

Magma HDI Bharat Sookshma Udyam Suraksha Policy

Addons Clauses and Endorsements

Version no: ACE.BSU.ver01.09.24

ADD-ON WORDINGS

Escalation

In consideration of the payment of an additional premium amounting to 50% of the premium produced by applying the specified percentage to the first or the annual premium as appropriate on the under noted items(s) the Sum(s) Insured thereby shall, during the period of insurance, be increased each day by an amount representing 1/365th of the specified percentage increase per annum.

Item Number	Specified percentage increase per annum
As per the Schedule	As per the Schedule

Unless specifically agreed to the contrary the provisions of this clause shall only apply to the sums insured in force at the commencement of each period of insurance.

At each renewal date the insured shall notify the Insurers:-

- I.) the sums to be insured under each item above, but in the absence of such instructions the Sums Insured by the above items shall be those stated on the policy (as amended by any endorsement effective prior to the aforesaid renewal date) to which shall be added the increases which have accrued under this Clause during the period of insurance upto that renewal date, and
- II.) the specified percentage increase(s) required for the forthcoming period of insurance, but in the absence of instructions to the contrary prior to renewal date the existing percentage increase shall apply for the period of insurance from renewal.

All the conditions of the policy in so far as they may be hereby expressly varied shall apply as if they had been incorporated herein.

Impact damage due to insured's own vehicles and the like and the articles dropped therefrom

In consideration of an additional premium, it is hereby agreed and declared that the policy is extended to cover loss and/or damage caused due to impact by direct contact to Insured's property caused by Insured's own Rail/Road Vehicles, Fork lifts, cranes, stackers and the like and articles dropped therefrom.

Loss of Rent

The insurance on rent applies only if (any of) the said building(s) or any part thereof is unfit for occupation in consequence of its destruction or damage by the perils insured against and then the amount payable shall not exceed such portion of the sum insured on Rent as the period necessary for reinstatement bears to the term of the Rent Insured.

Additional Expenses of Rent for an Alternative Accommodation

It is hereby declared that in the event of the premises described in the policy and occupied by the insured, hereinafter referred to as 'PREMISES' being destroyed or damaged by any Insured Peril as to become unfit for occupation and the insured in consequence taking up alternative accommodation, the Company shall, subject to special conditions set out herein, indemnify the insured against the additional rent (as explained herein) which the insured is called upon to bear for the period beginning from the date of operation of any of the Insured Perils until the 'PREMISES' is rendered fit for occupation such period not exceeding such reasonable time as is required to restore the premises with due diligence to a condition fit for occupation or the maximum indemnity period of no of months as specified in the Schedule whichever is earlier.

Provided that the liability of the Company shall not exceed the sum insured hereby as specified in the Schedule.

Provided further that if the sum produced by applying the monthly additional rent, borne by the insured for the alternative accommodation to the maximum indemnity period is more than the Sum Insured hereby, the liability of the Company shall be proportionately reduced.

Special Conditions:

- i) This insurance shall apply subject to the condition that the PREMISES occupied by the insured, whether as owner or tenant, forms part of a building not being "Kutcha" Construction.
- ii) If the area of alternative accommodation taken by the insured is more than the area of the PREMISES occupied by the insured, the additional rent borne by the insured for the purpose of this insurance shall be deemed to be that proportion of the additional rent actually borne by the insured as the area of the PREMISES which was in the insured's occupation bears to the area of the alternative accommodation taken by the insured. The insured shall be at liberty to take alternative accommodation in any locality so long as it is within the Municipal limit of the city or town in which the PREMISES is situated.

Explanation:

Additional Rent: If the insured is the Owner-Occupant, the additional rent borne by him is arrived at after deducting the standard rent of the premises from the actual rent paid for the alternative accommodation. The standard rent shall be based on the ratable values fixed by the Municipal/Revenue authorities for tax purposes.

If the insured is a tenant only and for safeguarding his legal tenancy rights is obliged to pay rent for the premises even during the period when it is not fit for occupation, the additional rent borne by him is the actual rent for the alternative accommodation.

If the insured is a tenant and is not obliged to pay rent for the premises during the period when it is not fit for occupation, the additional rent borne by him is the actual rent paid for alternative accommodation taken less the rent which he was paying for the premises immediately prior to the same being damaged or destroyed by Insured Perils and rendered unfit for occupation

Removal of Debris (In excess of 2% of the Claim Amount)

It is hereby declared and understood that costs and expenses necessarily incurred by the insured

- (a) In the removal of debris from the premises of the Insured;
- (b) Dismantling or demolishing;
- (c) Shoring up or propping;

of the portion or portions of the property insured by this policy destroyed or damaged by perils hereby insured against but not exceeding in the aggregate of limit shown in the Schedule.

Note: 1. (b) & (c) are not covered when neither Building nor Machinery are covered.

Note: 2. The cover is subject to the limit shown in the Policy Schedule

ENDORSEMENT WORDINGS

Act of Terrorism Cover Deletion Endorsement

It is understood and agreed that under “Clause B. Insured Events of the Policy” following events are deleted from the scope of cover under this Policy.

- “Acts of terrorism”

This Policy excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any act of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

For the purpose of this exclusion, an act of terrorism means an act or series of acts, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), or unlawful associations, recognized under Unlawful Activities (Prevention) Amendment Act, 2008 or any other related and applicable national or state legislation formulated to combat unlawful and terrorist activities in the nation for the time being in force, committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public or any section of the public in fear for such purposes.

This exclusion also includes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to the above.

Earthquake, Volcanic Eruption or other Convulsions of Nature Cover Deletion Endorsement

It is understood and agreed that under “Clause B. Insured Events of the Policy” the following events are deleted from the scope of cover under this Policy.

- “Earthquake, Volcanic Eruption or other Convulsions of Nature”

Any physical loss or damage, or destruction caused to Insured Property by “Earthquake, Volcanic Eruption or other Convulsions of Nature” is not covered by this Policy.

If “Storm, Cyclone, Typhoon, Tempest, Hurricane, Tornado, Tsunami, Flood and Inundation” is covered under the Policy; the Policy will not pay for loss or damage to any of the property insured occasioned by or through or in consequence of Earthquake including flood or overflow of the sea, lakes, reservoirs and rivers and/or landslide/ rockslide resulting there from.

Subject otherwise to the terms, conditions and exclusions of the Policy.