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Vehicle insurance claims from flood-hit Chennai to go up

THE ESTIMATES. Overall claims could be lower, but value-wise as big as 2015 floods

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Chennai

Amid widespread havoc caused by the Michaung cyclone and floods in Chennai and its suburbs, the number of insurance claims may not be substantial this time compared with the 2015 floods, but value-wise it is likely to be as big as the previous one, according to general insurers.

Record rains and the consequent floods have damaged several hundred cars as also factories in Chennai and its neighbourhoods. As the city is limping back to normalcy, general insurance companies have started seeing a surge in motor claims as flood-hit vehicles have started arriving at workshops and seeking insurance coverage for the expenses.

"We estimate that all general insurance is likely to get total motor claims of 10,000 plus and another about 1,000 for non-motor claims as per initial indications. So far, we have received more than 300



UNDER WATER. Record rains and the consequent floods have damaged several hundred cars in the city THE HINDU

claims and all general insurers put together would have received about 5,000 claims. A lot of people are unable to take the vehicles to garages and those claims will come next," said N K Sidhu, General Manager, United India Insurance Co Ltd.

M Chandrasekar, Deputy General Manager, New India Assurance, felt that overall claims would be lower this time, but value-wise it would be as big as last time or maybe more than last time as inflation and other things should be taken into account.

New India had paid 4,000

non-motor claims and 10,000 motor claims during the 2015 floods. "This time, I think the number of claims in the motor may not be very high. However, we are yet to get feedback from badly affected vehicle-rich areas such as OMR and Velachery. We have so far received 550 claims in motor. This is excluding dealer claims, which are yet to come," he added.

2015 ESTIMATES

"We're starting to receive insurance claims. It's roughly 60-70 per cent of the numbers that we have seen be-

fore. We'll have a clearer picture as we get more claim intimations," said TA Ramalingam, Chief Technical Officer, Bajaj Allianz General Insurance.

According to estimates, general insurers took a hit of about ₹5,000 crore due to claims post-2015 floods with the motor segment accounting for the highest. The total number of claims including all categories received by the general insurance companies was about 50,000.

Top carmaker Maruti Suzuki India said the company's service outlets have reported about 500 flood-hit vehicles in Chennai and 25 vehicles in Nellore, Andhra Pradesh. "The average flow of MSIL vehicles is uniform and we are not expecting high increase in numbers because even before the cyclone hit, Maruti Suzuki had proactively sent out SMS to 7 lakh customers on what precautions to take for minimising damage," said Rahul Bharti, Executive Director, Corporate Affairs, MSIL.