs.	Remarks
6	Audit Fees			
a	For Statutory Audit of Accounts	DM/SBM/Dy.M	Actuals	As approved by AGM while approving appointments
b	For other works like Tax Audit, Certification etc., including expenses in connection with Audits	SDM/M	15,000	
		RO-INCHARGE / LCBO-INCHARGE / CM / RM	25,000	
		DGM	50,000	
		GM	Actuals	
c	Depreciation of Assets	DM/SBM/Dy.M	Actuals	As per provisions of Statutes / Rules in force and as per Accounting Practice in force.



Section - VI

INVESTMENT DEPARTMENT

INVESTMENT DEPARTMENT				
Sr. No.	Nature of Investments	Authority	Maximum Amount (Rs. in Crores)	Remarks
			(Per Calendar Month)	
A	DIRECTED SECTOR : (45%)			
1	Govt. Securities(Central Govt. & State Govt. Sec) - Primary and Secondary Market Operations	CMD	Actual	Face value basis
		GM (Investment)	300	
		DGM (Investment)	200	
		CM (Investment)	50	
2	Securities guaranteed by Central/State Govt. (other approved Securities) - Primary and Secondary Market Operations.	CMD	Actual	Face value basis
		GM	200	
		DGM	100	
		CM (Investment)	50	
3	(a) Housing and Loans to State Govts.for Housing and Fire Fighting Equipments etc. as per IRDA regulations.	CMD	Actual	Face value basis
		GM	100	
		DGM	50	
	(b) Approved Investment in Infrastructure and Social sector as per IRDA Regulations	CMD	Actual	
		GM	200	
		DGM	100	
B	MARKET SECTOR (55%)			
B1	PRIMARY MARKET : PURCHASE AND SALE (Other Than Pvt. Placement)			
1	Investment in Equity/Preference shares (incl.Warrants and such other investments convertible into equity) which satisfy the norms of Approved Investment	CMD	40/200	
		GM	20/100	
		DGM	10/50	



Sr. No.	Nature of Investments	Authority	Maximum Amount (Rs. in Crores)	Remarks
			(Per Calendar Month)	
2	Bonds/ Debentures. Securitised Instruments issued by Financial Institutions and PSUs - Approved Investment / Guaranteed by the Govt. (Central & State) or rated not less than 'AA'	CMD	75/750	Face value basis
		GM	50/500	
		DGM	25/250	
B2	SECONDARY MARKET : PURCHASE AND SALE			
1	Investment in Equity/ Preference shares (incl. Warrants and such other investments convertible into equity) which satisfy the norms of Approved Investment irrespective of dividend yield	CMD	50/350	
		MOC	35/300	
		GM	25/250	
		DGM	10/100	
2	Bonds/ Debentures. Securitised Instruments issued by Financial Institutions and PSUs - Approved Investment / Guaranteed by the Govt. (Central & State) or rated not less than 'AA'	CMD	50/500	Face value basis
		GM	25/100	
		DGM	10/100	
C	PRIVATE PLACEMENT			
1	Approved Category (Any Instrument)	Investment Committee	100	Per Proposal
2	UNAPPROVED INVESTMENT (Any Instrument and by way of Public/Pvt. Placement)	Investment Committee	50	Per Proposal
3	Term Loans	Investment Committee	50	Per Proposal



Sr. No.	Nature of Investments	Authority	Maximum Amount (Rs. in Crores)	Remarks
			(Per Calendar Month)	
a	CBLO/Call Money/Reverse Repo (Per Day)	CMD	Actual	
		GM	750	
		DGM	500	
		CM	200	
b	BRDS/CD/FD/CP (Per Month)	CMD	Actual	
		GM	200	
		DGM	100	
		CM	50	
c	Deployment of short term fund in Mutual Fund (subject to the overall limits prescribed by the IRDA) (Per Month) (Excluding Redemptions)	CMD	1000	
		GM	500	
		DGM	200	
		CM	100	
D	RELIEF & CONCESSIONS WHERE SACRIFICE INVOLVED SUCH AS WAIVER OF SIMPLE INTEREST, COMPOUND INTEREST ETC.			
1	CDR & BIFR Cases	CMD	Actual	
2	Non CDR & Non BIFR Cases	CMD	0.25	
3	Non CDR & Non BIFR Cases (either with other Institutions or independently)	Investment Committee	0.50	
4	Scheme of Arrangements/ Amalgamations / De mergers pursuant to Court & any judicial authority	CMD	Actual	
E	TRADING : (Per Calendar Month)			
a	Trading in SLR and Non SLR debt instruments (Per Day) (As per the parameters approved vide Board Resolutions dated 12.12.2001)	CMD	100	
		GM	50	
		DGM	25	
		CM	10	



Sr. No.	Nature of Investments	Authority	Maximum Amount (Rs. in Crores)	Remarks
			(Per Calendar Month)	
b	Trading in Equity Shares (As per the parameters approved vide Board Resolutions dated 04.04.2002)	CMD	100	Book Size of Trading Portfolio Rs. 200 crores subject to per Co. limit of Rs.10 crores. However Trading Limit per Co. per month not to exceed Rs. 50 crores.
		GM	50	
		DGM	25	
F	INVESTMENT PROPOSALS OF OVERSEAS OFFICES :			
1	Statutory / Solvency Margin Requirements	CMD	Actual	Reporting to Board
		GM	100	
2	Other Proposals which require RBI permission	CMD	100	Reporting to Board
		GM	50	
G	PERFORMANCE GUARANTEE BONDS:			
1	Performance Guarantee Bonds	Board	Actual	
	For Fresh Proposal	CMD	50	
	For Renewal	CMD	100	
		GM	50	
NOTE				
1	The authority stated above is both for investment as also disinvestment/sale of the respective instruments.			
2	Approved investment means the investment complying the requirements as prescribed by IRDA / Insurance Act.			
3	The limits prescribed for the Investment Committee(Annexure-II) is over and above the Financial Authority delegated to the Executives.			



Section - VII

GENERAL POWERS APPLICABLE TO ALL DEPARTMENT

Sr. No.	Nature of Investments	Authority	Maximum Limits in Rs.	Remarks
1	Local conveyance	AO	500	
		BM/AM	1000	
		DM/SBM/Dy.M	2000	
		SDM/M	3000	
		RO-INCHARGE/ LCBO-IN CHARGE /CM /RM	Actuals	
2	Compromise and settlement of suits other than claims under policies	GM	Actuals	
3	Replenishment of imprest accounts	OIC	Actuals	As per Rules in force
4	Statutory payments	DM/SBM/Dy.M	Actuals	Subject to approval of HO
5	Payment of Security deposit, Earnest Money Deposit, Telephone/Postal deposits & deposits with Municipal bodies and other authorities.	Dy Manager/ OIC/ Manager	Actuals	Subject to approval of HO / RO
6	Approval to publication of Tender notices/ advertisements (other than publicity) regarding loss of documents, premises, change of Telephone Numbers etc	DM/SBM/Dy.M	1,5000	
		SDM/M	2,5000	
		RO-INCHARGE/ LCBO-IN CHARGE/ CM / RM	1,00,000	
		DGM	5,00,000	
		GM	Actuals	



Sr. No.	Description of Power	Authority	Maximum Limit in Rs.	Remarks
7	Expenses in connection with publishing house magazines, bulletins	Dy. Mgr.	Actuals	Subject to approval by RO/ LCBO In-charge & DGM at HO
8	Advertisement and Publicity in the nature of business promotion expenses for individual campaign	RO-INCHARGE / LCBO-INCHARGE	2,00,000	Subject to Company's approved policy and specific proposal approved by competent authority
		DGM	3,00,000	
		GM	5,00,000	
		Publicity Committee	Actuals	
9	Expenses commonly shared by PSU Insurers towards special programmes, celebrations etc.	RO-INCHARGE / LCBO-INCHARGE / CM / RM	Actuals	
10	Payment of commission to Insurance Agents/ Intermediaries	OIC	Actuals	As per Rules in force
11	Deduction of Income Tax at source from insurance commission	AO	Actuals	
12	Donations and Charities	RO-INCHARGE/ LCBO-INCHARGE/ CM / RM	Actuals	As approved by CMD / Board within their respective limits.
13	Contribution/ Payment to GIPSA, NIA PUNE, III and GBIC / IRDA and other similar payments	Manager	Actuals	As per rules in force
14	Directors' fees	Dy.M	Actuals	As per rules in force
15	Expenses of meetings, conferences, workshops, seminars etc.	RO/LCBO-INCHARGE	2,00,000	Subject to guidelines and limits of approved budget
		GM	4,00,000	
		CMD	Actuals	



Sr. No.	Description of Power	Authority	Maximum Limit in Rs.	Remarks
16	Entertainment expenses	RO-INCHARGE / LCBO-INCHARGE / CM / RM	15,000	Subject to guidelines and limits of approved budget
		DGM	25,000	
		GM	Actuals	
17	Guest House/ Transit Camp expenses	AM	10,000	The amount refers to total charges payable for each month.
		Dy.M	30,000	
		Manager	50,000	
		RO-INCHARGE / LCBO-INCHARGE / CM / RM	Actuals	
18	Insurance of movable and immovable properties	AO	Actuals	As per guidelines
19	Legal charges (other than for claims)	OIC of BO/DO and CRM/CM/RM	Actuals	Subject to approval of RO / HO
20	Professional fees to Surveyors / Architects / Actuary / Valuer (other than for claims)/ CA/Tax Consultants/Company Secretary	CM/RM	50,000	As per procedure laid down at HO
		RO INCHARGE/ LCBO INCHARGE	1,00,000	
		DGM	2,00,000	
		GM	Actuals	
21	Purchase of			
	a) Library books	SDM/M	5,000	
		RO-INCHARGE / LCBO-INCHARGE / CM / RM	10,000	
		DGM	Actuals	
	b) Newspapers, Periodicals and Journals	AO	Actuals	As approved by RO-INCHARGE/ CM/RM



Sr. No.	Description of Power	Authority	Maximum Limit in Rs.	Remarks
22	Medical expenses under emergency situation of employees	AO	Actuals	As per guidelines of HO
23	Purchase of stamps (other than Policy and Revenue stamps) and Miscellaneous Expenses not covered under any of the above items	AO	3,000	Subject to existence of budget provision
		BM/AM	5,000	
		DM/SBM/Dy.M	10,000	
		SDM/M	20,000	
		RO-INCHARGE / LCBO-INCHARGE / CM / RM	Actuals	
24	Corporate Social Responsibility (CSR)	Inhouse CSR Committee	50,00,000	
		CSR Committee of the Board	Actuals	
25	Payment of Fees for taking new Membership in Clubs	CMD	Actuals	



Section - VIII

CAPITAL EXPENDITURE (Other than IT / MS Group)

Sr. No.	Description of Power	Authority	Maximum Limits in Rs.	Remarks
1	Immovable Properties			
a)	Purchase and Sale. For the purpose of purchase/sale of immovable property a committee consisting of CMD, 2 General Managers and Financial Advisor may be constituted- All proposal for purchase or sale of immovable property shall be put up to the committee and subject to its approval, the financial authority indicated may be exercised as per procedure prescribed.	GM	15,00,000	
		CMD	50,00,000	
		Board	Actuals	
b)	Addition/Alteration to existing properties owned or leased by the company including preparation of site for EDP installation and payment to Societies / Condominiums	RO-INCHARGE / LCBO-INCHARGE/ CM / RM	50,000	
		DGM	2,00,000	
		GM	5,00,000	
		CMD	15,00,000	
NOTE	The limits are in respect of each item and do not include sales tax, stamp duty, registration charges and other amount payable to authorities which may be paid at the prescribed rates in addition on the basis of actuals.			
2	Purchase, Sale and Repairs that are capitalised			
a).	Movable properties such as Furniture Fixtures, Lights, Fans, Typewriters, pedal Cycles and other office equipments.	BM	10,000	Subject to observance of prescribed procedure
		DM/SBM/Dy.M	15,000	
		SDM/M	30,000	



Sr. No.	Description of Power	Authority	Maximum Limits in Rs.	Remarks
		RO-INCHARGE / LCBO-INCHARGE / CM / RM	1,00,000	
		DGM	3,00,000	
		GM	7,50,000	
		CMD	20,00,000	
b)	Motor Vehicles including two wheelers	RO-INCHARGE / LCBO- INCHARGE / CM / RM	3,00,000	
		DGM	5,00,000	
		GM	Actuals	
N O T E	The Limits indicated above are in respect of each transaction and do not include taxes which may be authorised on actual basis			



Section - IX

INFORMATION TECHNOLOGY/MANAGEMENT SERVICES GROUP

Sr. No.	Description of Power	Authority	Maximum Limits in Rs.	Remarks
1	Purchase of IT Consumables such as Printer Cartridges, LTO3/5 Tapes, Cleaning Tapes, CDs/DVDs, Pen Drives, External Hard disk and other portable storage devices, backup devices, memory, Laptop batteries, etc	BM	10,000	(Subject to Approval from Competent Authority and observance of procedures for invitation of quotations/ tenders and IT Department Circulars/ Guidelines)
		DM/SBM/DY.M	15,000	
		SDM/Mgr	30,000	
		RO-INCHARGE/ LCBO-INCHARGE/ CM/RM	3,00,000	
		DGM	10,00,000	
		GM	Actuals	
2	Additional items such as - i) UPS batteries (BO/DO to obtain prior approval from RO) ii) Network cable laying, fixing up I/O port, Crimping of RJ-45 connectors etc	BM	25,000	(Subject to Approval from Competent Authority and observance of procedures for invitation of quotations/tenders and IT Department Circulars/ Guidelines)
		DM/SBM/DY.M / SDM/Mgr	50,000	
		RO-INCHARGE/ LCBO-INCHARGE/ CM / RM	5,00,000	
		DGM	10,00,000	
		GM	Actuals	
3a	Maintenance : a) AMC of Computers hardware and peripherals (Servers, Desktops, Printers, Laptops, Tablets, Scanners, Thin Clients, Network equipments etc) b) Software- Annual Technical Support (ATS)	RO-INCHARGE/ LCBO-INCHARGE/ CM / RM	20,00,000	(Subject to Approval from Competent Authority and observance of procedures for invitation of quotations/tenders and IT Department Circulars/ Guidelines)
		DGM	35,00,000	
		GM	Actuals	



Sr. No.	Description of Power	Authority	Maximum Limits in Rs.	Remarks
3b	i) Hardware/Network equipments on rent ii) Installation charges for hardware, network, specific application and system softwares (sl. no. i, ii above with prior permission of Head Office only)	BM	10,000	(Subject to Approval from Competent Authority and observance of procedures for invitation of quotations/ tenders and IT Department Circulars/ Guidelines)
		DM/SBM/DY.M	15,000	
		SDM/Mgr	30,000	
		RO-INCHARGE/ LCBO-INCHARGE/ CM/RM	5,00,000	
		DGM	10,00,000	
		GM	Actuals	
4	I.T. Project implementation / Management fees, Charges towards "Cloud" as a Service, DC/DR/NDR Co-location charges, hosting charges other IT Managed Services and additional services at DC/ DR/NDR, Security Operation Centre(SOC)/ Network Operation Centre (NOC) as a service etc. <i>Note -"Cloud" services refers to IaaS, SaaS, PaaS, DCaaS, DRaaS, DBaaS etc.</i>	CM	10,00,000	(Subject to Approval from Competent Authority and observance of procedures for invitation of quotations/tenders and IT Department Circulars/ Guidelines)
		DGM	30,00,000	
		GM	1,00,00,000	
		IT Purchase Committee	10,00,00,000	
		Board	Over 10,00,00,000	
5	Purchase of Software Application such as Antivirus, Software accessories/packages such as Adobe Reader etc, utilities and tools such as PC sanitizer, Data Recovery Software etc, user licences fees, connection charges (like Internet, E-mail, SMS, Leased Line, VSAT, RF, etc. and software data updates) etc. (which are treated as revenue expenses)	CM	10,00,000	(Subject to Approval from Competent Authority and observance of procedures for invitation of quotations/tenders and IT Department Circulars/ Guidelines)
		DGM	20,00,000	
		GM	2,00,00,000	
		IT Purchase Committee	5,00,00,000	
		Board	Over 5,00,00,000	



Sr. No.	Description of Power	Authority	Maximum Limits in Rs.	Remarks
6	i) IT Consulting /Advisory fees, etc. ii) RFP Preparation fee. iii) Retainer fees of consultants, iv) Legal Consulting Charges in relation with tender/RFP, Agreement, Non Disclosure Agreement (NDA), Performance Bank Guarantee (PBG) formats etc. v) Paid Proof of Concept (PoC) for new technologies /Products to analyse the same	CM	5,00,000	(Subject to Approval from Competent Authority and observance of procedures for invitation of quotations/ tenders and IT Department Circulars/ Guidelines)
		DGM	10,00,000	
		GM	1,00,00,000	
		IT Purchase Committee	2,00,00,000	
		Board	Over 2,00,00,000	
7	Training, Technology Workshop, IT Conferences Charges, Seminars etc	SDM/Mgr	25,000	(Subject to Approval from Competent Authority and observance of procedures for invitation of quotations/tenders and IT Department Circulars/Guidelines)
		RO-INCHARGE/ LCBO-INCHARGE/ CM / RM	3,00,000	
		DGM	10,00,000	
		GM	20,00,000	
		CMD	Actuals	
CAPITAL EXPENDITURE				
8	Purchase and Sale (Buy-back / disposal of e-waste etc) of Computers Hardware and peripherals such as Servers, Desktops, Laptops, Tablets, Printers, Scanners, Storage devices viz. SAN, NAS etc,	SDM/M	50,000	



Sr. No.	Description of Power	Authority	Maximum Limits in Rs.	Remarks
	Networking and Security Equipments (Routers, Switches, IP Phones, Firewalls, Load Balancers, etc.), VC equipments, LAN components, Application Softwares, System Software & Other utilities, tools and packages that are capitalized, Computer based UPS, Stabilizer, Invertor etc.	RO-INCHARGE / LCBO-INCHARGE/ CM / RM	5,00,000	(Subject to Approval from Competent Authority and observance of procedures for invitation of quotations/tenders and IT Department Circulars/Guidelines)
		DGM	25,00,000	
		GM	2,00,00,000	
		IT Purchase Committee	10,00,00,000	
		BOARD	Over 10,00,00,000	



Section - X

CLAIMS SETTING AUTHORITY

Sr. No.	Description of Power	Authority	Maximum	Remarks Limits in Rs.
1	FIRE	AO	60,000	Cf : Explanatory Note (3)
		BM/AM	3,00,000	
		DM/SBM/Dy.M	20,00,000	
		SDM/M	35,00,000	
		DCC / CHC	60,00,000	
		RO-INCHARGE/ LCBO-INCHARGE/ CM/RM	1,00,00,000	
		RCC	2,00,00,000	
		DGM	3,00,00,000	
		RCC Headed by DGM	4,00,00,000	
		GM	7,50,00,000	
		CMD	12,00,00,000	
		HCC	Actuals	
2	MARINE HULL	DM/SBM/Dy.M	1,25,000	General Average Guarantee, Salvors Guarantee and Counter guarantee may be given without any limit with the approval of GM and reported to the Board for their information after ensuring compliance of Section 64 VB where applicable. For the sake of speedy disposal of the Guarantees, it is felt that the authority for approval of General Average Guarantee, Salvors Guarantee and Counter Guarantee may be given to the General Manager. All other conditions shall remain the same.
		SDM/M	2,50,000	
		DCC / CHC	5,00,000	
		RO-INCHARGE/ LCBO-INCHARGE/ CM/RM	20,00,000	
		RCC	30,00,000	
		DGM	50,00,000	
		RCC Headed by DGM	75,00,000	
		GM	2,00,00,000	
		CMD	3,00,00,000	
		HCC	Actuals	
3	MARINE CARGO	AO	50,000	
		BM/AM	1,50,000	
		DM/SBM/Dy.M	10,00,000	



Sr. No.	Description of Power	Authority	Maximum	Remarks Limits in Rs.
		SDM/M	12,00,000	
		DCC / CHC	20,00,000	
		RO-INCHARGE/ LCBO-INCHARGE/ CM/RM	50,00,000	
		RCC	75,00,000	
		DGM	1,00,00,000	
		RCC Headed by DGM	1,50,00,000	
		GM	2,50,00,000	
		CMD	4,00,00,000	
		HCC	Actuals	
4	MOTOR OWN DAMAGE	AO	20,000	Cf : Explanatory Note (3)
		BM/AM	75,000	
		DM/SBM/Dy.M	2,00,000	
		SDM/M	3,00,000	
		DCC / CHC	6,00,000	
		RO-INCHARGE/ LCBO-INCHARGE/ CM/RM	10,00,000	
		RCC	25,00,000	
		DGM	35,00,000	
		RCC Headed by DGM	50,00,000	
		GM	1,00,00,000	
		CMD	1,50,00,000	
		HCC	Actuals	
5A	MOTOR THIRD PARTY	AO	50,000	a) Cf : Explanatory Note (3) (b) Higher Limits may be given on individual basis by CRM/DGM for cadres of AO/ABM to Dy.M/DM/SBM b) In respect of out of court compromised/negotiated Settlement arrived at on the basis of legal opinion of lawyers
		BM/AM	2,00,000	
		DM/SBM/Dy.M	7,00,000	
		SDM/M	10,00,000	
		DCC / TP. CHC	20,00,000	
		RO-INCHARGE/ LCBO-INCHARGE/ CM/RM	40,00,000	



Sr. No.	Description of Power	Authority	Maximum	Remarks Limits in Rs.
		RCC	50,00,000	in the panel of the company or the legal cell concerned, the power may be exercised to the extent of 50% of the limits as applicable except for the DCC/ RCC, these bodies shall not exercise authority over such claims. Such settlement shall be reported to the Board for their information. c) In respect of compromise settlement arrived at in non-fatal non-minor injury cases prior to litigation (i.e. before any case is filled with MACT) under the Jalad Rahat Yojana Scheme, the financial authority applicable would be 100%.. d) In case of MACT/Court awards, interest awarded will be paid in addition to the limits prescribed and should not be reckoned for determining authority for sanction. Claims upto 10.00 lacs may be placed before Lok Adalat. Financial limit for depositing the Lok Adalat Award will be applicable to the T.P. Claims. In case of claims upto RO Incharge authority, they may be placed to Lok Adalats with prior approval of RO Incharge/LCBO Incharge (i.e CRM/DGM)
		DGM	60,00,000	
		RCC Headed by DGM	75,00,000	
		GM	1,50,00,000	
		CMD	2,00,00,000	
		HCC	Actuals	
5B	MOTOR THIRD PARTY CONCILIATORY SETTLEMENT POWERS BY IN HOUSE COMMITTEES	DICC/TPHICC	15,00,000	
		RICC headed by CRM/TPHICC (Headed by Scale V) /TPHICC (HO)	25,00,000	
5C	CLAIMS REFERRED TO LOK ADALATS	DM/SBM/Dy.M	6,00,000	
		SDM/M	10,00,000	
		RO-INCHARGE/LCBO-INCHARGE/CM/RM	25,00,000	
6	AVIATION CLAIMS	CRM/CM/RM	10,00,000	
		RCC headed by CRM	25,00,000	
		DGM	50,00,000	
		RCC Headed by DGM	60,00,000	
		GM	2,00,00,000	
		CMD	5,00,00,000	
		HCC	Actuals	



Sr. No.	Description of Power	Authority	Maximum	Remarks Limits in Rs.
7	ENGINEERING	AO	60,000	
		BM/AM	3,00,000	
		DM/SBM/Dy.M	20,00,000	
		SDM/M	35,00,000	
		DCC / CHC	50,00,000	
		RO-INCHARGE/ LCBO-INCHARGE/ CM/RM	1,00,00,000	
		RCC	2,00,00,000	
		DGM	3,00,00,000	
		RCC Headed by DGM	4,00,00,000	
		GM	7,50,00,000	
		CMD	12,00,00,000	
		HCC	Actuals	
8	ALL LIABILITY CLAIMS	DM/SBM/Dy.M	5,00,000	
		SDM/M	10,00,000	
		DCC / CHC	15,00,000	
		RO-INCHARGE/ LCBO-INCHARGE/ CM/RM	20,00,000	
		RCC	40,00,000	
		DGM	60,00,000	
		RCC Headed by DGM	70,00,000	
		GM	2,00,00,000	
		CMD	5,00,00,000	
		HCC	Actuals	
9	MISC - OTHER THAN SPECIFIED	AO	30,000	As regards package policies like Special Contingency policies, Householders and Shopkeepers policies, and such similar Policies financial Authority for settlement of claims in respect of the cause of loss would be governed by the limits as applicable for the respective class of business (instead of cause of loss as mentioned earlier).
		BM/AM	1,25,000	
		DM/SBM/Dy.M	7,00,000	
		SDM/M	15,00,000	
		DCC / CHC	20,00,000	
		RO-INCHARGE/LCBO-INCHARGE/CM/RM	30,00,000	
		RCC	50,00,000	
		DGM	75,00,000	
		RCC Headed by DGM	85,00,000	
		GM	2,50,00,000	
		CMD	5,00,00,000	
		HCC	Actuals	



Sr. No.	Description of Power	Authority	Maximum	Remarks Limits in Rs.
10	GUARANTEE BOND	DGM (HO)	50,00,000	
		GM	1,00,00,000	
		CMD	2,00,00,000	
		HCC	Actuals	
11	COMPRO-MISED AND NEGOTIATED CLAIMS OTHER THAN MOTOR THIRD PARTY	DM/SBM/Dy.M	20%	Percentages indicated refer to the percentages of the financial authority limit exercisable in relation to the normal power and do not refer to the percentage of the claim that could be admitted and paid as non-standard under the guidelines laid down separately. Full Financial Authority will be available for Marine Cargo Claims settled on Non Standard Basis for Non Preservation of Recovery Rights.
		SDM/M	25%	
		DCC/CHC	40%	
		RO-INCHARGE/LCBO-INCHARGE/CM/RM	50%	
		RCC	60%	
		DGM	70%	
		RCC Headed by DGM	75%	
		GM	80%	
		CMD	90%	
		HCC	100%	
12	All non standard claims	DM/SBM/Dy.M	20%	Percentages indicated refer to the percentages of the financial authority limit exercisable in relation to the normal power and do not refer to the percentage of the claim that could be admitted and paid as non-standard under the guidelines laid down separately. Full Financial Authority will be available for Marine Cargo Claims settled on Non Standard Basis for Non Preservation of Recovery Rights.
		SDM/M	25%	
		DCC/CHC	40%	
		RO-INCHARGE/LCBO-INCHARGE/CM/RM	50%	
		RCC	60%	
		DGM	70%	
		RCC Headed by DGM	75%	
		GM	80%	
		CMD	90%	
		HCC	100%	
13	EX-GRATIA CLAIMS	GM	2,00,000	As per guidelines prescribed.
		CMD	10,00,000	
		BOARD	Actuals	
14 EXPENSES INCIDENTAL TO CLAIMS				
a	Survey Fees and Expenses, Investigation Fees and Expenses and similar expenses as per prescribed norms	OIC of BO/DO/ Claims Hub	Actuals	



Sr. No.	Description of Power	Authority	Maximum	Remarks Limits in Rs.
b)	Survey Fees and Expenses, Investigation Fees and Expenses and similar expenses not covered by item (a) above.	RO-INCHARGE/LCBO-INCHARGE/CM/RM	Actuals	
c)	Expenses incidental to claims	Additional Survey fees as per schedule of GIPSA	As decided by GIPSA	
d)	Advocate Fees, Legal charges and similar expenses for claims other than Motor Third Party Claims.	OIC of BO	2,500	
		DM/SBM/Dy.M	5,000	
		SDM/M	10,000	
		RO-INCHARGE/LCBO-INCHARGE/CM/RM	Actuals	
e)	Advocate Fees and Expenses in respect of Motor Third Party claims			
	a) No Fault Liability cases.	OIC of BO	Officer possess authority as per financial authority to settle the claim for which the fees or expenses are paid subject to maximum limit of Manager (Scale IV)	As per prescribed norms
	b) Fault Liability cases	OIC of BO	As above	As per prescribed norms
15	DISPOSAL OF SALVAGE			
	(acceptance of highest offer received) – Subject to strict observance of Prescribed procedure			
		BM/AM	25,000	
		DM/SBM/Dy.M	10,00,000	
		SDM/M	35,00,000	
		RO-INCHARGE/LCBO-INCHARGE/CM/RM	75,00,000	
		RCC Headed by CRM	1,00,00,000	
		DGM	1,50,00,000	
		RCC Headed by DGM	2,00,00,000	
		GM	3,00,00,000	
		CMD	6,00,00,000	
	HCC	Actuals		



16. EXPLANATORY NOTES ON CLAIMS

1. Consequent upon revision of financial authority for settlement of claims where On Account payment had already been made as per the then existing limits, settlement of balance amount of claims should be made as per the revised financial authority, if, however, a higher authority had sanctioned any earlier on account payment, that authority should be kept informed.

2. SETTLEMENT OF CO-INSURANCE CLAIMS (NIA NOT A LEADER)

It is being expressly clarified that in respect of Co-insurance claims where we are not Leaders, financial authority for settlement of our share irrespective of the amount shall be exercised by the Officer in charge of the Division.

3. In respect of single event losses or catastrophic losses where more than one claim is involved, the total amount of all the claims is to be considered for the purpose of application of financial authority. If the total amount does not exceed the financial authority of the CMD specified above, there is no need to refer to the Board and the appropriate authority can exercise the power with reference to each claim separately. Where the total amount of all such claims exceeds the financial authority of CMD, approval of the Board should be obtained for treating the claims individually for application of financial authority.

General Manager(TP) is authorized to use his discretion to treat each and every claim individually in case of TP Claims, for connected cases, out of single event claims

CMD is authorized to use his discretion in respect of all departments other than Motor TP to treat each and every claim individually, for connected cases arising out of single event claims for all departments.

4. All claims authorized for payment by any Authority other than the Board should be reported to the Board to the extent indicated below :-

Sl. No	Particulars	Proposed
a)	Standard Claims	Rs. 10 Crore and above
b)	Non standard claims	Rs. 5 Crore and above

5. At each meeting of the Board a statement of claims reported since the last meeting of the Board should be placed indicating the details to the extent available, provided the claim is anticipated to be Rs. 10 Crores and over.



- 6.. With a view to expedite settlement of claims, enhance delegation of power has been conferred on Divisional Claims Committee, Claims Hub Committee, LCBO Claims Committee and Regional Claims Committee to exercise powers to the extent indicated there against.
7. The DCC shall consist of DM/SDM and two nominated officers. The RCC shall consist of DGM/CRM and two nominated Officers not below the rank of Dy. Manager. The Committee in respect of the Division shall be nominated by the CRM, while the overseeing GM/DGM shall nominate the personnel of the committee of the RO.

Chairman of the CHC (Scale III and above) be in charge of the Claim Hub while the other two members of the Committee be from the Claim Hub or from outside the Claim Hub.

The Divisional Claims Committee shall consist of Divisional In-Charge and two nominated officers. The Claims Hub Committee shall consist of Hub In-Charge and two nominated officers. The LCBO Claims Committee shall consist of the LCBO In-Charge of the LCBO and two nominated officers. The Regional Claims Committee shall consist of DGM/CRM and two nominated officers not below the rank of Dy. Manager. The quorum for the meeting shall be the full Committee.

An alternate Member to be appointed, who in the absence of any one member officer (other than the head of the Committee) shall be counted for quorum.

The members of the Divisional Claims Committee and Claims Hub Committee shall be constituted by the Regional In-Charge. The members of the Regional Claims Committee and LCBO Claims Committee shall be constituted by the Overseeing General Manager.

8. In respect of conciliatory settlement under Motor Third Party claims. Divisional In-house Conciliatory Committee (DICC) and Regional in-house Conciliatory Committee (RICC) are vested with higher powers than conferred on authorities individually. The DICC shall consist of officer in-charge of the Division, officer in charge of Motor claims and one other officer from Non Motor stream. The RICC shall consist of officer in charge of the Region, officer in charge of Motor Portfolio and one other officer not below the cadre of Manager.
9. The Committee shall review at least monthly, claims cases in excess of powers conferred on the highest authority in the DO or CRM's / RM's authority in the RO as the case may be but upto the limit indicated for the relevant committees and take a decision on the settlement of each claim. A continuous record of the claims settled by the Committees shall be kept in separate register which shall be inspected by the Controlling Officer from the RO / HO as the case may be and also by Audit teams. The claims can be settled only when there is agreement amongst all the members of the Committee and the relevant entry in the register is countersigned by each of them. Disagreements between the members of the Committee and cases beyond the powers of the Committees shall be decided by the next higher authority



10. Further, with a view to expediting settlement of large claims, HO Claims Committee (HCC) has been provided with suitable enhanced financial limits under relevant items of the schedule. HCC shall consist of CMD and three General Managers of whom at least one shall be GM in charge of underwriting and claims. Details of all claims settled by the HCC shall be reported to the Board every month.

Further, with a view to expediting settlement of large claims, HO Claims Committee (HCC) has been provided with suitable enhanced financial limits under relevant items of the schedule. HCC shall consist of CMD and three General Managers of whom at least one shall be GM in charge of underwriting and claims. HCC shall have one alternate member.



Section - XI

CREDIT INSURANCE RISK CELL

Sr. No.	Description of Power	Authority	Maximum Limits	
			Limits of Liability per Buyer	Limits of Liability per Policy
1	Section - I UNDER WRITING	AM - CIRO	Rs. 1 Crore	Rs. 5 Crore
		Dy. Mgr - CIRO	Rs. 2 Crore	Rs. 25 Crore
		Manager - CIRO	Rs. 5 Crore	Rs. 50 Crore
		CM - CIRO	Rs. 10 Crore	Rs. 100 Crore
		DGM	Rs. 25 Crore	Rs. 200 Crore
		GM	Actuals	Actuals
2	Section - II CLAIMS	AM-CIRO	Rs. 5 lakh	
		Dy. Mgr - CIRO	Rs. 15 lakh	
		Manager - CIRO	Rs. 25 lakh	
		CM - CIRO	Rs. 75 lakh	
		DGM	Rs. 200 lakh	
		GM	Rs. 500 lakh	
		CMD	Rs. 1000 lakh	
		HCC	Actuals	



NOTE



NOTE



NOTE

