

ADD ON COVERS UNDER

**PRODUCT: CHOLA MS BHARAT LAGHU UDYAM SURAKSHA POLICY
 (UIN NO.IRDAN123RP0015V01202021)**

1. ACCIDENTAL DAMAGE EXTENSION

UIN:IRDAN123RP0015V01202021/A0010V01202122

Coverage: On payment of additional premium the policy is extended to cover, by granting of this extension, sudden, accidental, physical, loss or damage or destruction to buildings, or other contents whilst at the insured location excluding:

A. Loss or damage to:

- a) Buildings, stock or other contents in respect of which a sum insured is not shown in the Schedule;
- b) Any property excluded by this section;
- c) Loss or damage covered elsewhere under the policy, to which this extension is attached;
- d) Impact damage caused other than by vehicle, animal or aircraft belonging to or owned by Insured or their employee while acting in the course of employment;
- e) Any property whilst in transit other than during incidental movement of such property within insured premises;
- f) Machinery, electronic data processing equipment or electronic control equipment occasioned by or happening through any mechanical, electrical, electro-mechanical, electronic or hydraulic malfunction, failure or derangement, breakdown or nonoperation of any kind;
- g) Glass other than forming part of stock;
- h) Property undergoing reconstruction, construction, demolition, repair or maintenance.

B. Loss or damage caused by:

- a) A cause or occurrence otherwise excluded anywhere in this extension;
- b) Unloading or delivery to, or loading prior to dispatch from, the insured location.

C. Theft, attempted theft or unexplained inventory shortages**D. Claims arising out of:**

- a) Latent defect;
- b) Any manufacturing, processing, packaging or assembly process;
- c) Normal settling, seeping or shrinkage in buildings or foundations, walls, pavements, driveways or other structural improvements;
- d) Corruption, amendment, erasure or interference with computer software.

E. Damage caused directly or indirect

- a) Shrinkage, expansion, inherent vice, mould, mildew, dampness or dryness of the atmosphere;
- b) Moths, vermin, termites or other insects;
- c) Mechanical derangement and mechanical, structural or electrical breakdown;
- d) Faulty materials or faulty workmanship.

F. The cost of recreating computer records or programs

Sum Insured limit
10% of Policy SI subject to a maximum of Rs.2.50 Crs

2. ESCALATION CLAUSE

UIN: IRDAN123RP0015V01202021/A0011V01202122

In consideration of the payment of an additional premium or as agreed by insurer on the under noted items(s)the Sum(s) Insured thereby shall, during the period of insurance, be increased each day by an amount representing 1/365th of the specified percentage increase per annum.

Unless specifically agreed to the contrary the provisions of this clause shall only apply to the sums insured in force at the commencement of each period of insurance. At each renewal date the insured shall notify the Insurers :

- (i) the sums to be insured under each item above, but in the absence of such instructions the Sums Insured by the above items shall be those stated on the policy (as amended by any endorsement effective prior to the aforesaid renewal date) to which shall be added the increases which have accrued under this Clause during the period of insurance upto that renewal date, and
- (ii) the specified percentage increase(s) required for the forthcoming period of insurance, but in the absence of instructions to the contrary prior to renewal date the existing percentage increase shall apply for the period of insurance from renewal.

All the conditions of the policy in so far as they may be hereby expressly varied shall apply as if they had been incorporated herein."

Sum Insured limit
Upto max 25% of BPM SI

3. INSURANCE OF ADDITIONAL EXPENSES OF RENT FOR AN ALTERNATIVE ACCOMMODATION

UIN: IRDAN123RP0015V01202021/A0012V01202122

It is hereby declared that in the event of the premises described in the policy and occupied by the insured, hereinafter referred to as 'PREMISES' being destroyed or damaged by any Insured Peril as to become unfit for occupation and the insured in consequence taking up alternative accommodation, the Company shall, subject to special conditions set out herein, indemnify the insured against the additional rent (as explained herein) which the insured is called upon to bear for the period beginning from the date of operation of any of the Insured Perils until the 'PREMISES' is rendered fit for occupation such period not exceeding such reasonable time as is required to restore the premises with due diligence to a condition fit for occupation or the maximum indemnity period of months whichever is earlier. Provided that the liability of the Company shall not exceed Rs. the sum insured hereby. Provided further that if the sum produced by applying the monthly additional rent, borne by the insured for the alternative accommodation to the maximum indemnity period is more than the Sum Insured hereby, the liability of the Company shall be proportionately reduced.

SPECIAL CONDITIONS :

1. This insurance shall apply subject to the condition that the PREMISES occupied by the insured, whether as owner or tenant, forms part of a building not being "Kutchha" Construction.
2. If the area of alternative accommodation taken by the insured is more than the area of the PREMISES occupied by the insured, the additional rent borne by the insured for the purpose of this insurance shall be deemed to be that proportion of the additional rent actually borne by the insured as the area of the PREMISES which was in the insured's occupation bears to the area of the alternative accommodation taken by the insured. The insured shall be at liberty to take alternative accommodation in any locality so long as it is within the Municipal limit of the city or town in which the PREMISES is situated.

EXPLANATION

Additional Rent : If the insured is the Owner-Occupant, the additional rent borne by him is arrived at after deducting the standard rent of the premises from the actual rent paid for the alternative accommodation. The standard rent shall be based on the ratable values fixed by the Municipal/Revenue authorities for tax purposes.

If the insured is a tenant only and for safeguarding his legal tenancy rights is obliged to pay rent for the premises even during the period when it is not fit for occupation, the additional rent borne by him is the actual rent for the alternative accommodation. If the insured is a tenant and is not obliged to pay rent for the premises during the period when it is not fit for occupation, the additional rent borne by him is the actual rent paid for alternative accommodation taken less the rent which he was paying for the premises immediately prior to the same being damaged or destroyed by Insured Perils and rendered unfit for occupation

Sum Insured limit
Limit Selected –Upto 1% of Policy SI
No. of Months – Maximum 12 months

4. FIRE FIGHTING EXPENSES :

UIN:IRDAN123RP0015V01202021/A0013V01202122

In consideration of the payment of additional premium or as agreed by insurer, it is hereby declared and agreed that the insurance under this Policy shall, subject to terms, conditions and exclusions of this Policy and also subject to terms, conditions and exclusions hereinafter contained, extend to include reasonable and necessary cost of replenishment, refilling, recharging and restitution of fire extinguishing appliances and fire detection equipment, replacing used sprinkler heads, and any specific extinguishment charges levied against the Insured in whole or in part in the process of minimizing destruction or damage incurred hereby.

Provided that, this extension is applicable only when there is an admissible claim under the policy and such expenses which are reasonably and necessarily incurred should be supported by bills and documents upto the limits covered and without bills either 50% of the limit selected or Rs.50000 whichever is lower will be paid

Claims will be settled on indemnity basis, subject to a maximum of 5% of the base claim amount or ₹ 1 crore, whichever is lower.

Sum Insured limit
5% of the policy sum insured, subject to a maximum of ₹ 1 crore

5. EXPEDITING EXPENSES

UIN: IRDAN123RP0015V01202021/A0014V01202122

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon and "Insured having paid the agreed premium" or as agreed by insurer, The insurance by this policy is extended to cover any extra cost insured in respect of express delivery airfreight, overtime Sunday and Holiday rates of wages in connection with repairs or replacements indemnifiable by this policy, the liability of the Insurers under this Endorsements shall in no case exceed the percent of the amount which the repair or replacement would have cost if these expenses had not been incurred.

Claims will be settled on indemnity basis, subject to a maximum of 10% of the base claim amount or ₹ 1 crore, whichever is lower.

Sum Insured limit
Limit Selected – 10% of the policy sum insured, subject to a maximum ₹1 crore.
