

Don't think your bike needs insurance? Be ready to cough up crores

Did you know if for some reason an accident were to occur and a two-wheeler rider were to cause death or grievous injury to a third party, the amount he or she could be liable to pay could run into crores of rupees.



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India moves on two wheelers. If you were to look at last year's numbers, it ranked as the biggest market for two wheelers in the world. 17.7 million of them were sold here last year, while China trailed at 16.8 million units. Although the sales volumes in cities have been consistent, large scale road-construction projects are leading to a pick-up in sales volumes in the earlier under-penetrated smaller towns and villages.

Efficient public transport is still a work in progress in many locations across the country and this coupled with increased traffic has meant that two wheelers have become one of the best and most convenient mode of transport. The increase of leisure riding and demand for sports bikes is on the rise, further fueling the demand.

One must not forget that this mode of transport has its own cons as well. Safety is a concern on two wheelers, even more so than four wheelers. Awareness of helmet usage in the country is not the best, and somehow majority of the riders don't feel comfortable wearing one. Now this is quite unfortunate if you look at the stats related to motorcycle accidents. About 28, two-wheeler riders died daily on Indian roads for not wearing helmets.

This is for the first time that police and transport departments in states have captured data on deaths caused due to non-wearing of helmet. States have reported that one of every five bike occupants who died in crashes was not wearing helmet. It is unfortunate that many young people are dying in road accidents, as this is the age category, where majority of the two-wheeler usage happens.

This should be enough to make usage of helmet compulsory, but the unfortunate reality is that this is not the case in most states in India. Efforts to enforce this rule in certain states has been met with resistance by the citizens for various reasons. Helmets are a must, and there are no two ways about it. In fact, a study by the United Nations last year had estimated wearing an appropriate helmet improves chances of survival of bikers by 42 percent.

If creating laws to make something compulsory truly worked, all two-wheelers on Indian roads would be insured, as it is mandatory. Unfortunately, the reality is diametrically opposite. On an average the number of insured vehicles plying on the road is just a meagre 30 percent, the remaining 70 percent of all others are uninsured.

Most people only buy a policy at the time of purchase, as it is an absolute must to get the vehicle registration and delivery done. Post this the usual excuse is that they forget to get it done or that it is too much of a hassle or even an unnecessary expense etc.

The guilt of such carelessness only dawns upon them when they are either caught by the police or asked to produce their insurance copy or when they meet with an accident. Even in the latter scenario they are okay to absorb the cost of repair as and when it happens, because the typical mind-set is that of, 'I will not meet with an accident' and if it were to happen, fate is used as the go to fall back mechanism. While this might work for the own damage part of a policy, people forget that third party liability insurance is compulsory for a reason.

Did you know if for some reason an accident were to occur and a two-wheeler rider were to cause death or grievous injury to a third party, the amount he or she could be liable to pay could run into crores of rupees. It could destroy a person and their family not just mentally, but also drain them out financially, where a situation of selling precious assets might arise, just to pay the compensation.

If this wasn't enough, as per the Motor Vehicle Act, driving a vehicle without third-party insurance cover can result into a fine of up to Rs 1,000 or imprisonment up to three months or even both. And all this for what? Saving premium on a two-wheeler insurance which is less than the cost of a cup of tea that you have daily? There is no excuse for not getting an insurance policy for your two wheeler.

For those who forget to renew their insurance, there are now long-term products available for your bike insurance. To cut the hassles of yearly renewals some of the insurers now have introduced long-term insurance policies, whereby you can insure your two wheeler for up to three years at one go, be it third party or comprehensive.

These policies are convenient as they eliminate the need for annual renewals and insulate the customer from any hike in premium for three years. Very soon options to insure up to five years will be available as per the recommendations by the insurance regulator.

It is often said that four wheels move the body, but two wheels move the soul. Most people are attracted to two wheelers because of the sheer convenience, price and cost of operation, whilst others are lured by its pure feeling of thrill, adrenaline and the need for speed. Whatever be your reason, wear a helmet.

You might be a good rider but accidents are not always your fault, and stay secured, get insured, the financial security that an insurance policy offers you comes at a very cheap price as compared to the hassles that your uninsured motor bike may unleash upon you.