# MACHINERY LOSS OF PROFIT POLICY (COMMERCIAL)

## Proposal Form

Magma General Insurance Limited (erstwhile Magma HDI General Insurance Company Limited) | www.magmainsurance.com | E-mail: customercare@magmainsurance.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 |Machinery Loss of Profit Policy (Commercial)| Product UIN: IRDAN149CP0011V01201213| 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 (PF.MLOPver06.11.26)

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General Insurance Limited

# PROPOSAL FORM

(The property proposed for insurance is not covered until the proposal is accepted by us and full premium paid by you)

| **1. FOR OFFICE USE ONLY** | | | |
|---|---|---|---|
| **For Policies sourced through Branch** | | | |
| Branch Name (Intermediary)* | | Branch Code (Intermediary)* | |
| Branch/Office Mobile Number (Intermediary)* | | Branch/Office Email Address (Intermediary)* | |
| Intermediary Name* | | Intermediary Code* | |
| Name of SP/ BQP/ POSP/Designated Person/Authorized Verifier/Authorized Salesperson* | | Functional identity/Unique ID of SP/BQP/POSP/Designated Person/Authorized Verifier/ Authorized salesperson* | |
| Sales channel Type | | If POSP then please provide the below:-*<br>a) PAN of POSP<br>b) AADHAR Number of POSP | |
| **For Policies Sourced Digitally** | | | |
| Principal Officer Name* | | Principal Officer Telephone Number* | |
| Principal Officer Email Address* | | | |
| 1) Agent/Broker Name | | | |
| 2) Agent/Broker Code | | | |
| 3) Name of the Proposer | | | |
| 4) Address of the proposer | | | |
| 5) Phone Number | | | |
| 6) Email id | | | |

| | | | |
|---|---|---|---|
| 7) Business premises (complete address to be given) | | | |
| 8) Nature of Trade or business | | | |
| 1. | | Do you wish to cover the risk of Loss of Profits arising from: | |
| | a) | Breakdown of Machinery in your premises | Yes ☐ No ☐ |
| | | <u>If so, please complete schedule 'A'</u> | |
| | b) | Explosion of Boiler and Pressure Plant in your premises | Yes ☐ No ☐ |
| | | <u>If so, please complete schedule 'B'</u> | |
| 2 | | Is the plant and Machinery specified in Schedule A & B insured against material damage risk ie breakdown and/or explosion? | Yes ☐ No ☐ |
| | | If yes, please state - | |
| | | a) Name of the Insurer | _____ |
| | | b) Title of the Policy | _____ |
| | | c) Policy Nos. | _____ |
| | | d) Period(s) of Insurance | From _____ To _____ |

| | | | |
|---|---|---|---|
| 3 | a) | Are the lists of the Machinery in Schedule A and B representing the whole or only a part of the Machinery in the premises? | Whole ☐ Part ☐ |
| | b) | Are all your Machineries subject to periodical inspection? | Yes ☐ No ☐ |
| | | If yes, state by whom and at what intervals inspections are carried out. Supply details of your maintenance Schedule. | _____ |
| 4. | | Give description of the manufacturing process and utility supplies such as power, steam, air ,water etc. required for production.<br><br>Please attach a process flow diagram showing connected machinery and indicate bottlenecks or buffer stocks if any<br><br>Please attach separate line diagram for utility supplies such as power, steam, air and water showing interconnected machinery. | _____<br>_____<br>_____ |
| 5. | | In the event of stoppage of any of the machines proposed for insurance - | |
| | a) | Can machines, which remain in operation, carry the load originally borne by the machine, which has failed? | Yes ☐ No ☐ |

| | | | |
|---|---|---|---|
| | b) | Are there any alternative means of maintaining production by - | |
| | | i) the work being done at other premises ? | Yes ☐ No ☐ |
| | | If yes, to what extent? | _____ |
| | | ii) hiring temporarily suitable replace- ment machine | Yes ☐ No ☐ |
| | | iii) by any other means | Yes ☐ No ☐ |
| 6. | | Are any of the machines described in the schedule A & B de-rated? | Yes ☐ No ☐ |
| | | If yes please give details | _____ |
| 7. | | State repair facilities available in regard to machinery specified in Schedule A & B | |
| | a) | In your own premises | _____ |
| | b) | Any other nearest place | _____ |
| 8. | | Which machines proposed under this insurance are the machines for which the spare parts would need to be imported? | _____ |

| | | | |
|---|---|---|---|
| 9. | | State the estimated period of interruption affecting resumption of normal production, on account of spoilage of materials in process following a breakdown or failure of utility supplies. | _____<br>_____ |
| 10. | a) | What are your normal working hours? | a) _____ hrs. per day |
| | | | b) _____ days per week. |
| | | | c) _____ days per year. |
| | b) | Can extra shifts be worked to make up production loss? | Yes ☐ No ☐ |
| 11. | a) | Have you ever suffered Loss of Profit following Machinery Breakdown and/or Boiler Explosion? | Yes ☐ No ☐ |
| | b) | If so give details of the cause, duration and loss suffered in each stoppage, during the last three years. | _____<br>_____ |

| | | | | |
|---|---|---|---|---|
| 12. | | If the business is 'Seasonal' indicate the period of high and low output or turnover and indicate the degree of fluctuation. State if there is a tendency of fluctuations due to demands. | _____ _____ | |
| 13. | | State what terms are required for Loss of Profits insurance with regard to - | | |
| | a) | Indemnity period (max.12 months) | _____ | |
| | | ***Note*** *- The Indemnity period should be selected based on an estimate of the Maximum time, which would be required to resume normal production after a serious accident.*<br>*Different periods can be selected for different items.* | | |
| | b) | Time Exclusion (Min.7 working days) | 7 days ☐<br>28 days ☐ | 14 days ☐ |
| 14. | | Do you wish to opt for Turnover basis or Output basis? Please specify. | Turnover ☐ Output ☐ | |
| 15. | | INSURED STANDING CHARGES - Please indicate charges to be insured - delete or supplement as appropriate - | | |

| | | | |
|---|---|---|---|
| | a) | Interest on Debentures Motor Upkeep and Licenses: | |
| | b) | Mortgages, Loans and Lighting, Heating Power and Bank Overdrafts: | |
| | c) | Water Charges | |
| | d) | Directors' Fees and Office Expenses: | |
| | e) | Remuneration | |
| | f) | Rents and Rates | |
| | g) | Salaries including State Insurance Contribution | |
| | h) | Taxes other than those chargeable on Profits | |
| | i) | Insurance Premiums | |
| | j) | Contributions to Pension Fund | |
| | k) | Telephone Rentals | |
| | l) | Miscellaneous Charges *(not travelling expenses) exceeding 5% of the total amount of the aforesaid Standing Charges.* | |
| | m) | Travelling Expenses | |
| | n) | Advertising Cost | |
| | o) | Auditors' and Legal Fees | |
| | p) | Trade and Charitable Subscriptions | |
| | q) | Repairs and renewals chargeable to revenue account | |

| | | | | |
|---|---|---|---|---|
| | r) | Depreciations of Buildings/ Machinery Plant and Motor Vehicles | | |
| 16. | | State the Sum Insured on – | | |
| | a) | Gross Profit under the Loss of profits Policy (The Gross Profit for the current financial year to be computed from the last annual balance sheet being the Sum of net profit and Standing Charges with adjustment for upward or downward trend of business for the period of Insurance.) | Sum Insured –<br>Rs. ____ | Indemnity period -<br>_____ months |
| | b) | On Wages (Alternative forms of cover available) | | |
| | | i) _____ weeks wages to the extent of _____ % of the total wage roll. **OR** | Rs. ____ | |
| | | ii) Wages to the extent of ____ % of the total wages for roll. **OR** | Rs. ____ | |
| | | iii) Total wages for the first ____ weeks followed by _____ % for the remainder of the Indemnity Period | Rs. ____ | |
| | c) | On Auditors/Accountants Fees - (cost incurred in the preparation of claims.) | Rs. ____ | |
| 17. | | Are your books regularly audited? | Yes ☐ | No ☐ |

| | | | |
|---|---|---|---|
| | a) | If so, give name and address of your Auditors. | |
| | b) | When does your financial year end? | |
| | c) | Date of commencement of Insurance? | From _____<br>To _____ |
| 18. | | Are you insured or have you made a proposal in respect of loss of Profit following Machinery Breakdown and/or Boiler Explosion? | Yes ☐ N☐ |
| | | If so, give name of the Company concerned and state if renewal has been (a) declined (b) subjected to increased rates or special conditions | _____ |
| 19. | | Are you insured against Loss of profit following Fire? | Yes ☐ No ☐ |
| | | If so, please state - | |
| | a) | Name of the Insurer | |
| | b) | Sum Insured | |
| | c) | Policy No. | |

| **Premium Payment Details:** | | | |
|---|---|---|---|
| Total Premium Amount (Including GST) – INR _____ | | | |
| Payee Name - | | | |
| Kindly select : Cheque ☐ | DD ☐ | NEFT ☐ | Cash ☐ |
| Cheque /DD/ PO /UTR No. | | | |
| Date | IFSC | | |
| Amount in Rs. | | | |
| Bank Account No. | | | |
| Bank Name | | Branch | |
| PAN Number | | | |

| | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Aadhaar Number | | | | | | | | | | | | | |
| *Documents to be attached as per requirement for fulfillment of KYC Norms.* | | | | | | | | | | | | | |
| GST Registered | | | | | | | | | | | | Yes/ No | |
| | GSTIN Number | | | | | | | | | | | | |
| | GST State | | | | | | | | | | | | |

INTERMEDIARY DECLARATION

**Intermediary PAN number:**

**Intermediary Aadhaar number:**

I, _____ (Full Name) in my capacity as an SP/POSP/BQP/Designated Person/ Authorized Verifier/ Authorized Salesperson of the Corporate Agent/ Broker/IMF/Web Aggregators, do hereby declare that I have explained all the contents of this Proposal Form, including the nature of the questions contained in this Proposal Form to the proposer including statement (s), information and responses(s) submitted by him/her in this Proposal Form to questions contained herein or any details sought herein will form the basis of the Contract of Insurance between the Company and the Proposer, if this Proposal is accepted by the Company for issuance of the Policy. I have further explained that if any untrue statement(s)/information/response(s) is/are contained in this Proposal Form / including addendum(s), affidavits, statements, submissions, furnished/ to be furnished, or if there has been a non-disclosure of any material fact, the Policy issued to his/her favour pursuant to this Proposal may be treated by the Company as null and void and all premium paid under the Policy may be forfeited to the Company.

Functional/Unique ID (SP/POSP/BQP/DP/AV/ASP): _____

Branch Mobile/Phone Number: _____ Branch Email Address: _____

Date: DD MM YYYY Signature of the Insurance Advisor: _____

**DECLARATION BY INSURED**

I/We hereby declare and warrant that the above statements are true and complete in all respects and that there is no other information which is relevant to my application for insurance that has not been disclosed to you. I/We agree that this proposal and the declarations shall be the basis of the contract between me/us and Magma General Insurance Limited

I/We, also declare that if any additions or alterations are carried out in the risk proposed after the submission of this proposal form then the same would be conveyed to the insurers immediately.

I/We hereby declare and undertake that the amount paid by me/us as premium for aforementioned policy is out of my/our lawful and declared source of income.

I hereby consent to and authorize Magma General Insurance Limited to make welcome calls, service calls or any other communication (electronic or otherwise) with respect to the proposed or existing policy of Company from time to time and subject to the provisions of applicable law.

I/We hereby give my/our consent to the Company to verify and obtain my/our identity/address proof as well as the identity /address proof of the insured through Central KYC Registry or UIDAI or through any other permitted modes for the purpose of undertaking applicable KYC.

I wish to get all policy related communications on my Whatsapp (other app) number.

**Place**
**Date**
**Signature of Proposer**

**AML Guidelines**

1. I/we hereby confirm that all premiums paid / payable in future are from bonafide sources and not paid out of proceeds of crime and that such premiums are not disproportionate to my/our income. I / we understand that the Company has the right to call for documents to establish sources of funds and to cancel the insurance policy in case I / we are found guilty by any competent court of law under any of the statutes, directly or indirectly governing the prevention of money laundering law in India.

   Date: DD/MM/YYYY  Signature of the Proposer: _____

   Are you or any of the proposal applicants PEPs* or a close relative/associate of PEPs*?

   ☐ YES ☐ NO

   If yes, please share the details of "Politically Exposed Persons"(PEPs):

   * (PEPs) are individuals who have been entrusted with prominent public functions by a foreign country, including the heads of States or Governments, senior politicians, senior government or judicial or military officers, senior executives of state-owned corporations and important political party officials.

2. **Disability, If any**: Type of Disability _____ Percentage of Disability: _____

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3. **Additional Information:**

Nationality: Indian ☐ Non-Indian ☐ If, Non-Indian, please specify Country: ----------.

Residential Status: ☐ Resident Individual ☐ Non-Resident Indian ☐oreign National

Person of Indian Origin ☐

4. **Type of Organisation:**

(i) Corporations

(ii) Trust

(iii) Government

(iv) Partnership

(v) Non-Government Organisations

(vi) Co-operatives

(vii) Society

(viii) Private Limited Company

(ix) Public Limited Company

(x) others, please specify----------

5. **Source of Funds:**

Business: ---------- Salaried: ---------- Others (please specify)----------

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## VERNACULAR DECLARATION

I hereby declare that I have fully explained the contents of the proposal form and all other documents incidental to availing the insurance from **Magma General Insurance Limited** to the proposer in the language understood by him/her. The same has been fully understood by him/her and the replies have been recorded as per the information provided by the proposer. Replies have been read out to, fully understood and confirmed by the proposer.

Place: Proposer's Signature_____

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Company stamp

Date:
(DD-MM-YYYY)

Name: _____ Designation _____

**Disability Declaration**

I hereby declare that I have been duly authorized by the proposer to give this declaration and that I have fully explained the contents of the proposal form and all other documents incidental to availing of the insurance from Magma General Insurance Limited to the proposer. The same has been fully understood by me and the replies have been recorded as per the information provided by the proposer. Replies have also been explained, fully understood and confirmed by the proposer.

Name_____
Signature _____ Date: _____

**Prohibition of Rebates Under Section 41 of Insurance Act, 1938**

No person shall allow or offer to allow either directly or indirectly, as an inducement to any person to take out or renew or continue an insurance in respect of any kind of risk relating to lives or property in India, any rebate of the whole or part of the commission payable or any rebate of the premium shown on the policy, nor shall any person taking out or renewing a policy accept any rebate, except such rebate as may be allowed in accordance with the published prospectus or tables of the insurer.

Any person making default in complying with the provisions of this section shall be punishable with fine which may extend to ten lakhs rupee.

Provided that acceptance by an insurance agent of commission in connection with a policy of any class of insurance business taken out by himself in relations to risks associated with his own life, health or property shall not be deemed to be acceptance of a rebate of premium within the meaning of this sub-section if at the time of such acceptance the insurance agent satisfies the prescribed conditions establishing that he is a bona fide insurance agent employed by the insurer.