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| Date: 30.5.2016 | Publication: The Hindu Business Line |
| Page number: 3 | Edition: Pune, Delhi, Chandigarh, Hyderabad, Chennai, Ahmedabad, Mumbai, Bangalore, Kolkata |

Safe alternatives to bank lockers

With bank locker rents soaring, a look at some options to safe-keep your valuables

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Bank locker rentals are hitting the roof. For a medium sized locker, private banks in metros now charge about ₹7,000-8,000 a year – a 40-50 per cent jump from last year. But people fear keeping gold jewellery, silver items and documents at home and prefer a bank locker, no matter what the cost. But, do you know that banks do not take responsibility for the contents of the locker?

Say, if there is a robbery at the bank, your loss will not be compensated by the bank. Also, if there is damage to the contents kept in the locker, it is not responsible for it. In the Chennai floods last year, banks that had their lockers in the ground floor saw clients complain about damage to documents. So, is there any other way to safe-keep your valuables and important documents?

Home cover

It is best you cover your valuables under a home insurance policy. Loss due to burglary or damage due to natural calamity such as floods will be covered. The insurer will reimburse the market value of the jewellery or

precious stones (or other valuables) up to maximum of sum insured. Home insurance policies come in two parts – a cover for building and one for the contents. Most insurers cover jewellery with the other contents (with Bajaj Allianz's home insurance policy, you have to buy jewellery cover separately), but have a ceiling on the amount of jewellery that will be covered by the policy. For instance, with ICICI Lombard's home insurance policy, one can get a cover up to ₹5 lakh (25 per cent of the sum insured is for contents).

With TATA AIG's standard home insurance policy, the maximum cover for jewellery is ₹2 lakh. However, do note that both these insurers and Bajaj Allianz offer tailor-made policies; you can opt for higher sum insured if you have a requirement. At the time of signing up for the policy, all you need to do is list out all your jewellery and other valuables and get a valuation report from a valuer.

Insuring the contents or jewellery is not very expensive. Assuming you cover contents worth ₹5 lakh with about ₹1.5 lakh of jewellery in it, the premium you will have to shell out will be ₹1,500 a

year with ICICI Lombard. Or, say, you go for a jewellery cover with Bajaj Allianz for a total of ₹10 lakh, the premium will be ₹8,000.

The 'safe' option

An alternative to keeping valuables in bank lockers is having a safe (locker) at home itself. You can go for a mechanical (that can be opened with keys) safe or an electronic (that can be opened with password) or biometric (that can be opened with finger print) one. Depending on how many of your family members will use it, you can opt for key/number/biometric

lock. The price of these lockers varies from ₹5,000 to ₹10,000. There are more expensive ones too. You also get safes that come with a burglary alarm and one that sends a call to your mobile if the locker is tampered. You can mount these lockers on walls at home or fix them to the ground.

Digital safety

To store important documents, you can consider the government's national digital locker system (*digilocker.govin*). There



are more than 11 lakh people who are using this system now.

To sign up for a digilocker, you have to go online to *digilocker.govin* and create an account by providing your mobile number. Then, you can upload scanned copies of your documents (be it your land documents, your birth/marriage/community certificate, passport, PAN card, so on).

Each user is given a maximum space of 10 MB. The government ensures safety of your data

through several measures, including biometric (through finger print scanning) and mobile number-based authentication for signing up and a secure socket layer encryption for transmitting information during any activity. The digilocker account is connected to the individual's Aadhaar number.

There are also private companies today that provide document storage system. But, verify their authenticity before you sign up for their services.



Under home cover

- Gold and silver jewellery and other valuables
- Loss due to burglary
- Damage due to natural calamity

Digital locker

At the Centre's digilocker, you will have space of up to 10 MB to store your important documents