



by Vishal Dhawan

**J**uly is the month when monsoons cover most parts of India.

It is a beautiful season when nature turns from dry yellow to fresh luscious green. On the other hand, monsoons also remind us of major flood incidents of India much like 26/7 of 2006 which hit Mumbai or the Chennai floods in 2015 which had long lasting impacts.

Nature is unpredictable. Therefore it is important to be ready if anything of this sort happens.

#### Home Insurance

Firstly you should secure your home. It is an expensive asset which is difficult to recreate for most. Buy home insurance. There are different products available in the market covering earthquakes, storms, floods, terrorism, etc. These policies provide cover for structure of your home. They may also provide content cover i.e. protection for your possessions and valuables.

They give you an option to buy additional cover for rent for alternate accommodation in case a situation arises where you have to move to a rented place till you get your house in order.

Look at the policy wordings for what is covered and what is NOT covered very carefully as these features differ from policy to policy. Make sure the service quality of the insurer is good in terms of assistance at the time of the incident and claim settlement.

# IS YOUR FINANCIAL LIFE MONSOON READY?

#### Life Insurance

Having a term cover for life is also important especially if you are the only earning member in your family. There are increased chances of a loss of life in such situations, so ensure that you have adequate insurance in place.

#### Personal Accident Cover

Have a personal accident cover. These cover death, permanent disability, permanent partial disability and total disability. For

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death and permanent disability they pay 100% sum assured. For permanent partial disability they pay a part of the sum assured and for temporary disability they pay a weekly compensation usually up to 104 weeks.

Look at all these features very carefully and read the fine print before you sign the dotted line.

#### Digital Locker

Make use of an online document storage facility so that you do not lose your important documents.

This is critical as you could find that damage to these physical documents can be very time consuming to address, and a soft copy can make the process much easier in the interim.

#### Liquidity

Have a reasonable amount of cash available at home, as banks and ATMs may become non-operational and plastic money may not work at this point of time

when everything is shut or there is no power.

#### Have a Comprehensive Vehicle Insurance Cover

Buy a comprehensive auto cover. In scenarios like floods, this will be of great use when your vehicle gets damaged due to water. Once again, read the fine print carefully so that there is clarity on how to ensure that you get the claim settled by the insurer in case of any rain related damage.

All in all, it is better to be safe than sorry. Happy Monsoons!

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*Vishal's rich experience of close to 20 years in the financial services industry has led him to frequently write columns in various business and general media both domestically and internationally, and he appears on television.*