

## What is Commercial Vehicle Insurance?

A Commercial Vehicle Insurance is a motor insurance policy to cover for damage and loss caused to and by a commercial vehicle. Owner of the vehicle and driver who drives the vehicle. This could include damage and losses in situations as accident, collisions, fires, theft, natural calamities, etc. it is mainly for all type of business to buy a commercial vehicle insurance for their vehicles, such as for auto rickshaws, cabs, pickups, trucks, tractors, school buses, commercial vans, jcb, harvester and amongst other.

## Why do you need Commercial Vehicle Insurance?

- If you have any commercial vehicle or have many vehicles, it is compulsory and essential to have commercial vehicle insurance that will help you in terms of financial and cover your vehicle from any loss and damages to your vehicle and the people using it like the driver and who drives it.
- If your own primary business involves the use of commercial vehicles or you own a loading or any commercial vehicle, such as regular cab service or a private school bus, a commercial vehicle insurance assures your stakeholders and passengers that they'll always be protected and covered for.
- As a mandate by law of India, it is compulsory to atleast have a liability only (Third party) policy in place that protects third-parties property and person as per conditions and company guidelines also a losses that could be caused by your commercial vehicle.

## Why choose a Commercial Vehicle Insurance Policy from bimaspot.com?

Usually online policies are often 30% to 80% cheaper than the offline agent policy and plans. This is because insurance companies are able to reduce their overheads and eliminate agents' commission while selling online policy.

## What's covered in Commercial Vehicle Insurance?

### Blocks:-

**Accident** - Damages caused to the commercial vehicle in case of an accident.

**Theft** - Loss or damage to the commercial vehicle due to theft.

**Fire**- Damages caused to the commercial vehicle due to a fire.

**Natural Calamities** - Damages caused to the commercial vehicle due to any natural calamity

**Personal Accident** - If there is an accident of the commercial vehicle, leading to an injury or death of the owner or paid driver.

**Third Party Losses** - Any damages caused by the commercial vehicle to a third party person or any property.

**Towing Disabled Vehicles**- Any damages caused to the vehicle by the commercial vehicle to the vehicle being towed.

## Add-ons available with Commercial Vehicle Insurance

**NOTE :- Below add-on covers only avail when Opted while buying the policy.**

### Blocks:-

**Consumable Cover**- A consumable cover will give your commercial vehicle protection beyond just the usual. It covers your vehicle parts 100% like glass, metal, fibre, plastic at the time of accident repair.

#### **Parts Depreciation Protect -**

Your vehicle and its parts can depreciate in value over time because of accidents as well as its wear and tear and this amount is usually deducted from any claim.

**Depreciation Protect** - This add-on ensures that this depreciation will be covered on any replaced vehicle parts (like rubber or fibreglass parts, Plastic, Denting Painting) in the case of an accident.

#### **Engine and Gearbox Protect -**

Your vehicle's engine or gearbox gets damaged in an accident, due to things like water regression or leakage of lubricating oil. This add-on will help cover any consequential damages caused after the accident (but because of it), for example engine damage due to hydrostatic loss, which is not covered in a standard policy.

#### **Breakdown Assistance – commonly known as Roadside Assistance-**

In this Feature whenever you face a breakdown of your vehicle on the road, due to an accident, flat tires, malfunctioning battery, or more, with selected insurer (If opted) **breakdown assistance** add-on, you can get the benefit of getting assistance 24x7.

#### **Loss of Revenue-**

For many, vehicles are essential for work. This add-on helps to compensate you for any loss of Personal belonging income that could occur while your commercial vehicle is not available when it's being repaired due to damages.

#### **Additional Towing Expenses-**

Any damages caused to the vehicle by the commercial vehicle to the vehicle being towed.

When your vehicle is in an accident, if not in condition it will need to be towed to a garage to be repaired. Under this add-on, the insurer will cover for additional expenses that you might have while your vehicle is being moved from the spot of accident to the nearest garage or place of safety.

#### **EMI PrCoverotection**

If your vehicle is taken on a loan and is damaged by an accident, and it's sitting in a garage for repair that might mean a loss for your business. Through this add-on, you will be paid regular EMIs payable to the financier of the vehicle recorded in the insurer book, in condition of 1 EMI will be paid.

#### **Return to invoice - Passenger Carrying Vehicle**

If the insured vehicle is a total loss or constructive loss or is stolen, the policyholder will be compensated under this add-on cover the compensation can be in the form of payment for a new vehicle at the prevailing ex-showroom price or If exactly same make, model, variant is discontinued Company's Liability will be limited to the difference between the last available Ex-Showroom Price and claim payable under OD section of the Base Policy.

#### **Key and Lock replacement - Passenger Carrying Vehicle**

There are instances when the vehicle's lockset needs to be replaced or the keys are misplaced and lost. In such scenarios, this add-on cover helps the policyholder get compensated for the cost incurred to get the vehicle's locks and keys replaced, installing a new lockset etc. in the insured vehicle.

## **Additional Coverages Endorsements Available**

### **Blocks:-**

#### **Personal Accident Cover -**

If something happens to the person sitting with you in the vehicle, in an unforeseen accident this cover is a fall back to cover for the same.

If you don't have a Personal accident cover (PA cover), you can include it within your commercial insurance policy plan as having a personal accident cover is mandatory by law. This provides coverage for bodily injury in partially or permanent disability or death of the owner-driver in case of an unfortunate accident.

#### **Unnamed PA Cover-**

#### **Legal Liability-**

This cover has you protected against any legal liability that arises against you due to an injury caused to your employees / someone who works for you.

#### **IMT 23-**

This cover helps cover for losses or damages to lamps, tyres, tubes, mudguards, bonnet, side part bumpers, headlights and paintwork in all cases, even if the vehicle is partially damaged.

#### **Electrical Accessories-**

This cover is for those who have fitted any electrical accessory in their vehicle, which is outside fitted and not a part of manufacture, this will cover those accessories.

#### **Non-Electrical Accessories-**

If you've fitted any non-electrical accessory in your vehicle which is not a part of the manufacturer's model, this cover helps cover for those accessories during damages and losses.

#### **Special Exclusions & Compulsory Deductibles-**

On every loss there will be a certain amount which you will have to pay as your share of the loss called the compulsory deductible. This will help you reduce your premium when buying the policy. This will also cover the loss or damage to lamps, tyres, tubes, mudguards, bonnet, side part bumpers, headlights and paintwork if your vehicle is completely damaged.

## **What's not covered?**

It is important to know what's not covered in your commercial vehicle insurance policy so that there are no misses when you make a claim. Here are some such situations

## **Blocks:-**

### **Own Damages for Third-Party Policy holder-**

In case of a Third-Party Liability Only Policy, damages to one's own vehicle won't be covered.

### **Drunk Riding or without a Licence-**

If the owner-driver or a Paid driver of the claimed vehicle is drunk or driving without a valid licence.

### **Contributory Negligence-**

Any damage caused due to contributory negligence of the driver (such as driving when there's an existing flood).

### **Consequential Damages-**

Any damage that is not a direct result of the accident/natural calamity i.e., consequential losses like loss of earnings, loss of market, if already damaged long back etc.

## **Key Features of Commercial Vehicle Insurance**

### **Tabel:-**

<b>Key Features</b>	<b>Benefit</b>
Claim Process	Paperless Claims
Customer Support	24x7 Support
Types of Commercial Vehicles Covered	Cabs and Taxis, Trucks, Lorries, Buses, Auto Rickshaws, School Vans, etc.
Premium	Customised as per type of commercial vehicle & number of vehicles to be insured
Additional Coverage	PA Covers, Legal Liability Cover, Special Exclusions and Compulsory Deductibles, etc

Damages to Third-Party	Unlimited Liability for Personal Damages, Up to 7.5 Lakhs for Property/Vehicle Damages
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## Types of Commercial Vehicles Covered

### Passenger Carrying Vehicle Insurance

Image in left either taxi or any commercial truck would be okay.

- Insurance specifically for vehicles that typically carry one or more passengers, such as **taxis**, cabs, **auto rickshaw**, school buses, private buses, etc.
- Passenger carrying vehicles, especially school buses and regular cabs have a huge responsibility as they carry several passengers on a daily basis.
- A number of India's population's lives and incomes depend on driving these vehicles. Commercial vehicle insurance ensures that they will always be protected against losses, in case of any unfortunate circumstances.

### Passenger Carrying Vehicle Insurance

### Goods Carrying Vehicle Insurance

Image in right either truck or any commercial taxi would be okay.

- Vehicles which carry goods to be transported from one place to another. These primarily include **trucks**, tempos and lorries pickup vans.
- Goods carrying vehicles are usually large in size to a lot of risk due to it. A commercial vehicle insurance not only protects damages and losses to third parties but also protects the owner-driver and the vehicle from losses that can arise out of accidents, natural calamities or other unfortunate situations.
- If your business actively uses trucks to transport goods from one place to another, commercial vehicle insurance also protects losses against any loss or damage of goods that can occur due to circumstances such as natural calamities, accidents, fires, etc.

### Goods Carrying Vehicle Insurance

### Miscellaneous & Special Vehicles Insurance

Image in left either towing or any commercial truck towing would be okay.

- Apart from cabs, taxis, trucks and buses, there are many other vehicles often used for and by business. Some of these may include special vehicles used for farming, mining and construction, among others.

- A commercial vehicle insurance for the same will protect the insured vehicle from any damages and losses caused to and by the vehicle and its respective owner-driver.
- Given the both the investment and size of these vehicles, it's always a safer choice to insure the same with a commercial vehicle insurance. This way, the business or sole proprietor will lessen its risk and protect itself from any financial losses that could occur due to unfortunate mishaps.

## Type of Commercial Vehicle Insurance Price

On your requirement of your commercial vehicle insurance, Primarily offer two types of policies. However, considering the risk and use of commercial vehicles, it's recommended to take a standard package policy that will financially protect your own commercial vehicle, and the owner-driver using a paid driver is also a third party as well.

**Table:-**

	<b>Liability Only</b>	<b>Standard Package</b>
If any damages caused by your commercial vehicle to any third-party person or property	YES	YES
If any damages caused to any third-party person or property by the vehicle being towed by your insured commercial vehicle	YES	YES
Loss or damages to own commercial vehicle due to natural calamities, fire, theft or accidents.	No	YES
If owner driver doesn't already have a personal accident cover from before	YES	YES
	<b>Get Quote</b>	<b>Get Quote</b>

## How to file a claim?

In case of filing the claim you need to file it to direct insurer what you choose at the time of buying an insurance policy for your commercial vehicle policy, we can also help you if you find it difficult to file the claim for your particular vehicle.

Keep your details such as policy number, location of the accident, date & time of the accident, and contact number of the insured/caller handy to make our process easier.

## How fast are Insurance Claims Settled?

This is the first question that should come to your mind when switching your insurance company. Good you're doing that!

[Read Claims Report Card](#)

## Know more about Commercial Vehicle Insurance

[Drop down FAQ's list.](#)

### Why should I buy Commercial Vehicle Insurance for my business?

Whether you're using a vehicle as part of your primary business or not, it's important to safeguard all vehicles being used for commercial purposes. While a liability only or third party policy is already a mandate by law, having a standard package policy ensures your vehicle, paid driver and owner-driver are also financially protected in the case of any unforeseen circumstances such as natural calamities, fire, theft and accidents.

If your business is asset heavy due to the vehicles used, you must have a standard package policy in place. This not only protects the owner-driver but also financially protects your business from any possible losses. After all, businesses are full of risks. A commercial vehicle insurance will at least protect you from one of them.

### Is Commercial Vehicle Insurance important?

Yes, commercial vehicle insurance is important for several reasons:

**Legal requirement:** In many jurisdictions, having commercial vehicle insurance is a legal requirement for vehicles used for business purposes.



**Financial protection:** Without insurance, businesses would be responsible for bearing these costs out of pocket, which could be financially burdensome or even result in significant losses.

**Liability coverage:** Accidents involving commercial vehicles can lead to property damage, bodily injuries, or legal claims from third parties. Commercial vehicle insurance offers liability coverage, protecting businesses from potential lawsuits and the associated costs of legal defense or settlement.

**Business continuity:** If a business heavily relies on its vehicles for operations such as transportation, delivery, or service provision, any disruption or loss of these vehicles can significantly impact the business's continuity. Commercial vehicle insurance helps minimize downtime by providing coverage for repairs, replacements, or temporary vehicle rentals, allowing businesses to resume operations more quickly.

**Customized coverage:** Commercial vehicle insurance offers tailored coverage options that cater specifically to the risks associated with commercial vehicle use. This ensures that businesses have the appropriate protection for their unique needs, which may not be adequately addressed by personal auto insurance policies.

**Peace of mind:** Having commercial vehicle insurance provides peace of mind to business owners and operators, knowing that they are protected financially in case of unforeseen events or accidents involving their vehicles. This allows them to focus on their core business operations without constant worry about potential financial liabilities.

Overall, commercial vehicle insurance is important as it helps businesses comply with legal requirements, protects them financially, safeguards against liability claims, ensures business continuity, provides tailored coverage, and offers peace of mind. It is a crucial component of risk management for businesses that utilize vehicles for their operations.

## How to choose the right Commercial Vehicle

### Insurance online?

Choosing the right commercial vehicle insurance online requires careful consideration and evaluation of your business needs. find below some steps to help you in this.

**Right Insured Declared Value (IDV):** IDV is the value of your vehicle you want to insure, all premiums are dependent on the IDV only while buying or looking for commercial vehicle insurance online or offline please make sure that your IDV is stated correctly.

**Service Benefits:** Consider services such as 24x7 Customer Support and a Wide Network of Cashless Garages, among others. In times of need, these services matter.

**Review Add-Ons:** While purchasing the right commercial insurance for your vehicle, consider the add-ons available to ensure maximum benefits.

**Claim Speed:** It's the most important aspect of any insurance. Pick an insurance company you know will settle claims quickly.

**Best Value:** From the right premium and after services to claim settlements and add-ons; pick a motor insurance that conveniently covers everything you think you will need at the best possible value.

**Business requirements:** Understand your specific business needs and the nature of vehicle usage. Consider factors such as types of vehicle,

**Research insurance providers:** Look for reputable insurance companies that offer commercial vehicle insurance considering their experience, financial stability, customer reviews, and the range of coverage options they provide.

**Compare coverage options:** Review the coverage options offered by different insurance providers. Evaluate the types of coverage available, such as liability third party coverage, own damage coverage, comprehensive coverage. depends on each option that aligns with your business requirements.

**Evaluate policy features and exclusions:** Carefully review the policy features and any exclusions that may apply. Pay attention to deductibles, limits of liability, additional benefits, and any limitations on coverage. Ensure that the policy meets your specific needs and provides adequate protection.

**Get multiple quotes:** Request quotes from multiple insurance providers to compare prices and coverage. Online insurance comparison websites can be useful in obtaining multiple quotes from different insurers in a convenient manner.

**Check for discounts:** Inquire about any available discounts that can help reduce premiums. Many insurers offer discounts based on factors such as a good driving record, vehicle safety features, fleet size, or buying multiple fleet policies.

**Review customer support and claims process:** Consider the quality of customer support provided by the insurance company. Check their reputation for handling claims efficiently and providing prompt assistance when needed.

**Read and understand the policy documents:** Carefully read the policy documents and any terms and conditions associated with the coverage. Ensure that you fully understand what is covered, any limitations, the claims process, and any obligations or responsibilities you have as the policyholder.

**Seek professional advice if necessary:** If you have complex insurance needs or are unsure about certain aspects, consider consulting an insurance broker or agent who specializes in commercial vehicle insurance. They can provide expert advice and help you navigate the options available.

**Make an informed decision:** After considering all the factors above, make a well-informed decision based on your evaluation of the coverage, pricing, reputation, and suitability of the insurance provider.

Remember, choosing the right commercial vehicle insurance is essential for protecting your business, assets, and employees. Take your time, compare options, and ensure you have the coverage that meets your specific requirements.

## How to Compare Commercial Vehicle Insurance Quotes Online?

Comparing commercial vehicle insurance quotes online can help you find the best coverage and pricing for your business. Here's a step-by-step guide on how to compare commercial vehicle insurance quotes effectively:

**Gather necessary information:** Before starting your search, gather relevant information about your business and vehicles. This may include details such as the number of vehicles, vehicle types, usage patterns, driver information, and any specific coverage requirements you have.

**Research reputable insurance comparison websites:** Look for trusted insurance comparison websites that provide quotes from multiple insurance providers. Make sure the website from your compare or buy is reliable and has a good reputation for accuracy and security.

**Enter your details:** Fill in the required information on the comparison website accurately and completely. This typically includes details about your business, vehicles, drivers, and desired coverage.

**Specify coverage requirements:** Clearly state the coverage options you need, such as liability coverage, collision coverage, comprehensive coverage, medical payments coverage, and uninsured/underinsured motorist coverage. This will ensure accurate quotes that meet your specific needs.

**Compare quotes:** Once you've entered your information, the comparison website will provide you with quotes from different insurance providers. Review the quotes carefully, comparing the coverage options, premiums, deductibles, and any additional benefits or limitations associated with each quote.

**Evaluate coverage and exclusions:** Pay close attention to the coverage details and any exclusions mentioned in the quotes. Assess how well each quote aligns with your business requirements and the level of protection you need.

**Consider customer reviews and ratings:** While comparing quotes, take into account customer reviews and ratings of the insurance providers. This can give you insights into their reputation, customer service, claims handling, and overall satisfaction levels.

**Assess the financial stability of insurers:** It's important to consider the financial stability of the insurance companies providing the quotes. Research their financial strength ratings from reputable rating agencies to ensure they are financially sound and capable of meeting their obligations.

**Seek clarification if needed:** If you have any questions or need clarification about the coverage or terms, reach out to the insurance providers directly. Contact their customer care and service or speak with an insurance agent to address any concerns or doubts you may have like IDV or NCB or anything you do not know about the insurance.

**Make an informed decision:** Based on your evaluation of the quotes, coverage, reputation, and financial stability of the insurance providers, make an informed decision that best meets your business needs and budget.

Remember, it's not just about choosing the lowest-priced quote but also ensuring the coverage and service quality are suitable for your business. Take your time, compare the quotes thoroughly, and consider all relevant factors before making a decision.

## Commercial Vehicle Insurance Premium Calculator

A commercial vehicle insurance premium calculator is a tool provided by insurance companies or insurance comparison websites to estimate the premium cost for commercial vehicle insurance. It takes into account various factors that influence the premium calculation. While I can't provide a real-time calculator here, I can give you an overview of the factors typically considered:

**Vehicle details:** The type, make, model, year of manufacture, and value of the commercial vehicles will impact the premium. Certain vehicles may be considered higher risk or more expensive to repair, resulting in higher premiums.

**Vehicle usage:** The purpose of the vehicle, such as transportation, delivery, or hauling, and the estimated annual mileage can affect the premium. Vehicles used for long distances or in high-risk industries may have higher premiums.

**Driver information:** The age, driving experience, and driving history of the drivers operating the vehicles are important factors. Drivers with a good driving record and extensive experience are usually considered lower risk, resulting in lower premiums.

**Coverage options:** The types and levels of coverage selected for liability, collision, comprehensive, medical payments, and uninsured/underinsured motorist coverage will impact the premium. Higher coverage limits or additional coverage options may lead to higher premiums.

**Deductibles:** The deductible is the amount you agree to pay out of pocket while making a claim. Higher deductibles generally result in lower premiums, while lower deductibles can increase the premium.

**Location:** The location where the vehicles are primarily operated or garaged can affect the premium. Areas with higher rates of accidents, theft, or vandalism may have higher premiums.

**Claims history:** The claims history of the business, including any previous accidents or insurance claims, can impact the premium. A history of claims may result in higher premiums due to an increased perceived risk.

It's important to note that each insurance company may have its own specific factors and algorithms for premium calculation. Therefore, using a commercial vehicle insurance premium calculator provided by a specific insurer or insurance comparison website will give you a more accurate estimate based on their criteria.

To get an actual premium quote, you can reach out to insurance providers directly or use online comparison websites that allow you to request quotes from multiple insurers. Provide the necessary details to receive personalized premium quotes based on your specific requirements.

## **Important Things to know before buying a Commercial Vehicle Insurance Policy**

**Coverage options:** Understand the different types of coverage for your commercial vehicle insurance, such as third party liability coverage, first party coverage, comprehensive coverage, medical payments coverage, and uninsured motorist coverage. Assess your business needs and select the appropriate coverage options.

**What is IDV?**

The Insured Declared Value is the maximum amount your insurance provider can pay out in case your car is stolen or damaged beyond repair. This value is determined by the manufacturer's selling price of your vehicle and its depreciation calculated.

What is NCB (No Claim Bonus)?

A No Claim Bonus (NCB) is a discount on premium given to the policyholder for having a claim free policy term. A no claims bonus ranges from a discount of 20-50% and is something you earn at the end of your policy period by maintaining a record of having no accidents caused by your commercial vehicle.

What are Deductibles?

Deductibles are the amount the policy holder is required to pay out during a claim. There are generally two kinds of deductibles; one that is compulsory and the other, the voluntary claim- that you can opt and choose according to how much your business can bear per claim.

The higher your voluntary claim, the lower is your premium. However, while choosing a voluntary deductible amount- make sure it is an amount you'll be able to afford in case a claim arises.

What is a Cashless Claim?

If you opt to get your commercial vehicle repaired with a Digit Authorized Repair Center, we will make the payment for the approved claim amount, directly to the Repair Center. This is a Cashless Claim.

Please note, if there are any deductibles, like a Compulsory Excess/ Deductible, any repair charges for which your insurance doesn't cover you or any depreciation costs, that is to be paid by the insured's own pocket.

What do you mean by a Third-Party Liability?

A Third-Party Liability is when your commercial vehicle damages a third-party property, person or vehicle. In this case, your insurance policy (Liability only policy/Standard Package Policy) is liable to financially cover for the losses incurred towards it

Legal requirements: Familiarize yourself with the legal requirements for commercial vehicle insurance in your jurisdiction. Ensure that the policy you choose meets the minimum insurance requirements mandated by law.

Vehicle information: Provide accurate and detailed information about your commercial vehicles when applying for insurance. This includes vehicle make, model, year, usage, and any modifications. The accuracy of this information ensures appropriate coverage and accurate premium calculation.

Driver details: Disclose accurate information about the drivers who will be operating the commercial vehicles. This includes their driving records, experience, and any relevant qualifications. Providing false or incomplete driver information can impact the validity of the insurance policy.

**Exclusions and limitations:** Review the policy documents to understand the exclusions and limitations associated with the coverage. These may include specific types of accidents or damages that are not covered, as well as any restrictions on vehicle usage or driver qualifications.

**Deductibles:** Determine the deductibles associated with the policy. A deductible is the amount you agree to pay out of pocket before the insurance coverage comes into effect. Consider your budget and risk tolerance when selecting the deductible amount.

**Policy limits:** Understand the policy limits for each coverage type. Policy limits represent the maximum amount the insurance company will pay in the event of a claim. Ensure that the limits are sufficient to cover potential losses and liabilities.

**Premiums:** Consider the premium cost associated with the policy. Premiums can vary based on factors such as vehicle type, usage, driver records, and coverage limits. Compare quotes from multiple insurers to get a sense of the premium range and choose a policy that provides the best value for your business.

**Claims process:** Familiarize yourself with the claims process of the insurance company. Understand the steps involved in filing a claim, the required documentation, and the timeframe for claim resolution. A smooth and efficient claims process is crucial when you need to make a claim.

**Insurance provider reputation:** Research the reputation and financial stability of the insurance provider. Look for reviews, ratings, and customer feedback to gauge their reliability and customer service track record. Choose an insurer that has a solid reputation and a history of prompt and fair claims handling.

**Additional benefits:** Inquire about any additional benefits or services offered by the insurance provider. This could include roadside assistance, loss of use coverage, or fleet management tools. Assess if these additional benefits align with your business needs.

## Commercial Vehicle Insurance Premium Calculator.

Commercial vehicle insurance premiums are typically calculated based on various factors, including the type of vehicle, its usage, the driver's history, and the coverage options selected.

Below are some factors that influence commercial vehicle insurance premium:

**No Claim Bonus:** It is a discount on your premium if you have not made any claim in your previous history. If you've already had commercial vehicle insurance before and if you wish to renew your policy or get a new insurer- then in this case your NCB (No Claim Bonus) will also be considered, and you will get a discounted premium in your insurance!

**Vehicle Information:** The make, model, year, and value of the vehicle are considered. Generally, more expensive or high-performance vehicles like big trucks and other high end vehicles will have higher premiums.

**Vehicle Usage:** The purpose of the vehicle and its usage play a role. For example, a delivery van might have a different premium compared to a truck used for construction work.

**Coverage Options:** The type and level of coverage you choose affect the premium. Common coverage options include liability coverage, collision coverage, comprehensive coverage, and uninsured motorist coverage.

**Deductibles:** The deductible is the amount you agree to pay out of your pocket while buying insurance. Higher deductibles leads to lower premiums, while lower deductibles result in higher premiums.

**Location:** The geographic area where the vehicle will be primarily used impacts insurance premiums. Areas with higher accident rates or theft rates tend to have higher premiums.

**Claims History:** If your business has a history of making claims on commercial vehicle insurance, it can affect the premium. Frequent claims may lead to higher premiums.

## Important Things to know before buying a Commercial Vehicle Insurance Policy

Before purchasing a commercial vehicle insurance policy, you should know these factors and must consider. some main key points to keep in mind while buying or comparing:

**Check Coverage Types:** Understand the different types of coverage available for commercial vehicle insurance, such as liability (third party insurance) coverage, collision coverage, comprehensive ( full insurance or first party insurance) coverage. Determine which types of coverage are necessary for your specific business needs.

**State and Legal Requirements:** Familiar yourself with the insurance requirements mandated by your state or region for commercial vehicles. Each jurisdiction or RTO



may have specific minimum coverage limits or other legal obligations that you must meet.

**Vehicle Information:** Provide accurate and detailed information about your commercial vehicle(s) to the insurance provider. This includes vehicle make, model, variant, year, identification number (VIN), and any modifications or accessories added to the vehicle. The insurer will use this information to determine the appropriate coverage and premium.

**Usage and Business Information:** Clearly communicate the purpose of the commercial vehicle(s) and how they will be used for business activities. Different usage scenarios, such as transportation, delivery, or construction, may require specific coverage options.

**Insurance Limits and Deductibles:** The deductible is the amount you agree to pay out of your pocket while buying insurance. Higher deductibles leads to lower premiums, while lower deductibles result in higher premiums.

**Additional Coverage Considerations:** Evaluate if you need any additional coverage options beyond the basic ones. For instance, you might need coverage for specialized equipment, hired or non-owned vehicles, or cargo insurance if you transport goods.

**Compare for best price and coverage:** Obtain quotes from multiple insurance providers to compare coverage options, premiums, and customer reviews. It's important to select a reputed insurer with good customer service and a strong claims handling process.

**Exclusions and Limitations:** Read the policy documents carefully to understand any exclusions, limitations, or specific conditions that may affect your coverage. Be aware of any situations or circumstances that might result in a claim denial or reduced coverage.

**Claim Process and Customer Support:** Research the insurance company's reputation for handling claims and providing customer support. It's crucial to choose an insurer known for efficient and fair claim settlements.

**Review and Update Regularly:** Regularly review your commercial vehicle insurance policy to ensure it aligns with your changing business needs. Inform your insurance provider about any modifications to vehicles, changes in usage, or additional drivers to ensure continuous coverage.

**What is a Cashless Claim?** If you opt to get your commercial vehicle repaired with a insurer Authorized Repair Center, the insurer will make the payment for the approved claim amount, directly to the Repair Center. This is a Cashless Claim.

**What is Third-Party Liability Insurance ?** A Third-Party Liability is when your commercial vehicle damages to a third-party or unknown property, person or vehicle. In this case your insurance policy (Liability only policy/Standard Package Policy) is liable to pay cover for the losses incurred towards it.

## **How is Commercial Vehicle Insurance different from regular Car Insurance?**

Commercial vehicle insurance for cover vehicles used for business and public transport purposes, such as transporting goods, making deliveries, or providing services. Regular car insurance is meant for personal use vehicles used for commuting. It also often requires higher liability coverage limits compared to personal car insurance. This is because commercial vehicles typically carry more risk due to their business use and may need increased protection in case of accidents or damages. Price are usually higher than the private car insurance price it usually depends on vehicle use and segment of the vehicle also it is decided by the IRDA itself. It may have stricter requirements regarding driver qualifications and driving records. RTO signed different type of driving licence for commercial vehicle and for private car light weight licence and legal requirements imposed by local or regional authorities for businesses operating commercial vehicles. These requirements can vary by jurisdiction and may include minimum coverage limits or other regulations that businesses must comply with.

## **Why is it important to buy/renew Commercial Vehicle Insurance?**

It is very important to buy or renew you commercial vehicle insurance for below reasons:

In most jurisdictions, having valid auto insurance is a legal requirement for operating a commercial vehicle. If insurance is not there and coughs by cops will get you high fines and penalties, and even the suspension of your business operations. By purchasing and renewing commercial vehicle insurance, you ensure that you legit

with the legal obligations and maintain the necessary coverage to protect your business.

Commercial vehicle insurance provides financial protection in case of accidents, fire, theft and damages to your commercial vehicles. Insurance coverage will help you to cover the costs of repairing or replacing your vehicle's damage, as well as any property damage or human injuries caused to others in an accident. Without insurance you might lose a lot of money as you will be the sole responsible for all those.

## **FAQs about Commercial Vehicle Insurance in India**

### **What is the difference between Comprehensive and Third-party policy in Commercial Vehicle Insurance?**

A third party insurance covers in commercial vehicle insurance only paid drivers, owner drivers if opted and to others who got injured or damaged from your vehicle like human or property.

### **What is a Passenger carrying vehicle?**

Commercial passenger carrying vehicles help people transport from one place to another. Examples of this include public and school buses, cabs and taxis.

### **What is a Goods carrying vehicle?**

Goods carrying vehicle is used to carry goods to transport from one place to another, it can be private use for business or public goods such as Pick-up trucks and lorries.

### **What is considered as miscellaneous and special vehicles category?**

Vehicle is not used for passenger and goods carrying like crane and tractor and harvester like all machines considered under this category.

### **What should I do if my commercial vehicle gets into an accident?**

**You can directly call in the emergency number if any injury or in damaged condition you can call to the insurer contact number mentioned on your policy paper.**

### **Where can I repair my commercial vehicle in case of damages?**

**Either you can go anywhere if you do not want any cashless facility or you can go to the insurer tie up service centre where you can get cashless service and get your vehicle.**