



Rizvi College of Arts, Science and Commerce

SUBJECT: Foundation Course IV

TOPIC: Home Insurance, Vehicle Insurance, Fire Insurance

CLASS: SYBBI

SEMESTER: IV

By

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2. Features

3. Benefits

4. SBI Home, Vehicle, Fire Insurance

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A large red umbrella is open, covering a row of small white houses with red roofs. The houses are arranged in a line, and the umbrella is positioned above them, symbolizing protection and insurance.

HOME INSURANCE

Chapter 06

Introduction to Home Insurance:



Home insurance, also commonly called homeowner's insurance is a type of property insurance. Home insurance is a necessary precaution one must take when owning a home. If you purchase home insurance you pay a decided premium to have your house insured and protected. It is the way the bank protects themselves financially if the house gets destroyed or damaged.

Features of Home Insurance:

1. Comprehensive insurance coverage protect the home against damage from fire, theft, storms etc.
2. It cover the building and contents also.
3. The value of home is calculated based on replacement cost.
4. If has the option to add coverage for valuable personal property like jewellery, precisions stone etc.
5. It has different optional coverage, so it provide tailor coverage to suit the individual needs and lifestyle.

(1) Cover for the structure

(2) Coverage of additional structure

(3) Cover for personal possessions/property

(4) Cover for alternate/additional accommodation



Benefits of Home Insurance:



Protection
against
natural
disaster

Coverage of
household
belongings

Additional
risks

Coverage of
damage

Other
benefits

SBI Home Insurance:

SBI General Insurance company protect the home of policy holder from various risk. It offer two types of home insurance.

1. **Lone term Home Insurance**, and
2. **Simple Home Insurance**.



(1) Long term Home Insurance:

Long term home insurance policy helps to protect the home. It is designed to cover the loss/damage caused to the residential due to fire and special perils. Provide of the policy is 3 years to 30 years. The key features of this policy are:

- The policy can cover up to a period of 30 years.
- It includes the coverage for earthquake.
- By paying additional premium, terrorism can be covered.
- The rate of premium will depend on area and period of policy.

Coverage:

Coverage of this policy includes the following perils:

- ✓ Fire
- ✓ Explosion/Implosion
- ✓ Riot, Strike. Etc.

Exclusion:

Major exclusion under this policy are:

- ✓ Natural heading
- ✓ Forest fire
- ✓ War and nuclear group negligence.

(2) Simple Home Insurance:

Simple Home Insurance is a comprehensive product which protect the home structure, its content and other related risk like theft, accidental loss, damage. Following are the key features of this policy:

- This policy provides choice to select the different combination of cover.
- The duration of the policy is 3 years.
- Tenants can also take the policy under this plan.
- Add on covers available under fire and special perils.

Coverage:

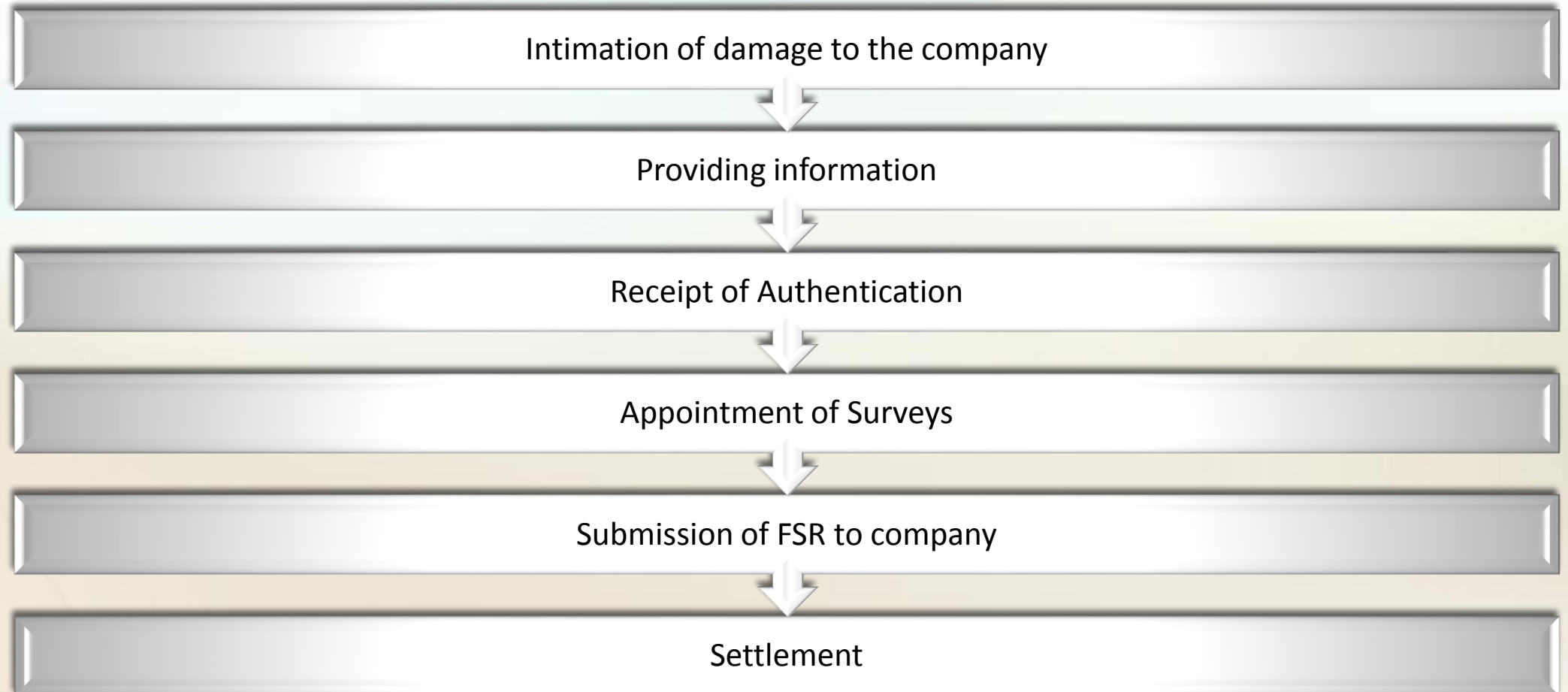
It covers the following Sections:

- ✓ Section 1: Fire and Special Perils (a) Building (b) Contents.
- ✓ Section 2: Burglary and Theft
- ✓ Section 3: Public liability
- ✓ Section 4: Plate Glass
- ✓ Section 5: Baggage
- ✓ Section 6: Breakdown of domestic electrical and electronic appliance
- ✓ Section 7: Personal Accident
- ✓ Section 8: Loss of cash whilst in transit
- ✓ Section 9: All risk cover-Portable Equipment, Jewellery & valuable
- ✓ Section 10: Key Replacement

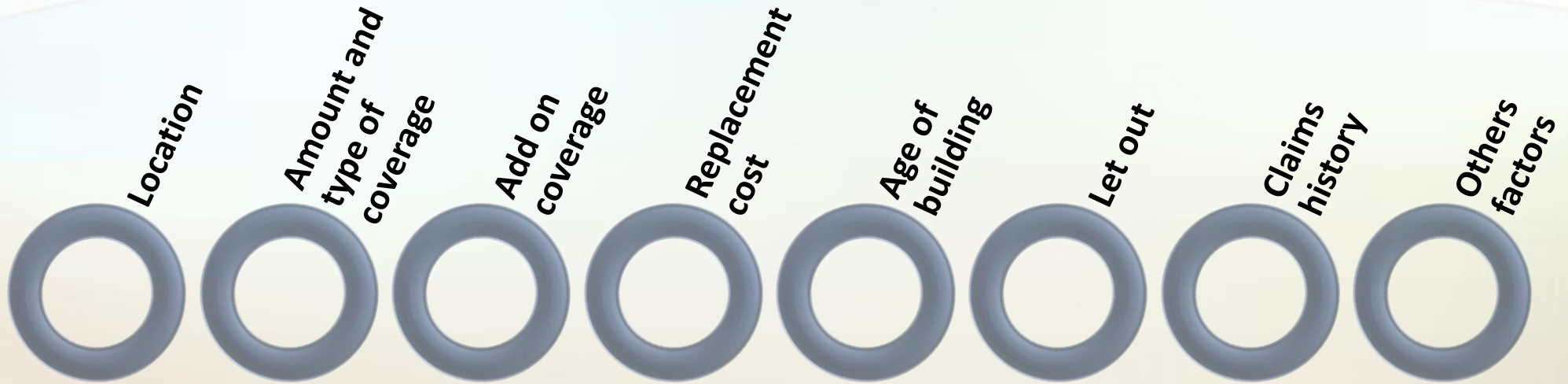
Home Insurance Claim Process:

Following are the process of claim.

Claim Process



Determinants of Home risk Premium:



Catastrophes on Home Insurance:

It is an insurance to protect business and home against natural disasters like:

- earthquake,
- flood and hurricanes,
- man-made disaster (terrorist attacks).



Catastrophe insurance is different from other type of insurance, in this type of insurance it is difficult to estimate the total potential cost of insured loss, and in the event of an catastrophic event, the result is that an extremely large number of claims are filed at the sometime.

Vehicle Insurance

Chapter 07



Introduction:

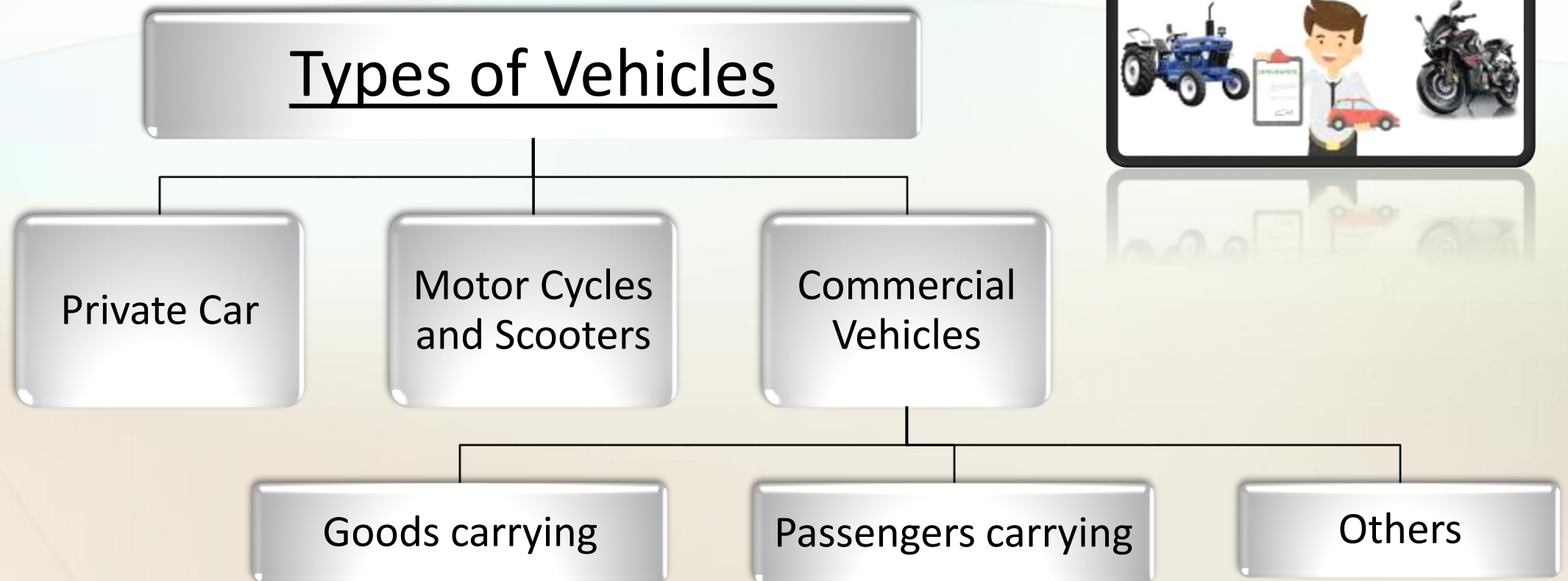


Vehicle insurance is insurance purchased for cars, trucks, motorcycles, and other road vehicles. Vehicle insurance would typically cover both the property risk (theft or damage to the vehicle) and the liability risk (legal claims arising from an accident).

Vehicle/Motor insurance is one of the largest non-life insurance businesses in the world because this insurance is statutory mandated in most of the countries.

In India, the Motor Vehicle Act was established in 1939. later it was amended in 1988.

Types of Vehicles:



Types of Policies:

There are two types of motor insurance policies which are available for all types of motor vehicles.

1. The Act Liability policy/Third party liability (statutory requirement):

- This policy covers the liability as defined in the Motors Vehicle Act.
- Under this type of policy, the insurance indemnifies the insured against all sums.

2. The Comprehensive Policy:

- This policy covers an entire range of risk as defined in the Tariff.
- This policy is also called the 'Package Policy Cover'.

Benefits of Motor Insurance:

Following are the benefits of motor insurance across classes of vehicles:

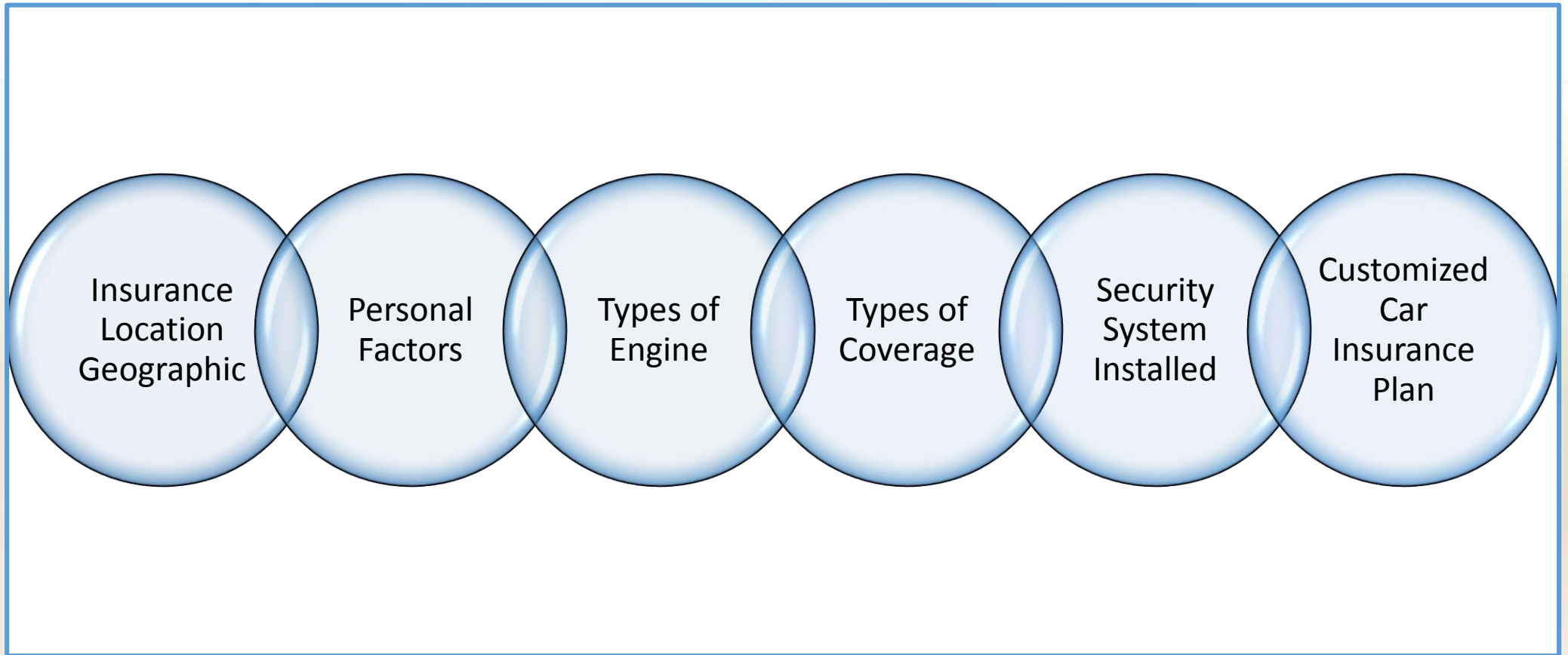
1. It provides benefits to survivors when an accident results in death.
2. It covers the bills of vehicle repairs due to damage caused in an accident.
3. It covers other loss other than accident like theft, fire, etc.
4. It provides third party damage cover also.
5. Extra fittings like CD, air conditions etc. can be added to insurance property in motor insurance.
6. It allows premiums discounts.
7. If no claim is made during the policy period, a 'No Claim Bonus' is offered on renewal with certain conditions.
8. It also provides financial safety for law suits brought against the policy holder as a result of an accident.

Motor Insurance Business in India:

The Motor business continued to be the largest non-life insurance segment with a share of 43.39% in 2015-16 and 48.01% in 2016-17. It reported the growth rate of 13.60% summing the financial year 2016-17. The gross total premium collected from motor insurance segment in 2016-17 is 42593.44 crores. In 2015-16, motor insurance had a high claim ratio of 81.18%. Motor segment was increased 81.18% in the year 2015-16 from the previous year's ratio 77.14%.



Factors affecting Motor Insurance premium:



SBI Motor Insurance:



SBI motor insurance is one of the most trusted general insurance in India. SBI motor insurance provides protection against risks like natural calamities, theft etc. Now a days, motor insurance is mandated by law. SBI general insurance provides tailor made motor insurance plans which fits the needs and provisions that an individual might need for his/her vehicle. It provides following three plan/policy under motor insurance.

- 1) Motor Private Car Insurance**
- 2) Motor Two Wheeler Insurance and**
- 3) Long Term Two Wheeler Insurance Policy**

ICICI Motor Insurance:

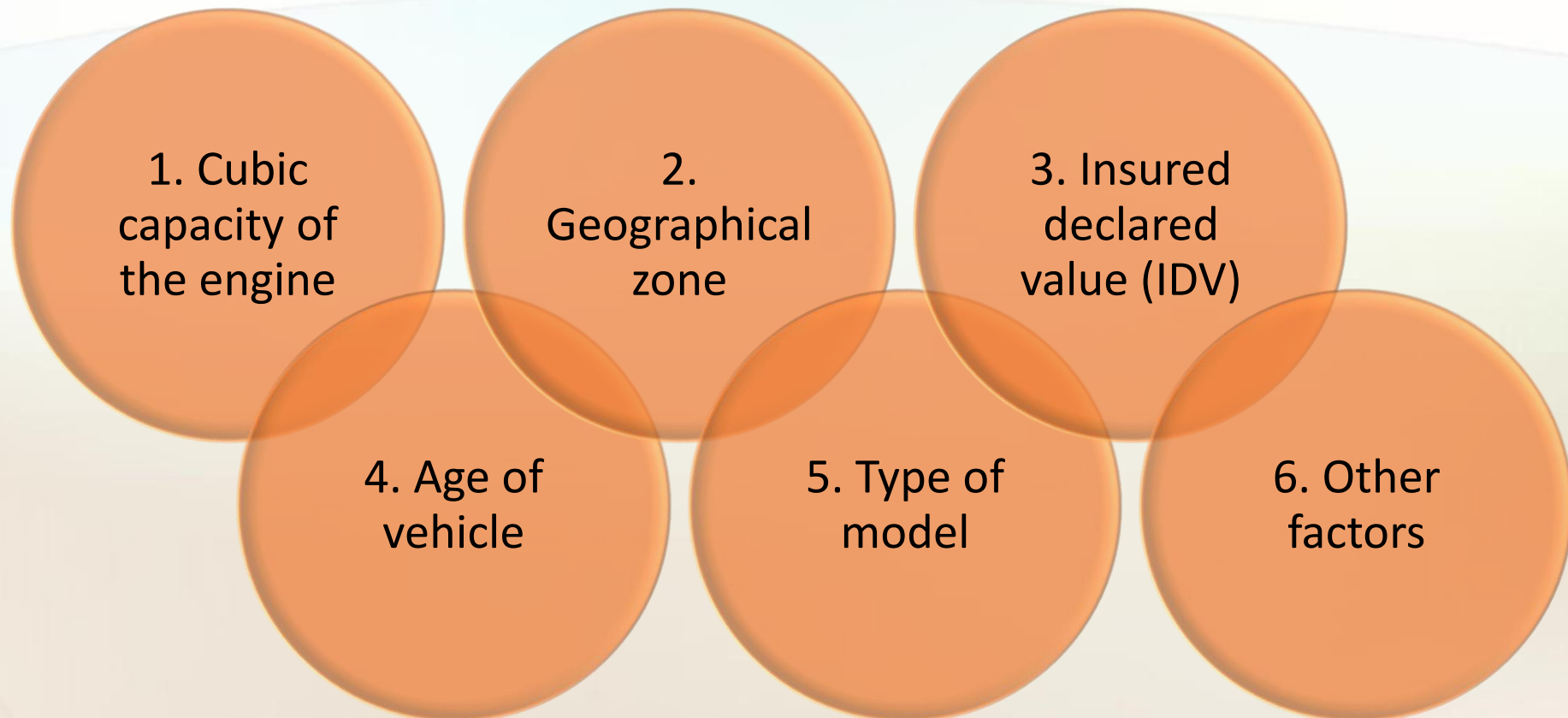


ICICI Lombard offers motor insurance product also to the public. Now it gives the services through online also. The policy can be taken through online and payment also can be made through different options like credit card, debit card, net banking, etc. It offers two plans:

- (1) Car Insurance Policy**
- (2) Two wheeler Policy**

Determinants of Risk premium:

The premium payable for motor vehicle insurance policy depends on the following factors:



Relevant Topics:



1. Road Side Assistance



2. Garage Cash Plan



3. Long Term Two Wheeler Insurance (LTTW)



4. No Claim Bonus (NCB)



Fire Insurance

Chapter 09

Introduction:

A Fire Insurance contract is one whose principle object is insured against loss or damage occasioned by fire. It is an agreement between two parties (i.e.) insurer and insured. It is the insurance obtained by owners of homes and commercial properties to provide reimbursement in case of losses resulting from fire.



Meaning and Definition:



Fire Insurance is a contract to indemnity to the insured for destruction of or damage to property caused by fire. A contract of indemnity and not against accident but against loss caused by fire.

It is defined as “an agreement, where one party in return for a consideration undertakes to indemnify the other party against financial loss which the latter may sustain by reason of certain subject matter being damaged or destroyed by fire.”

SBI Fire Insurance:

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graph TD; A["SBI Fire Insurance:"] --> B["(A) SBI General's Standard Fire and special Perils Insurance Plan"]; A --> C["(B) Consequential Loss (Fire) Insurance"];
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**(A) SBI General's
Standard Fire and
special Perils
Insurance Plan**

**(B) Consequential
Loss (Fire)
Insurance**

ICICI Lombard Fire Insurance:

A. Fire and Special Perils

B. Consequential Loss (Fire) Insurance Policy

C. Industrial All Risks

Introduction Forms and Procedure for Fire Insurance:

(1) Filling of proposal form

(2) Inspection of the property

(3) Payment of premium

(4) Issue of cover note/policy document

Special Policies:

The special policies of Fire Insurance are different types based on the insurance hazards, insured risk, business type, policy rules.

1. Valued policy

2. Valuable
policy

3. Floating
policy

4. Excess policy

5. Special policy

6. Average
policy

7.
Comprehensive
policy

8. Sprinkler
leakage policy

9. Add on
covers policy



Thank You...!