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Ask THE EXPERT

Tapan Singhel

MD & CEO, Bajaj Allianz General Insurance



GENERAL INSURANCE

Previous owner's motor insurance can be transferred

If I buy a second hand car can I transfer the previous owner's insurance in my name? Will I get all benefits such as no claim bonus? Shashank Moitra

You can transfer the motor insurance policy of the previous owner to your name. You need to produce the Registration Certificate if the same has been transferred in your name or Form Number 29 and 30 to the insurance company for transferring motor insurance. After producing the proof of sale, you need to share the No Objection Certificate from the previous owner to transfer the insurance under your name and pay the difference amount of No Claim Bonus (NCB) on pro-rata basis for the balance policy period, to the insurance company, along with the transfer charges.

The NCB is linked to the owner and not the car, hence you are not eligible for the NCB earned by the previous owner on the vehicle. However, the NCB of your previous car can be reserved through an NCB reservation letter obtained from your insurance company which is valid for a period of three years. So, in case you are selling a car whose insurance policy has an NCB on it, it would be advisable to take the benefit of NCB and pass it to the insurance policy of the vehicle that you are buying. You also need to keep in mind the fact that the NCB remains active on a policy only for up to 90 days, post expiry of the policy.

How useful is a health insurance policy with restore benefit? Is it more expensive than a regular health insurance policy? Kiran Bhide

Restoration benefit is an inbuilt cover in some health insurance policies. This benefit is triggered after the insured consumes the complete sum insured for a single or multiple claims. It is mostly triggered in case of major illness or terminal illness like cancer, kidney failure, or major accidents, etc. This add-on cover is quite beneficial as it helps keep your premium within the stipulated budget and at the same time you can avail the benefit of additional cover. It is important to note that there are two types of sum insured restoration, one which allows restoration for the same illness claims and the other which doesn't allow restoration for the said major illness where the sum insured has been exhausted, hence, choose your health insurance plan wisely.

Is roadside assistance part of the motor insurance policy? Or do I have to buy it separately? Gautam Nerurkar

Roadside assistance is an add-on cover, which you need to buy separately along with your motor insurance policy. This service is quite beneficial as it offers direct towing service in the event of problems, such as puncture, vehicle running out of fuel, flat battery assistance and other emergency situations. I feel that one must have this add on feature as it provides a more comprehensive coverage to your basic motor insurance policy where insurers provide services 24/7 and the premium is very low, thus taking care of the affordability factor and ensuring a peace of mind for you and your loved ones.



Send your queries related to general insurance to personalfinance@dnaindia.net.