

CAR DAMAGED IN MUMBAI FLOODS?

Add-on covers can help



ISTOCK

Riders to car insurance policy can give comprehensive cover for your car

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It is that part of the year when Indians anticipate the monsoon downpour as temperatures soar. While the pouring rain does much to relieve from the summer temperature, your cars need extra care against the risk of flooding and waterlogging due to the rainwater getting clogged on the streets and in drains. Many people argue that they have a comprehensive car insurance plan in place to tackle the moisture seeping into your car or the water leaking into your car engine. However, this is not true.

Protection through add-on riders

Buying a comprehensive car insurance cover means that you can file claims against damage caused to any part of the car. But, rising water levels due to clogged drains could adversely affect your car's engine. You may have to get the entire engine circuit replaced, which involves considerable expenditure. Since a comprehensive car insurance cover does not cover damage caused to engines or pay for engine replacement, it is advisable to opt for an Engine Protection Cover. Subramanyam Brahmajoyula, head - underwriting and reinsurance, SBI General Insurance, says, "Under a standard motor insurance policy, loss or damage to the engine is covered only if it is directly arising out of an accident. In other words, where the engine is damaged due to water ingress when the vehicle is submerged due to floods, etc, is not covered. In such a scenario, engine protect cover, which is offered as an add-on at a nominal cost, can

come to your rescue. This add-on will provide cover for repair or replacement of your vehicle's engine or engine parts due to contingencies like water ingress, leakage of lubricating oil, etc."

To avail the engine protection cover, customers have to pay an added amount equivalent to 0.5-2.5% of the Insured Declared Value (IDV) of the car. This amount is way lesser than what one pays for engine replacement or new engine installation.

Roadside assistance cover helps

Sudden engine damage while driving on flooded roads means that you may be left stranded in the middle of nowhere. Having invested in a roadside assistance cover means that your insurance company is liable to send help and ensure that the car is taken to the nearest network garage. The hassle of having to arrange for your car transportation to the choice of your garage gets much alleviated with your insurer taking over the responsibility at nominal addition to your basic premium charges which is 0.5-2% of your car's IDV.

Temporary installations damage

Luxury fittings and additions to your car's interiors for comfort are common. However, flooded streets may mean water seeping into your car and damaging its interiors. R Kannan, executive director, IFFCO Tokio General Insurance, however, maintains that seeking reimbursement for damage by monsoon does not involve much of a hassle. Kannan says, "For any additional or temporary installation of devices, the policyholder has to inform the insurer to make a suitable en-

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■ Add on cover for engine will cover or replacement of your engine or engine parts damaged due to contingencies like water ingress, leakage of lubricating oil, etc

■ Insurance company is liable to send help and ensure that the car is taken to the nearest network garage under roadside assistance

■ For any additional or temporary installation of devices, the policyholder has to inform the insurer to make suitable endorsement and pay an additional premium

dorsement and pay an additional premium, if any, towards the coverage of such installations or accessories. If there are no valid endorsements for such additional installations, then the claim will not be admissible. The own damage cover of a motor insurance policy protects only the factory fitted or in-built installations of a car such as audio system and upholstery for any damage."

Car insurance riders that can help

Depending on your requirements, past experience and budget, you may choose to add or drop car insurance riders during purchase or renewal. Rakesh Jain, ED & CEO, Reliance General Insurance, says, "During monsoon, the biggest risk for a car is from waterlogging. It is wiser to opt for engine and gearbox protector cover for engine and electronic circuit in the car from waterlogging. Similarly, EMI protection insurance if taken can also pay for the loan as the repair period for such damages are quite long."

Ensuring complete recovery

Damage due to monsoons and resulting claim settlements may have an adverse effect on your car's IDV. Gurdeep Singh Batra, head - retail underwriting, Bajaj Allianz General Insurance, says, "Probability of a vehicle meeting with a total loss/constructive total loss is higher in the monsoon as instances of flood losses have gone up nowadays. Return to invoice (RTI) is triggered when a vehicle meets with an accident and qualifies for total loss and theft. RTI covers available in the market typically takes care of the ex-showroom price of the vehicle."