

## Burglary & Theft Insurance Policy in India

A theft at home, shop or office can cause huge financial losses. You can cover the risk of theft in your premises with a theft insurance policy. In India, incidences of theft are quite common. And to cover up that a theft insurance policy is important. However, theft and burglaries are two separate things. There is separate cover for theft insurance and [burglary insurance plans](#).

To file a claim for theft you need to furnish proof of non-violent and unforceful attempt into the premises. Whereas, a burglary involves 'forceful and violent entry' into the premises in order to conduct the loot.

There are plans that offer both theft and burglary cover as well.

While purchasing a theft insurance policy, there are certain things that one needs to be aware of. Read in detail about the coverage, add-on benefits, limitation and the amount of sum insured. You can make or break a plan by choosing the riders.

A theft insurance policy will cover the following various risks:

### Coverage Provided in a Theft Insurance Policy

Firstly, read the policy terms and conditions before buying a theft insurance cover. While reading the policy documents you will know its features and the risks that are covered by the policy-

- You can buy a theft insurance policy to cover theft-risks for your house and offices.
- Any loss or damage that is caused to the premises during theft is also covered by the theft insurance policy.
- The cost of the items that are stolen from your premises will also be compensated by the insurer
- The cost of the theft insurance premium is determined on the basis of the claim history, nature of items/stocks in the premises and security measures that are available at the premises

### Limitations of a Theft Insurance Policy

Every insurance policy has some limitations. And a theft insurance policy will not offer compensation for the following items or you will need to buy it as an add-on cover. The limitations may vary from one insurance provider to another -

- Precious metals such as silver, (gold, silver, etc.)
- Cash
- Involvement of family members or items that were stolen by them
- Stealing of share certificates is also not covered
- Things that were robbed by any of the employees
- Things that were robbed by housemaids
- Theft during riots, war, strikes, natural calamities, and terrorist activities

If you want to claim for items or stocks whose value will vary as per the market conditions, then you should do that using a claim proposal form.

## Under the following conditions, your theft insurance provider can invalidate your claim-

- Theft conducted on the premises that were left unattended
- Theft conducted on the premises that were not properly locked
- Premises where security is not maintained
- Forged theft to claim benefits from a theft insurance policy

## Types of Theft Insurance Policies that You Can Select

There are different types of coverage that insurance companies provide. You can choose a declaration policy, standard policy, or a policy that offers the features of both standard and declaration. You can also buy a theft insurance policy to cover different stocks located at various places.

## Things to Consider When Filing a Theft Insurance claim

When lodging a claim it is imperative to present complete information to the insurance provider:

- Take note of all the losses that occurred on the premises.
- You should reserve the contracts and receipts of every expense incurred on getting new products and protecting the property.
- If you can keep a recording of the phone calls that you made to your insurer that will also help.

- Digital record and documents can also be used while lodging a claim. They enhance safety and security by reducing the possibility of tempering with the evidence.

## What is Burglary Insurance

When someone enters into your property in an unlawful manner to conduct a crime involving theft and violence, then it is termed as a burglary. Burglary insurance policy offers compensation for loss and damage resulting from a burglary attempt in your premises.

Burglary insurance also covers fiscal damages as well as property damage arising from:

- A forceful entry by an intruder into the insured premises
- Forceful theft or theft of property with the office premises or house premises

To avail the benefits you need to inform the insurer about the incident and also notify the authorities before filing the claim.

Burglary insurance is sometimes referred to as crime insurance as well. Burglary and robbery are often used interchangeably. But there are some differences and some similarities between the two. Both robbery and burglary are property crimes and, usually involve:

- Stealing of belongings from an individual
- Illegal entry into someone's property with the intent of theft or committing a crime

Robbery involves forceful or violent attempt to steal someone's belongings. For the law to identify the act as a robbery, the victim should be present on the premises at the time of the incident.

Whereas, burglary insurance is an unlawful entry into someone else's premises with the purpose of committing a theft/crime. Unlike a robbery, it does not require the victim needs to be present at the premises where the incident took place.

Usually, Insurance companies offer home burglary insurance along with other insurance policies such as:

- Home insurance
- Travel insurance
- Personal property insurance

Before initiating your claim, the insurance companies need documented proof of possession of the insured items before the burglary. It is required to authenticate the claim and to avoid any false claims.

For business groups and organizations, burglary insurance is as important as fire and theft insurance, as it offers compensation for losses or damage after a burglary attempt or housebreaking attempt.

Burglary insurance policy offers different types of coverage options. Broadly listed are some of the main types of burglary insurance policies:

Usually, burglary insurance plans are of the following types, but this may vary from one insurer to another:

- Money in Transit Policy
- Business Premises Policy
- Private Dwelling Policy
- Jewelry and Valuable Policy
- All Risk Policy

### What All is Covered in a Burglary Insurance Policy?

Burglary Insurance cover for business premises usually offers coverage for burglary and housebreaking in the insured premises. Coverage is not provided for a non-violent and unforceful attempt to theft.

Similarly, burglary insurance policies issued for residences safeguard against the theft, burglary, and house-breaking. Likewise, it recompenses for the loss of valuables and Jewellery due to a forceful attempt of housebreaking or a burglary.

### Burglary Insurance Cover for Money in Transit

With this variant of burglary insurance policy, you can get coverage for robbery, dacoits, house-breaking, and hold-up.

## Burglary Insurance Cover for Business Premises

Business houses can buy this type of burglary insurance policy to cover for loss or damage caused to the goods in trust, fittings, or stock-in-trade, machines and other tools like typewriters, computers, calculators etc. It also offers protection against other similar property, currency notes, and cash locked in safe. It also covers loss or damage to any part of the insured premises and its content after a burglary attempt.

It also compensates for stock-in-trade and goods on the full value or on first loss basis.

In a first loss burglary insurance policy loss or damage caused to the property is covered only once and up to a specified amount. Generally, this kind of policy is preferable for bulk commodities. The compensation amount is equal to the full value of the commodities for instance 10 to 12 percent of the full value.

## Burglary Insurance Cover for Cash-in-Safe

If the burglary involves stealing of cash that was kept in a burglar-proof safe. Compensation will be provided if the policyholder keeps the cash in a safe and secure manner. The following clauses apply to the coverage provided:

- In case the duplicate key of the safe is snatched using violent means by the burglars' then compensation will be provided for the amount of cash that is stolen. The claim will be accepted if the safe or cupboard is

forcefully opened by the burglars. The force does not necessarily apply to a person or an individual but it can apply to a property as well.

- You can also take note of the cash that is kept in the safe. This will allow the insurer to offer you compensation as mentioned in the records.

### Coverage for Jewelry and Valuables

It is available as an add-on cover or you can buy this as a separate cover to get protection against an attempt to steal valuables in your premises like plates, watches, jewelry, ornaments etc. This type of policy also covers the loss or damage that is caused due to an accident involving robbery, theft, and fire etc.

Depending on the insurance company you can extend the coverage for riots and striker cover, which is a general exclusion under all the burglary insurance policies.

### What Is Not Covered in a Burglary Insurance Policy?

Till now we only mentioned what was covered in a burglary insurance policy but here's what you need to know about the limitations. They may vary from one insurance company to another. But overall these are some of the common exclusions and any claim arising due to such reasons would be denied by the insurer:

Loss or damage due to war, hostilities, invasion, civil war, the act of foreign enemy, rebellion, riots,



revolution, military or usurped power, insurrection, civil commotion earthquake, or other convulsions of nature

Loss or damage incurred while repairing or renovating the property insured

Coverage is provided within the specified geographical limits as mentioned in the policy.

1. If any of the family members or employees or business staff were found to be responsible for the loss or damage

2. Claims arising due to the loss or damage involving promissory notes, bonds, bills, deeds, cash, treasury, cheques, stamp collections, bank notes, securities for money, books of accounts, manuscripts, documents of any type medals, and coins, unless special coverage is provided

3. A burglary that took place during war conditions, invasion, the act of foreign enemy etc.

4. If the property damage involves the use of nuclear weapons, bombs etc.

5. Any damage resulting due to weapons, nuclear bomb etc.

6. If it happened due to nationalization and to confiscation by the government authorities

7. Claims arising due to consequential loss or damage are not eligible for claims

8. Any loss or damage resulting due to strikes, riots, civil, commotion etc.

Burglaries can happen anywhere and anytime. All you can do take preventive measures like burglary insurance to get at least the monetary compensation for the damage incurred. You can choose a burglary insurance plan for your residential home or your office and seek the protection that you want.