



बीमा विनियामक और विकास प्राधिकरण
**INSURANCE REGULATORY AND
DEVELOPMENT AUTHORITY**

IRDA/NL/CIR/MOTP/192/08/2014

Ref No: IRDA/NL/Long Term-Motor Two Wheeler

04th August, 2014

**CEOS of ALL GENERAL INSURANCE COMPANIES
(EXCEPT ECGC, AIC & STAND ALONE HEALTH INSURERS)**

Long Term Motor Two Wheeler Insurance Policy

The Authority has been receiving representations from different Insurance Companies for introduction of long term motor products. A number of representations received from different stakeholders from time to time on the same have also been examined.

The Authority has perused the matter and decided to introduce Stand Alone Motor Third Party Insurance Policy for Two Wheelers for a period of three years subject to the following conditions:

- ✓ The total premium charged for the above coverage shall be 3 times of the annual TP premium for two wheelers as prescribed by the Authority from time to time
- ✓ The above premium shall not be revised upwards or downwards during the period of policy in any circumstances
- ✓ The entire Premium shall be paid in one instalment subject to compliance of Section 64 VB of Insurance Act 1938
- ✓ Insurers will not be able to cancel the standalone TP cover in any circumstances except in case of Total Loss
- ✓ In case of cancellation of policy under total loss premiums for the full unexpired years have to be refunded
- ✓ There will be no change in other terms and conditions as are in vogue in respect of 1 year product
- ✓ Insurers desirous of offering this cover may submit the letter of intent according to the above conditions
- ✓ The above letter of intent will be treated as submission under F&U guidelines in respect of the above

Contd.



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The Authority is also conscious about the fact that there is a need of long term comprehensive (Own Damage as well as Third Party) cover also.

Insurers are encouraged to file 3 year term comprehensive Policy also for Two Wheeler as per File & Use guidelines.

(M Ramaprasad)
Member (Non Life)

PKA