

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:4303
ANSWERED ON:19.05.2006
THIRD PARTY MOTOR INSURANCE CLAIMS
Moorthy Shri A.K.

Will the Minister of FINANCE be pleased to state:

- (a) whether third party motor insurance claims are not honoured by certain insurance companies;
- (b) if so, the reasons therefor;
- (c) whether Insurance Regulator and Development Authority has taken any action in this regard;
- (d) if so, the details thereof; and
- (e) if not, the reasons therefor?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL)

(a) & (b): Third Party Insurance Claims are dealt by Motor Accident Claims Tribunals which are constituted under the provisions of Motor Vehicle Act, 1988, and the awards thereof are honoured by the insurance companies subject to usual procedures including filing of Appeals in High Courts/ Supreme court as and when necessary and satisfaction of subsequent orders of the Appellate Courts.

(c) to (e): The Insurance Regulatory and Development Authority (IRDA) does not intervene directly in disputes relating to claims. As per IRDA, an insurance cover is a contract between the insured and the insurer. In case of a dispute, the appropriate competent authority has to be approached for settlement.