



CONSEQUENTIAL LOSS OF PROFIT POLICY (FLOP) (RETAIL)

Prospectus

Magma General Insurance Limited (erstwhile Magma HDI General Insurance Company Limited) | www.magmainurance.com | E-mail: customercare@magmainurance.com | Toll Free: 1800 266 3202 | Registered Office: Equinox Business Park, Tower 3, Ambedkar Nagar, 2nd Floor, Unit Number 1B & 2B, LBS Marg, Kurla (West), Mumbai - 400070, Maharashtra, India | CIN: U66000MH2009PLC460693 | IRDAI Reg. No. 149 | Consequential Loss of Profit Policy (FLOP) (Retail) | Product UIN: IRDAN149RP0010V01201213 | For complete list of details on exclusions, risk factors, terms & conditions, please read the policy documents carefully before concluding a sale. | Trade Logo displayed above belongs to Magma Ventures Private Limited and is used by Magma General Insurance Limited under license. | Chat with MIRA on our website or say "Hi" on WhatsApp No. 7208976789 (PROS.CLOPR.ver10.12.25)

PROSPECTUS

When a fire occurs or any of the other perils covered under the Standard Fire & Special Perils Policy (Material Damage Policy) occur, the material damage policy will help the insured in reinstatement/repair/replacement of the damaged Building, Plant & Machinery and Stock. The time period between the date on which the loss occurs and the date on which the entire reinstatement/repair/replacement is complete and normal production restarts, is called the “Period of Interruption”. This would result in a reduction in turnover, causing subsequent loss of profits. The intention of a Consequential Loss (Fire) Policy is to make good this loss.

What does this Policy cover?

The consequential Fire policy covers

- Loss of Gross Profit due to Reduction in Turnover/Output.
- Increase in Cost of Working-This is the additional expenditure that has to be necessarily incurred in order to avoid or diminish the reduction in turnover.

The basic requirement is that the loss of gross profit and/or increase in cost of working has to be as a consequence of an insured peril under the material damage Fire and Special Perils policy.

Optional Extensions:

- Wages-Dual basis or Pro-rata basis
- Lay-offs and Retrenchment compensation and notice wages liability
- Auditor’s fees.
- Extension to cover supplier’s premises.
- Extension to cover Customer’s Premises.
- Insured’s property stored at other situations.
- Extension to cover loss due to accidental failure of public electricity/gas/water supply.
- Molten material damage.
- Spoilage Consequential loss cover.

Other Salient Features:

- Discounts/Loadings based on various risk features.
- Discounts for opting higher Voluntary excess

Exclusions:

Exclusions as applicable to the Fire policy covering the interest of the insured in the property at the premises)

Basis of Settlement:

Gross profit commensurate with the indemnity period covered and declared under the policy

Documents required for claim settlement:

1. Duly completed Claim form
2. Copy of FIR
3. Estimate of loss / repairs
4. FR
5. Any other details/documents called for a specific loss

Grievance Redressal:

Magma General Insurance Limited shall abide by Insurance Regulatory and Development Authority (Protection of Policyholder's Interests) Regulations 2002. Under this regulation and with an objective to provide a forum to personal lines policyholders for resolution of claims related complaints, Insurance ombudsman has been constituted under the aegis of Governing Body of the Insurance Council.

The details furnished above constitute only the major terms and conditions. For more details, please refer to our Policy document.
