

Sum Insured and Premium

The sum insured of a vehicle in a Motor Policy is referred to as Insured's Declared Value (I.D.V.).

In case of theft of vehicle or total damage beyond repairs in an accident, the claim amount will be determined on the basis of the IDV. The IDV of the vehicle is fixed on the basis of the manufacturer's / dealer's listed selling price of the brand and model of the vehicle proposed for insurance at the commencement of insurance / renewal and adjusted for depreciation as per schedule.

IDV of vehicle which is beyond 5 years of age and of obsolete models of the vehicles (i.e. models which the manufacturers have discontinued to manufacture) is determined on the basis of an understanding between insurers and insured.

Rating / premium calculation depends on factors like the Insured's Declared Value, cubic capacity, geographical zone, age of the vehicle etc.