

## SUMMARY OF THE ACTIVITIES OF ACCIDENT COMMITTEE



**Sitting from Left to Right:**

Mr. Imran Ahmed, Mr. Tariq Mushtaq (Vice-Chairman), Mr. Muhammad Junaid Moti (EC's Observer), Mr. M. Waqaruddin Rauf and Syed Haider Hassan (Chairman)

**Standing from Left to Right:**

Mr. Fahad Hussain Khan, Mr. N.A. Usmani (Secretary General), Mr. Nabeel W. Sabir (Deputy Secretary General), Mr. M. Numan Shaikh (Suptt. Accident & Life), Mr. Faisal Arshad and Mr. Kashif Qayyum

- To update the member companies on the important periodical reports generated by the IAP online portal for motor claims management system were shared with members with graphical presentations make wise, make & sub make wise and city wise highlighting the top-5 claims.
- Summary of Motor insurance business compiled from member companies' annual reports was reviewed and posted on IAP website.
- The committee met SECP representatives on 15th October 2018 to discuss the SECP proposed amendments to the Motor Vehicles Act 1939 and share IAP recommendations. In addition to the revised limits under no fault insurance, the committee recommended revision of penalties under section 125 to ensure effective adoption of Motor Third Party Act Only insurance, to set a minimum premium tariff and revised definition of private vehicle.
- There being no classification in the IAP online claims management system for unrepaired/ lump sum settlement cases, whereas the system has provisions for total loss and stolen/ theft cases

---

only but for instances where the insured of major motor claim/ accident does not accept total loss settlement and insists on repair, he/she may take a lump sum unrepaired damaged cost from the insurer and the policy is terminated.

The committee felt that in the absence of this classification in the claims management system such claims can be misused whereby the insured settles an amount for significant damages to the car may claim again from another insurer without any repairs made. Therefore claims of unrepaired damaged cost should also come under this system. The needed addition has been made.

- The committee met the team of "Analytics Pvt. Ltd." on 7th February 2019 at IAP to evaluate their proposed centralized insurance verification system. In the backdrop of the expected

amendments in Motor Vehicle Act 1939 and real time on road policy verification need, the proposed system aimed to maintain a centralized database of all motor insurance policies issued in Pakistan with a mobile application for on road authentication.

The committee discussed the solution, evaluated its merits and demerits, the potential challenges including data security and concluded that real time verification currently is being conducted by the companies individually, through several available options including SMS, Website, mobile application, QR code etc. Since the IAP proposed changes in the Motor Vehicle Act 1939 require motor policy verification irrespective of the chosen medium, therefore the verification medium should remain at the individual company's discretion.