

# Contents Cover (Property Insurance)

## What does this mean?

Contents Cover refers to insurance protection for the movable items inside a home or building. These are the belongings that are not permanently fixed to the structure and can be taken with you if you move.

It covers the cost of repairing or replacing personal possessions if they are damaged, destroyed, or stolen due to insured events such as fire, burglary, flood, or other covered risks.

In simple terms, while structure insurance protects the building, contents cover protects the things inside the building.

## Why is this Important?

### **Protects valuable belongings**

Furniture, appliances, electronics, jewellery, and other household items often represent years of savings.

### **Covers replacement cost after loss**

Insurance helps replace items damaged by fire, theft, or disasters without financial stress.

### **Financial relief after burglary or disasters**

Unexpected events can result in large losses. Contents cover reduces out-of-pocket expenses.

### **Peace of mind for renters and homeowners**

Even tenants who do not own the building can protect their belongings through contents insurance.

## How does it Work in Insurance?

The value of household belongings is estimated based on current replacement cost.

A Sum Insured is chosen for the contents.

If an insured event damages or destroys the belongings, the insurer compensates for repair or replacement as per policy terms.

Claims are settled after verification and assessment of loss.

Insurance typically pays replacement value (new cost), not sentimental value.

## What is Included in Contents Cover?

### Typical inclusions

Furniture and furnishings

Home appliances (TV, fridge, washing machine, AC)

Electronics and gadgets (laptops, phones)

Clothing and personal items

Kitchen equipment and utensils

Jewellery and valuables (within policy limits)

Portable items kept inside the home

## What is NOT Included?

### Common exclusions

Structural parts of the building

Normal wear and tear

Mechanical or electrical breakdown

Intentional damage

Loss due to negligence

Unspecified high-value items beyond limits

Buildings are covered under structure insurance, not contents cover.

## **Where is it Applicable?**

Contents cover applies to:

Owned homes and apartments

Rented homes

Holiday homes

Offices and small businesses (in commercial policies)

Anyone who owns valuable belongings inside a property can benefit from this cover.

## **Which Risks are Covered?**

Typical insured risks include:

Fire and explosion

Burglary and theft

Flood and storm

Earthquake

Lightning

Riots and strikes

Impact damage

Coverage depends on policy terms and chosen add-ons.

## When Should You Take Contents Cover?

You should insure your contents:

When moving into a new home

When buying expensive appliances or gadgets

At every policy renewal

When the value of belongings increases

The Sum Insured should be reviewed regularly to avoid underinsurance.

## Simple Example

Riya has household items worth ₹10 lakh insured under contents cover.

A burglary results in theft of electronics and jewellery worth ₹3 lakh.

Her insurance policy compensates her for the loss as per policy terms, helping her replace the stolen items without financial strain.

## Key Points to Remember

Covers movable household belongings

Different from structure insurance

Protects against theft and disasters

Must be insured at correct replacement value

High-value items may need special declaration

## Simple Summary

Contents cover protects the belongings inside your home, ensuring financial support to repair or replace them if they are damaged, destroyed, or stolen.