

**Date:** 02.09.2023

**Publication:** Money 9

**Headline:** - Motor insurance add ons can help you safeguard your car's valuables at little extra cost

[Motor insurance add ons can help you safeguard your car's valuables at little extra cost](#)



Whenever we think about car insurance, we often limit ourselves to third-party insurance, which is a legal necessity. But apart from this, your car also needs comprehensive insurance, and a few add-ons. Says Kunal Jha, Head -Motor Product, Digit General Insurance, "Although a comprehensive plan promises complete protection, it's advisable to consider specific add-ons at an additional cost for extended coverage."

These help you safeguard aspects not directly covered by your insurance, but can prove extremely expensive, like breakdown assistance, damage restricted to your car's tyres, engine, keys amongst others. However, such add-ons can only be availed on comprehensive and standalone own-damage car insurance, and not on third-party insurance.

Here are some motor insurance add-ons you can benefit from. First off, we have Roadside assistance cover.

It is quite possible that you might find yourself in a situation like Sajal. This cover, also known as breakdown cover, lets you access round-the-clock repair support, towing facilities, flat battery/tyre replacements, medical and interim accommodation/ travel assistance across India, for a small sum. You can buy this add-on at Rs 50 from HDFC Ergo or Rs 130 from SBI General, for a WagonR.

Next, we have the Engine, GearBox, Tyre Protect Cover. Be it electric vehicles or normal ones, batteries make up for a substantial chunk of your vehicle's total cost. The average cost of replacing your electric car's battery in India is about Rs 5,00,000. Says Mr. T A Ramalingam, Chief Technical Officer, Bajaj Allianz General Insurance, "The battery is a major component, contributing 50% to the EV cost. In EVs, the battery is usually in the chassis level and if water enters, you will have to replace the battery, which is a heavy cost to the customer."

Generally, insurers offer engine protection cover only in case of accidents. But what if your car's engine malfunctions because of internal faults, like oil leakage or water seepage? In such a case, a specific engine cover can help. Similarly, a tyre protect cover will cover for accidental damages and replacement costs of the tyres.

Third, there's the return to invoice cover. Have you thought of what will happen if your car gets stolen, or is damaged beyond repair? Under your normal comprehensive motor insurance, the maximum amount you can claim in this case is the car's IDV or its Insured Declared Value. Think of this as the current market value of your car. So, say you paid Rs 7,80,000 as on-road price for your Tata Nexon in 2017. Now, your car begins depreciating the moment it rolls out of the showroom. So, 6 years down, this has reduced its market value to Rs 3,00,000.

If your car gets stolen now, you'll only get Rs 3,00,000 under your regular insurance. But having a return to invoice cover means your compensation will be Rs 7,80,000 i.e. the original amount you paid, including registration costs, road taxes and more. While this sounds lucrative, remember that policy premiums with RTI cover are about 10% higher than those without RTI. But it's worth it if you live in areas seriously prone to natural disasters like floods, earthquakes.

Next in line is depreciation cover. Let's continue with our 2017-bought Tata Nexon. It gets grievously bumped, and you end up spending Rs 20,000 towards its repair. In ordinary circumstances, the company will first calculate the depreciation on affected parts and then compensate you, which will amount to less. But with a depreciation cover, you will get the entirety of your claim, sans any depreciation. The cover is helpful if you have a car less than 5 years old, and you do not wish to personally spend a lot on its repairs.

Ramalingam says that when a motor claim is being settled, this depreciation/wear tear on your car's part in question is calculated. This brings down the ultimate compensation you receive". But with a depreciation cover, you get the full value of the part on which you've raised the claim. Just like you care for your baby, your car also demands that extra mile of protection, which you can get with these add-ons!