
Motor Policy Wordings

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This policy covers all types of vehicles plying on public roads.

Highlights

This policy covers all types of vehicles plying on public roads such as:-

- Scooters & Motorcycles
- Private cars
- All types of commercial vehicles
- Motor Trade (vehicles in show rooms and garages)

As per the Motor Vehicles Act, 1988 it is mandatory for every owner of a vehicle plying on public roads, to take an insurance policy, to cover the amount, which the owner becomes legally liable to pay as damages to third parties as a result of accidental death, bodily injury or damage to property. A Certificate of Insurance must be carried in the vehicle as a proof of such insurance.

Two types of covers are available:

1. Liability only policy. This covers third party liability for bodily injury liability and / or death and property damage. Personal Accident cover for Owner-driver is also included.
2. Package policy. This cover loss or damage to the vehicle insured in addition to (1) above.

No- claim discounts are available on renewal of policy, ranging from 20% to 50%, depending upon the type of vehicle and the number of years for which no claim has been made.

Scope

Liability Only policies:

The policy covers the vehicle owner's legal liability to pay compensation for:

1. Death or bodily injury to a third party person.
2. Damage to third party property.

Liability is covered for an unlimited amount in respect of death or injury and damage to third party property for Rs.7.5 lacs under Commercial vehicle and private and Rs. 1 lakh for Scooters / Motor Cycles.

Package Policy

In addition to the coverage under liability only, this policy covers loss or damage to the insured vehicle and its accessories due to:

1. Fire, explosion, self-ignition or lightning.
2. Burglary, housebreaking or theft.
3. Riot and Strike.
4. Malicious Act.
5. Terrorist Act.
6. Earthquake (Fire and Shock) Damage.
7. Flood, Typhoon, Hurricane, Storm, Tempest, Inundation, Cyclone and Hailstorm.
8. Accidental external means.
9. Whilst in transit by road, inland waterway, lift, elevator or air.
10. By landslide/Rockslide

The policy also pays for towing charges from the place of accident to the workshop upto a maximum limit of Rs.300/- for Scooters/Motorcycles and Rs.1500/- for cars and commercial vehicles. It is also permissible to opt for higher towing charges subject to payment of extra premium.

A restricted cover is also available covering the risk of Fire and/or Theft only, in addition to the compulsory cover granted under "Liability Only Policy". However the same is not available in case of vehicle ratable under Class D, Tariff for Miscellaneous and special types of vehicles.

The important exclusions under the policies are:

- Wear and tear, breakdowns
- Consequential loss
- Loss when driving with invalid driving license or under the influence of alcohol.
- Loss due to war, civil war, etc.
- Claims arising out of contractual liability.
- Use of vehicle otherwise than in accordance with 'limitations as to use' (e.g. private car being used as a taxi)

Rating factors Rating depends upon the following factors:

1. IDV.
2. Cubic capacity
3. Geographical zone
4. Age of the vehicle
5. GVW of in case of commercial vehicles
6. Add on Covers

Add on covers

The policy can be extended to cover the following risks on payment of additional premium:

1. Loss or damage to accessories fitted in the vehicle such as stereos, fans, air-conditioners etc.
2. Personal accident cover under private car policies for:
 - passengers
 - paid driver
3. Legal liability to employees.
4. Legal liability to non-fare paying passengers in commercial vehicles.

Who can take the policy

Any vehicle owner whose vehicle is registered in his/her name with the Regional Transport Authority in India.

How to select the sum insured

In the event of an incident giving rise to a claim under the policy, the following steps should be taken:

In case of accidental damage to the vehicle:

1. Immediate intimation to the nearest office, which will issue a Claim Form.
2. Claim Form duly filled in to be submitted along with copy of Registration Certificate and driving license of the driver of the vehicle at the time of accident as also estimate of repairs.
3. Vehicle will be surveyed by a Surveyor, appointed by the insurance company, who shall submit his report to the company. In case of a major damage to the vehicle, a spot survey, at the site of accident, would also be arranged by the company.
4. Final bills/cash memos are to be submitted duly signed by the insured.
5. Salvage of the damaged parts may be required to be deposited with the insurance company after approval of the claim.

In case of theft of the vehicle:

1. Lodge an F.I.R. with the police immediately.
2. Inform the policy issuing office with a copy of FIR.
3. Submit the Final Police Report as soon as it is received.
4. Extend full cooperation to the surveyor and/or investigator appointed by the company.
5. After approval of the claim by the company, get the Registration Certificate transferred in the name of the company, hand over the keys of the vehicle, submit a letter of Subrogation and Indemnity on stamp paper duly notarized.

In case of liability claim:

1. Inform insurance company immediately of any incident likely to give rise to liability claim.
2. On receipt of summons from Court, the same should be sent to the company immediately.
3. Claim Form duly filled in along-with copies of Registration Certificate, Driving License, FIR are to be submitted.