



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

Circular

10th March, 2010

Ref: IRDA/CAGTS/CIR/LCE/48/03/2010

To

All the Insurers

Subject: Guidelines on Licensing of Corporate Agents

This circular is issued in partial modification of circular no. IRDA/CAGTS/CIR/LCE/039/03/2010 dated 02nd March, 2010 and this circular supersedes the above circular.

In order to streamline the system of licensing of Corporate Agents in groups already engaged in insurance business, the Authority has, in addition to the Regulations and Guidelines already in force, decided to issue the following instructions under Section 14, of the IRDA Act, 1999 for compliance by the Insurance companies while issuing license to the Corporate Agents. These guidelines shall form part of Cir.No.017/IRDA/ Circular/CA Guidelines/2005, dated 14.07.2005 and further circulars / clarifications issued from time to time.

- I. The applications for Corporate Agency license from such a person or group of persons who is/are already engaged in any insurance business shall be dealt with in the following manner:
- 1) All such applications and renewal applications shall be referred to IRDA by the designated person concerned. The licenses shall be issued by Designated Persons, only after approval by the Authority.
 - 2) Persons from any group which is having a Broking License shall not be eligible for corporate agency.



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- 3) Any of the persons which are regulated by RBI within the group may apply and obtain a corporate agency license provided they have "substantial client base of their own or access to data which would facilitate identification of prospects"
 - 4) Persons who are not regulated by RBI, shall not be eligible for corporate agency license, unless they have "a substantial client base of their own or access to data to identify the prospective policyholders" and have a turnover, assets or income of at least Rs. 15 crores.
- II.** Only those persons which are part of a group having Indian Insurance Company or a scheduled commercial Bank within the group shall be eligible for issue of corporate agency license to do insurance distribution as the principle business, provided this shall be the only corporate agency amongst all the entities in the group, subject to fulfillment of conditions Para 3 of licensing of Corporate Agency guidelines. Any application for granting or renewal of license from entities intending to carry out insurance distribution as principal business shall be referred to IRDA for prior approval.
- III.** In addition all other conditions for the grant of the corporate agency license as per IRDA (Licensing of Corporate Agency) Regulations, 2002 and the Guidelines issued there under on 14th July, 2005 shall be applicable.
- IV.** In this circular "Person" carries same meaning as in IRDA (Licensing of Corporate Agents) Regulations, 2002.

These guidelines will apply with immediate effect.

A. Giridhar

(A. Giridhar)
Executive Director