edme
Clarity in Complexity

CLAIM SUCCESS

STORIES - EDITION 4

At Edme Insurance Brokers, insurance is more than policies and premiums it's a promise to protect what matters most.

In today's volatile business landscape, a single claim can define the line between continuity and crisis. Our Claims Team serves as the vital bridge between clients, insurers, and surveyors ensuring outcomes that are fair, timely, and strategically aligned.

This report showcases three recent case studies where Edme's expertise safeguarded client resilience, reaffirming our core belief:

> "Insurance claims are not hurdles, but opportunities to prove our value as trusted partners."

We take pride in sharing these milestones with our colleagues, clients, and peers.

CASE STUDY 1
FIRE DAMAGE CLAIM TO POLYESTER/COTTON YARN STOCK

INCIDENT OVERVIEW

Stock of polyester/cotton yarn was affected due to a fire incident caused by a short circuit, which led to ~39 MT of yarn being damaged, resulting in an initial claim estimate of ~INR 50,00,000.

KEY FACTS	DETAILS
Policy Type	Standard fire and special perils policy
Asset Affected	Stock of polyester/cotton yarn
Cause	Short-circuit
Damage	~39 MT of Yard
Initial Claim Estimate	~INR 50,00,000
Revised Claim Estimate	~INR 38,00,000 for revised loss quantity of 31 MT
Settlement Amount	**INR 36,36,809**

CHALLENGES ENCOUNTERED

EXCESSIVE REQUIREMENTS:

The initial List of Requirements raised by surveyor was huge numbers that customer being a small business establishment was unable to comply with all the requirements.

CUSTOMER GUIDANCE AND SUBMISSION:

Assisted and guided the customer in complying with document requirements and onward submission to surveyor.

ALIGNING SURVEYOR EXPECTATIONS WITH CLIENT RECORDS:

On multiple occasions, we conducted joint meetings with surveyor and also involved insurer in an effort to reduce the list of requirements to match with the actual documentations maintained by small businesses. After much persuasion and deliberation we succeeded in reducing the document requirement to a reasonable number.

RESOLUTION

ACTION TAKEN BY EDME	OUTCOME / IMPACT
Persuaded surveyors to reduce the list of requirements considering the occupancy to be small business where so many compliances and documentations are not maintained as compared large corporate.	Surveyors agreed to lessen the requirements
Conducted multiple meetings and discussions to ensure review of the case for a rational loss assessment	Loss was assessed for INR 36,36,809 with minimum deductions
Ensured timely submission of the survey report, client consent, Discharge Voucher, KYC, and bank account details.	Claim amount was credited to customer

Our efforts of bringing down the document requirements raised by surveyors and subsequent discussions and deliberations with surveyors, insurers and insured was a success. This resulted in a settlement amount of **INR 36,36,809** with minimum deductions

INSIGHTS AND REFLECTIONS

- **Client-Centric Approach:** Small businesses often have limited documentation compared to large corporates. Adapting processes to the client's capabilities ensures smoother claim management.
- **Early Documentation Review:** Reviewing the feasibility of surveyor document requirements at an early stage can help prevent delays and potential claim closure.
- **Coordinated Efforts:** Active engagement with the surveyor, insurer, and regional office was crucial to overcoming resistance and facilitating claim progress.

CASE STUDY 2
HYDRAULIC EXCAVATOR DAMAGE CLAIM UNDER CPM POLICY

INCIDENT OVERVIEW

A hydraulic excavator owned byinsured and covered under a Contractor's Plant and Machinery (CPM) Policy was rented to a contractor for a project site. During the that period, the equipment sustained accidental damage due to a rockslide.

While scrutinising the submitted documents,the insurer/ surveyors noticed a discrepancy in the rental agreement: the annexure stated the owner would arrange insurance, while the terms made the contractor responsible for losses. This contradiction in contract wording led to queries regarding liability, insurable interest, and the possibility of recovering the loss from the contractor. It required a detailed review of the rental agreement clauses to clarify responsibility and establish claim admissibility.

KEY FACTS	DETAILS
Policy Type	Contractor's Plant and Machinery (CPM) –Rental Equipment
Asset Affected	Hydraulic excavator (Rented Machinery)
Cause	Due to rockslide while operating at project site
Damage	Damage to equipment components
Initial Claim Estimate	INR 7,00,000 as submitted by Insured based on preliminary inspection outwardly and repair estimate
Revised Claim Estimate	INR 10,00,000 revised after dismantling and detailed repair estimate
Settlement Amount	INR 6,61,339. Claim processed as per policy terms after clarification of contractual liability

CHALLENGES ENCOUNTERED

CONTRACTUAL LIABILITY CONFUSION:

There was confusion in the rental agreement regarding responsibility for the loss. The annexure of the rental agreement mentioned that insurance coverage would be taken by the equipment owner, while the terms and conditions stated that the contractor would bear the loss during the rental period.

AMBIGUITY IN POLICY INTERPRETATION:

The insurer needed clarification on whether the CPM policy covered losses during a rental period, creating delays in claim processing.

POTENTIAL RECOVERY RISK:

Uncertainty over which party the equipment owner or contractorwas liable for the loss introduced the risk of non-recoverable claims, requiring detailed review and deliberation to establish claim admissibility.

INSURABLE INTEREST QUERY:

The insurer raised concerns regarding whether the insured (equipment owner) had the right to claim, as the rental agreement indicated that the contractor might be responsible for the loss.

RESOLUTION

ACTION TAKEN BY EDME	OUTCOME / IMPACT
Reviewed rental agreement annexure and relevant clauses of the agreement.	Identified the key issue related to responsibility for the loss
Explained the insurable interest of the equipment owner.	Established insurable interest of the policyholder
Coordinated discussions with Insurer to clarify rental agreement clauses and claim responsibility.	Insurer accepted explanation regarding insurance coverage
Provided necessary documentation and justification for claim admissibility	Claim processed as per policy conditions

The claim was processed as per policy terms after clarification of liability/insurable interest of insured, resulting in a settlement amount of **INR 6,61,339**. This case highlighted the importance of reviewing rental agreements/contracts carefully in equipment claims. Proper review of rental agreement and effective communication with the insurer helped in resolving the issue and processing the claim smoothly.

INSIGHTS AND REFLECTIONS

- **Clear Documentation and Contract Alignment Prevent Disputes:** Ensuring that rental agreements/contracts and annexures are aligned and unambiguous is critical, as discrepancies can delay claim processing and trigger insurer queries on liability and insurable interest.
- **Small Details Impact Settlement:** Even minor wording differences in contracts and agreements can create significant disputes, highlighting the need for careful review of all contract components.
- **Resolving Contractual Discrepancies is Key to Claim Approval:** The claim was successfully processed only after a detailed review of the rental agreement clarified the conflicting clauses between the annexure and main terms, establishing the equipment owner's insurable interest.
- **Client Advisory Role is Crucial:** Guiding clients to structure contracts and agreements in line with their insurance coverage can prevent future disputes and streamline claim resolution.

CASE STUDY 3
WORKMEN'S COMPENSATION (FATAL ACCIDENT) CLAIM

INCIDENT OVERVIEW

A fatal accident occurred at a project site involving a contract worker performing jumper measurement tasks at a height of 80 meters. While the worker was performing duties at a significant elevation, a hardware fitting snapped unexpectedly. Although safety lifelines were utilized, the resulting pendulum motion led to a severe collision with the tower structure, causing injuries that ultimately resulted in death of the individual.

KEY FACT	DETAILS
Policy Type	Workmen's Compensation
Incident Description	Fatal accident at project site
Objective	To secure a full and final settlement for a fatal accident claim under a Workmen's Compensation Policy.
Claim Estimate	INR 16,49,625
Settlement Amount	INR 16,49,625

CHALLENGES ENCOUNTERED

LOGISTICAL IMPOSSIBILITY OF PAN-INDIA RECORDS:

The policy covered all workers of insured at multiple project sites Pan India. The Insurer demanded wage sheets for the entire workforce for the full policy period to audit premium adequacy.

ATTENDANCE DISCREPANCY:

Because administrative staff were off duty, attendance was not marked inthe manual attendance register on incident date, leading the Insurer to question his authorized presence on-site

SUNDAY ATTENDANCE GAP:

The accident occurred on March 10, 2024 (Sunday) and the administrative staff were off duty.

MANUAL RECORD-KEEPING CHALLENGE:

The attendance and wage registers were maintained manually across multiple Pan-India locations, compiling and digitizing thousands of physical entries into a soft copy was logistically unfeasible.

STRICT AUDIT REQUIREMENTS:

The Insurer initially mandated a Chartered Accountant (CA) certified wage sheet, which was unavailable due to the decentralized and manual nature of contract labour record-keeping.

RESOLUTION

ACTIONS TAKEN BY EDME	OUTCOME
As records were maintained manually across Pan-India project sites, consolidating them into a certified soft copy was logistically unfeasible and threatened to stall the settlement indefinitely. We initiated consultations with the Insurer’s senior underwriting and claims management highlighting the operational constraints and the transparency of the Insured’s internal records and successfully convinced for a waiver of the requirement.	This allowed the claim to proceed based on a formal Declaration from the Insured containing the details of the wages paid throughout the policy period.
To resolve the "Sunday" attendance gap, we facilitated the submission of timestamped security check images taken at the site entrance.	This digital proof successfully overrode the manual register omission and confirmed the worker’s presence.
We guided the Insured to proactively approach the Workmen’s Compensation Commissioner immediately following the accident. We provided precise loss calculations based on statutory scales, which were presented for the Commissioner's approval.	Due to proactive approach,the payment receipt was submitted to the Insurer as definitive proof of the settled liability and on basis of the payment receipt and supporting documentation the Insurer reimbursed the amount to the Insured.

Settlement Amount: **INR 16,49,625**; this strategy bypassed the wait for a formal Court Order, resulting in a significantly faster claim payment. The Legal heirs received the compensation in a timely manner, and the official payment receipt ensured seamless reimbursement by the Insurer’s under the policy.

INSIGHTS AND REFLECTIONS

- **Adaptive Evidence Strategies:** The need to submit timestamped security images highlights the importance of identifying and providing alternative evidence to overcome documentation gaps and ensure claim progress.
- **Strategic Negotiation:** Broker-led discussions with the insurer secured waivers for CA certification, enabling the claim to proceed.
- **Customized and Proactive Approach:** Tailoring solutions to the client’s decentralized records and operational realities enabled a smooth and expedited settlement, while engagement with the WC Commissioner enabled faster settlement and clear proof for insurer reimbursement.

Edme Insurance Brokers Ltd. (formerly known as Aditya Birla Insurance Brokers Ltd.) | Registered Office: 2nd Floor, Privillion, East Wing, Sarkhej - Gandhinagar Highway, Vikram Nagar, Bodakdev, Ahmedabad, Gujarat 380054 | IRDAI License Number: 146 |Composite Broker | License Valid till: 9th April, 2027 | CIN: U99999GJ2001PLC062239 | Corporate Office: 6th floor, VIOS Tower, Off Eastern Freeway, Near Wadala Truck Terminal, Wadala East, Mumbai – 400037 | Toll free no-1800 120 2510 | W: www.edmeinsurance.com | In case of any queries/complaints/grievances, please write to us at care@edmeinsurance.com I ISO 9001 Quality Management Certified by Intertek Certification Ltd. under certificate number 0145476.