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# Industrial All Risk

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## Coverage Includes

- Fire and Special Perils including Earthquake
- Consequential Loss (Fire)
- Machinery Breakdown, Boilers Explosion, Electronic Equipment
- Machinery Loss of profit (optional)
- Terrorism Damage (optional)

## General Exclusions

### **Exclusion under Section 1 (Material Damage)**

- Faulty or defective design material or workmanship
- Interruption of the water supply, gas, electricity or fuel system or failure of the effluent disposal system
- Collapse or cracking of building
- Act of fraud or dishonesty
- Larceny
- Coastal or river erosion
- Normal settlement or bedding down of new structures
- Any wilful act or wilful negligence on the part of the insured
- Cessation of work, delay
- War invasion or war like situation
- Nuclear weapons/ionising radiations or contamination by radioactivity.

### **Exclusion under Section 2 (Business Interruption)**

This policy doesn't cover loss resulting from interruption of or interference with business directly or indirectly attributable to:

- Any restriction or reconstruction or operation imposed by any public authority
- The insured's lack of sufficient capital for timely restoration or replacement of property lost destroyed or damaged
- Electronic installation computer and data processing equipment
- Deliberate erasure loss distortion or corruption of the information
- Deductible stated in the schedule.

## **Excess**

### **Compulsory Excess**

Material Damage Claims-Deductibles shall be 5% of the claim amount subject to minimum of Rs.5 Lakhs and Maximum of Rs. 50 Lakhs.

Business Interruption Claims- Deductibles shall be three days Gross Profit subject to minimum of Rs. 5 Lakhs and maximum of Rs. 50 lakhs.

### **Voluntary Excess**

Material Damage Claims- Insured may opt for higher excess for which suitable discounts in premium may be considered ranging from 10% to 25%

Business Interruption Claims- Range for the discounts is from 5% to 25% for opting higher excess.

## **Rating**

Material Damage Section:

- FIRE - Rates as per the Standard Fire Special Perils Policy
- Machinery Breakdown - 2.50%o.

### **Loss Of profit Section:**

- FLOP - as per Fire (LOP) Tariff less 10% discount
- MLOP - to be referred to TAC.

**NB:** Based on favourable claims ratio, a discount upto 25% can be allowed