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## INSURANCE QUERY.



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I am about to buy a new electric vehicle (EV) for the first time and need clarification about the type of motor insurance I need. Are there specific coverages for EVs that I should consider, or would regular motor insurance suffice? How do claims work for battery damage or charging station accidents? Any advice you can give me would be helpful.

Ujwal

As per the Motor Vehicle Act of 1988, having both third-party liability insurance and personal accident cover for owner-drivers is mandatory. Third-party liability insurance covers financial loss or damage caused to another person or property or, in essence, a third party by your vehicle. On the other hand, personal accident cover protects the vehicle owner-driver in the event of an accident resulting in death or



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disability, with a sum insured of up to ₹15 lakh. Additionally, you can opt for passenger cover to insure co-passengers for up to ₹2 lakh per passenger.

For thorough protection against loss or damage to your vehicle, it's essential to consider a comprehensive motor insurance policy that includes both third party and 'own damage' cover. While 'own damage' coverage is optional, it is strongly recommended for all EVs. EVs, like conventional vehicles, are vulnerable to risks such as accidents, fire, theft and natural calamities. A comprehensive EV insurance

policy will cover these risks, similar to any standard motor insurance. However, due to the unique battery-powered nature of EVs, it's essential to consider additional add-on covers for complete protection.

Depending on the insurance company, various add-on coverages are available to protect your EV. One such add-on specifically provides protection for your EV's battery. It includes coverage for damage caused by unexpected power surges during charging. In addition, it covers spontaneous, unexplained and uncontrolled exothermal

electrochemical reactions resulting in the explosion of and/or visible flames and/or smoke from the battery or the battery management system. It also covers damage from water entering the battery and short circuits, including whilst mounting, dismantling or vehicle charging.

We strongly advise purchasing a roadside assistance cover to ensure prompt assistance in case of mechanical or electrical failures, dead batteries, flat tyres or accidents. This coverage provides swift support during unexpected roadside emergencies where the insurance company's assistance partner will come to your rescue. Many insurance companies offer additional support to customers, such as a dedicated 24/7 helpline that answers EV-related queries, on-site charging service and pick-up and drop services, among others.

Additionally, insurers are offering the 'Pay As You Consume' add-on, which is available with your insurance policy. This usage-based insurance lets you choose

coverage based on your vehicle's usage, specifically the kilometres driven, based on which the premium is determined. You can easily add more kilometres through a top-up plan if you exceed the selected kilometre limit. Moreover, you can enhance your protection with add-ons such as zero depreciation cover, consumables cover, key replacement cover, conveyance benefit and towing cover, among others. These ensure that you are fully covered against unexpected repair and replacement costs.

I urge you to carefully review your insurance policy's general conditions and exclusions to ensure that your specific needs are addressed. Additionally, to better understand your insurance and the services available with your insurer, visit your current or prospective insurer's website. Many insurers have ecosystems specifically designed for EVs, which will give you a good understanding of the services offered by your insurer.

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