



# **MACHINERY BREAKDOWN POLICY (RETAIL)**

## **Prospectus**

Magma General Insurance Limited (erstwhile Magma HDI General Insurance Company Limited) | [www.magmainsurance.com](http://www.magmainsurance.com) | E-mail: [customercare@magmainsurance.com](mailto:customercare@magmainsurance.com) | Toll Free: 1800 266 3202 | Registered Office: Equinox Business Park, Tower 3, Ambedkar Nagar, 2<sup>nd</sup> Floor, Unit Number 1B & 2B, LBS Marg, Kurla (West), Mumbai - 400070, Maharashtra, India | CIN: U66000MH2009PLC460693 | IRDAI Reg. No. 149 | Machinery Breakdown Policy (Retail) | Product UIN: IRDAN149RP0025V02201213 | 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.MBDR.ver10.12.25)

## Prospectus

Machinery Breakdown Policy covers Mechanical and Electrical Machinery and/or equipments owned by you or for which you are responsible or held in trust and/or commission at the insured premises.

### What does this Policy cover?

The policy covers unforeseen and sudden physical damage to any mechanical and electrical machinery and/or equipment by any cause necessitating repairs and/or replacement. Coverage include:-

- Faulty design, Faults at workshop or in erection, Defects in casting
- Faulty operation, lack of skill, Negligence.
- Tearing apart on account of centrifugal force.
- Short circuit and other electrical causes.

This policy shall covers only such items after successful completion of their performance/acceptance tests, whether they are at work or at rest, or being dismantled for the purpose of cleaning or overhauling, or in the course of the aforesaid operations themselves, or when being shifted within the premises, or during subsequent re-erection

### Optional Extensions:-

- Escalation
- Express Freight
- Air Freight
- Owners surrounding property
- Third party liability
- Additional custom duty

### Other Salient Features:-

- Discount for stand-by equipments
- Discount for favorable claims experience
- Discount for opting higher voluntary excess
- Incentives for good Maintenance
- Special rating scheme for equipments valued Rs. 50 lakhs and above based on age, maintenance, in-built safety systems, claims experience etc

### Major Exclusions:-

1. War, invasion, Act of foreign enemy, Hostilities or war like operations
2. Nuclear reaction, nuclear radiation or radioactive contamination
3. Gradually developing flaws, defects, cracks or partial fractures in any part
4. Accidental loss/ damage resulting from overload experiments / tests.

5. Deterioration of or wearing away or wearing out of any machine due to normal use
6. Willful act or willful neglect or gross negligence of the insured or his responsible representatives
7. Loss, damage and/or liability due to faults or defects existing prior to this insurance.
8. Consequential loss incurred by the Insured.

**Major Specific Exclusions:**

1. The excess stated in the Schedule.
2. Loss or damage caused by any faults or defects existing and within the knowledge of the insured, or his representatives
3. Loss or damage for which the manufacturer or supplier of the insured items is responsible either by law or under contract;
4. Loss of or damage to bulbs, valves, tubes, ribbons, fuses, seals, belts, wires, chains, rubber tyres, etc

**Machines generally not included under the policy:** Electronic Equipment such as Computers, Medical and Biomedical Equipment, Microprocessors, Audio/Visual Equipments.

**Basis of Settlement:** **a)** In cases where damage to an insured item can be repaired the Company will pay expenses necessarily incurred to restore the damaged machine to its former state of serviceability plus the cost of dismantling and re-erection incurred for the purpose of effecting the repairs as well as ordinary freight to and from a repair-shop, to the extent such expenses have been included in the Sum Insured.

**b)** In cases where an insured item is destroyed, the Company will pay the actual value of the item immediately before the occurrence of the loss, including costs for ordinary freight, erection, provided such expenses have been included in the sum insured.

**c)** In cases where the Insured item is subjected to total loss and meanwhile it becomes obsolete, all costs necessary to replace the lost or damaged insured item with a follow-up model (similar type) of similar structure/ configuration (of similar quality) will be reimbursed.

**Documents required for settlement of claims:**

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

**Salvage :**

Salvage is the amount that is assessed which the damaged asset will fetch in the open market. This amount is deducted from the claim amount.

**Cancellation :**

This policy may be terminated by You at any time by giving Company notice in writing. If You cancel the policy, Company will

- a) Refund the proportionate premium for unexpired policy period, if the term of the policy is up to one year and there is no claim(s) made during the policy period.
- b) Refund the premium for the unexpired policy period, if the term of the policy is more than one year and the risk coverage for such policy years has not commenced.

Company can cancel this policy during the policy period by giving notice of minimum 7 days to You only on the grounds of established fraud committed by You.

**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 complete details, please refer to our Policy document.