

| Article Date | Headline / Summary                                      | Publication            |
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| 17 Mar 2024  | Missed Renewing Your Motor Insurance: Here's What To Do | Business Outlook India |

### [Missed Renewing Your Motor Insurance: Here's What To Do](#)



As outlined in the policy documentation, an annual contract for car insurance needs to be renewed within a specific date and time. If you fail to renew by this deadline, this would lead to an insurance lapse.

If the renewal deadline passes, the insurance company will not entertain any claim as the policyholder then lacks a valid insurance policy. Therefore, if an accident occurs, following an insurance lapse, the policyholder will have to pay for the entire expense from his pocket. Moreover, if you are driving with an expired car insurance policy, you might face substantial traffic fines.

Below are the consequences of missing your motor insurance renewal:

If your car insurance policy expires, you might have to pay adjusted premium rates for renewal and go through a vehicle inspection.

In case your car insurance lapses for a long period, the insurer has every right to reject your policy renewal request. Having said that, in some cases, renewal may still be possible, along with fines and penalties.

In case your car insurance policy lapses, your annual no-claim bonus (NCB) could be forfeited.

If you are driving without a valid policy, you could face significant penalties from traffic authorities for operating an uninsured vehicle.

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**What Should Policyholders Keep In Mind?**

Under section 146 of the Motor Vehicle Act, 1988, it is mandatory to have third-party insurance for your motor vehicle. To comply with this regulation, and maintain legal compliance, continuous coverage is necessary. Hence, it is very important to diligently monitor your renewal dates. Moreover, you must pay an annual premium, to maintain the validity of your policy and access its advantages. Also, to prevent any lapses in coverage, it's important to pay an annual premium and ensure timely renewal.

“It’s crucial to renew your motor insurance on time. Otherwise, you might face trouble, and your coverage could be ineffective in case of an accident or damage. Moreover, as mentioned in section 196 of the Motor Vehicle Act, if you are driving an uninsured vehicle, it could lead to substantial fines and even imprisonment. Thus, drivers must refrain from operating vehicles without valid insurance,” Subhasish Mazumder, head-motor distribution, Bajaj Allianz General Insurance said.

The ‘Pay and Recovery’ provision is no longer included in the updated Motor Vehicle Act. The car owner will be responsible for the liability if an uninsured vehicle is involved in a third-party claim, which could very well be an unlimited amount as decided by the court.

“Remember to promptly contact your insurer to reinstate coverage if renewal is missed. You must get the renewal process reinstated immediately, whether online or through an agent. You might have to go through a vehicle inspection for online renewals. If you are not satisfied with your current coverage, you might need to explore alternative insurers or plans," Mazumder added.

Also, to retain accumulated benefits such as the NCB, insurers might have to offer a 90-day window following policy expiry. Preserving the NCB could significantly reduce future premiums. This emphasizes the necessity of renewing within this grace period to make utmost use of discounts. Ensure you have a copy of your expiring policy for a seamless renewal process.