

**HDFC
ERGO**

Take it easy!

**Minimum Risk,
Maximum
Protection**
For Your
Business



**BHARAT SOOKSHMA UDYAM
SURAKSHA POLICY**

Bharat Sookshma Udyam Suraksha Policy provides insurance cover for physical loss or damage to, or destruction of Insured Property relating to a business.

This policy is meant for enterprises where the total value at risk across all insurable asset classes at one location does not exceed ₹5 Crore (Rupees Five Crore)

THE COVERAGE

1. Standard Cover: Covers physical loss or damage, or destruction caused to the building and structures, plant and machinery, stock and other assets related to the business owner. These are the Insured Properties

If any Insured Property is lost, damaged or destroyed, **HDFC ERGO** provides cover as follows:

Business Loss	Condition	Payment for loss, but not more than the Sum Insured
Any Insured Property is damaged. (Partial Loss)	Owner has repaired such property.	Cost of repairs
If any Insured Stock is damaged. (Partial Loss)	-	Extent of the loss of such Partial Loss
Any Building or Plant and Machinery or Furniture, Fixture, Fittings is completely destroyed. (Total Loss)	Owner has rebuilt the building or reinstated/replaced such property.	Reinstatement /Replacement Value (i.e amount at which the Insured Property can be reinstated or replaced by a similar property, without deducting depreciation)
Stock is completely destroyed (Total Loss)	-	a) For raw material: Landed Cost at Your Premises, b) For stock in process: Input Cost of the stock at the time of damage, c) For finished stock: the Manufacturing Cost of the finished stock or the Contract Price of goods sold but not delivered.
Any Building, Plant and Machinery, Furniture, Fixture and Fittings is completely destroyed (Total Loss)	Owner has not rebuilt the building or reinstated other property.	Market Value (Reinstatement Value less Depreciation)

i. The business owner must commence the repairs, reinstatement or reconstruction within a reasonable time after the date of damage or destruction. The repairs or reinstatement must be complete within 12 months from the date of damage or destruction

ii. In all cases HDFC ERGO will not pay more than the relevant sum insured

iii. HDFC ERGO will pay only to the extent required to bring the Property to a condition substantially the same as, but not superior, better or more extensive than its condition if it were new on the date it is damaged or destroyed

iv. The business owner can reconstruct the new building on the same site, or another site. If the owner reconstructs the new building on another site, HDFC ERGO will not pay more than what would be paid to reconstruct on the same site.

2. In-built Covers:

In-built Cover	Details
Additions, alterations or extensions	Property that the owner erects, acquires or adds during the Policy Period is covered up to 15% of the Sum Insured for that item (excluding stocks).
Stocks on floater basis	Loss to stocks located at more than one named location.
Temporary removal of stocks	Loss to stocks temporarily removed to other premises for fabrication, processing or finishing up to 10% of value.
Cover for Specific Contents	Cover for Money upto ₹50,000 (Fifty Thousand Rupees) during the policy period, cover for documents such as deeds, manuscripts, business books, plans, drawings, securities etc. up to ₹50,000 (Rupees Fifty Thousand) during the policy period, cover for computer programmes, information and data up to ₹5 Lakh (Rupees Five Lakh) during the policy period and cover for personal effects of employees, Directors and visitors up to ₹15,000 (Rupees Fifteen Thousand) per person for a maximum of 20 persons during the policy period.
Start-Up Expenses	Start-up cost incurred in respect of insured risk consequent upon a loss or damage due to insured events up to ₹1 Lakhs (Rupees One Lakh).
Professional fees	Reasonable fees of architects, surveyors and consulting engineers up to 5% of the claim amount.
Costs for Removal of debris	Reasonable expenses for removal of debris up to 2% of the claim amount.
Costs compelled by Municipal Regulations	Additional cost of reconstruction of property incurred solely for complying with municipal regulations.

WHICH EVENTS ARE COVERED?

What is covered?



Fire, including due to its own fermentation, or natural heating or spontaneous combustion.













Explosion or Implosion

What is not covered?

Fire caused by
 a. Any undergoing heating or drying process
 b. Burning of Insured Property by order of any Public Authority.

Explosion or Implosion
 a. Caused to boilers, economizers or other vessels, machinery or apparatus in which steam is generated, or their contents, resulting from their own explosion or implosion
 b. caused by centrifugal forces.

	Lightning	-
	Earthquake, volcanic eruption, or other convulsions of nature	-
	Storm, Cyclone, Typhoon, Tempest, Hurricane, Tornado, Tsunami, Flood and Inundation	-
	Subsidence of the land on which the Premises stand, Landslide, Rockslide	caused by a. normal cracking, settlement or bedding down of new structures, b. the settlement or movement of made up ground, c. coastal or river erosion, d. defective design or workmanship or use of defective materials, or e. demolition, construction, structural alterations or repair of any property, or ground works or excavations.
	Bush fire, Forest Fire, Jungle Fire	-
	Impact damage of any kind, i.e., damage caused by impact of, or collision caused by any external physical object (e.g. vehicle, falling trees, aircraft, wall, etc.)	a. caused by pressure waves caused by aircraft or other aerial or space devices travelling at sonic or supersonic speeds b. caused by vehicle, animal or aircraft belonging to or owned by Insured or their employee while acting in course of employment.
	Missile testing operations	-
	Riot, Strikes, Malicious Damages	caused by a. total or partial cessation of work or the retardation or interruption or cessation of any process or operations or omissions of any kind, b. temporary or permanent dispossession, confiscation, commandeering, requisition or destruction by order of the government or any lawful authority, or c. temporary or permanent dispossession of any Building by unlawful occupation by any person.
	Acts of terrorism (Coverage as per Terrorism Clause)	Exclusions and Excess as per Terrorism Clause.
	Bursting or overflowing of water tanks, apparatus and pipes,	-



Leakage from automatic sprinkler installations.

- a. repairs or alterations in the Building in which the Business is located,
- b. repairs, removal or extension of any sprinkler installation, or
- c. any defects in the construction.



Theft within 7 days from the occurrence of and proximately caused by any of the above Insured Events.

- if it is
- a. of any article or thing outside the Premises, or
 - b. of any article or thing attached from the outside of the outer walls or the roof of the Premises, unless securely mounted.

STANDARD ADD-ON COVERS

Standard add-on covers can be purchased under this policy by paying an additional premium.

COVERAGE UNDER THIS POLICY



1. Any building or structure

In the premises where business is carried out. It may be a shed, flat, house, unit of a building. It may be made of any material. It includes:

- i. Basement (if any), all fixtures and fittings permanently attached to the floor, walls or roof like electrical wiring, antennas etc.
- ii. The following 'additional structures' located on the Premises and used for Business, that are shown in the Policy Schedule:
 - a. garage, out-houses, security sheds, towers, verandah or porch, tanks, compound walls, retaining walls, fences and gates, internal roads,
 - b. lifts, hoists,
 - c. solar panels, wind turbines and air conditioning systems, central heating systems, security systems and cameras, electrical installations, fire alarm, fire sprinkler systems, power lines, power installations, or
 - d. water, gas and sewage pipeline within the premises
- iii. any other structure as per the Policy Schedule.



2. Plant and Machinery

All equipment, machinery, pipes and cables, spares, computers, servers and preloaded licensed system software, located within any structure or in the open area of the premises.

It includes:

- i. machines under repair,
- ii. machines taken on hire or lease, or any system of purchase of goods,
- iii. foundation, bedding or setting of the machines, or
- iv. accessories of machines.



3. Stock of goods or merchandise

It maybe:

- i. finished goods, semi-finished goods, stock in process, stock invoiced and ready for dispatch,
- ii. raw materials, packing materials,
- iii. stock accepted for job work,
- iv. stock held in trust,
- v. stock in Open in the Insured Premises.



4. All other assets

that is, all other tangible property located in the premises and used for business. It includes:

- i. Furniture and fixtures, office equipment, telephone equipment, electronic equipment, computers etc,
- ii. Canteen and kitchen equipment, gym and permanent sports equipment etc.

WHO CAN PURCHASE THIS POLICY?

1. One can purchase the **Bharat Sookshma Udyam Suraksha Policy** for the **building or structure** if
 - i. Owned or occupied under a lease,
 - ii. Occupied as a purchaser under an agreement of sale or lease,
 - iii. Occupied and authorized under any law,
 - iv. Occupied by a tenant, a licensee or an employee, or
 - v. Tenant under an agreement in writing and is liable to repair it.
2. One can purchase the **Bharat Sookshma Udyam Suraksha Policy** for **plant and machinery, stock or other property** if
 - i. Owns or uses it under a lease under a lease in writing,
 - ii. Hold it in trust or on commission or are responsible for it,
 - iii. Have taken plant and machinery or other contents on hire or lease, or any other system of purchase,
 - iv. Have accepted stock for job work.
3. One is eligible to purchase the **Bharat Sookshma Udyam Suraksha Policy**
 - i. If one has any business of manufacturing or production of goods, or of providing or rendering services, and
 - ii. if one owns or legally responsible for own business, and
 - iii. if the value of all the insurable assets at one location is NOT more than ₹5 Crore (Rupees Five Crore) at the policy Commencement Date. These include buildings, plant and machinery, stock, and all other assets. Insurable Assets include all assets owned, or held as tenant or occupant, or held in trust or on commission, or are legally responsible for.

4. If the value of all Insurable Assets exceeds ₹5 Crore during the policy period, this policy shall, on expiry, be replaced by the applicable policy.

EXCLUSIONS

HDFC ERGO does not cover losses or expenses, or any loss, damage to, or destruction of the Insured Property, directly or indirectly as a result of or if caused by or arising from events, stated below:

1.
 - i. Excess of ₹5,000 (Rupees Five Thousand). This means that HDFC ERGO will deduct ₹5,000 for each and every loss suffered by You under the terms of this policy.
 - ii. For terrorism risk the Excess shall be as per the Clause attached with this policy.
2. Any deliberate, willful or intentional act or omission, or of anyone on the owners behalf, or with owners connivance.
3. Loss, damage or destruction to any electrical / electronic machine, apparatus, fixture, or fitting by over-running, excessive pressure, short circuiting, arcing, self-heating or leakage of electricity from whatever cause (lightning included).
4. Loss, destruction or damage to the stocks in cold storage premises caused by change of temperature.
5. Loss, or damage by spoilage resulting from the retardation or interruption or cessation of any process or operation caused by operation of any of the Insured Event.
6. The Premises or any Insured Building remaining continuously unoccupied for a period of more than 30 days.
7. War, invasion, act of foreign enemy hostilities or war-like operations (whether war is declared or not), civil war, mutiny, civil commotion amounting to a popular rising, military rising, rebellion, revolution, insurrection or military or usurped power.
8. Ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from combustion of nuclear fuel, or the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component that is part of it.
9. Pollution or contamination, unless
 - i. the pollution or contamination itself has resulted from an Insured Event, in which case only physical damage to the Insured Property is covered, or
 - ii. an Insured Event itself results from pollution or contamination.
10. Loss, destruction or damage to bullion or unset precious stones, any curios or works of art unless such amount is declared separately and recorded in the Policy Schedule.
11. Loss of any Insured Property which is missing or has been mislaid or its disappearance cannot be linked to any single identifiable Insured Event.
12. Loss or damage to any Insured Property removed from the Premises to any other place, except
 - i. Machinery and equipment temporarily removed for repairs, cleaning, renovation or other similar purposes for a period not exceeding 60 days,
 - ii. Stock covered under in-built Cover 'Temporary removal of stocks'.
13. Any reduction in market value of any Insured Property after its repair or reinstatement.
14. Loss or damage to any Insured Property or any claim which is covered by a marine policy in force

at the time of loss or damage, except in excess of the limits of that policy.

15. Any consequential or indirect loss or damage of any description, i.e. losses or extra costs (financial or non-financial) that follow or are a consequence of an Insured Event, like, loss by delay, loss of income or wages or earnings, or of market, or of time, medical expenses, or any costs not covered by this Policy.

16. Costs, fees or expenses for preparing any claim.

CLAIMS

In the event of loss of an insured event the company must be informed immediately Our contact details are as follows:



Call

022-6234 6234/
021-6234 6234



E-mail

care@hdfcergo.com



Address

HDFC ERGO General
Insurance Co. Ltd. Corporate
Claims Department, 6th Floor,
Leela Business Park, Andheri
Kurla Road, Andheri (E),
Mumbai – 400 059.

WHY HDFC ERGO?



Trust of **1.5+ Crore**
Happy Customers®



24 x 7 Customer Servicing
in **10 Languages**



Transparency



Quick & Hassle-free
Claim Settlement



Section 41 of Insurance Act 1938 (Prohibition of Rebates):

1. No person shall allow or offer to allow, either directly or indirectly, as an inducement to any person to take 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 premium shown on the policy, nor shall any person taking out or renewing or continuing a policy accept any rebate, except such rebate as may be allowed in accordance with the prospectus or tables of the insurers.
2. Any person making default in complying with the provision of this section shall be punishable with fine which may extend to Ten Lakh Rupees.

DISCLAIMER: THE ABOVE IS DESCRIPTIVE ONLY. THE ACTUAL TERMS AND CONDITIONS CAN BE FOUND IN THE POLICY DOCUMENT. INSURED'S ARE ADVISED TO READ THE POLICY DOCUMENT COMPLETELY FOR A FULL DESCRIPTION OF THE TERMS AND CONDITIONS OF COVERAGE AND THE EXCLUSIONS RELATING THERETO.



HDFC ERGO GENERAL INSURANCE COMPANY LIMITED

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