

How can I retain my car insurance policy?

Tapan Singhel

I reside in Pune and own a 2018 Maruti Alto. My insurance policy expired on 20 January while I was out of the country and I have never filed a claim in the past. I want to retain my benefits while keeping the same coverage. What do you advise?

—Pranay

Pranay, since you have had a claim-free year, you are eligible for a benefit called a no claim bonus (NCB) which typically acts like a discount to your motor insurance premium applicable at the time of renewal.

No claim bonus remains valid for 90 days post-expiry of your existing insurance policy. So, in your case Pranay, you are still well within the limit of 90 days and are eligible for this reward, hence you should reach out to your insurer at the earliest. However, since your insurance policy has expired,



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the insurance company may want to do a pre-acceptance inspection as per the guidelines before giving you the insurance policy.

There are some companies that provide self-inspection rights as well and post-inspection, you can buy insurance

online too.

You will be interested to know that it's not necessary to claim the NCB benefit, but you can also accumulate your NCB over time and depending on the number of claim-free years, you will be eligible for a discount on your premium that will range from 20% to 50%. You should know that NCB is applicable on the own

damage (OD) premium and not the third-party (TP) premium of your policy.

In terms of validity, NCB will be terminated in case of a motor insurance claim, but many insurers now also offer an NCB protection add-on cover that retains your NCB even after you file for claims; the number of claims for this add-on cover can differ from insurer to insurer.

You should reach out to your insurer immediately and retain the NCB benefits you have accrued. This is also a good time to check if you want to opt for any add-on covers to further strengthen the protection for your car.

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