

The criteria for determining the IDV and associated scale of value depreciation in Motor Products

SUM INSURED – INSURED’S DECLARED VALUE (IDV)

The Insured’s Declared Value (IDV) of the Vehicle will be deemed to be the ‘SUM INSURED’ for the purpose of this Policy which is fixed at the commencement of each Policy period for the insured Vehicle.

The IDV of the Vehicle (and accessories if any fitted to the Vehicle) is to be fixed on the basis of the manufacturer’s listed selling price of the brand and model as the Vehicle insured at the commencement of insurance/renewal and adjusted for depreciation (as per schedule below).

The Schedule of age-wise depreciation as shown below is applicable for the purpose of Total Loss/Constructive Total Loss (TL/CTL) claims only.

THE SCHEDULE OF DEPRECIATION FOR FIXING IDV OF THE VEHICLE

AGE OF THE VEHICLE	% OF DEPRECIATION FOR FIXING IDV
Not exceeding 6 months	5%
Exceeding 6 months but not exceeding 1 year	15%
Exceeding 1 year but not exceeding 2 years	20%
Exceeding 2 years but not exceeding 3 years	30%
Exceeding 3 years but not exceeding 4 years	40%
Exceeding 4 years but not exceeding 5 years	50%

IDV of vehicles beyond 5 years of age and of obsolete models of the vehicles (i.e. models which the manufacturers have discontinued to manufacture) is to be determined on the basis of an understanding between the Insurer and the Insured.

IDV shall be treated as the ‘Market Value’ throughout the Policy period without any further depreciation for the purpose of Total Loss (TL)/Constructive Total Loss (CTL) claims.

The insured Vehicle shall be treated as a CTL if the aggregate cost of retrieval and/or repair of the Vehicle, subject to Terms and Conditions of the Policy, exceeds 75% of the IDV of the Vehicle.