

**The Oriental Insurance Co Ltd**  
**Bharat Laghu Udyam Suraksha**

**4. Escalation Clause- IRDAN556RP0013V01202021/A0018V01202122**

It will be in order for Insurers to allow automatic regular increase in the Sum Insured throughout the period of the policy in return for an additional premium to be paid in advance. The terms and conditions for this extension shall be as follows

- a) The selected percentage increase shall not exceed 25% of the Sum Insured.
- b) The additional premium, payable in advance, will be at 5% of the full rate, to be charged on the selected percentage increase.
- c) The Sum Insured at any point of time would be assessed after application of the Escalation Clause.
- d) Escalation Clause will apply to portion covering Building, Machinery and Accessories only and will not apply to stock.
- e) Pro-rata condition of Average will apply as per the policy terms and conditions.
- f) The automatic increase operates from the date of inception upto the date of operation of any of the Insured Perils.