

## **Introduction:**

As the banking sector grows, so do the incidents of crime, making this policy essential for covering unforeseen financial losses related to operational activities and preventing significant dents in a bank's balance sheet. The Banker's Indemnity policy serves to protect the financial health of banks and financial institutions by providing a safety net against significant financial losses. It is an essential risk management tool to mitigate the impact of growing financial crimes and ensure stability in the banking sector.

## **Who can avail of "Banker's Indemnity"?**

Banking Sectors (Public or private).

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

### **SECTION-A ON PREMISES**

by reason of any Money and / or Securities for which the Insured are responsible or interested in or the custody of which they have undertaken and which now are or are by them supposed or believed to be or at any time during the period of insurance may be in or upon their own premises (including mobile offices & ATM's) or upon the premises of their bankers in any recognized place of safe deposit or lodged or deposited in the ordinary course of business for exchange, conversion with the issuers thereof, or with any agents of such issuers or with any person employed to procure or manage the el(change, conversion or registration thereof, being {while so in or on such premises and so placed, lodged or deposited as aforesaid) lost, destroyed or otherwise made away with

- a) by fire, flood, inundation, hurricane, typhoon, storm, tempest, tornado, cyclone or atmospheric disturbance, riot and strike and malicious damage whilst on the premises.
- b) Burglary, Housebreaking, Theft, Robbery or hold-up occurring within the premises and whether by the Employees of the Insured or persons connected with Insured's business or any other person. If the property hereby insured shall at the time of reinstatement following loss or damage indemnifiable under this Policy be of greater value than the Sum Insured hereunder, then the Insured shall be considered as being his own insurer for the

### **SECTION-B IN TRANSIT**

by reason of any Money and I or Securities being lost, stolen, mis-laid mis-appropriated or made away with, whether due to the negligence or fraud of the Employees of the Insured or otherwise, whilst in transit in the hands of such Employees, such transit risk to commence from the moment the same is received by the Employee on behalf of the Insured and to continue until delivery thereof at destination.

### **SECTION-C FORGERY OR ALTERATION**

by reason of the payment made in respect of bogus or fictitious or forged or raised cheques and I or drafts and I or genuine cheques and I or travellers' cheques and I or gift cheques and I or draft and I or fixed deposit receipts (excluding bills of discount and other credit facilities) issued by the Insured bearing forged endorsements or the establishment of any credit to any customers on the faith of such documents whether received over the Counter or through the Clearing House or by Mail.

### **SECTION-D DISHONESTY**

by reason of the dishonest or criminal act of the Employee(s) of the Insured with respect to the loss of Money and I or Securities wherever committed and whether committed singly or in connivance with others.

#### **SECTION-E HYPOTHECATED GOODS**

by reason of fraud and I or dishonesty by the Employee(s) of the Insured in respect of any goods and I or commodities pledged or hypothecated to the Insured and under the Insured's control.

#### **SECTION-F REGISTERED POSTAL SENDINGS**

by reason of loss by robbery, theft or by other causes not herein expected whilst in direct transit or intended to be dispatched by Registered Insured Post from the office of the Insured to the consignee provided that each post parcel shall be Insured with the Post Office:

Provided always that the Company's liability for any one consignment and I or loss is limited to I 0% (ten percent) of the Basic Sum Insured or Rs.50,0001- whichever is the lesser.

#### **SECTION-G APPRAISERS**

by reason of infidelity of criminal acts on the part of appraisers provided that such appraisers are on the approved list of appraisers maintained by the Insured and further provided that the Insured shall exercise reasonable precaution and safeguards in the selection and appointment of such appraisers.

Provided always that the Company's liability for any one loss or all losses during the period of insurance due to infidelity or criminal acts of each of such appraisers will be limited to 5% (five percent) of the Basic Sum Insured under this Policy or Rs.25,0001- whichever is less.

#### **SECTION-H JANTA AGENT I CHHOTI BACHAT YOJNA AGENTS I PYGMIE COLLECTORS**

By reason of infidelity or criminal act on the part of the Janata agents I Chhoti Bachat Yojana Agents / Pygmy Collectors or persons performing duties of a like nature, provided that such agents are regular part- time Commercial agents of the Bank and are appointed after full scrutiny about their credentials guaranteed by to reliable independent person. Subject to the condition that the total liability during the period of insurance in respect of each agent will be limited to 5% (five percent) of the Basic Sum Insured under this Policy or Rs. 10,000/- whichever is less.

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

The Company shall not be liable for

a) any loss or damage occasioned by or through or in consequence whether directly or indirectly of any of the following occurrences:

- i. War, invasion, act of foreign enemy, hostilities or war-like operation (whether war be declared or not), civil war.
- ii. Mutiny, military or popular rising, insurrection, rebellion revolution military or usurped power material law or state of siege or any of the events or causes which determine the proclamation or maintenance of material law or state of siege.

iii loss or damage (including loss or damage by fire or theft), directly or indirectly resulting from typhoon, hurricane, tornado, cyclone, volcanic eruption, earthquake, flood, storm, tempest, subterranean fire or atmospheric disturbances or other convulsions of nature Any loss happening during the existence of abnormal conditions (whether physical or otherwise) which are occasioned by or in consequences directly or indirectly of any of the said occurrence shall be deemed to be loss which is not covered by this except to the extent that the Insured shall prove that such loss happened independently of the existence of such abnormal conditions.

b) losses resulting wholly or partially from any negligent act or omission of the Insured Employee.

c) losses resulting wholly or partially from the wrongful act or default of any Directors or partners of the Insured other than salaried.

d) loss of Money and I or Securities and I or personal property entrusted to the care of the Insured, for which normal value and description have not been ascertained by the Insured before loss.

e) losses resulting directly or indirectly from trading actual or fictitious whether in the name of the Insured or otherwise and whether or not within the knowledge of the Insured, and notwithstanding any act or omission on the part of any Employee in connection therewith whether acting within the scope of authority or with any account recording the same.

f) any loss, destruction of or damage too any property whatsoever of any loss or expense whatsoever, resulting or arising there from or any consequential loss; legal liability of whatsoever directly or indirectly caused by or contributed to by or arising from ionizing radiations or contamination by radioactivity from any source whatsoever or from nuclear weapons materials.

g) losses due to any subsequent acts or omissions committed by the concerned Employee(s) after the discovery of a loss in which the said Employee(s) was involved.

h) i. total or partial destruction, distortion, erasure, corruption, alteration; misinterpretation or misappropriation of Electronic Data.

ii. error in creating, amending, entering, deleting or using Electronic Data or

iii total or partial inability or failure to receive, send, access or use Electronic Data for any time or at all from any cause whatsoever, regardless of any other contributing cause or event whenever it may occur Electronic Data means facts, concepts and information converted to a form useable for communications, display, distribution, interpretation or processing by electronic and electromechanical data processing by electronically controlled equipment and includes programmes, software and other coded instructions for such equipment. However, in the event that a peril listed below (being a peril insured by this Policy but for this exception) is caused by any of the matters described in paragraph i, ii, iii, above, this Policy, subject to all its provisions, will insure: physical loss of or damage or destruction to Property Insured directly caused by such listed peril.

Further, this exception does not apply in the event that a peril listed below (being a peril Insured by this Policy but for this exception) causes any of the matters described in paragraph i, ii iii, above.

i) loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any act of terrorism regardless of any other cause or event contributing concurrently or in any other- sequence to the loss. For the purpose of this exception an act of terrorism means an act, including but not limited-to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organization(s) or government(s), which from its nature or context is done for or in connection with political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

This exception also excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any act of terrorism.

### **Cancellation**

The Company may cancel this Policy by sending fifteen days' notice by Registered Post to the Insured at the last know-address and in such event return to the Insured the premium charged under the Policy calculated on pro-rata basis for the unexpired period of the Policy. This Policy may be cancelled at any time by the Insured on giving 15 days' notice (Provided no claim has been paid or reported prior to date of advice of cancellation) and the Insured shall be entitled to return of premium less premium retained at the Company's short period rates for the period the Policy has been in force.

### Grievance Redressal Procedure:

1. In case of any grievance the insured person 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)  
 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.

The insured may also approach the grievance cell at any of the company's branches with the details of the grievance. If the insured is not satisfied with the redressal of the grievance through one of the above methods, the insured 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.

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

If Insured is not satisfied with the redressal of the grievance through the above methods, the insured may also approach the office of Insurance Ombudsman of the respective area/region for redressal of the 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

If the **Insured** is not satisfied with the redressal of grievance through the above methods, the **Insured** may also approach the office of the Insurance Ombudsman of the respective area/region for redressal of grievance as per the Insurance Ombudsman Rules 2017. You can approach the Council for Insurance Ombudsman depending on the nature of the grievance and 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). For the updated list of the offices of the Insurance Ombudsman, we request you to visit the website of the Council for Insurance Ombudsman at <https://www.cioins.co.in/ombudsman> or on



our company website at [www.royalsundaram.in](http://www.royalsundaram.in). You can also lodge an online complaint with the Council for Insurance Ombudsman through the website of the Council for Insurance Ombudsmen (CIO) at [www.cioins.co.in](http://www.cioins.co.in)

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#### 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.

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