

Renew lapsed policy faster through self-inspection

You must shoot a video of your vehicle through the insurer's mobile app, and in a particular sequence

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Although renewing a motor insurance policy is easy and can be done online, about 20 per cent of car insurance and 40 per cent of two-wheeler policies lapse in India. Now, private general insurers offer the facility of self-inspection, which can speed up renewal of lapsed policies.

Renewing a lapsed motor insurance can take two-three days or more as inspection of the vehicle is mandatory in such cases. "The insurer needs to know the state of the asset being renewed. So, the customer has to wait for the surveyor's report before the policy is renewed," says Sanjay Datta, head of health and motor, underwriting and claims at ICICI Lombard General Insurance.

The surveyor checks the vehicle for existing damages. Based on his findings, the policy could be approved or rejected. "If you make a claim in the future, the report will help the insurer differentiate between existing and fresh damages, and pay only for the latter," says Naval Goel, chief executive officer, PolicyX.com. The vehicle is not inspected if you renew your policy before it lapses.

ICICI Lombard General Insurance recently launched a feature in its app called 'Mobile Self Inspection'. In case of a lapsed policy, a vehicle owner can use this app to shoot a video of the vehicle and submit it to the company. The insurer can renew your insurance within a couple of hours of receiving the video.

A few conditions apply, though. The video must be shot at one go. No editing is allowed to prevent fraud. In case the shooting gets disrupted, you have to start all over again. The video should be shot in daylight and in a particular sequence, which should include the vehicle's engine and chassis number. This ensures that all parts of the vehicle are covered and existing damages, too. The camera should have a resolution of 3MP or more. If the video is blurred, you need to re-shoot. You will get a confirmation from the company if the video's quality is found acceptable. The video can be shot only through the app.

Bajaj Allianz General Insurance, too, offers a similar facility wherein the customer or intermediary can upload a video of the vehicle



SPEED UP RENEWAL

- Renewal of lapsed motor policy requires mandatory inspection of vehicle
- This can take three-four days
- Some general insurers offer self-inspection through the company's mobile app
- Shoot a video through the app and upload it for self-inspection
- Renewal can be done in a couple of hours
- A long break in motor insurance means losing out on NCB

through the company's app for verification.

"Once we get the information through the app, the data is stored in a repository. We compare the data at the time of claim before approving or rejecting it," says Vijay Kumar, president (motor) at Bajaj Allianz General Insurance.

Customers should ensure that their motor policy gets renewed without a break to ensure continuation of the No Claim Bonus (NCB), which is the discount on the premium in case there are no claims. NCB can be transferred if you sell your vehicle. If you renew your policy within 90 days, you can get the NCB (subject to inspection). But, if you renew it after 90 days, you lose this benefit. In case there is a gap in renewing the policy and your vehicle meets with an accident, you will have to pay for its repair out of your own pocket. The bigger risk arises if you have to pay for third-party damages, which could amount to a humongous sum.

Both ICICI Lombard and Bajaj Allianz offer self-inspection only for four-wheelers currently. Bajaj Allianz allows renewal of two-wheelers without inspection, provided it is done online.