**Is your Housing Society Insured?**

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Buying the flat in the Housing Society is everyone’s dream and of course it is utmost important asset of the member. Nobody wants any risk towards their property. All wants to be safe environment with the safe premises of the society, whether they are staying in the society or whether they have purchased a flat only for investment. All members need protection from the risks or natural calamities which only covers in the Insurance.

In the housing society, Managing Committee is deciding which insurance to be select. Mostly Managing Committee is selecting the insurance company, based on the lowest insurance premium and sum assured amount but not focusing on the coverage and not inquiring about time period for clearing the claims. Sometimes worst condition we have seen in the societies i.e. Managing Committee not keeping attention on the renewals of the insurance as it needs to be renewed every year. This temporary saving can be risky for the society sometimes, because Managing Committee maybe not fully aware about the coverage or skipping some important areas from the coverage.

**Why Insurance is necessary for the society?**

The Maharashtra co-operative housing society bye laws, 2020 under section 161(A) clearly stated that ‘’ The society shall insure it’s building necessarily against Fire, Earthquake and Flood.” But as we seen only Fire, Earthquake and Flood are not the risk parameters for the Housing Society. There are many more reasons are there. Like Weak areas of the structure, Sub structure from the neighbor society, Criminal incidents, Dishonesty by the staff of the society or contractors etc.

**What happens usually if society is not insured?**

1. Incase due to natural calamities or manmade calamities, the building of the society get damaged or destroyed then you need to shift to cheaper or unwanted accommodation as you don’t have the option.
2. Need to pay large amount for reconstruct the society building from your pocket and all members could not bear this contribution.
3. It takes much time to reconstruct the building and members can be collapsed financially due to double pressure of the payment one for re construct the building and secondly for pay the rent for meanwhile staying in to another place

This situation can be avoided by paying some thousand rupees to pay the premium of the Insurance and get protected your society with proper coverage.

**What are the challenging parts in the Insurance?**

1. Actual construction cost is not considered in the insurance
2. Common assets not considered in the insurance
3. Unawareness about the coverage and their terms & conditions
4. Selection of the improper or inadequate insurance
5. Not focusing on the validity of the Insurance
6. Improper documentation for submitting the claim

**Changes initiated by the IRDAI**

Insurance Regulatory and Development Authority of India (IRDAI) had been initiated some changes in the Fire related covers and this is applicable and mandatory to all insurers w.e.f. 1st April 2021, which was covered in the ‘Bharat Griha Raksha Policy’. It will be benefitted to the all insurers keeping the coverage more comprehensive with lower insurance premium.

Society’s lifts should be considered in the coverage of the Insurance

All liabilities should be considered in the coverage e.g. swimming Pool & other amenities

There are some mandatory and voluntary parts available in the policy but necessary liabilities can be covered by this new policy.

This new policy replaces with compulsory cover of 1) Act of God i.e. STFI (Storm, Tempest, Flood, Earthquake and Inundation) 2) All perils covered under earlier fire and special perils cover 3) Terrorism

**The following also covered in the new policy**

1. Theft within 7 days from the occurrence of and apx caused by any of the above insured events
2. Professional Fees
3. Cost of removal debris
4. Loss of rent
5. Rent for alternative accommodation

**Conclusion**

1. **Get insure your building with adequate coverage**
2. **Give actual construction cost for proper coverage**
3. **Read Terms and Conditions carefully**
4. **Cover all content of the society in the Insurance**
5. **Keep proper documentation of the coverage and related docs.**

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