

Buy comprehensive cover to guard against natural calamities

If a tree falls on your car or it's damaged in flood, the insurer will compensate only if you have a comprehensive cover with suitable add-ons

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Whenever thunderstorms, dust storms or heavy rains hit one part of the country or another, many vehicles are reported to have been damaged. Newspapers and television channels often show images of cars smashed by trees that have fallen on them. If the engine, body or wind screen of your car gets damaged in such an event, you can file a claim for damage from your insurance company, provided you have a comprehensive motor insurance cover.

Some time ago, a dust storm had hit the National Capital Region (NCR). Shisir Kumar, 39, who lives in North Delhi, found that a massive tree trunk had fallen on his four-month-old Baleno which was parked outside his house. Luckily, he had a comprehensive insurance cover and the insurance company reimbursed him for the damages.

Motor insurance policies have two components - own damage cover and third-party cover. While own damage covers loss caused to your car, third-party cover is for loss caused to a third party. Damage to a vehicle is covered if it is caused by flood, hurricane, storm, cyclone, hailstorm, fire, explosion, earthquake, and landslide. The car is covered even if it is in transit on the road. "Make sure that your insurance policy is active at the time of the accident as you have to submit all the documents as mentioned in the claim form. If you have missed or delayed renewal, it can affect your claim approval," says Sasikumar Adidamu, chief technical officer, Bajaj Allianz General Insurance.

Inform insurer immediately: If your vehicle gets damaged by a natural disaster, you should inform the insurance company immediately about the damage that has hap-

ADD-ONS RAISE THE PREMIUM BUT ARE USEFUL

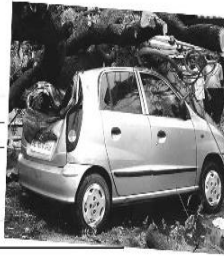
Insurance Company	Insured Declared Value (₹)	Annual premium (₹)	Engine Protection (₹)
Digit General Insurance	747,102	11,548	523
National Insurance	745,750	12,756	671
Bharti AXA General Insurance	705,000	16,850	1,058
HDFC ERGO General Insurance	737,088	15,609	1,106
Kotak General Insurance	786,711	14,770	1,337

Source: Policybazaar.com; rates exclude GST. 00 is Own Damage and TP is third party

pened. "If you get your car repaired on your own without informing the insurer, your claim may get rejected. This is because the insurer will not be able to assess the damage done to your car once it has been repaired," says Puneet Sahni, head-product development, SBI General Insurance. Insurance companies inspect the damage and estimate the cost of repair after an incident. They will not be able to do so if the car has been repaired.

Be aware of exclusions: It is important to go through the fine print of a policy before buying a cover. Insurance companies mention exceptions and exclusions in the terms and conditions. Even though your car may be insured, the insurance company can refuse to honour your claim in certain circumstances. Most of the exclusions are common across all insurance providers.

The insurer will not make any



part of its coverage.

Similarly, if your vehicle's engine gets damaged when driving through a water-logged area, the insurance company will not cover even if you have a comprehensive motor insurance cover. It will only be covered if you have taken a separate engine protector as an add-on cover. "Certain parts of a vehicle are covered only under add-on policies. Hence, it is important to opt for add-on covers such as engine protector, roadside assistance and zero-depreciation cover," says Amitabh Jain, head-motor and health underwriting and claims, ICICI Lombard General Insurance. Add-ons extend the coverage provided by a comprehensive policy. Similarly, depreciation on tyre, rubber and plastic parts are not covered by

the insurance company. Only if you buy a zero-depreciation policy at the time of purchasing a motor insurance policy will the insurance company pay for such damages.

"The premium of a comprehensive motor cover rises when you buy add-on covers. For instance, for a car with an insurance declared value (IDV) of ₹37,000, the yearly premium for own-damage and third-party cover comes to around ₹15,600 per annum. But if zero depreciation and engine protector add-on covers are taken along with the policy, the premium rises to ₹20,000 per annum. "For those staying in flood-prone areas, it is wise to opt for add-on covers such as engine protector and 24x7 assistance, even though this may drive the premium up," says Anurag Rastogi, member of executive management, HDFC ERGO General Insurance Company.