

**ALL GENERAL INSURERS (EXCEPT ECGC, AIC AND STAND-ALONE HEALTH INSURERS)****Ref:** IRDAI/NL/CIR/MOTP/170/10/2018**Date:** 09-10-2018**Compulsory PA Insurance for Owner-Driver under Motor insurance**

This has reference to Circular Ref. IRDAI/NL/CIR/MOTP/158/09/2018 dated 20<sup>th</sup> September, 2018 on the subject. We have received complaints/communications from various stakeholders regarding certain aspects of implementation of Compulsory Personal Accident Insurance for owner-driver. In this regard, insurers shall ensure the following:

1. It has come to our notice that insurers are offering only long-term Compulsory Personal Accident (CPA) policy for new cars and new two-wheelers along with long-term TP policy. It is clarified that it is the choice of the owner-driver to opt for a one-year CPA cover or long-term CPA cover and insurers should not compel owner-drivers to go in for long-term package policy or long-term CPA cover. Hence, all insurers are hereby directed to ensure that they necessarily offer the choice of one-year CPA cover to an owner-driver.
2. GR 36 (A) of the erstwhile India Motor Tariff (IMT) provides for compulsory cover to registered owner only where he/she holds a valid driving licence. Hence Compulsory PA cover is not applicable where a vehicle is owned by a company, a partnership firm or a similar body corporate or where the owner-driver does not hold a valid driving licence.

Please acknowledge and confirm that you are complying with the above.

**(Yegnapriya Bharath)**  
**Chief General Manager (Non-life)**