

BUSINESS PROTECT POLICY (LAGHU UDYAM)

Sales Literature

INTRODUCTION

Every business is different, there is no one-size-fits-all insurance policy for business owners, our solution through an insurance policy that combines coverage for multiple perils, such as property risk, engineering risk, miscellaneous risks and liability risks.

Business Protect Policy allows a business to take a flexible approach to obtaining insurance coverage, and may allow the business to have the convenience of a single policy than it would had it purchased a separate policy for each risk.

It is designed with an intent to provide comprehensive protection under one easy-to-read policy and provides wide-ranging business insurance protection by combining two or more coverage under one single policy.

Coverage under this policy is broadly classified into 13 sections as detailed below, enabling insured to choose and customize protection to their specific requirements. Covers we provide under this policy can be tailored as per the individual requirements, providing all essential covers as standard with the option to select additional cover if required.

Section I is mandatory whereas, other sections under this policy are optional, enabling insured to choose and customize protection as per their specific requirements.

ELIGIBILITY

This product can be offered to:-

1. Offices, Hotels, Shops etc. located outside the compounds of Industrial / Manufacturing Risks
2. Industrial Risk
3. Non Industrial Risk
4. Storage Risk
5. Utilities located outside the compound of Industrial / Manufacturing Risks

This Package Policy will be applicable for enterprises where the total value at risk across all insurable asset classes at one location exceeds ₹ 5 Crore (Rupees Five Crore) but does not exceed ₹50 Crore (Rupees Fifty Crore) at the policy commencement date under Section 1 – Fire Insurance Cover.

Fire Section Sum Insured should be more than or equal to INR 5 Cr.

SCOPE OF COVER

Section 1 - Fire Insurance Cover

This sections covers assets belonging to the Insured including, boundary walls, gates and fences, plinth and foundation, furniture, fixtures, fittings including electrical installations, safes of insured premises, office machinery and electrical & mechanical appliances, tools and instruments for business, electronic



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equipment's, interior decorations, improvements, landlord's fixtures and fittings, building fronts and all other contents belonging to the Insured and related to business against the risk of Fire and other named perils.

Section 2 – Fire Loss of Profit Cover

In the event of any building or other property or any part thereof used by the Insured at the premises for the purpose of the Business, be destroyed or damaged by the perils covered under Section I of this policy and the Business carried on by the Insured at the premises be in consequences thereof interrupted or Interfered with, 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 Fire Loss of Profit section is to make good this loss.

Section 3 – Burglary and House Breaking Cover

The Burglary section covers loss of Insured's property at declared location including the one held in trust due to burglary or house-breaking or hold up including damage to premises resulting from burglary or attempt thereat

Section 4 – Machinery Breakdown Cover

The section broadly covers loss due to all kinds of accidental, electrical and mechanical breakdowns as a result of internal and external causes. It is covered during the time the machinery is in operation or at rest or in the process of being dismantled, overhauled or during Subsequent re-erection at the same premises.

If specifically requested, it can also cover the machinery foundations, masonry, brickwork as well as oil in transformers from unforeseen and sudden physical loss or damage, other than specified excluded perils and forms of damage.

Section 5 – Electronic Equipment Cover

Coverage provided against any unforeseen and sudden physical loss or damage from any cause, other than those specifically excluded, to electronic equipment described in the schedule. This cover shall apply to the Insured items only after successful completion of their performance/ acceptance test whether they are at work or at rest or being dismantled for the purpose of cleaning or overhauling or in the course of aforesaid operations themselves or when being shifted within the premises or during subsequent re-erection. This Section can be extended to cover damage to the external data media inclusive of the information stored thereon, which can be directly processed in EDP systems, caused by peril covered.

This section can be also extended to cover additional costs which the Insured shall incur to ensure continued data processing on substitute equipment if such costs arise as an unavoidable consequence of an indemnifiable loss or damage during the period of insurance to property insured under the equipment damage section.

Section 6 – Boiler and Pressure Plant Cover

The section covers damage to Boiler/ Pressure vessels and surrounding property of the Insured described in the Schedule solely due to Explosion or Collapse as hereinafter defined of any Boiler or other Pressure Plant described in the Schedule occurring in the course of ordinary working.

Section 7 – Money/Cash Cover





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Covers direct physical loss of or damage to the money (cash/ currency) due to accident or misfortune while kept in safe or whilst in direct transit in connection with Insured's business between any collection center, bank & Insured Premises provided such money is in personal custody of an authorized representative.

Section 8 – Fidelity Cover

This section covers the risk of infidelity and dishonesty of the salaried employees of the insured acting alone or in collusion with others.

Section 9 – All Risk Cover

This section covers accidental Loss or Damage to property described in the Schedule and belonging to the Insured caused by any unforeseen and sudden physical loss (except a cause which is excluded) during the course of Business, provided that the maximum liability of the company for any one item of the Property insured shall not exceed in aggregate in any one period of Insurance the Sum Insured set out against such items.

Section 10 - Plate Glass Cover

Coverage provided for accidental breakage to Fixed Glass in the insured Premises on repair/ replacement basis, damage to frame and framework of any description following breakage of Glass, cost of tinting, lettering, painting, embossing, silvering or any other ornamental work on the replacement glass provided that such costs have been included in the Sum Insured of the Glass

Section 11 - Neon Sign/ Glow Sign Cover

Coverage provided for accidental breakage to Neon Signs/ Glow Signs in the insured Premises on repair/ replacement basis, damage to frame and framework of any description following breakage of Neon Sign/Glow Sign, cost of display board, painting, embossing, silvering or any other ornamental work on the replacement Neon Sign/Glow Sign provided that such costs have been included in the Sum Insured of the Neon Sign/Glow Sign

Section 12 – Baggage Cover

Coverage is provided against accidental loss of, destruction of or damage caused to personal baggage accompanying the Insured and for which the Insured is responsible whilst travelling anywhere within Territorial Limits and period of insurance specified in the Schedule

Section 13 – Public Liability Cover

The Company will indemnify the Insured against their legal liability (other than liability under the Public Liability Insurance Act, 1991 or any other Statute based on the doctrine of "No Fault liability") to pay compensation including claimant's costs, fees and expenses anywhere in India, in accordance with Indian Law.

DETAILED COVERAGE, EXCLUSIONS & CONDITIONS

As per the policy wording

POLICY DURATION

This policy is generally issued for 12 months (annual). However short period policies (less than one year) can be issued subject to applying premium as per short period provision specified under various sections.

MID-TERM PROVISIONS





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Any mid-term addition/deletion in Sum insured, Coverage, Extensions, Sections etc. will be as specified under various sections of the policy.

POLICY CANCELLATION/TERMINATION

This insurance may be terminated at any time at the request of the Insured, in which case the Company will retain the premium at customary short period rate for the time the policy has been in force. This insurance may also at any time be terminated at the option of the Company, on 15 days' notice to that effect being given to the Insured by means of registered letter from the Company to the Insured's last known address, in which case the Company shall be liable to repay on demand a rateable proportion of the premium for the unexpired term from the date of the cancellation.

However, in case of Misrepresentation, Fraud, Non-disclosure of material fact or Non-cooperation by the Insured, the Company reserves the right to cancel the Policy and is not obliged to refund the premium already paid under the policy.

However during the currency, if a policy is replaced with the same insurer by a new annual one covering the identical property, refund of premium may be allowed on pro-rata basis at the original rates for the sum insured replaced.

For the sum insured not replaced, refund must be calculated after charging premium at short period scale on such sum for the time the insurance has been in force subject to retention of the minimum premium by the insurer.

If the risk is insured under short period scale, refund may be calculated at pro-rata of the short period scale premium provided such cancellation is followed by an annual policy for sum insured not less than the sum insured under cancelled policy. Otherwise, retention of premium shall be on short period scale.

In case a policy is cancelled on account of a Government Order or on completion of a "Building in course of construction" or where Buildings are demolished, pro-rata refund of premium may be allowed.

Note –

The details furnished above do not constitute the entire terms and conditions.

For details please refer to our Policy document

