

**CHANGING TRENDS**

# Buying and renewing your two-wheeler's insurance cover is no longer a hassle

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COME FESTIVE season and auto sales across the country soar. Whether it is during Navratri or Diwali, most people buy two-wheelers and four-wheelers owing to attractive schemes and discounts or simply because the period is considered auspicious for new purchases. Though most two-wheeler owners automatically get motor insurance covers through the motor dealers after they buy a bike, many fall out of the insurance net when the policy is up for renewal after a year.

While most buyers are not aware of the coverage that their motor insurance offers, people also make the mistake of missing the renewal date for their policies. Unfortunately, this situation is not rare as the premium to renew these policies is very less. A recent study highlights that only 40 per cent of two-wheeler owners renew their covers every year.

Recent data published by the insurance regulator reveals that almost 75 per cent of the two-wheelers plying on the road are not insured despite being mandated by law. While many actually forget to renew their policies, a large number of two-wheeler owners do not renew their policies just to save the small amount in premium and also to avoid going through the hassle of getting the vehicle inspected again to get a policy.

By not having a valid insurance policy, vehicle owners expose themselves to not just a violation of law, but also a huge liability risk. An accident involving a motor vehicle can cause considerable damage and human injury. Hence, unlike other properties where the choice of insuring or not lies with the owner, a motor vehicle is required by law to be insured with respect to the user's liability for death, bodily injury or damage to property of a third party.

Also, as the driver of the vehicle may not be able to take on the entire liability, the Motor Vehicles Act has made third party motor insurance mandatory so that the injured third party receives adequate compensation.

A motor insurance policy is an annual



contract, which requires renewal every year. In case one misses out on renewing the policy, it will lapse. This would mean following the applicable procedure while buying a new policy. To apply for a third party motor insurance or a liability only cover, the process is simple and an insurance company will offer the policy even after a break in. However, any claims arising during the period when the policy is not in force will not be covered. Opting for a comprehensive motor insurance policy, which will also cover damages to the vehicle, one has to go through a slightly longer process.

For renewing the lapsed policy for a two-wheeler, one can take the vehicle to the nearest branch of the insurer, or reach out to an insurance agent or the banking partner for the renewal. However, the company will get a physical inspection done for the vehicle before they renew the policy. The inspection is done to document any pre-existing damages to the vehicle during the break in period. The insurer may at their indiscretion not cover these damages though it may decide to in-

sure the vehicle. The insurer may also charge a higher premium for a vehicle whose policy has lapsed or may even decide to reject the insurance proposal if there are any discrepancies in the proposal submitted.

It is therefore advisable to ensure that a two-wheeler is insured at all times without any break-in renewals. As for policies lapsed for over 90 days from the date of expiry, one will also lose out on the no-claim bonus that one may have otherwise accrued, which can add up to a substantial loss.

Insurers have in the recent past launched some convenient options to encourage and ensure that two-wheeler owners renew their insurance policies and are covered against risks. Here is a helpful guide on different ways to renew motor insurance policy and to avoid a lapse.

**Online Renewal**

Majority of insurance providers today have created simple interfaces on their websites through which one can directly renew policies online. All one has to do is log on to

the insurer's website and fill in the required details, including vehicle registration number, policy details and information pertaining to any add-on cover that one may have opted for. The policy will be renewed at the completion of this procedure and documents will be sent via email and one need not face the hassle of getting the vehicle inspected and surveyed.

However, the risk cover will commence three days after the day the policy is bought and any claims registered before this period will not be covered. These interfaces today are mobile compatible as well and provide ease of transaction. One can also compare premiums and purchase it through the websites or portals of online insurance aggregators.

**Mobile Apps**

One can easily renew his two-wheeler policy through the mobile app of the insurance company. Almost all major insurers have their own apps which make it very convenient for vehicle owners to renew their covers.

**Long-Term Two Wheeler Policy**

Recently, some insurers have launched three-year motor insurance policies for two-wheelers, so that they can lock in the same premium rate for three years without the impact of fluctuations in third party premium and there is no hassle of renewing the policy every year.

The high incidence of road accidents in India make it absolutely necessary to ensure that a two-wheeler is adequately insured, not just with the compulsory third party motor insurance cover but also a comprehensive cover to protect any damages to the vehicle. Additionally, with the Motor Vehicles (Amendment) Bill imposing stricter penalties on driving without insurance and the government getting stringent on its implementation, consumers need to ensure that their two-wheeler is on the road with a valid cover for worry-free rides.

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