



NATIONAL INSURANCE COMPANY LIMITED
Head Office

To, Dy .General Managers/ Chief Regional Managers, All Regional Offices	Our Ref:Tech/M/140/113 29th January 2020	From: Head office, Marine Cargo Technical Department <i>Master Circular No.</i> <i>38/2019-20</i>
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Marine Cargo Underwriting Guidelines Effective from 1st February 2020

We have been monitoring the performance of Marine Cargo portfolio and to ensure sustainability, It has been decided to put the limit on minimum gross rates across all Marine Cargo Policies (for all commodities) as under:

1) All Marine Cargo policies: Minimum Rates

ICC A/ICC B and ITC A	: 0.01%
Institute War & Strikes Clause	: 0.005%
Inland SRCC Clause	: 0.0025%

2) Risk covered under ICC-C/ITC-B can get a maximum discount of 10% on the minimum rate of 0.01%. No discount on War, SRCC premium rates.

3) Transits (other than crude oil) to or from or through or within the Persian or Arabian Gulf and adjacent waters including the Gulf of Oman west of longitude 58°E only" (to read as High Risk Area — HRA) will be covered subject to a minimum additional Net Rate of 0.08% purely to cover War/SRCC coverage. Base premium rate to apply in addition to War & SRCC additional premium for each shipment.

4) Existing minimum qualifying turnover as per STOP circular Tech/M/140-113 dated 05.06.2014 now will be revised as INR 100 Crores against INR 50 Crores stated earlier.


Note:

1) Existing rates with loss ratio of last 3 years including outstanding claims of the expiring year (or for the period available if less than 3 years) not exceeding 70% can be allowed to be renewed at expiring rates even if it is below minimum rates mentioned herein.

2) No foreclosure of existing insurance policies and replace them by new insurances at rates lower than stated above is allowed prior to 01.02.2020.

All RO's are requested to strictly adhere with the above guidelines and also inform your underwriting offices to follow the same.

Any attempt to circumvent the above guidelines will be viewed strictly.


(G Shobha Reddy)
General Manager

