

# Consider Griha Raksha to shield against calamities

To safeguard your vehicle against a cyclone, supplement a comprehensive motor policy with a couple of add-ons

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Cyclone Tauktae, which has hit the western coastal states, has been labelled an "extremely severe cyclonic storm" by the Indian Meteorological Department. To safeguard one's property against such a natural calamity, it is imperative to have an insurance cover for one's house and its contents, and one for the vehicle.

## Home structure

One option you may consider is the regulator-mandated standard policy called Bharat Griha Raksha, whose standard features make it an easy buy. It covers the building and its contents. The product offers cover against fire, natural catastrophes, riots, strikes, terrorism, etc. Natural catastrophes include storms, cyclones, hurricane, tsunami, flood, earthquake, etc. "Insurers have been permitted to file innovative add-ons over and above the basic cover," says Sanjay Chauhan, head of small and medium enterprises and home business, Policybazaar.

The policy covers the cost of reconstructing the house. Naval Goel, founder and chief executive officer (CEO) of Policy X, says, "Check with a contractor the likely reconstruction cost at the time of buying a new policy or renewing one."

## Home content

Bharat Griha Raksha covers home contents automatically (without having to declare details) up to 20 per cent of sum insured, subject to a maximum of ₹10 lakh. T A Ramalingam, chief technical officer, Bajaj Allianz General Insurance, says, "Often the value of the content is larger than the value of the home structure." The policy lets you avail of a higher sum insured for contents by declaring details. Optional covers for jewellery and curios, and personal accident cover for the insured and spouse are also available.

Sometimes, a policyholder declares a lower sum insured at the time of purchase. Ramalingam, says, "This policy provides complete waiver of underinsurance. It will reimburse you up to the declared sum insured." Chauhan adds: "To lower the premium, choose the maximum policy tenure of 10 years. Also, select reputable, older players that can handle the massive claim amounts."

General insurers also offer their own retail home insurance policies, besides the standard cover.

## HOW TO MAKE A HOME INSURANCE CLAIM

- ▶ Inform your insurer immediately, with details of the loss, and policy details
- ▶ Report to the police and fire authorities
- ▶ Take all reasonable steps to prevent further damage to the building and its contents
- ▶ Take photographs
- ▶ Submit claim form within 30 days from the date of loss or damage

## Motor insurance

During cyclones, personal vehicles get damaged either due to a tree or a structure collapsing over it, or due to water logging. If you have only a third-party cover, you will not be compensated for any damage to your vehicle.

Hence, buy a comprehensive (third party plus own-damage) cover. Even then you may not be compensated 100 per cent of the cost of your vehicle. So consider buying a few add-on covers as well.

The most important one is engine protection. "If your vehicle is flooded and you attempt to start it, that can damage the engine. Such consequential damage caused by the insured's action is covered by engine protect," says Ravi Kothari, director, retail and fleet, Ideal Insurance Brokers. In high-end cars, the cost of getting the engine repaired can be exorbitant.

Another key add-on is invoice cover, which compensates you for the invoice value of the car (base value plus the registration cost plus tax). "If your car is completely destroyed, you will be compensated up to the insured declared value (IDV). But this keeps reducing as the years go by. If you buy an invoice cover, you will be compensated the full invoice price," says Animesh Das, head of product strategy, Acko General Insurance. For a car that cost ₹10 lakh originally, the IDV after four years could be ₹5-6 lakh. If you buy this cover, you will be paid ₹10 lakh. For a ₹10 lakh car, the premium for engine protection will be around ₹1,000-2,000. Invoice cover will cost ₹1,000-3,000.

Other add-on covers you may consider are zero depreciation (you get compensated the full price of a part that needs replacement), consumables and roadside assistance.

