



## **LARGE RISK INSURANCE POLICY - SALES LITERATURE**

**UIN No IRDAN150CP0005V01201314**

### **Introduction**

This is a package policy devised to insure Industrial, manufacturing Risks, service providers, utilities and such similar risks having Sum Insured above Rs. 2500 Cr. at one location for material damage and business interruption.

### **Scope of Cover**

The Policy is structured on an 'All Risk' basis with specified exclusions and is not a 'named peril' policy. Hence there would not be a fixed set of contingencies covered. This Policy has 6 sections.

Section I would indemnify the Insured against sudden and unforeseen physical loss of or damage to the property insured.

Section II would cover all machinery and Equipment including electrical or electronic machinery of The Insured's plants including spare parts where in Insured has Insurable Interest

Section III: This section in the Policy covers reduction in gross profit due to business interruption following Insured Peril under Section I & II.

Section IV: Inland Transit will cover the goods and/ or merchandise at and from ports and/or places anywhere in India to ports and/or places anywhere in India including transits to or from the premises of the Assured, forwarders, packers consolidators, hauliers, warehousemen and other bailees, via any route including transshipment by land, water or air.

Section V: This section will protect the Insured for against liability claims for bodily injury (BI) and property damage (PD) arising out of premises, operations, products, and completed operations

#### Section VI:

This section will cover the Insured from potential losses and liabilities that might occur due to terrorist activities.

#### **Main Exclusions**

The Policy would have 'named excluded perils' which majorly include war, nuclear / radioactive radiations, willful acts, inventory losses, wear & tear, defective design / workmanship and other listed exclusions specified in the policy wordings.

#### **Sum Insured**

The Sum Insured should represent the erected value of the plant as new as on date under Material Damage section. Under Business Interruption the Sum Insured should represent the Annual Gross Profit of the plant under insurance. Marine Sum Insured represents the aggregate value of all the movements occurring during the Policy Period. Liability section will define Any one accident (AOA) and Any one Year (AOY) limits.

#### **Premium**

The main risk factors that would determine the basic rate for this product would be nature of occupancy, geographical location, construction, type of fire protection appliances, nature of goods, past loss experience, deductibles and coverage. Other factors would be surrounding exposure, age of the asset, housekeeping, maintenance, electrical fittings, stock exposures, physical security, production lines, manufacturing technology, number of shifts, imported or indigenous machines, relative importance, spare parts, dependency, repair and maintenance facility, per sending limit, type of cargo, liability limits etc.

### **INSURANCE IS THE SUBJECT MATTER OF THE SOLICITATION**