CHAPTER-: VI

Suggestions & Conclusion
CHAPTER 6

I. Suggestions / Recommendations and Conclusion:-

Some important suggestions / recommendations based on the present study are as follows:-

1. All public and private insurance companies should clearly specify their goals, strategies and procedures towards car insurance operations. This will definitely cope up with growing needs of policyholders and will result into mutual benefits to companies and policyholders.

2. There should be wide range of service branches across India for private insurance companies, so that it will provide better assistance services to its customers.

3. Ethical practice should be maintained in highest manner. In order to control fraudulent claims, companies should conduct peer review, but at the same time no genuine claims should be rejected.

4. There is huge scope for car insurance business and companies should create conducive competitive environment in market by continuously exploring new attractive discounts to reach maximum customers.

5. Private along with public insurance companies should allocate sufficient funds on consumer awareness process through Newspaper, Televisions / Internet / Web Media. It will create general awareness among public for car insurance services offered by various insurance companies.
6. Agents are performing a vital role in growth for car insurance business in India, but at the same time it is important that the existing customers should be given superior quality of services by agents, which would create mouth publicity among prospective customers.

7. Companies should design car policies at an affordable low premium Insured Declared Value (IDV) rates for various models of small cars in the market, such initiative will lead towards growth for car insurance business in India.

8. Policyholders should be responsible towards preserving all the necessary papers for processing of claims and keep extra set for future references in case of reimbursement of claims for car insurance. As in today’s times, norms of claims payments are strict procedures by insurance companies.

9. Most of policyholders expect timely payment of its claims. No claim should be kept outstanding for more than 6 months or no payment of claim should be delayed for more than 6 months by any insurance companies. If the procedures are delayed then it has bad reflections on its client’s mind.

10. Technology enabled services provided for car insurance companies needs improvement, especially by public insurance companies, mainly to retain and attract more policyholders in today’s techno- savvy market.

11. Policyholders should have its facts clear and compare the Insured Declared Value (IDV) rates with various insurance companies, along with it companies overall services during purchase of its car policies should be checked. The rules, procedures, and regulations of companies should be examined carefully by policyholders so that during claim occurrence there are no disputes with companies.
12. The car insurance companies should be committed to its policyholders on customer care services by providing assistance to its insurer on certain issues like 24x7 toll free helpline, standard claims reporting via calls, warranty on accidents repairs, cashless claims settlement at network dealers across India, and convenient claim settlement procedures within certain fixed period of time.

13. Insurance companies should critically concentrate on high standard of claim settlement during accident, theft or breakdown of vehicles as these issues are utmost important for policyholders, and companies should oblige with good services.

14. The claim tribunals should have proper time framework of fixed targets for the disposal of claims conflicts. The negligence in settlements of claims or refusal of case should be handled quickly, efficiently and effectively by the claim tribunal's courts.

15. The Quote of many companies “Lower the premium. Better the Quality of service by customer care facilities and Hassle free claim settlements procedures” to its customers is not been followed accurately by companies. The Slogan is important for growth of company's reputations and it needs serious attention by companies to sustain in the competitive market for car and vehicle motor insurance business in India.

However, the suggestions and recommendations arrived on the basis of the present study will overcome the hurdles in growth and development of public and private car / motor insurance companies in India. At the same time, results of study will open new arenas for researchers to carry this study further on various other aspect of vehicle motor insurance in India.
Conclusion

Indian insurance market has undergone major structural changes since 1991 economic reforms. The government monopoly was dissolved, private companies were permitted to operate, and brokers had major role to play. IRDA also regulated its motor tariffs acts since 1999. Indian car insurance market is competitive and growing rapidly in today’s general insurance market. IRDA has played important role in the development of Indian Insurance sector, since the sector opened up in 2000. The Indian economy in general and Indian insurance sector in particular, remained on growth path from 2000 -2007. During the global financial meltdown of 2008-09, insurance sector remained virtually unaffected. As GIC in tough times believes that for growth in non life insurance segment depends on factors like necessity to have reliability, reassurance, responsibility, and GIC also acts as reinsurance partner. In today’s market, issues faced by customers from car / motor insurance companies in India are mix selling by agents through companies where details are not given, delay in claim settlement dispute in process of claim settlements, policy conditions not explained clearly by agents or companies officials, exclusion are not appropriate, delay and non receipt of policies, fraud and fake policy cover note, and companies services delays are current scenario problems. Unfortunately motor insurance also has the highest claim ratio due to third party liability, predominately due to commercial vehicles. In today’s arena the more profitable private car and two wheeler insurance business is mostly targeted by the private insurance companies and commercial vehicles is generally left to public insurance companies, but it is important to keep in mind that public insurance companies are also having huge potential in its growth figures by doing car and two wheeler insurance business in India.

Car / motor insurance not only provide insurance net for vehicle but also provide insurance cover on the life of car owner which is uncertain on the roads while driving car. Car / motor Insurance protects individual in three phases. Firstly, it offers own-damage coverage, meaning that in any event, an individual vehicle has met with an accident and sustained damage, the repair charges of vehicles for the same can be claimed.
Secondly, it offers a personal accident cover for the driver, wherein any personal injury sustained as a result of the accident can be claimed as compensation. Thirdly, it offers protection from legal action, such that legal liability due to accidental damages resulting in the permanent injury or death of a person. People generally tend to insure a car and its accessories with a plan that has affordable premium rates. However, that alone should not be the deciding factor when individual opts for a policy. This is because even though the plan might look feasible it might not necessarily contain all the required needs from the insurer. Car is a possession that faces risks of many kinds which are threats ranging from man-made threats of theft, vandalisation to the natural threats of earthquakes, floods etc. Car is also prone to accidents both by the driver and by the third person. Therefore insurer needs to be careful before opting for policy. Car / motor insurance companies have challenge to satisfy its customers on regularly basis, so they can sustain in the insurance market.

Car insurance market in India has entered a highly competitive state. The presence of both private and public insurance companies and the freedom to decide the premium rates makes it imperative that the insurers follow sound underwriting techniques and change in sustainable premiums. It is therefore essential for them to ensure the information at their disposal is accurate and up to date for appropriate decision making. It requires statistics of previous underwritten risks. Information appropriate for underwriting purposes is the age of vehicle, condition of vehicles, particulars of refurbished vehicles, imported vehicles and other information from the proposal forms of various companies. It is mandatory as per the law to buy car insurance for all new or old cars whether used for personal or business purposes. The central government’s motor vehicles act (1988) states that automobile insurance is compulsory for all vehicle owners. A valid copy of an owner’s insurance policy must be kept in the car at all times. As a result, car manufacturers have formed partnerships with leading insurance providers. Vehicle owners can get instant quotes for car insurance premiums by filling out a simple questionnaire at a car dealership office or at an insurance provider’s website. Generally, vehicle insurance is comprehensive in India and policies are comparable with various other insurance companies. The intelligent customer will always compare the IDV rates and quality of services offered by various insurance companies before opting for car policy contract with insurance company.
Earlier, prior to 2000, only public sector insurance companies like United insurance, National Insurance, Oriental Insurance, and New India Assurance used to offer motor and car insurance but now this sector has been witnessing a good growth due to entry of private insurance companies. Insurance companies like HDFC Ergo, ICICI Lombard are offering motor and car insurance at competitive rates. Importance of car insurance here is quite clear from this fact that the people are generally looking for the best car insurance company for their cars which relates to its premium rates and its various services offered. Car insurance simply is a kind of relief in cases of accidents or thefts of cars. Individual can easily get car insurance information online and even can compare different policies through various websites medium. On observing carefully before choosing the best car insurance company in India, individual can easily save on car insurance renewal premium by choosing appropriate plan and can get benefits on insurance plans for their new car. Today motor / car insurance are having bright future prospects on policies and innovative discounts which are offered by public and private insurance companies in India. Thus insurance sector is observing growth in relation to motor and car insurance business in India.

The car / motor insurance companies promise through policies contract and then delivery of services will play a critical role for growth of companies. It can be further said that instead of over promise and under delivery, car / motor insurance companies motto should be under promise and over delivery as far as customers are concerned. Any business succeeds not because it is big or it has been long established. business succeeds because there are people who work as united productive team and have practical, feasible, future growth plans for it. Similar kind of principle applies to car / motor insurance companies business in India.