



दि न्यू इन्डिया एश्योरन्स कंपनी लिमिटेड

THE NEW INDIA ASSURANCE COMPANY LTD.

पंजीकृत एवं प्रधान कार्यालय : न्यू इन्डिया एश्योरन्स बिल्डिंग, 87, महात्मा गांधी मार्ग, फोर्ट, मुंबई - 400 001.
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13th March 2019

ALL REGIONAL OFFICES

Kind Attn: Dr. /Mr. / Ms. _____

Deputy General Manager/Chief Regional Manager

Re: Total Loss/Total Loss (Net of Salvage) settlement of Motor OD claims

We invite your attention to GR.8. Insured's Declared Value (IDV) of India Motor Tariff (IMT 2002) under which it is stated as:

"A Vehicle will be considered to be CTL, where the aggregate cost of retrieval and / or repair of the vehicle subject to terms and conditions of the policy exceeds 75% of the IDV."

However, there are instances where repair estimate does not exceed 75% of IDV but it is economical to the company if the claim is considered for Total Loss/ Total Loss (Net of Salvage) basis subject to terms and conditions of the policy considering the realizable salvage value under these circumstances.

1. Claim may be considered on Total Loss/Total Loss (Net of Salvage) basis even if Cost of Repair of vehicle subject to terms and conditions of the policy does not exceed 75% of the IDV, but it should be economical to the Company if the Claim is settled on Total Loss/Total Loss (Net of Salvage) basis and it has to be agreed by the Insured.
2. Cost of repair of the vehicle subject to terms and conditions of the policy does not exceed 75% of the IDV but the insured is insisting for considering the Claim on Total Loss Basis, then company's liability shall be IDV minus Salvage **OR** Repair Liability assessed, whichever is less.
3. Further, where Cost of repair of the vehicle subject to terms and conditions of the policy exceeds 75% of the IDV but the insured is insisting for repair, then company's liability shall be IDV minus Salvage **OR** Repair Liability assessed, whichever is less.

In all cases mentioned above **salvage value must be substantiated only by quotations from reputed online salvage auctioneer.**

Please inform and guide all operating offices and claims hubs under your regional office accordingly.


J Jayanthi
General Manager

