

## **Introduction:**

‘Parametric Insurance’ refers to a type of insurance providing policyholders with coverage based on pre-specified conditions, or parameters, instead of the loss amount of the insured asset’s actual value.

This is an index-based insurance product offering insurance coverage for economic loss of various sectors estimated through weather/satellite indices/ notification of natural calamity, etc.

It eliminates the requirement for costly and lengthy claims evaluations.

### ***Who is providing the Coverage?***

Royal Sundaram General Insurance Co. Limited is providing the coverage under this Policy.

### ***Who can avail of “Parametric Insurance Policy – Group Variant 1”?***

This Policy is suitable for anyone facing risks with clear, measurable outcomes and a strong correlation between the event and the loss. It will be applicable for individuals forming part of group.

### ***What is the coverage under the policy?***

The **policy** will provide coverage against economic activities impacted by extreme climatic conditions and natural calamities, including but not limited to:

- Agriculture and Allied Sector
- Disaster Management
- Energy
- Business Interruption
- Infrastructure Projects
- Supply Chain and Logistics
- Any other economic activity and/or assets prone to the risk of climatic conditions or natural calamities

The policy will compensate the insured for losses resulting from deviation of the **observed index**, that can be measured through different parameters, from Trigger/strike within a specific **insurance unit** and during the **cover/policy period**, subject to the maximum Sum Insured in the manner specified in the **Term Sheet / Master Policy / Certificate of Insurance**.

The cover options will be based on the following parameters:

1. **Weather Parameters**, not limited to
  - a. Rainfall
  - b. Temperature
  - c. Sunshine hours/Solar Irradiance
  - d. Relative humidity

- e. Wind speed
- f. Surface Pressure

**2. Remote Sensing indices**, not limited to

- a. Normalized difference vegetation index (NDVI)
- b. Normalized difference water index (NDWI)
- c. Land surface water index (LSWI)
- d. Fraction of absorbed photo synthetically active radiation (FAPAR)
- e. Soil Adjusted Vegetation Index (SAVI)
- f. Leaf Area Index (LAI)
- g. Microwave Backscatter
- h. Soil Moisture Content Index
- i. Standard Precipitation Index
- j. Red and Short-Wave Infrared (RSWIR)

**3. Occurrence of natural calamities mentioned below**, measured through data from sources like the National Center for Seismology, Indian Meteorological Department, Central Water Commission, ISRO, NASA, US Geological Survey, Joint Typhoon Warning Center, Japan Meteorological Agency, etc., or notifications by relevant disaster management authorities.

The following natural calamities are covered but not limited to

- a. Flood
- b. Drought
- c. Cyclone
- d. Earthquake
- e. Thunderstorm

**4. IoT device-based cover:** IoT (Internet of Things) devices can capture various parameters in real-time, which are critical for assessing risks and providing effective insurance coverage. The parameters include

- a. Weather-Related Parameters
  - i. Temperature
  - ii. Humidity
  - iii. Rainfall
  - iv. Wind Speed and Direction
  - v. Solar Irradiance
  - vi. Barometric Pressure
  - vii. Soil Moisture
  - viii. Soil Temperature
- b. Environmental Parameters
  - i. Air Quality
  - ii. Water Quality
- c. Agricultural Parameters

- i. Leaf Wetness
  - ii. Crop Growth
  - iii. Chlorophyll Content
  - iv. Evapotranspiration
- d. Structural and Infrastructure Parameters
  - i. Vibration
  - ii. Displacement
  - iii. Strain and Stress
  - iv. Corrosion
- e. Disaster-Related Parameters
  - i. Flood Levels
  - ii. Seismic Activity
  - iii. Landslide Monitoring
  - iv. Tsunami Detection
- f. Energy Parameters
  - i. Energy Consumption
  - ii. Energy Production

5. Any additional IoT device-based parameter that may be relevant for a particular risk and can be measured efficiently may also be considered and shall be explicitly specified in the **term sheet/ Master Policy Schedule / Certificate of Insurance**.

#### ***What is the Sum Insured under the Policy?***

Sum Insured will be decided individually for each policyholder at the time of issuing the policy based on the economic values of the risk covered which will be arrived at using factors such as input cost, production cost, probable maximum loss, consequential losses etc. amount set out in the Schedule against each parameter covered in the Policy.

#### ***What are the exclusions under the policy?***

1. Losses arising out of war, invasion, act of foreign enemies, hostilities or war-like operations, rebellion, revolution, insurrection, military or usurped power or civil commotion or loot or pillage in connection herewith.
2. Consequential loss of any kind or description.
3. Any weather/satellite parameter and/or natural calamity or any other parameter not specifically covered under the Policy.
4. Direct or consequential loss due to nuclear weapons material, ionizing radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel.
5. Losses arising due to any other reasons which are not specifically included in the Master Policy / Certificate of Insurance.
6. Any loss, damage, cost or expense of whatsoever nature directly or indirectly caused by,

resulting from, happening through, and arising out of or in connection with any act of terrorism, regardless of any other cause contributing concurrently or in any other sequence to the loss, damage, cost or expense. For the purpose of this exclusion, terrorism means an act or threat of violence or an act harmful to human life, tangible or intangible property or infrastructure with the intention or effect of influencing any government or of putting the public or any section of the public in fear. In any action, suit or other proceedings where the Insurer alleges that by reason of this definition a loss, damage, cost or expense is not covered by this Agreement, the burden of proving that such loss, damage, cost or expense is covered shall be upon the Insured.

### ***What is the duration of the policy?***

The policy will be issued for a maximum period of one year.

### ***What is the procedure for cancellation of the policy?***

#### **a. Cancellation of Master Policy (Non-employer-employee Group)**

- i. The Master Policy may be cancelled by the Insured at any time during the policy period by informing the Company.

Provided, however, the respective Certificate of Insurance/s issued to various Insured Beneficiaries will be valid for the Covered Period.

- ii. The Master Policy may be cancelled by the Company, only on the grounds of established fraud, by giving minimum notice of 7 days to the Insured.

Provided however if the Company cancels the Master Policy even then the respective Certificate of Insurance/s issued to various Insured Beneficiaries shall be valid for the Covered Period.

#### **b. Cancellation of Certificate of Insurance (Non-employer-employee Group)**

- i. The Certificate of Insurance may be cancelled by the Insured/Insured beneficiary by informing the Company at any time without needing to provide a reason before the expiry of the Policy Period of the Master Policy. Upon cancellation, the insured shall be entitled to a refund of the proportionate premium for the unexpired period in the current year of insurance, subject to no claims being lodged.
- ii. The Certificate of Insurance may be cancelled by the Company, only on the grounds of established Fraud, at any time before the expiry of the Policy Period of Master Policy by giving minimum notice of 7 days to the Insured and/or Insured Beneficiary. Upon cancellation, the policy will be cancelled ab initio (from inception), meaning the policy will be treated as though it never existed, with forfeiture of the premium. Additionally, no claims made under the policy will be considered or paid.

#### **c. Cancellation of Master Policy (Employer-Employee Group)**

- i. The Master Policy may be cancelled by the Insured at any time by informing the Company without needing to provide a reason during the Policy Period. Upon

cancellation, the insured shall be entitled to a refund of the proportionate premium for the unexpired period in the current year of insurance, subject to no claims being lodged.

- ii. The Master Policy may be cancelled by the Company, only on the grounds of established fraud, at any time by giving a minimum notice of 7 days to the insured. Upon cancellation, the policy will be cancelled ab initio (from inception), meaning the policy will be treated as though it never existed, with forfeiture of the premium. Additionally, no claims made under the policy will be considered or paid.

It may be noted that

- The refund will be made to the insured for all cases where the entire premium is borne and paid by the Insured.
- The refund will be made to the Insured beneficiary for all cases where the premium is borne by the Insured Beneficiary.

### **What is the Claims procedure?**

- Upon the happening of any event giving rise to a claim under this Policy during the policy period, the **Insured** should notify the company immediately, but not later than 60 days from the date of the happening of such event.
- The **Master policyholder** is not required to submit a claim form as the process of payment of claims is automated upon intimation, based on the data received from the sources maintained by the specified Government / Private / International agencies.
- To calculate the admissible claims, reference index data from the data source(s) as specified in the **Maser Policy Schedule / Certificate of Insurance** shall be referred to. In cases of commercial **data sources**, the **Company** will take an undertaking from the data provider, conforming the standards and norms of installation and maintenance of sources of data.
- Only the **term sheet / Master Policy Schedule / Certificate of Insurance** containing the trigger parameters and sums payable on breach of such trigger parameters shall form the basis of computation of claims payable to the **Master policyholder / insured member** (and not on the basis of actual loss suffered and shall be deemed to be an integral part of the policy).
- It is clarified by the **insurer** that other than the **term sheet / Master Policy Schedule / Certificate of Insurance** and the source data, the cover period, no other document shall be relevant for the purpose of computation of claims.

### **Claim Documentation, if required**

At the time of settlement of claims, the **Master policyholder** may be required to furnish one or more of the following documents to the **Company**:

- Declaration of loss (if applicable)
- Document proving insurable interest
- Photocopy of current year **policy** or **Certificate of Insurance**

- Copy of Identity Proof
- Proof of premium paid (Acknowledgement slip)
- Original cancelled Cheque with payee name printed on the Cheque is required. If name of payee is not printed on the Cheque, please attach copy of the first page of bank passbook
- Any other relevant document directly related to claim

When the documentation is complete, claim shall be processed for payment. Claim payment shall be by online fund transfer.

### Claim Payment

The **Company** will offer to settle the claim under this **Policy** within 22 days from the date of intimation of the claim. In the event that the **Company** decides to reject a claim made under this **Policy**, the **Company** shall do so within a period of 22 days from the date of receipt of all necessary documents. Claims processing and settlement will be as per Master Circular on Protection of Policy Holder's Interest, 2024. In the event the claim is not settled within 22 days as stipulated above, the **insurer** shall be liable to pay interest at a rate, which is 2% above the bank rate from the date of intimation by the insured till the date of actual payment.

### Grievance Redressal Procedure:

1. In case of any grievance the insured/insured member may contact the company through  
 Website: <https://www.royalsundaram.in/customer-service>  
 Contact Numbers: 1860 258 0000, 1860 425 0000  
 E-mail: [manager.care@royalsundaram.in](mailto:manager.care@royalsundaram.in)  
 Sr. Citizen can email us at : [seniorcitizengrievances@royalsundaram.in](mailto:seniorcitizengrievances@royalsundaram.in)  
 Senior Citizen Grievance Number - 9500413019  
 Fax: 044-7117 7140  
 Courier: Grievance Redressal Unit  
 Royal Sundaram General Insurance Co. Limited,  
 Vishranthi Melaram Towers,  
 No.2/319, Rajiv Gandhi Salai (OMR) Karapakkam, Chennai – 600097.

Insured/Insured member may also approach the grievance cell at any of the company's branches with the details of the grievance. If the insured /insured member is not satisfied with the redressal of the grievance through one of the above methods, the insured/insured member may contact the grievance officer:-

Mr. T M Shyamsunder  
 Grievance Redressal Officer,  
 Royal Sundaram General Insurance Co. Limited,  
 Vishranthi Melaram Towers, No.2/319, Rajiv Gandhi Salai (OMR), Karapakkam,  
 Chennai – 600097.  
 GRO Contact Number – 9500413094

For updated details of grievance officer, kindly refer the link <http://www.royalsundaram.in>.

If **Insured / insured member** is not satisfied with the redressal of grievance through above methods, the **insured / insured member** may also approach the office of Insurance Ombudsman

of the respective area/region for redressal of grievance as per Insurance Ombudsman Rules 2017. Grievance may also be lodged at IRDAI Integrated Grievance Management system <https://bimabharosa.irdai.gov.in>.

## 2. Consumer Affairs Department of IRDAI

- a. In case it is not resolved within 15 days or if You are unhappy with the resolution, You can approach the Grievance Redressal Cell of the Consumer Affairs Department of IRDAI by calling Toll Free Number 155255 (or) 1800 4254 732 or sending an e-mail to [complaints@irdai.gov.in](mailto:complaints@irdai.gov.in). You can also make use of IRDAI's online portal – Bima Bharosa Portal by registering Your **complaint** at <https://bimabharosa.irdai.gov.in/>.
- b. You can send a letter to IRDAI with Your **complaint** on a **Complaint** Registration Form available by clicking here. You must fill and send the **Complaint** Registration Form along with any documents by post or courier to General Manager, Insurance Regulatory and Development Authority of India (IRDAI), Consumer Affairs Department - Grievance Redressal Cell, Sy.No.115/1, Financial District, Nanakramguda, Gachibowli, Hyderabad-500032.
- c. You can visit the portal <https://bimabharosa.irdai.gov.in/> for more details.

## 3. Insurance Ombudsman

You can approach the Insurance Ombudsman depending on the nature of the grievance and the financial implications, if any. Information about Insurance Ombudsmen, their jurisdiction and powers is available on the website of the Insurance Regulatory and Development Authority of India (IRDAI) at [www.irdai.gov.in](http://www.irdai.gov.in) or of the General Insurance Council at <https://www.cioins.co.in/ombudsman> or on company website [www.royalsundaram.in](http://www.royalsundaram.in).

Note: In case of any conflict, the terms and conditions mentioned in the policy document shall prevail.

### Section 41 in the Insurance Act, 1938

#### 41. Prohibition of rebates

(1) No person shall allow or offer to allow, either directly or indirectly, as an inducement to any person to take out or renew or continue an insurance in respect of any kind of risk relating to lives or property in India, any rebate of the whole or part of the commission payable or any rebate of the premium shown on the policy, nor shall any person taking out or renewing or continuing a policy accept any rebate, except such rebate as may be allowed in accordance with the published prospectuses or tables of the insurer: Provided that acceptance by an insurance agent of commission in connection with a policy of life insurance taken out by himself on his own life shall not be deemed to be acceptance of a rebate of premium within the meaning of this sub-section if at the time of such acceptance the insurance agent satisfies the prescribed conditions establishing that he is a bona fide insurance agent employed by the insurer.

(2) Any person making default in complying with the provisions of this section shall be liable for a penalty which may extend to ten lakh rupees.