



Subject: Non - Life Insurance - PPP

**Chapter: Product, Underwriting &
Claim settlement 2**

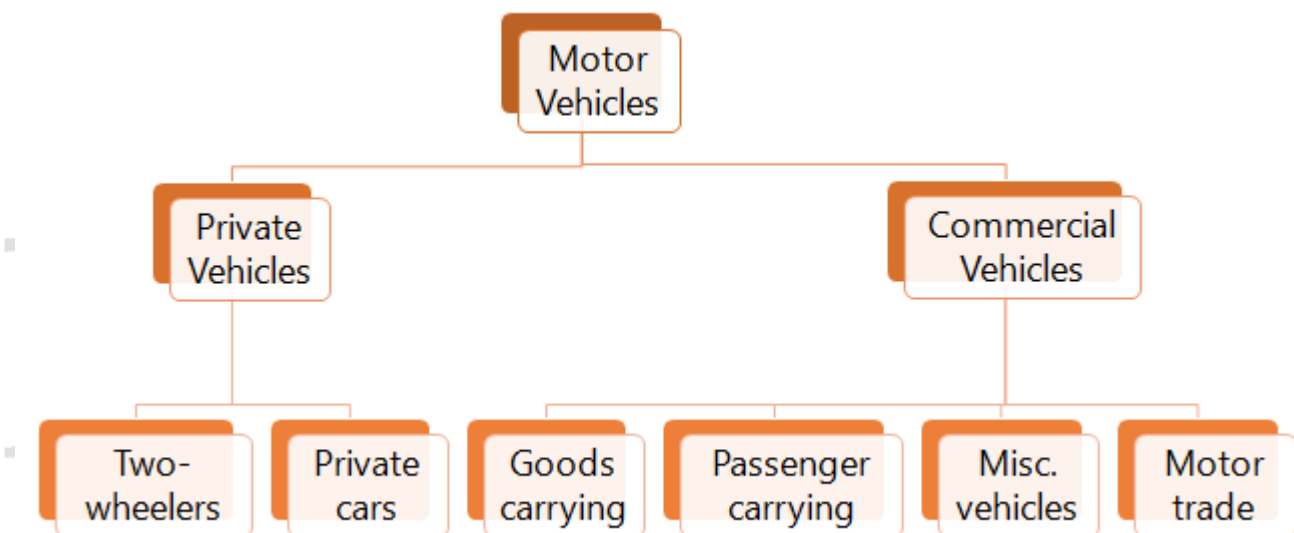
Category: Notes

Motor Insurance

Motor insurance gives complete protection against physical damage or loss from natural and man-made calamities. Motor insurance has been made mandatory by the government

It broadly covers

- Injuries/death to person or persons
- Damage to property
- Damage to the vehicle itself
- Thefts of parts or the theft of the vehicle itself



Perils covered under the motor insurance

Own Damage policy covers damage to own car due to either of following reasons :

- By fire explosion self ignition or lightning
- By burglary housebreaking or theft
- By riot and strike
- By earthquake (fire and shock damage)
- By flood typhoon hurricane storm tempest inundation cyclone hailstorm frost
- By accidental external means
- By malicious act
- By terrorist activity
- Whilst in transit by road rail inland-waterway lift elevator or air
- By landslide rockslide

Subject to a deduction for depreciation

Underwriting

The main problem areas of the underwriting process relate to:

- the breach of contract by the proposers of motor vehicle insurance
- the proposers not having an insurable interest in the motor vehicle
- persons other than the proposer who drive the motor vehicle
- The storage of the motor vehicle over night.

Underwriting is a critical process. It is necessary to avoid **anti-selection**.

The factors to consider are:

- Age of the proposer
- Sex
- Marital status
- Driving history of the proposer
- Address of the proposer
- Proposer's history involving insurance in general
- Ownership of or financial interest in the motor vehicle
- Description of use and distance to be covered by the motor vehicle
- Particulars of the motor vehicle

Types of Motor Insurance

Own damage cover

As the name suggests, an Own Damage Insurance is a customized motor insurance policy designed to protect you and your insured vehicle from your own damages, i.e. damages and losses caused to your own vehicle.

Let's take a seemingly funny but often true example; let's say your car is parked at its usual place and all of a sudden, the tree beside lets down one of its branches or worse, your neighbour's cricket ball attacks one of its windows and the ultimate, a coconut falls and leaves not only shackles but dents too! Funny as a story but, hefty losses in retrospect, in real life! In such situations, an OD insurance is one that could help you get out of such unfortunate troubles.

Every OD insurance policy offers you protection from the following:

- Accidental damages caused by external means.
- Burglary, Theft and Housebreaking.
- Fire, Explosions, Implosions, Lightning, and self-ignition.
- Natural calamities like flood, typhoon, cyclone, hailstorm, etc.
- Earthquake, landslide and rockslides.
- Transit of vehicles by rail, road, air, or inland waterways.
- Terrorism Attacks, Riots and Strikes, or Malicious Damage.

How is the Own Damage Premium is calculated?

The Own Damage Premium either for a four-wheeler or a two-wheeler is based on:

- Make, Type and Age of the vehicle.
- The Declared Value of the Vehicle.
- Cubic Capacity of the Engine.
- Geographical Zone

How to reduce OD insurance premium?

- **Increase Voluntary Deductibles** - In an OD insurance, there's something known as 'Voluntary Deductibles', which refers to the amount of money you choose to pay during claims. Therefore, based on your feasibility you can increase the percentage of your voluntary deductible, which will directly reduce your OD premium.
- **Declare Correct IDV** - With Digit, you are given the option to customize your IDV yourself. Therefore, make sure your IDV is always right since this will affect both your OD premium and your claim amounts too during claim settlements.
- **Don't Forget to Transfer your NCB** - If you've had an Own Damage or Comprehensive Motor Insurance policy before, ensure you transfer your NCB to your current policy, to get your accumulated discount.

What is not covered in own damage insurance cover?

- Third party liabilities
- Insured driving drunk
- Driving without a license - As a standard rule, no insurance can accept claims if the said person is driving illegally. Therefore, claims can only be made if you were rightly driving with a valid driver's license.
- Add-ons not bought
- Consequential damages - Consequential damages refer to damages that take place after an accident. Unfortunately, those won't be covered unless the damage has happened during the accident itself.

- **Contributory Negligence**

In simple terms, this means your vehicle won't be covered if you've done something you weren't supposed to do. For example; if your city was already flooded and you still took your car or bike out in the floods.

- **Driving without a Licence Holder**

As per the law, if you only have a learner's licence, you need to have someone with a permanent driver's licence with you. If that's not the case, your vehicle won't be covered.

Third party liability

Third-party liability coverage is the portion of an insurance policy that protects you if you're sued (or threatened to be sued) for a physical injury or damage to someone else's property. Also referred to as "legal liability coverage," this section of your home or car insurance policy is set up to cover things like legal fees, the amount of money you have to pay to settle a lawsuit, and other related expenses.

When the policyholder collides with the car of a third party leading to death or bodily injury to the third party, your liability to the third party is covered by the insurer.

It also covers damage to property of third party caused by policyholder's car.

In case of absence of personal cover, damage to self can be also be added as an add-on in the third party cover.

Damages to own car is **not** covered under third party cover.

There are two types of automobile third-party liability coverage. First, **bodily injury liability** covers costs resulting from injuries to a person. These injuries' costs could include expenses like hospital care, lost wages, and pain and suffering due to the accident. Second, **property damage liability** covers costs resulting from damages to or loss of property. Examples of property damage include the payment to replace landscaping and mailboxes, as well as compensation for loss of use of a structure.

Here are a few examples of real-world scenarios that could be covered by the third-party liability section of your home or car insurance policy:

Home insurance liability coverage

You're cutting down a tree in your yard and it accidentally falls on your neighbour or their car.

You're golfing in Florida and drive your rental golf cart into another golfer or their expensive clubs.

On a family fishing trip, your son steers your boat into someone who is waterskiing nearby, injuring the person and damaging their boat, too.

Auto insurance liability coverage

You hit a patch of black ice while pulling into your driveway and hit a pedestrian or knock over your neighbour's fence with your car.

You're backing out of your friend's driveway and accidentally back over their kid's expensive bike.

You run a red light and hit another vehicle, injuring the other driver and their passengers.

What does third party insurance cover?

- Third party liability insurance covers death or bodily injury to any person including occupants carried in the vehicle.
- Damage to property other than property belonging to the insured or held in trust or in the custody or control of the insured

	Third-Party Premium	Own Damage Premium
Basis of Calculation	It is fixed by the Insurance Regulator depending on the Cubic Capacity of the vehicle.	Own Damage Premium on the other hand is computed based on the IDV, year of purchase, location and type of the vehicle.
Stability	The Third-Party premium can be increased and decreased by the regulator IRDAI.	The Own Damage premium will decrease as the value of the vehicle will depreciate over the years.
Share in Motor Premium	Always would be a share as fixed in the Motor Policy, be it comprehensive or standalone.	It may or may not form share in the Motor Policy premium.

Comprehensive cover

Comprehensive insurance is one of the most valuable types of vehicle insurance that covers both third-party liabilities and damages to your own vehicle as well.

What Does Comprehensive Insurance Cover?

In order to avoid any last minute surprises, it is always better to have a complete grasp on the inclusions and exclusions mentioned in your vehicle insurance policy. For that, you must read it very carefully. Generally, you won't need to worry about the following, as they will be covered under your comprehensive car insurance:

- Damage caused by Natural disasters or severe weather
- Fire
- Theft
- Vandalism
- Damage to third party
- Damage to your vehicle caused by falling objects such as trees
- Damage or destruction of your vehicle caused by an act of civil disturbance such as riots

What Does Comprehensive Insurance Not Cover?

If your vehicle endures damage due to a collision, then a car insurance claim cannot be made unless you have a comprehensive car insurance. Similarly, there are a bunch of things that have been excluded from a comprehensive car insurance:

- Depreciation
- Wear and tear of the vehicle
- Electrical or Mechanical breakdown
- Damage caused to the vehicle by a person driving without a valid license
- Damage caused due to drunken driving
- Damage caused due to driving under the influence of drugs
- Damage to tyres and tubes. However, if the vehicle is damaged at the same time, liability of the company will be limited to 50% of the replacement cost
- Loss / damage to the car caused by war, mutiny or nuclear risk

Insured declared value

Insured Declared Value is the maximum Sum Assured fixed by the insurer which is provided on theft or total loss of **vehicle**. Basically, **IDV** is the current market value of the **vehicle**

	Third-Party	Comprehensive
Damages/Losses to own vehicle due to an accident	×	✓
Damages/Losses to own vehicle in case of fire	×	✓
Damages/Losses to own vehicle in case of a natural calamity	×	✓
Damages to Third-Party Vehicle	✓	✓
Damages to Third-Party Property	✓	✓
Personal Accident Cover	✓	✓
Injuries/Death of a Third-Party Person	✓	✓
Theft of your vehicle	×	✓
Doorstep Pick-Up & Drop	×	✓
Customize your IDV	×	✓
Extra protection with customized add-ons	×	✓

Activate Windows

Add-on coverages

A basic car insurance pays only for the Depreciated Car value in case of theft or damage total loss. Auto insurance also offers risk coverage towards damage caused to a third party or property. As per law, auto insurance is mandatory in India. There are two types of auto insurance – Third Party Cover and Comprehensive Cover.

Under a third party cover, you would get risk coverage only for damages to a third party or third party's property. Whereas under comprehensive cover, you would get risk coverage towards loss or damage of your vehicle in addition with the benefits of third party cover. A basic comprehensive car insurance includes damage to your car, loss, and theft of vehicle as well as third party cover.

However, by paying little extra as your car insurance premium, you can avail some additional benefits towards your auto insurance. These additional covers are called add on covers in motor insurance and are optional.

Take a look at some of the add-on covers in car insurance at Reliance General Insurance offers:

No Claim Bonus

No claim bonus (**NCB**) is a discount, given by an insurer to a policyholder for making no claims during the policy term.

NCB can be accumulated over the years and the discount ranges from 20% to 50% on the own damage premium.

This is simply a general insurance company's way to reward customer's good driving behavior. Say at the end of 12 months the insured did not claim any own damage in this case the insurance company provides them a discount by giving NCB based discounts in their premium.

- Discount earned by insured for a claim-free completed year.
- In the case of Own Damage claim, No Claim Bonus gets back to 0%
- NCB can be Transferred in Same Class of vehicle
- NCB Reserving letter is issued for 3 yrs from the date of sale of the vehicle

Below mentioned is the NCB Slab

NCB Slab	
All Types of Vehicle (No Claim made or Pending during the Preceding)	Percentage of Discount on OD Premium
Full year of Insurance	20%
2 consecutive years of Insurance	25%
3 consecutive years of Insurance	35%
4 consecutive years of Insurance	45%
5 & more consecutive years of Insurance	50%

NCB Retention Add on Cover

- Protects the NCB of the insured even if he/she claims (Own Damage) during the policy period
- Benefit:
 - The NCB as per policy is allowed provided renewal of policy is done with us within 90 days of the expiry of the policy
 - NCB is protected in case of 1 OD claim during the policy period
 - Claim amount should not be more than 25% of IDV

This is Applicable on Annual Policies Only

Nil Depreciation

- This cover pays the amount of depreciation deducted on the value of parts replaced under own damage claim
- The cover operates for maximum of 2 claims during the policy period
- Special Conditions applicable to this cover in addition to the General Conditions:
 - A claim where replacement of any part is not involved and no depreciation is deducted under its own damage claim, will not be considered as a claim under this cover.
 - Vehicle is repaired at any of our Authorized Garage / Authorized workshop / Authorized service station.

Note: Voluntary and Compulsory Excess shall be as per normal practice.

Also called bumper to bumper cover.

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Notes

Total Cover

This cover pays for the amount spent on the registration fee, Octroi and/ or any other charges levied by the government authority towards the insured vehicle. Also, the insurance premium shall be paid.

This cover will trigger in the event of theft or total loss/ CTL.

Road Tax & Insurance Premium is payable on Pro-rata basis for the unexpired duration of the policy period.

Engine protection cover - offers financial protection for damages caused to the engine of the vehicle. Any damage caused, from water entering the engine to leakage of the lubricating oil, is covered under the policy

Consumables cover - pays for the cost of consumables ,like engine oil, gear oil, nuts and bolts, lubricants and similar items except for fuel, required to be refilled or replaced because of the accident.

Return to invoice -In case of theft or damages beyond repair, return to invoice add-on gives you the benefit of getting back the complete amount of your car/bike invoice value, including the cost of registering a new vehicle and its road tax respectively.

Roadside assistance – How do you fancy your set of wheels breaking down on a lonely dacoit-infested road at the stroke of midnight? Fear not, roadside assistance is there to rescue. All you need to do is give them a call and they'll come to the spot and repair your vehicle. If not possible, they will tow it to the nearest service station and towing charges will be paid by the insurer. A ride for you might also be arranged.

Tyre Protect Cover

Generally, tyre damage isn't covered in standard insurance unless the damage takes place during an accident. That's why this tyre protect add-on gives you the benefit to safeguard and cover for your car's tyre damages such as tyre bursts, bulges or cuts during all other situations possible.

Other add-ons

- **Loss of personal belongings** – cost of personal belongings lost in a car accident can be claimed.
- **Key replacement-** It covers the cost of replacing the car keys. If you need to replace the lock, the add-on pays for that as well.

You can buy motor insurance add on covers only with a Comprehensive policy and not with Third-party car insurance. The terms and conditions of add-on vary from one insurer to another.

Motor insurance fraud

Since this policy requires to be renewed yearly, many frauds arise like

Case 1: Policy was in operation in 2017 but failed to renew in 2018. The car was involved in an accident in 2018. Now, the policyholder who relapsed in an attempt to get money from the insurer claims that car accident happened in 2017 and claims the expenses.

Case 2: underwriting fraud

While getting the policy transferred from one insurer to another, the policyholder might try to withhold relevant information that can get him the policy at cheaper premium.

Case 3: Death caused due to other reasons like critical-illness but claimed as death in motor accident or road accident.

Haryana Insurance scam unveiled in 2019

Officially, Ajit Singh died in a road accident 8km from his village in Haryana's Rohtak district at 7am on April 1, 2018. It's what his wife, Satwanti, who claimed to be present on the spot, reported at the Hisar Sadar police station. His nephew, Sachin Dhull, explained the chain of events in his statement to the police: "My uncle, Ajit, and my aunt, Satwanti, had gone to the village Dabra to check out a buffalo for purchase. [While they were out] I was informed that a car hit my uncle causing an accident. Driving carelessly and at high speed, the driver of the [Hyundai] i-20 car (no: HR 31M 7380) hit my uncle from behind. He died due to the injuries from the accident. I have identified the dead body [at Civil Hospital, Hisar].... I request the police to find the name and address of the driver and initiate legal action."

On April 2, a report on the front page of the newspaper Hisar Kesari laid out more details. "Ajit had climbed down from a bus and had barely taken a few steps when an unidentified vehicle hit him. Ajit dropped down unconscious. The driver fled the scene. Ajit was taken, with the help of people present on the spot, to the hospital where he was declared brought dead. The body has been handed over to his family after a post-mortem examination."

At 10.48am, the officer in-charge at Hisar Sadar station registered an FIR by Satwanti, and charged the unidentified driver under Sections 279 (rash driving) and 304-A (death by negligence) of the Indian Penal Code. Five people known to the deceased identified his body at the mortuary, including his wife, older brother, and nephew. "The body is lying on the stretcher. There is fresh blood on nose and mouth. The chest seems sunk on the right side," read the police's record of observations.

The post-mortem examination conducted at 12pm noted "clotted blood in both nostrils and mouth", "blue-colour bruise of approximately 10 x 15 cm over right side of chest, multiple rib

fractures, laceration of lung tissue” and “multiple abrasions over both foot, elbow, face and forehead”.

Signed by the resident medical officer at Civil Hospital, Hisar, the post-mortem report put down the cause of death as “injury to vital organs...sufficient to cause death in ordinary course of life”. That settled the matter. Ajit’s wife and relatives went home. The police moved on. At least 150,000 people are killed in road accidents in India every year. Ajit happened to be just another one — an ordinary end to an ordinary life. Back home, his wife informally married his older brother, Naseeb, in a common turn of event in parts of rural Haryana. They expected no big changes to their life. Except one.

Days before he was killed, Ajit had signed up for personal accident insurance policy with at least four companies, at an average premium of ₹5,000. An “accidental death” would entitle his nominee to at least ₹25 lakh from one. In July 2018, Satwanti sent a letter to the ‘claims’ department of Bajaj Allianz. “I am informing you with deep regret that my husband Ajit has died in a road accident. I have attached all documents related to his death. Please initiate the process of compensation.”

CONCRETE DOUBT

Sometime between 2017 and 2018, many insurance agencies operating in Haryana began to suspect a trend.

During that period, Bharti AXA General Insurance received a stream of Personal Accidental Claims from Haryana. There was a strange commonality to them. “The nominee’s bank account was opened just one or two months prior to buying Bharti AXA General Insurance policies. The PAN (Permanent Account Number) card of nominees was also issued just a couple of months before. Interestingly, we found all the insured were farmers and they had never taken any personal accidental policies in past,” said Aman Bedi, associate vice-president, Fraud & Investigation Unit, Bharti AXA. This wasn’t all.

“As per medical documents, we observed that all insured died due to head injuries and they were brought dead to the hospital. While scrutinising these cases, we also found three common mobile numbers,” Bedi said. Similar concerns were coming up at Bajaj Allianz. It was receiving “a lot” of cases from “Rohtak and Sonapat” of personal accidents in which the gap between buying of policy and pressing of claim was too close. It had also noticed in the police documents, the absence of eyewitnesses, photos of the accident spots, and injuries suffered by fellow passengers. Executives at Chola MS General Insurance had noticed that in four such claims received by the company in 2017-18 “the deceased were insured for ₹10 lakh each, neither for a higher value, nor for a lower value; the victims were farmers by profession but purchased online policies using credit/ debit cards; and the policies were bought one month prior to the deaths”.

Mysteriously, in all the four cases, the victim was riding pillion on a motorbike whose driver lost balance because of the sudden emergence of an animal in front of the vehicle: buffalos in two cases, a bull in one, and an antelope in another.

The insurance firms were also noticing that the road accidents killing their clients were being reported at the same police stations in Sonapat, Jhajjar, Hisar and Panipat. Sometime in 2017, a private investigator (PI) in Haryana received "19 to 20" cases from "various insurance companies". He reached out to the families, neighbours, doctors and police officers in each of these cases. No one was willing to talk, but he picked up some information. In 2018, he reported back to the insurance companies saying that he had "concrete doubt" that these deaths weren't caused by road accidents.

These farmers had died of cancer. On April 5, 2019, Bharti AXA filed a complaint with the director general of police in Panchkula, after a year of internal investigations, alleging that a gang of conmen had defrauded the company of crores of rupees. Several other insurance companies followed with similar complaints. The case was handed over to the Special Task Force (STF) of Haryana Police. On April 20, after two weeks of investigation, STF arrested the mastermind of the scam and his two close aides from Sonapat.

Everything about the scam sounds strangely unreal. The Haryana-based gang allegedly identified terminal cancer patients from rural, low-income backgrounds, got them to insure themselves with multiple companies by hiding their condition, waited for them to die, and then put their dead bodies through "accidents".

The gang kept a part of the insured sum, between ₹8 and ₹20 lakh in each case, and distributed the rest among its partners in crime: family members, police officers, record keepers, doctors, insurance agents, and public prosecutors. At least 100 people have been accused of being complicit in the scam that allegedly carried on for two years, executed nearly a 100 cases, and cheated more than 25 insurance companies of over ₹100 crore, according to STF.

HIT AND RUN

In Bhagwatipur village, everyone remembers Ajit Singh, but few are willing to talk about the circumstances of his death. Except for Balwan Dhull, his longtime neighbour who treated him like a younger brother. "He was diagnosed with cancer two or three years before his death. His treatment was going on in PGIMS (Post Graduate Institute of Medical Science, Rohtak)," said Dhull between long drags on his hookah. He said he saw Singh shortly before the latter took his last breath.

"At four in the morning, I went to see him. He was feeling uneasy. He asked me to place his cot out under the sky. When I went back at 6 am, he was lying dead. His wife was there." Then, Dhull said, the "insurance people showed up. They took away his body. They showed his death as an accident." Dhull saw the dead body again after a few hours. "We were called to the mortuary to identify it. [This time] his body had injuries from head to chest." Like most people close to Ajit Singh, Balwan Dhull knew what was going on. "they were making money off it."

Very little is known yet about the mastermind of the scam. Pawan Kumar Bhorla, 42, was born in Sevali village in Haryana's Sonapat district. At the time of his arrest, he was living in a rented apartment in a housing society in Kundli on the Delhi-Haryana border with his wife and two children. After graduating from a Sonapat college and an unfinished course in law from Meerut University, he began to work for insurance agencies.

Between 2005 and 2015, he worked in three insurance companies, starting as an agent and moving on to handling cases that went to MACT (motor accident claims tribunal). It was while working at Reliance General Insurance, where he spent eight years, that he got the idea for the scam. "It was a unique strategy, and no one had ever thought of turning deaths into accidents," he explained to STF.

Currently he and his seven-member gang — cousins, nephews, friends — are facing charges under section 201 (destruction of evidence), 205 (false personation for purpose of act or proceeding in suit or prosecution), 34 (common intention), 420 (fraud), 464 (making a false document), 465 (forgery), 468 (forgery for purpose of cheating), and 471 (using forged document) of the Indian Penal Code at Civil Lines police station in Sonapat.

Bhorla began the scam in 2015 by contacting the computer operator of the cancer ward of the state's largest public hospital and buying from him the details of patients going through the last stage of throat cancer. "The gang paid between ₹10,000 and ₹15,000 per file to the operator at PGIMS, Rohtak," said director general of police Satheesh Balan.

The computer operator at PGIMS was arrested on April 21. The institute has expressed "shock" at learning that "someone from PGIMS was also involved." Dr Varun Arora, public relations officer at PGIMS, said the institute has launched an internal inquiry. "We treat more than a lakh patients per year, and their records are stored across different wards based on the category of ailment."

Armed with the names and addresses of the terminal patients, Bhorla and his gang went to their homes and proposed a lucrative deal. In most of the cases, it was middle-aged men who were about to die of cancer. Bhorla and his aides reminded the family of what they were set to lose with the death of the main working member of the family, and what they could gain if they played their part in the scheme.

They wouldn't have to do much, the gang told the families. Their bank accounts would be opened, the minimum amount put in, their PAN card applications would be submitted, insurance forms filled, even premiums provided for. STF's investigations into the four cases brought up by Chola MS revealed that "all the insurance policies were purchased through the same IP address, even though the deceased belonged to different districts". All the family had to do was to say as they were told and to sign, or mark their thumb impressions at the appropriate places.

"In many cases, the family members turned down our offers. We used to target at least 50 patients a month out of which only 10 agreed to get insured," Bhorla told STF. As part of this deal, the

patient and their family also permitted Bhorla and his gang to seize control of the dead body and "kill" it in an accident.

The most commonly enacted accident was a hit-and-run. "When the patient would die, they would take the body to a spot and crush it with a vehicle to pass it off as an accident," said KK Rao, inspector general of police in the STF. On April 24, STF arrested Sumit Kumar, the son of a cancer victim who died in December 2018, for filing a false FIR for accidental death of his father. He had filed claims with various insurance companies aggregating to a sum of ₹1 crore. He received ₹2 lakh from the scamsters, according to STF. The police recovered the cash from his house in Ballah village in Karnal district.

At times, it was the same car hitting "walking" or "bike-borne" persons in different districts and running away from the spot. "The death of Dharamvir Singh on 11.4.2019 who was from village Kansala and suffered from cancer was shown as being caused by an accident. The car that is supposed to have hit him (HR 11 LL 4100 I-20) belongs to Mohit [accomplice of Pavan Bhorla]. In an earlier claim [received by Bharti AXA], the accidental death of Sandeep from Uttam Vihar, Rohtak, on 25.11.18. also involved the same car," noted the FIR. "The dead bodies were carried to the 'dead house' even before the police was informed."

The FIR also makes the crucial point that "the investigating officer in both the cases was the head constable Balbir Singh of Civil Lines station, Sonapat".

Occasionally, the terminal patients died a second time from "electrocution".

"This morning at 5.30am my husband Lilaram plugged in a heating rod to warm water for his bath. When I came back from the fields after feeding our cattle, he was lying face down on the bathroom floor. My relatives took his body to Civil Hospital in Jhajjar where he was declared brought dead. My husband died from electric current," wrote Babli from Ahri village in Jhajjar district in her statement to the police on September 25, 2017.

She repeated this account in her letter of claim to Bharti AXA, emphasising that "my husband had no previous illness" and "his death has left me in charge of our two children".

As attachments, she provided a joint statement by her neighbours and relatives confirming that "Lilaram's death happened from electric current" and that he "had no previous illness", a report from Civil Hospital, Jhajjar, noting his "abrasions and blisters", and police inquest papers showing "death due to electrocution".

Lilaram had suffered from the last stage of throat cancer, according to a copy of his case file in Radiation Centre of PGIMS, Rohtak. While the computer operator had either sold or destroyed the original records, some copies remained in certain departments where the treatment was going on. They were found by the officers of STF when they went to the PGIMS for a raid. The 40-year-old farmer didn't die of electric current. As KK Rao put it, "None of the eight patients whose investigation was conducted by the police had met with an accident or suffered external injuries."

THE MISSING MANDIBLE

After the dead bodies of the cancer patients were given injuries through accidents, STF officers said the insurance company informed the police officers with whom they had already struck a deal. Bhorla had cultivated his contacts in Haryana Police through a head constable, Ashok Kumar, 30, at Kundli police station in Sonapat who happened to be an old friend of his. "In 2015, Bhorla contacted Ashok and discussed his plan and asked for help. Ashok used to contact the IOS (investigation officers) and convince them to join hands with Bhorla," said IGP Satheesh Balan of STF. Ashok Kumar was arrested on April 29.

"They offered ₹1 lakh to each investigating police officer," said Balan. Their role was to transfer the version of their death by accident to paper – from FIR to witness statements to record of observations submitted for post-mortem examination. The post-mortem examiners were paid too, said Balan, for mapping the police's observations of the accident on to the medical assessment of the bodies. "They offered ₹1.75 lakh to the doctor who conducted the post-mortem examination," he said.

None of the doctors who conducted the postmortem examination in the eight cases brought up by Bharti AXA and investigated by STF used the C word. "There are external changes in the patients of throat cancer because they go through mandatory radiotherapy," said Dr Niranjana Naik, cancer specialist at the Fortis Memorial Research Institute. "There is visible thickening and discolouration of the skin on their face and neck," he said. The suspicion of throat cancer wasn't signalled even in the case where a part of the jaw was missing in the dead body brought for postmortem examination at PGIMS, Rohtak.

Ramshreshth Sahni, 38, of Ajmer Basti in Jind district died on July 4, 2017 in a road accident at 10.30 pm according to the FIR lodged at Hisar Sadar station. On June 9, 2017 the farm worker had bought a "premium personal guard policy" from Bajaj Allianz with an insured sum of ₹25 lakh. His body was taken to the PGIMS.

"The [post-mortem] report said that 'a skin defect of size 8 x 6 cm is present on the left Anterolateral aspect of Neck, a linear old healed scar is also visible, and a portion of the Jaw bone is missing at the left angle of Mandible'," said Sanjiv Dwivedi, who heads the Investigation and Loss Mitigation at Bajaj Allianz. Suspicious, he and his team went to the PGIMS asking if the hospital has any previous treatment records for Sahni. "The hospital refused to share them with us."

Upon filing a Right To Information (RTI) application for procurement of the deceased's health-related documents, "the hospital denied the request mentioning the confidentiality of the document," he said. "When we approached the post-mortem department of the hospital with queries related to the missing mandible and the scar, the doctors refused to entertain us." The police was no more forthcoming.

"Our team visited the Rohtak police station multiple times to get details of the accident but no one provided any details. They told us it was a hit-and-run case by an unknown vehicle. There was no

eyewitness in the case. The accident details were missing and a body part was also missing,” Dwivedi said. Dwivedi and his colleagues went to Sahni’s village to ask around.

His landlord had a different story to tell. “Ramshreshth Sahni from Bihar was my tenant for 10 years. He died in July 2017 in the course of his treatment for cancer at PGIMS,” Rishipal wrote in a statement made to Bajaj Allianz. At the local Anganwadi centre, the team found in death records of village residents the “cause” for Ramshreshth Sahni’s demise: cancer. His wife, Renu Sahni, said she wasn’t aware that his death was shown as accidental. She said it was an insurance agent who had dealt with the documents.

“We have arrested people who had major stakes, and others will be arrested soon. We are focusing on the doctors who are involved in multiple post-mortems and the policemen who were involved in more than one case,” said Haryana’s director general of police (DGP), Manoj Yadava. STF is currently looking into the suspected participation of 12 police officers and 10 government doctors in the scam.

On April 21, STF arrested the computer operator at Civil Hospital, Sonapat, Pramod Kumar, for enabling the collusion between the conmen and the doctors who conducted the post-mortem examinations. On April 30, Ambuj Jain, a doctor at the same hospital who had conducted the postmortem examinations in some of the cases under investigation, moved a petition for anticipatory bail. Ashwani Kumar, principal medical officer, refuted all allegations concerning Civil Hospital, Sonapat.

“The main culprits are the police and the family members. They should be arrested in this case, not the doctors. If an accident case is brought to the doctor for post-mortem examination, he will have to conduct it. A doctor’s job is to check the injuries causing death and submit the report based on the injuries found on the body,” he said, adding that if the police arrested a single doctor, all of them would go on a strike.

However, STF officers said they have enough substance to frame charges against doctors who worked in collusion with the gang. “There are call records, witnesses and statements which prove them guilty,” said Balan. After receiving the complaint from Aman Bedi of Bharti AXA, STF began to tap phone calls between members of the gang.

“The complainant had provided the mobile numbers of the suspects and we started intercepting three mobile numbers,” said KK Rao. The conversations noted in the FIR demonstrate the coordination between various players in the scam:

- “In code word, Mohit is talking about a case in which someone’s throat is getting worse and his PAN card needs to be applied for.”
- “Pawan is talking to Padam, saying that policy is done with PNB, Reliance, SBI and LIC. He says ICICI, HDFC and Birla are left to do.”
- “They are talking about a police officer asking for an additional ₹20,000. They are saying they have settled the payment with the hospital.”

Aware of the inquiries being made about them, Bhoria is also heard as telling one of his colleagues that “we will put in ₹2 crore and have the DSP transferred”.

As investigations proceed, more people appear to be involved in the scam than what was originally suspected. “If any case gets stuck, they used to bribe the investigation agent of the private insurance company and ask him to submit a report in their favour. If any claim went to the court, they paid the public prosecutor,” said Balan.

“If anyone has submitted the positive report for any such a fraud case, we will support the police and will demand stringent punishment,” said Dwivedi of Bajaj Allianz.

“This is a big case, but we will make sure no one walks away,” said DGP Yadava.

MINIMUM GAINS

It was an ingenious scam, but also one that relied on the easy corruptibility of people in charge of the lives and deaths of poor and illiterate villagers. In fact, it began with bringing them on board. Not all conspiring families have ended up richer. Some of them claim not to know what they did was illegal.

“My nephew did as he was told by Pawan, which was to call him up after the death of his father and to bring his body to Sonapat Civil Hospital where he had already managed to show it as an accidental death in collaboration with the doctor and the police,” said Mukesh Mann, a 43-year-old farmer in Ballah village. His nephew, a student at the local Industrial Training Institute, was arrested by STF for filing a false FIR about the death of his father.

Sachin Dhull, 26, nephew of Ajit Singh from Bhagwatipur and prime witness of his death by accident, says his uncle died of cancer. “The insurance agent had asked me to inform him after his death so we called him on April 1, 2018. They asked us to come to Civil Hospital, Hisar, as they had to get the post-mortem examination done for the insurance claim,” he said.

Sachin said he signed the documents because he was told they were needed to complete the legal formalities to initiate the insurance claim. He didn’t read any of them before signing. He said it was the insurance agents who presented his uncle’s death as accident-related.

“It’s wrong if they are saying that I was involved in any kind of fraud as I don’t even have any cheque book or ATM card of any account. The account was opened by them,” he said. Sachin said he is currently unemployed and struggling to get by.

Ajit Singh’s wife, Satwanti, died in April. Balwan Dhull said she had been suffering from AIDS. Her account with YES bank in Rohtak has only ₹11, 357 —just a little more than the minimum amount deposited at the time of its opening.



Pawan Bhorla and his gang

Bhorla masterminded the scam while handling motor accident claims at an insurance company. His eight-member gang consisted of people he knew and trusted: cousin, nephew, friends



Record keepers

The computer operator at Haryana's biggest public hospital in Rohtak sold the names of last-stage throat cancer patients to Bhorla and his gang for ₹10,000 to ₹15,000 per file



Family members

The family members of these cancer patients colluded with the gang to have the patient insured for ₹8 to 20 lakh each with multiple companies. They also also filed false FIRs and insurance claims



Post-mortem doctors

The doctors who performed autopsies looked away from obvious signs of cancer on the bodies of the deceased, and mentioned in their reports only the presence of accident injuries, as presented by the police, as the cause of death

Investigating officers

Officers at several police stations in Jhajjar, Sonapat, Rohtak and Hisar helped the gang show the patients' deaths as accidental on paper — in FIRs and in record of observations for autopsies



Hospitals

The hospitals where the post-mortem examinations were conducted also produced the death certificates in these cases.

The certificates carried signatures of the Registrar of Birth and Death for the said district

ACTUARIAL
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Insurance agents

The gang used to bribe the investigation agents of the private insurance companies after the families had pressed for claims and ask them to submit a report in their favour.

It was the report by an independent investigator that hinted at the presence of something fishy about the claims



Public prosecutors

If a claim battle went to the court, the gang even paid the public prosecutors at times to settle the case in its favour



Claim Settlement Procedure

- Intimation by Insured for accidental loss to subject matter of Insurance
- Registration of Claim by Insurer
- Deputation of Surveyor / Investigator for assessment of liability of Insurer
- Assessment and submission of Survey report by Surveyor
- Scrutiny of Claim file
- Letter to Insured regarding assessment of loss and to submit required information / papers.
- Approval of Claim by the Competent Authority, after receiving the complete information / papers
- Settlement of Claim

Claim Documents

Apart from claim form and Survey report the other documents required for processing the claim are:

- Driving Licence
- Registration Certificate Book
- Fitness Certificate (Commercial Vehicles)
- Permit (Commercial Vehicles)
- Police Report (Taxis, commercial Vehicle need F.I.R./ spot survey if loss is heavy or T.P. loss occurs)
- Final Bill from repairers
- Satisfaction Note from the insured
- Receipted bill from the repairer, if paid by insured.
- Discharge voucher (full and final payment)