

The motor insurance policy establishes premium ratings based on factors such as the Insured's Declared Value (IDV) of the vehicle, cubic capacity, registration zone, and vehicle age, with additional premiums applicable for electrical and electronic items, CNG/LPG fuel, add-on covers, and extra benefits. Depreciation rates for determining IDV vary by vehicle age, ranging from 5% for vehicles not exceeding six months to 50% for those over four years, while vehicles older than five years or obsolete models require mutual agreement for IDV determination. In the case of ownership transfer, the Liability Only cover automatically transfers to the new owner, whereas the 'Own Damage' portion necessitates a transfer endorsement requested within 14 days; if requested later, the endorsement takes effect from the request date, and the transferee must provide written notice and may need to complete a new proposal form. The policy includes two coverage types: Own Damage and Liability to Third Party, with specified limits for third-party claims and an option to increase Third Party Property Damage (TPPD) cover for an additional premium. Policy conditions mandate immediate written notice of loss to the insurer and that the driver possesses a valid driving license at the time of the accident.

Premium rates differ by vehicle type and zone, with specific rates for private cars, two-wheelers, and commercial vehicles, including goods-carrying and passenger-carrying vehicles, adjusted based on age and cubic capacity. Additional coverage options for fire and theft are available, with defined deductibles and premium rates. The policy outlines various coverage options and premium rates for motorcycles, private cars, and miscellaneous vehicles, categorized by engine capacity, with minimum premium requirements ensuring coverage is not issued below specified values. Exclusions from coverage encompass consequential loss, depreciation, wear and tear, mechanical breakdowns, and damages incurred while under the influence of alcohol or drugs, as well as losses occurring outside the geographical area or due to war-related events. The policy specifies conditions for No Claim Bonus (NCB), which can be influenced by claims made during the policy period, and outlines applicable depreciation percentages based on vehicle age.

Add-on covers are available, including Nil Depreciation, which prevents depreciation deductions on repair claims for vehicles up to five years old, and Personal Effects coverage for loss of personal items in the vehicle. Other add-ons include Alternative Car Benefit, Return to Invoice Coverage, and Engine Protection Cover, each with specific eligibility criteria and premium rates based on vehicle age and type. Claims must be supported by various documents, including a completed claim form, repair estimates, vehicle documents, and proof of the driver's license, with additional documentation required for theft claims, such as FIR verification. The policy emphasizes that claims must be valid under the policy terms for benefits to be payable and requires several documents for claims processing, including a FIR lodged by the insured, proof of existence, the original insurance policy, a final untraceable report from the court, keys, a no-objection certificate from the financier, an NCRB report, and various post-approval documents like subrogation and indemnity forms.

General regulations include the extension of geographical coverage to neighboring countries for an additional premium, specific provisions for vintage cars manufactured before 1940, and varying depreciation rates for parts in partial loss cases based on material type. The policy outlines geographical zones for vehicle classification, with different zones for private and commercial vehicles, and sets minimum premiums at Rs. 25 for vehicles used by disabled individuals and Rs. 100 for others. Liability coverage can be automatically transferred for liability-only policies, while the own damage portion requires consent. The no-claim bonus (NCB) can reach a maximum of 50%, with specific conditions for maintaining benefits and a zero NCB upon a claim. Discounts are available for members of the Automobile Association, and compulsory personal accident cover for the owner-driver is mandated, with premiums specified for different vehicle classes. Third-party property damage liability limits are set at Rs. 1 lakh for two-wheelers and Rs. 7.5 lakhs for other vehicles, and an extra premium of 4% on the value of any electrical or electronic fittings added after purchase will be charged.