Article Date	Headline / Summary	Publication
17 Jul 2026	What Happens If Your Housing Society Is Insured But Your Apartment Isn't?	Outlook Money

What Happens If Your Housing Society Is Insured But Your Apartment Isn't?

A housing society's insurance policy may protect the building, but it usually doesn't cover your flat's interiors, belongings or personal liability.
Here's why every apartment owner should understand the coverage gap.
Sanjeev Sinha
Photo: AI Image
Summary of this article
Most flat owners think their residential society's insurance extends to their flat and everything inside it - from interiors, furniture, appliances and all their belongings. Unfortunately, that isn't always true.
Interior fit-outs like modular kitchens, wardrobes, false ceiling, furniture, appliances, electronics and possessions held dear, theft and burglary losses are usually not covered under the master policy taken by the society.
You should buy an individual plan for your house rather than going for the group policy taken by your housing society.
Your housing society probably has an insurance policy. But does it cover everything inside your home? Most flat owners think their residential society's insurance extends to their flat and everything inside it - from interiors, furniture, appliances and all their belongings. Unfortunately, that isn't always true.
Society insurance generally covers the building's common structure and assets. However, it rarely extends to what's inside your home. That's a tough reality for homeowners to learn if they suffer huge financial losses due to a fire, flood, earthquake or other unforeseen event.
Here we explore the limits of society insurance plans. We'll also tell you why home insurance policies have grown so important for flat owners everywhere and how to prevent an insurance lapse.
What Does Society Insurance Cover?
According to industry experts, typically, the common building structure, common areas, lifts, generators, clubhouse and third-party liabilities are covered under the insurance policy of a housing society.

“However, things inside your flats such as interiors, household contents, valuables, electronics and liability of members living in the apartments are not covered by the society. Apartment owners need to realise that under society's coverage their safety net is only the hollow walls of the building,” says Rakesh Kumar, Founder and MD, Square Insurance.

BY Sanjeev Sinha

Top Gaps In Insurance Cover

Interior fit-outs like modular kitchens, wardrobes, false ceiling, furniture, appliances, electronics and possessions held dear, theft and burglary losses are usually not covered under the master policy taken by the society. Additionally personal liability claims arising due to any incident inside the apartment, temporary accommodation costs incurred after a covered loss are other major gaps in coverage.

How Are Claims Split Between Society and Home Insurance?

The housing society policy (also known as society policy) covers the common structure of the building. A homeowner's individual policy covers the interior wall, flooring, fixtures fits and finishes inside the house, contents and personal possessions, additional living expense if the home is not habitable due to a covered loss and personal liability.

“Suppose there is a fire in the building. The society policy will cover the cost to repair the building which was damaged by the fire. However, the furniture, electronic equipment and interiors of the apartment owner will need to be claimed under the homeowner's individual policy,” says Kumar.

Even if the residential society is fully insured, a homeowner can still be left with high expenses to meet when it comes to repairing interiors, replacing contents, arranging for alternate accommodation, etc. Also, every homeowner will have deductibles and underinsurance to account for. Since most homeowners spend less than 0.1 per cent per annum as premium for comprehensive home insurance cover, they tend to be severely underinsured when compared to the risk they actually face.

Home insurance is quickly becoming non-negotiable because today's urban homes are filled with high-value interiors and digital assets that need protection. Every homeowner should be looking for coverage such as structure cover (if not adequately covered by the society), contents cover, theft & burglary, natural catastrophe cover for earthquake, flood and cyclone, personal liability cover, and loss of rent and alternate accommodation cover, to name a few.

“With climate change losses on the rise and urban fires catching news headlines, a comprehensive home insurance policy provides that second layer of protection every homeowner needs beyond what the society insurance will offer,” informs Kumar.

Gurdeep Singh Batra, Head-Commercial Underwriting, Risk Engineering services and Global Accounts, Bajaj General Insurance, too recommends that you should buy an individual plan for your house rather than going for the group policy taken by your housing society.

“Tailor-made plans according to your needs offer better coverage. Ensure that your house' structure as well as your belongings are covered under the home insurance policy. Most group insurance plans by housing societies offer basic coverage. But if you buy an individual plan, you can insure your belongings and investments as per your needs,” he adds.

Also, with a personal home insurance plan, you get many add-on covers such as expenses incurred for temporary accommodation if your house gets damaged and needs repairs or rebuilding.

Protection levels can be enhanced manifold if RWAs conduct insurance awareness campaigns every year, educate members about reviewing adequacy of sum insured by society, purchase of home insurance by individual members, host awareness sessions conducted by insurers, spread awareness about disaster preparedness and risk mitigation.

“Home - often the largest asset owned by a household - is still insured by less than 1 per cent of Indian households. There is, therefore, an immediate need to drive insurance awareness and educate homeowners,” says Kumar.