

MARINE CARGO INSURANCE

Marine Cargo Policy covers goods (machinery, raw materials, finished goods etc) during transit under a contract of affreightment.

What does this Policy cover?

This Policy covers physical loss or damage to insured goods during transits by (a) Sea (b) Post or parcels (c) Rail/Road/Air. The scope of cover shall be determined by the Institute Clauses attached to the Policy.

All Overseas Transits are subject to Institute Cargo Clauses A,B &C given by Institute of London Underwriters. The brief coverage is as under:

| Risks (Proximate Cause) | Institute Cargo Clauses | | |
|----------------------------------------------------------------------------------------------------------|-------------------------|--------------------|--------------------|
| | A (All risk Cover) | B (Wider Cover) | C (Basic Cover) |
| Stranding , Grounding, Sinking or Capsizing | Yes | Yes | Yes |
| Overturning or Derailment of Land Conveyance | Yes | Yes | Yes |
| Collision of Ship or Craft with another Ship or Craft | Yes | Yes | Yes |
| Contact of Ship, Craft or Conveyance with anything other than Ship or Craft (excludes Water but not Ice) | Yes | Yes | Yes |
| Discharge of Cargo at Port of Distress | Yes | Yes | Yes |
| Loss overboard during Loading/Discharge (total loss only). | yes | Yes | No |
| Fire or Explosion | Yes | Yes | Yes |
| Malicious Damage | Yes | No* | No* |
| Theft/ Pilferage | Yes | No | No |
| General Average Sacrifice | Yes | Yes | Yes |
| Jettison | Yes | Yes | Yes |
| Washing Overboard (deck cargo) | Yes | Yes | No |
| War Risks | No* | No* | No* |
| Seawater entering Ship, Craft, Hold, Conveyance Container Lift Van or Place of Storage | Yes | Yes | No |
| River or Lake Water entering same | Yes | Yes | No |

* Can be bought back

Goods (merchandise) dispatched by rail or road from any place in India to any place in India (not in conjunction with an overseas voyage) are subject to Inland Transit (Rail/Road) Clause A,B & C. The brief coverage is as under::

(a) Inland Transit (Rail or Road) Clause – A (All Risks): Covers All Risks of loss or damage subject to exclusions

(b) Inland Transit (Rail or Road) Clause – B (Basic Cover): Covers Physical loss or damage caused by:

(a) Fire, Lightning, Breakage of Bridges

(b) Collision with or by the carrying vehicle, derailment or accidents of the like nature to the carrying railway wagon/vehicle.

© Inland Transit (Rail or Road) Clause – C: Covers Physical loss or damage caused by (i) fire (ii) Lightning.

Optional Extensions:

(a) For Inland Transit: Strike, Riot and Civil Commotion

(b) For Oversea Transit:

- War, Strike, Riot and Civil Commotion
- Duty and Increased Value Insurance (for Imports only)
- Seller's Interest Insurance (for Exports with C&F or FOB terms only)

Other Salient Features:

- The policy is assignable
- The Sum is fixed on 'Agreed Value' basis. Normally with a margin of 10% on invoice price for incidental expenses
- The premium rates depends on factors like nature of cargo, scope of cover, packing, mode of conveyance, distance and past claims experience

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- Policies can be issued for (a) Specific Transit. (b) Marine Open policy with monthly declarations and (c) Sales Turn Over Policy with quarterly statements.

The Policy does not cover the following:

- Willful misconduct
- Ordinary leakage/loss in weight or volume , wear and tear
- Improper packing
- Inherent vice
- Delay
- Insolvency/financial default of carriers
- War, Strike, Riot and Civil Commotion

The details furnished above do not constitute the entire terms and conditions. For more details please refer to our Policy document.