



बीमा विनियामक और विकास प्राधिकरण
**INSURANCE REGULATORY AND
DEVELOPMENT AUTHORITY**

Press Release

08th January 2013

Modifications to "GR 9: Depreciation on Parts for Partial Loss Claims" of the erstwhile
India Motor tariff

It may be recalled that the Insurance Regulatory and Development Authority had issued an exposure draft on 16th October, 2012 inviting comments and suggestions on depreciation rate for paint material from all the stakeholders pertaining to GR 9 of erstwhile Motor Tariff. The Authority after undertaking detailed examination of the comments received has modified the wordings of "GR 9: Depreciation on Parts for Partial Loss Claims" of the erstwhile India Motor tariff (IMT) vide its order dated 08th January 2013.


The Authority has now added one more item under the purview of the depreciation to be charged for replacement of parts for partial loss claims in respect of all categories of vehicles / accessories as under:

"Rate of Depreciation for Painting: In the case of painting, the depreciation rate of 50 % shall be applied only on the material cost of total painting charges. In case of a consolidated bill for painting charges, the material component shall be considered as 25 % of total painting charges for the purpose of applying the depreciation".

The change shall be applicable to all motor package policies whose risk inception date falls on or after 01st February 2013.

The Authority has advised all insurers writing motor insurance business to give adequate publicity to the proposed changes so that the policyholder is made aware and there are minimal grievances/complaints.

Place: Hyderabad
Date: 08th January 2013


(M Ramaprasad)
Member (Non-Life)