

## INSURANCE QUERY.



TAPAN SINGHEL

I am 36 years old. I travel to work by bike but am thinking of buying a car soon. I see a lot of accidents happen on the road, where the vehicle in front hits the brakes suddenly and the car behind cannot be stopped in time, rear-ending the car in front, as a result. How does a claim work in such a scenario? Does a comprehensive insurance policy cover vehicles in such situations?

Vishal

There are broadly two types of motor insurance coverage. Third-party coverage and own-damage (OD) coverage. As you are aware, third-party or TP insurance is a mandatory requirement for motor insurance in India. TP coverage provides protection against any potential damages that may be inflicted upon a third party, in terms of property, or a person, including bodily injury or unfortunate demise.

TP insurance, apart from being legally compulsory, is a very prudent cover to have. You will be surprised to know that the liability of third-party claims is unlimited when it comes to bodily injury or demise. In one such case, a third-party claim ran into many crores of rupees. It is thus imperative to obtain third-party insurance coverage for any vehicle under your ownership. I trust that you possess a similar product for the two-wheeler that you presently own.

If not, please get it immediately.

In the context of motor insurance, "own damage" or OD cover pertains to the coverage for damages sustained by the insured's vehicle due to a range of factors — such as accidents, fire, theft, natural disasters, and accidents due to



human negligence/fault. In this particular scenario mentioned by you, the repair of the damaged bumpers will be done under the OD cover, by the respective insurance company of each vehicle — provided, of course, that they have this cover.

However, the incidence of such accidents is relatively low, with approximately one out of seven vehicles being involved in such incidents. I would recommend having a comprehensive cover, which is a combination of OD and TP cover. Also, there are additional coverage options available, such as zero depreciation, which customers may consider when selecting the policy coverage that best suits their needs.

You should go in for a plan that offers 24x7 roadside assistance. As per the policy terms and conditions, this must have service that not only provides emergency roadside assistance during accidents but also assists in situations such as dead battery, flat tyres, and running out of fuel. In addition, this cover provides transport to the nearest hotel or your residence, amongst much more. You will be amazed to know that for smaller accidents and damages, many insurers in India have developed innovative features that facilitate settlement of claims on the spot. All you need to do is take photos of the damage sustained and send to the insurer. The claim can be potentially settled in 20 minutes, and you can choose to repair the car at the garage of your choice.

When you do decide to buy a car, choose a reputable insurance company with a good track record of providing timely and efficient claim settlements. In case of an unfortunate accident, always reach out to your insurer and make available all the necessary documents to them as per their protocol and requirement. Lastly, remember to always drive safely and be a responsible citizen of our country!

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