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Four reasons why insuring home should be a priority



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With overall insurance penetration standing at just 0.7 per cent in India, it is not surprising to see a dismal contribution made by Home Insurance. Over a period of time owing to inflation in healthcare costs and compulsory third party insurance by the Government, insurance for Health and Motor is gradually rising. However, the requisite push and awareness towards insuring homes in India is still not ballooning enough. At present, majority of home owners don't feel that any adversity could affect their abodes. Home Insurance is an effective tool to safeguard your home against adversities that may occur anytime causing substantial financial losses. As an economy we are at a tipping point, where Indians are meeting

their financial goals much earlier as compared to a decade earlier.

■ **Security against natural calamities:** During the recent past, number of natural calamities has been on a constant rise across the globe. In India alone, frequent floods, landslides and earthquakes have made a turbulent impact on the lives and economy. During such calamities a drastic difference has been noted between the incurred economic loss and the insured losses. This is mainly due to lack of awareness about this essential financial tool, resulting in under-penetration of insurance. Hence, during a natural catastrophe home owners are suffering due to lack of home insurance.

■ **Protect content, valuables and portable equipment:** You must have

come across instances about jewelry burglary or a chain snatching incident in your neighborhood. The first instinct after listening to such incident is to protect your valuable jewelry. You don't need to worry about it as your jewelry that is kept at home or in a bank locker can be separately covered under home insurance. You can also insure your jewelry that you are wearing not just at home, but also while travelling anywhere in the world.

■ **Covers risk arising due to fire and theft:** In case of incidents such as fire, a home insurance policy not only helps you with the cost of reconstruction as per your policy terms and conditions, but also offers riders such as resettlement cover for situations when you need to relocate due to severe damages at your

home. Despite the best security and fire protection systems installed by you, fire can still cause irreparable losses.

■ **Protection towards liabilities:** -At times, sudden exigencies bring routine to a standstill, such as physical or property loss of a third person caused by some accident at your home, for instance a cylinder blast or perhaps a repair activity at your home may cause a loss to your neighbour's property. All such contingencies can be effectively covered under home insurance by opting for public liability coverage.

There are few insurers, who now provide additional assistance for Home services such as plumbing, carpenters and pest control that can make routine life much con-

venient. Contrary to the general perception, Home Insurance policies are very affordable in nature, premium for which may be as low as ₹5 per day and can be bought either for a year or for a longer period.

Unlike few countries where home insurance is rather compulsory, in India buying insurance is largely an individual choice. Thus, leaving the responsibility to insure the house squarely in the hands of the home owner. One sentiment that prevails across the country is that, there is no bigger matter of pride than owning a Home so why shouldn't we take a step ahead and protect it with a Home Insurance.

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