



NOTICE TO THE PUBLIC

Insurance Regulatory Commission of Sri Lanka



Rs. One Million Compensation

Optional Compensation Scheme (OCS) for Third Party Motor Accident Victims

How much compensation will you receive?

For accidents occurred on or after 1st September 2025:

- Death - Rs. 1,000,000/-
- Permanent disability (total/partial) - Up to Rs. 1,000,000/- (as per percentages in IRCSL Circular No. 01 of 2025)
- If there are multiple victims in an accident - Maximum total compensation is capped at Rs. 1,000,000/-

For accidents occurred between 1st March 2024 and 31st August 2025:

- Death - Rs. 500,000/-
- Permanent disability (total/partial) - Up to Rs. 500,000/- (as per percentages in IRCSL Circular No. 03 of 2024)

Who are eligible to obtain compensation under this scheme?

Third-party victims such as pedestrians and cyclists who die or suffer permanent disability due to motor vehicle accidents. In case of a death, the legal heirs of such victim may seek compensation.

Who are the parties not covered under this scheme?

- Drivers, employees and passengers of motor vehicles involved in an accident.
- Persons who collide with motor vehicles intentionally to obtain compensation.
- Victims of accidents involving vehicles used in riots or terrorism.

Who provides compensation?

General insurance institutions registered with the IRCSL.

How do you apply for compensation?

The victim or the legal heirs shall make an application along with the documents prescribed in IRCSL Circular No. 01 of 2025 and shall submit to the insurance institution that has insured the vehicle which caused the accident.

The victim or the legal heirs are not required to establish the liability of the driver who caused the accident to seek compensation under this scheme.

To whom is compensation paid?

1. In case of death (victim is over 18 years of age)
 - Married victim: to the spouse and minor children
 - Unmarried Victim: to his/her parents
2. In case of permanent disability (total/partial)
 - Compensation is paid directly to the victim. If it is practically impossible to make the payment to the victim, then, compensation will be paid in favour of the victim as follows:
 - Minor or unmarried victim: his/her parents
 - Married victim: his/her spouse, and if the spouse is not living, to the children

What are the conditions for obtaining compensation?

- The vehicle shall have a valid motor insurance policy issued by an insurance institution registered by IRCSL.
- Death or permanent (total/partial) disability should be the result of a motor vehicle accident.
- Death or permanent disability must occur within 12 months from the date of the accident.
- A claim must be submitted to the insurance institution within 06 months from the date of death or permanent disability.

Can a person seek compensation from Court after obtaining compensation under this scheme?

Yes, the unique feature of this scheme is that further compensation can be sought through Court, if a victim or a legal heir wishes to do so. However, in the event the Court orders a higher amount of compensation the amount paid under this scheme will be deducted.

The application and full details are available on the IRCSL website at <http://www.ircsl.gov.lk> [Public Corner→Optional Compensation Scheme] or call our hotline 011-2396188.

Insurance Regulatory Commission of Sri Lanka

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