



भारतीय बीमा विनियामक और विकास प्राधिकरण  
INSURANCE REGULATORY AND  
DEVELOPMENT AUTHORITY OF INDIA

Ref: IRDA/NL/CIR/MISC/024/02/2016

February 10, 2016

**CIRCULAR**

To

All General Insurance Companies

It is well known fact that policyholders have a prerogative to choose any agent, intermediary or any insurer to avail of insurance services. Of late, it has come to the notice of the Authority that some general insurance companies having tie-ups with a particular motor dealer are not accepting motor business, if it is sourced by any other agent or intermediary. Similar issue has also been observed where some insurers offer personal accident policies along with such motor policies.

2. In the above background, with a view to protect the interests of policyholders and prevent unhealthy market practices and, in exercise of powers vested in the Authority under Section 14 of IRDA Act, 1999, it is hereby clarified that there shall be no restriction whatsoever on sourcing/servicing of motor insurance business (including personal accident policies, wherever applicable) by any agent/intermediary or insurer/insurance office on the ground that they have tie-up with any motor dealers/manufacturers etc. Further, it shall be ensured that no clause/agreement/tie-up in variation with the above directions shall be entered into by any insurer with any motor dealers/ manufacturers etc. It should also be ensured that all existing agreements confirm with the above direction.

(T S Vijayan)  
Chairman