

What insurers and banks are doing for Kerala flood victims

Banks and insurers have taken various steps to provide interim relief to the floods victims

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The insurance regulator has asked insurance companies to settle claims of flood victims in Kerala and parts of Karnataka quickly and with minimal paper work. "There is an urgent need for us to take immediate steps to mitigate the hardships of the affected insured population by ensuring immediate registration and settlement of eligible claims," the Insurance Regulatory and Development Authority of India (Irdai) stated in a circular.

In Kerala alone, 361 deaths have been reported and about 20,774 houses have been damaged, according to reports, Kerala chief minister Pinarayi Vijayan has pegged the value of losses at ₹19,200 crore. However, insurers are yet to compute the quantum of insured losses. "As the floods subside and people take stock of their lives, that's when they approach the insurance companies for claims. So this is an ongoing process and it will be difficult to pin a number immediately," said Sasikumar Adidamu, chief technical officer, Bajaj Allianz General Insurance. Some lenders and insurers have come forward to provide some relief to those affected by the floods.

INSURERS MAKE IT EASY

Insurers are reaching out to customers through different modes of communication and offering multiple options to file claims. These options include dedicated helpline numbers, special online claim registration links, and mobile apps in addition to on-ground personnel. Calls received from flood-affected regions are attended on priority. "We are deploying sizable manpower, such as surveyors and risk engineers from within and outside Kerala to administer the claims faster," said Adidamu.

The claims process has been simplified. Generally, many documents are needed—death certificate, original policy documents, ID proof of the beneficiary, age proof, discharge form, medical certificate, police FIR (in case of an unnatural death), and cremation certificate. But insurers are waiving off these requirements. A spokesperson from Bajaj Allianz Life Insurance said the insurer is asking for only a few documents—KYC of nominee or the legal heir along with bank details to enable transfer of money, a photograph of the deceased or the missing person, and if the death certificate is unavailable,



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MD and CEO, Max Bupa Health Insurance



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then a certified list issued by either government hospitals, police or any government authorities or even the armed forces involved in rescue operations.

On the non-life side as well, insurers are taking steps to expedite the claims process for vehicles, health and houses. Max Bupa Health Insurance Co. Ltd has said it will process pre-authorized cashless claims within 30 minutes. "We are ensuring that all claims from Kerala are given immediate attention and all eligible claims are processed on a cashless basis and on priority," said Ashish Mehrotra, managing director and chief executive officer, Max Bupa Health Insurance.

Claim process for motor and home

insurance has also been eased. Policyholders can register their claims online or through company helpline numbers. Once the claim is registered, surveyors will contact and visit for assessment within 48-72 hours.

On receiving the survey report and claim documents, the payment will be released.

BANKS STEP FORWARD

Some banks and financial service providers too have taken steps to ease matters for flood victims. For instance, ICICI Bank, State Bank of India (SBI) and HDFC Bank have decided to waive off penalties on late payment of EMIs for all retail loans for customers in Kerala for the month of August. Further, pen-

Insurers, banks offer respite

Those affected by floods in Kerala have one thing less to worry about: their financial transactions

Insurers

- Multiple options to file claims
- Bare minimum documents needed to settle claims
- Dedicated help desks
- Speedy survey and claim assessment



Banks

- No penalty on late EMI payments
- No penalty on late payment of credit card dues
- No cheque bounce charges for this month for some banks
- Moratorium period for long-term loans is expected to be increased



PHOTO: PTI; GRAPHIC: SANTOSH SHARMA/MINT

alty on late payment of credit card dues will not be levied. ICICI Bank added that it will not levy any cheque bouncing charges for this month. SBI will put on hold charges on non-maintenance of minimum balance if proceeds from the government relief fund and other agencies are used up completely. The bank is also lending money through 'Xpress' credit to its existing customers, with relaxed norms. The facility can be used up to a month.

Indiabulls Housing Finance Ltd has waived off penalty fees for delay in payment of August and September home loan EMIs for customers impacted by the floods. It has waived processing fee for customers who want to take home improvement loans in case their homes have been affected. It has also put on hold any increase to its home loan lending rates for two months.

"Disruption of economic activities and loss of assets necessitates some relief in loan repayment. In the initial period, relief measures should primarily involve restructuring of loans," said Navin Chandani, chief business development officer, BankBazaar.com. Long-term loans may get a longer moratorium of up to two years. Banks may also offer consumption loan of up to ₹10,000 to existing borrowers without any collateral, added Chandani.

Protecting oneself from natural calamities is difficult, being ready for the aftermath is easier. As government bodies and victims assess the extent of the loss, steps being taken by various financial agencies will help avoid some immediate difficulties.