

FG BUSINESS SURAKSHA-LAGHU (RETAIL)

PROPECTUS

Introduction

This policy is a comprehensive package policy, which provides insurance cover for physical loss or damage to or destruction of Insured Property, loss of business earnings and legal liabilities relating to Your business,

***Fire and Allied Perils and Burglary Sections are compulsory**

This policy is for enterprises where the total value at risk across all insurable asset classes at one location exceeds ₹ 5 Crore (Rupees Five Crore) but does not exceed ₹ 50 Crore (Rupees Fifty Crore) for coverage under compulsory Fire and Allied Perils section, at the policy commencement date.

The package policy covers the following.

Section I Fire & Allied Perils

This section provides protection for buildings and contents as per Annexure I of FG Bharat Laghu Udyam Suraksha-Prospectus/Sales Literature

Section II Fire Loss of Profit

The section covers your earnings (Net profit + Standing charges) lost due to insured fire and allied perils as per Section I

Section III Burglary

The coverage applies to all or specific contents as declared for insurance.

The insured peril is Burglary or housebreaking (theft following upon actual forcible violent entry or exit from the premises by the person or persons committing such theft) or hold-up.

Section IV Machinery Breakdown

This section protects your electrical /mechanical machineries / equipment's against internal electrical as well as mechanical breakdown

Section V Electronic Equipments

This section covers your electronic equipments along with data media & increased cost of working against the all risks

Section VI All Risks

This section protects your portable computers (laptops), mobiles, projectors, etc against the loss or damage due to all risks

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Section VII Accident Suraksha

The section provides you and persons connected to your business cover against Accidental Bodily Injury sustained leading to Disablement (partial or permanent) or Death.

Section VIII Liability

(A) Tenants Legal Liability - This section protects you if you are a tenant and legal liability arising out of your tenancy.

(B) Workers Compensation - Legal liability towards your worker is insured up to an unlimited extent under the Workmen's compensation Act, Fatal Accident's Act, and at common law. The coverage relates to liability devolving statutorily on you as an employer if your employee (coming within the scope of the definition of "Workmen") suffers death or bodily injury (temporary or permanent) or disease arising out of and in scope of his employment.

(C) Public Liability - This gives the coverage against third party bodily injury and/ or property damage arising due to activities carried by you.

Section IX Baggage

Personal baggage of employees whilst going on official tour is covered under this section against loss or theft.

Section X Plate Glass

Fixed glass in premises can be insured under his section for accidental breakage.

Section XI Money Insurance

The coverage applies to money (currency notes/ coins only) whilst contained in a locked safe or cash box with in the premises.

Policy can also be extended to cover Cash while in transit between bank and business premises.

Any loss of money belonging to the business of the insured from within the insured premises or any loss or damage to any safe, strong room or cash box securing money.

Section XII Fidelity Guarantee

This section covers loss suffered by the Insured by the Insured as a result of Forgery larceny or fraud/dishonesty or fraudulent act of the employee. The loss is payable up to the limit specified for the employee.

Section XIII Pedal Cycle

This section covers the pedal cycle against any unforeseen and sudden physical loss.

Section XIV Neon Sign/Glow Sign

This section covers Neon Sign against accidental external damage.

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**Annexure I FG BHARAT LAGHU UDYAM SURAKSHA– PROSPECTUS/SALES
LITERATURE**

Introduction

This prospectus gives basic information about the **FG Bharat Laghu Udyam Suraksha** Policy that You can purchase from Us i.e the **Future Generali India Insurance Company Limited**. **FG Bharat Laghu Udyam Suraksha** Policy provides insurance cover for physical loss or damage to or destruction of Insured Property relating to Your business.

This policy is for enterprises where the total value at risk across all insurable asset classes at one location exceeds ₹ 5 Crore (Rupees Five Crore) but does not exceed ₹ 50 Crore (Rupees Fifty Crore) at the policy commencement date.

Important Do's and Don'ts

1.	When You fill up the Proposal Form	<ul style="list-style-type: none"> • Read the instructions in the proposal form carefully before filling up the details. • Understand the basis for arriving at the Sum Insured for Building, Plant and Machinery, Furniture, Fixtures, Fittings, Stocks and other Contents before filling up the details. This is given below in this Prospectus under the heading “Sum Insured”. It is also explained in the Proposal Form. • Make sure You have opted for the correct policy based on the total Sum Insured. • Fill up the proposal form completely and answer all the questions truthfully.
2.	During the Policy Period	<ul style="list-style-type: none"> • Make full disclosure in the proposal and related documents about Yourself and all the Insurable Assets. • Remember, the information You give Us is the basis of Our contract with You. • You must inform Us of any changes in the business premises or if it remains unoccupied for more than 30 days. • Do not allow unauthorised persons to occupy Your premises. • Ensure that all security procedures are in force.
3.	When You have a Claim	<ul style="list-style-type: none"> • Give notice of loss to Us, as required. • Inform the respective authorities, as required. • Make true and full disclosures in Your claim form. • Give all documents supporting the claim.

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		<ul style="list-style-type: none"> • Give full cooperation for inspection and investigation of claim.
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The Insurance Cover

In this Prospectus, You will find information about the following insurance covers:

1. Standard Cover: We cover physical loss or damage, or destruction caused to the building and structures, plant and machinery, stock and other assets relating to Your business. These are the Insured Properties.

If any Insured Property is lost, damaged or destroyed, We provide cover as follows-

Your loss	Condition	We pay, but not more than the Sum Insured
Any Insured Property is damaged. (Partial Loss)	You have 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)	You have 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)	You have not rebuilt the building or reinstated other property.	Market Value (Reinstatement Value less Depreciation)

- i. You must commence the repairs, reinstatement or reconstruction within a reasonable time after the date of damage or destruction. You must complete the repairs or reinstatement within 12 months from the date of damage of destruction or within such time as We may allow.
- ii. In all cases, We will not pay more than the relevant Sum Insured.

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- iii. We 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. You can reconstruct the new building on the same site, or another site. If You reconstruct the new building on another site, We will not pay You more than what We would pay to reconstruct on the same site.

2. In-built Covers: Under the Standard Cover, We also pay the following:

	In-built Cover	Details
1.	Additions, alterations or extensions	Property that You erect, acquire or add during the Policy Period is covered upto 15% of the Sum Insured for that item (excluding stocks).
2.	Temporary removal of stocks	Loss to stocks temporarily removed to other premises for fabrication, processing or finishing upto 10% of value.
3.	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. upto ₹50,000 (Rupees Fifty Thousand) during the policy period, cover for computer programmes, information and data upto ₹5 Lakh (Rupees Five Lakh) during the policy period and cover for personal effects of employees, Directors and visitors upto ₹15,000 (Rupees Fifteen Thousand) per person for a maximum of 20 persons during the policy period.
4.	Start-Up Expenses	Start-up cost incurred by You in respect of insured risk consequent upon a loss or damage due to insured events upto ₹5 Lakhs (Rupees Five Lakh).
5.	Professional fees	Reasonable fees of architects, surveyors and consulting engineers upto 5% of the claim amount.
6.	Costs for Removal of debris	Reasonable expenses for removal of debris upto 2 % of the claim amount.
7.	Costs compelled by Municipal Regulations	Additional cost of reconstruction of property incurred solely for complying with municipal regulations.

Which unexpected events are covered?

We pay for the physical loss, damage or destruction caused to Insured Property by the following unforeseen events occurring during Policy Period.

The events covered are given in the Column A and those not covered in respect of these events are given in Column B

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	Column A	Column B
	We cover physical loss or damage, or destruction caused to the Insured Property by	We do not cover for loss or damage, or destruction caused to the Insured Property by
1.	Fire, including due to its own fermentation, or natural heating, or spontaneous combustion.	caused by a. its undergoing any heating or drying process, or b. burning of Insured Property by order of any Public Authority.
2.	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, or b. caused by centrifugal forces.
3.	Lightning	-
4.	Earthquake, volcanic eruption, or other convulsions of nature	-
5.	Storm, Cyclone, Typhoon, Tempest, Hurricane, Tornado, Tsunami, Flood and Inundation	-
6.	Subsidence of the land on which Your 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.
7.	Bush fire, Forest fire, Jungle fire	-
8.	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
9.	Missile testing operations	-
10.	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

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	Column A	Column B
	We cover physical loss or damage, or destruction caused to the Insured Property by	We do not cover for loss or damage, or destruction caused to the Insured Property by
		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.
11.	Acts of terrorism (Coverage as per Terrorism Clause attached)	Exclusions as per Terrorism Clause attached.
12.	Bursting or overflowing of water tanks, apparatus and pipes,	-
13.	Leakage from automatic sprinkler Installations.	a. repairs or alterations in the Building in which Your Business is located, b. repairs, removal or extension of any sprinkler installation, or c. defects in the construction known to You.
14.	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 Your Premises, or b. of any article or thing attached from the outside of the outer walls or the roof of Your Premises, unless securely mounted.

Examples

1. Your insured building catches fire. All its doors are opened for fighting the fire. A person takes advantage of the situation and carries away Insured electronic equipment. Since this theft follows a fire within 7 days of the occurrence of the fire, We will pay for Your loss upto the limits of the applicable Sum Insured for that equipment.
2. During riots, a rioter breaks a window of Your shop and takes away articles of value ₹95,000. It costs ₹20,000 to repair the window. Here the loss is due to theft which occurred within 7 days of occurrence of the riots, which is an insured event. It arose at a time when You were not in a position to protect Your property. We will pay ₹95,000 for the loss of articles, and ₹20,000 for repairs of the window, but not more than the Sum Insured.

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Standard Add-on covers

You can purchase standard Add-on covers under **FG Bharat Laghu Udyam Suraksha Policy**. You must apply for these covers, and pay additional premium.

1. Declaration policy for Stocks

You can opt for Declaration Policy to take care of frequent fluctuations in stocks/ stocks value subject to certain conditions. Read the Clause and understand these conditions.

2. Floater cover

You can opt for Floater cover under the Policy for physical loss or damage to Stocks at more than one location subject to certain conditions. Read the Clause and understand the conditions.

Which property can be covered under this policy?

This policy covers the following properties in Your premises, that is, the place You carry on Your business. The properties must be located in Your premises, except some properties that You declare, and the Policy covers in special situations. The **FG Bharat Laghu Udyam Suraksha** policy covers the following properties.

1. Any building or structure in Your premises where You carry on Your business. 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 Your Premises and used for Your 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 shown in the Policy Schedule.

2. Plant and Machinery, that is, all equipment, machinery, pipes and cables, spares, computers, servers and preloaded licensed system software, located within any structure or in the open area of Your 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.

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3. Stock of goods or merchandise. It may be:

- 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 for which You are responsible,
- iv. stock held in trust for which You are responsible,
- v. stock in Open in the Insured Premises.

4. All other assets, that is, all other tangible property located in Your premises and used for Your 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. You can purchase the **FG Bharat Laghu Udyam Suraksha** Policy for the **building or structure** if

- i. You own it, or occupy under a lease,
- ii. You occupy it as purchaser under an agreement of sale or lease,
- iii. You are an occupier authorised under any law,
- iv. Your property is occupied by a tenant, a licensee or Your employee, or
- v. You are a tenant under an agreement in writing and are liable to repair it.

2. You can purchase the **FG Bharat Laghu Udyam Suraksha** Policy for **plant and machinery, stock or other property** if

- i. You own it, or use it under a lease in writing,
- ii. You hold it in trust or on commission or are responsible for it,
- iii. You have taken plant and machinery or other contents on hire or lease, or any other system of purchase,
- iv. You have accepted stock for job work for which You are responsible.

3. You are **eligible** to purchase the **FG Bharat Laghu Udyam Suraksha** Policy

- i. If You carry on any business of manufacturing or production of goods, or of providing or rendering services, and
- ii. if You own or are legally responsible for Your business, and
- iii. if the value of all Your insurable assets at one location is more than ₹ 5 Crore (Rupees Five Crore) but not more than ₹ 50 Crore (Rupees Fifty Crore) at the policy Commencement Date. These include buildings, plant and machinery, stock, and all other assets, even if You have not taken insurance cover for all of them. Insurable Assets include all assets which You own, or hold as tenant or occupant, or hold in trust or on commission, or are legally responsible for.

4. If the value of all Insurable Assets either exceeds ₹ 50 Crore or reduces below ₹ 5 Crore during the policy period, this policy shall, on expiry, be replaced by the applicable policy.

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Sum Insured

1. The maximum claim amount: The maximum amount We pay under this Policy is the total Sum Insured. The maximum amount We pay under this Policy for any cover, or any item, or category or group of items, is the Sum Insured for that cover or item, category or group. The Sum Insured for each cover is as per Policy Schedule.

2. Basis of sum insured:

- i. For Building, Plant and Machinery, Furniture, Fixture and Fittings and any other contents:
Reinstatement Value
- ii. For Stocks:
 - 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 and more precisely defined below.
 - d. Contract Price** is in respect only of goods sold but not delivered, for which You are responsible and with regard to which under the conditions of the sale, the sale contract is cancelled by reason of any damage insured under this Policy either wholly or to the extent of the damage. The Company's liability shall be based on the Contract Price.
- iii. Bullion or unset precious stones, any curios or works of art or obsolete machinery and the like are to be covered on Agreed Value basis subject to the valuation certificate being submitted and found acceptable by Us.

3. Restoration of Sum Insured:

If We have paid any loss on Your claim, it reduces the Sum Insured. When We pay You the full Sum Insured for any cover or any item covered, the Policy ends to that extent. If You pay proportionate premium for the unexpired policy period, We will restore the policy to the full original amount of Sum Insured during the Policy Period. This ensures full cover during the period of the policy. However, in case You, immediately on occurrence of loss, exercise Your option not to restore the Sum Insured, the Sum Insured shall stand reduced by the amount of loss.

Example

1. If You repair Your air-conditioning tower insured for ₹ 45 lakhs that is damaged in a fire, and We pay Your claim of ₹ 25 lakhs. You can pay proportionate premium for ₹ 25 lakhs for unexpired period in order to take benefit of full cover.
2. If the tower is destroyed, and We pay Your claim of ₹ 45 lakhs, the new tower that You install will not be covered under this Policy unless the premium is paid to Us for it.
3. If Your building insured for ₹20 Crore is severely damaged and We pay You ₹20 Crore under the FG Bharat Laghu Udyam Suraksha Policy for its repair and reinstatement, You will not be covered under this Policy for the new building that You construct, unless the premium is paid to Us for it.

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Underinsurance

Underinsurance waiver upto 15% : This is a special feature of the FG Bharat Laghu Udyam Suraksha policy, where We waive underinsurance up to 15%.

The Sum Insured for each item of Insured Property must be sufficient to pay for Reinstatement/Replacement of that Property on the date of loss. If the Reinstatement/Replacement Value of the Insured Property, in totality, including additions, alterations, erections and new acquisitions, is more than the Sum Insured, except to the extent waived i.e 15%, it amounts to underinsurance and will reduce proportionate to the difference, the amount that We will pay for Your claim. Every item of Insured Property is subject to this condition separately.

If at the time of the damage the Sum Insured applying to the relevant Buildings, Plant and Machinery, Furniture, Fixture, Fittings , Stocks and other Contents is less than 85% of the value of Insurable Assets You will be responsible for the difference and the You will bear a proportionate share of the loss.

Examples (These examples only demonstrate the effect of underinsurance. Final claim payable may vary due to application of Excess and other policy terms)

1. You have taken insurance for a Sum Insured of ₹50 Crore which was the value at risk at the insurance commencement date. The value at risk of insurable items at the time of loss is found as ₹57Crore. There is a loss of ₹10 Crore. Underinsurance works out to 12.28% . Since it is less than 15%, We will consider the full claim of ₹10 Crore for payment.

2. Your factory has stored stock of finished goods. Its manufacturing cost is ₹25 Crore. This includes some stock that is older than 6 months. Your FG Bharat Laghu Udyam Suraksha policy covers stock of finished goods for ₹30 Crore. Due to change in raw material price, the manufacturing cost of same amount of stock on the date of loss is ₹32.5 Crore. The stock of finished goods with manufacturing cost ₹10 Crore is burnt in fire. Since underinsurance works out to less than 15% , We will consider the full claim of ₹10 Crore for payment.

3. Your shop has FG Bharat Laghu Udyam Suraksha Policy. You have insured the structure for ₹ 30 Crore and stock for ₹ 10 Crore. The actual value of structure is ₹ 32 Crore and of stock is ₹ 16 Crore. Stock of ₹ 50 Lakh is burnt in a fire. The stock has underinsurance of 37.5% and hence, we could consider Your claim for payment of ₹ 31.25 Lakh only (62.5% of ₹50 Lakh) by applying underinsurance.

Exclusions, that is, what We do not pay

We do 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 % of each claim, subject to a minimum of ₹10,000 (Rupees Ten Thousand). This means that We will deduct 5 % of each claim, subject to a minimum of ₹10,000 (Rupees Ten Thousand) 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.

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2. Your deliberate, wilful or intentional act or omission, or of anyone on Your behalf, or with Your 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). This exclusion applies only to the particular machine so lost, damaged or destroyed. However, any ensuing loss or damage to other insured property due to operation of an insured peril is covered.
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. Your Premises or any Insured Building remaining continuously unoccupied for a period of more than 30 days unless You have obtained prior written approval from Us and such approval is recorded as an endorsement on the Policy.
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 Your 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.

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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.

Premium

The premium is the amount You pay Us for this insurance. The Policy Schedule shows the amount of premium for the Policy Period and all other taxes and levies. Your policy will commence on payment of premium in full.

Premium depends on cover opted and risk characteristics like Age of the building, Fire protection devices installed, Construction Details, Basement Storage Arrangements and Previous Loss History and other specified risk factors. Final premium will be as per specified per mille rate for particular occupancy multiplied by the sum at risk (in 1000's).

Changes and Cancellation

1. Changes during Policy Period.

You can choose to make changes to the covers of this Policy, for example, take additional cover, or increase or reduce any Sum Insured. You must make a proposal or request for any change. It will be effective only after We have accepted Your proposal, and You have paid the additional premium where applicable.

2. You can cancel the Policy.

Cancellation at any time: You can cancel the policy at any time during the policy period by giving notice to Us in writing. If You cancel the Policy, We will refund premium as follows

Time for which Policy in force	Refund of premium
For a period not exceeding 15 days	90 % of Annual premium
For a period not exceeding 1 month	85% of Annual premium
For a period not exceeding 2 months	70% of Annual premium
For a period not exceeding 3 months	60% of Annual premium
For a period not exceeding 4 months	50% of Annual premium
For a period not exceeding 5 months	40% of Annual premium
For a period not exceeding 6 months	30% of Annual premium
For a period not exceeding 7 months	25% of Annual premium
For a period not exceeding 8 months	20% of Annual premium
For a period not exceeding 9 months	15% of Annual premium
For a period exceeding 9 months	No refund

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3. We can cancel the policy.

We will not cancel the Policy during the policy period except on the grounds of misrepresentation, non-disclosure of material facts, fraud or non-co-operation of the insured.

4. Policy ends automatically:

- i. If insured property is lost, destroyed or stolen, or its cost of repair is more than the Sum Insured, and We have paid You the entire Sum Insured for that property and You have decided not to restore the Sum Insured.
- ii. Change of ownership of insured property
- iii. Sale of Insured Property

Making a claim

1. If You suffer a loss **because** of an Insured Event, You must make a claim for Your financial loss at Your cost.
2. When You suffer loss or damage to any Insured Property, You must
 - i. give notice to Us immediately along with details of the event and Your loss,
 - ii. report to police, fire authorities or other appropriate legal Authorities or as guided by Us,
 - iii. take all reasonable steps to prevent further damage to Insured Property,
 - iv. You must not sell, give away or dispose of any damaged items of any property,
 - v. You must not carry out repairs unless such repairs are urgent and You cannot contact Us,
 - vi. preserve and collect evidence, take and preserve photographs,
 - vii. assist Us and Our representatives in collecting evidence and details about Your loss, give Us all information, books of accounts, and other documents,
 - viii. submit claim form at the earliest opportunity but within 30 days from date You first notice the loss or damage,
 - ix. prove that the Insured Event has happened, and the extent of Your loss.

Details of additional covers (add-ons) offered with the policy:

These are add on covers that extends the insurance cover that We give under the FG Business Suraksha-Laghu (Retail). We give these add on covers if You have applied to and paid premium for the covers and We have accepted to give covers to You.

1) INVOLUNTARY BETTERMENT (UIN: IRDAN132RP0021V01202223/A0121V01202223)

It is understood and agreed that in the event that new property of like kind and quality is not obtainable, property which is as similar as possible to that which has sustained damage and which is capable of performing the same function shall be deemed to be new property of like kind and quality and in no event shall this be considered as a betterment to the Insured.

In the event of replacement with new property, the Company will pay the cost of purchasing and installing technologically current equipment which is necessitated by incompatibility between new

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equipment installed to replace equipment which has sustained damage and undamaged existing equipment at the same or an interdependent location.

Provided always that

- a) damage was directly caused
- b) the Company shall be liable only for the amount sufficient to enable the Insured to resume operations in substantially the same manner as before the damage
- c) the Company shall be liable for only the difference between
 - i) the highest sales value of the undamaged existing equipment at the same or interdependent location, and
 - ii) the installed cost of the technologically current equipment.

Limit of Indemnity/Sum Insured – Up to 25% of Total Sum Insured (excluding stock)

Deductible: As per base product, “Section I”

2) **ADDITIONAL CUSTOM DUTY (UIN: IRDAN132RP0021V01202223/A0122V01202223)**

In consideration of the Insured having paid the additional premium, it is hereby declared and agreed that the Insured shall also be indemnified during the currency of the Policy, towards the additional Customs Duty amount stated (in respect of this endorsement) in the Schedule which may be incurred by the Insured over and above the Customs Duty amount taken into account in arriving at the sum insured of the affected items. The limit of liability will stand reduced by such Additional Customs Duty after occurrence of the claim unless reinstated by payment of an additional premium prescribed by the Company.

Limit of Liability/Sum Insured- Up to 25% of Total Sum insured or 5 Crores, whichever is less (excluding Stock).

Deductible: 5% of the admissible custom duty incurred in addition to the excess amount applicable for the affected item under the policy.

3) **BRANDS AND LABELS (UIN: IRDAN132RP0021V01202223/A0123V01202223)**

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon and subject to the Insured having paid the agreed extra premium, the insurance shall be extended to cover the loss or damage to branded or labelled property insured by this Policy and the company elects to take all or any part of that property, the Insured may at the Company’s expense:

- a) stamp “salvage” on the property or its containers; or

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b) remove or obliterate the brands or labels,

if doing so will not damage the property. In either event, the Insured must re-label such property or its containers to be in compliance with any applicable law. However the Insured will have the liberty to destroy the damaged articles in the presence of Insurer's representative if the Insured feels that the product can be misused by any one exposing the company to legal liabilities and penalties as per the prevailing law of the land.

This cover is applicable for finished goods only.

Limit of Liability/Sum Insured – Up to 25% of Finished Goods Sum Insured

Deductible: As per base product, "Section I"

4) ESCALATION (UIN: IRDAN132RP0021V01202223/A0124V01202223)

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 increased per annum.

Item Number	Specified percentage increase per annum
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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:-

a. The sum to be insured under each item above, but the absence of such instructions the Sums Insured by the above items shall be those stated on the policy (as amended by the 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

b. 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.

Escalation will apply to Building, Machinery and Accessories only and will not apply to Stock.

Limit of Liability/Sum Insured: - The selected percentage increase shall not exceed 25% of Total Sum Insured (excluding Stock)

Deductible: As per base product, "Section I"

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5) IMMEDIATE REPAIR CLAUSE (UIN: IRDAN132RP0021V01202223/A0125V01202223)

It is agreed and declared that in case of loss the Insured, if they so elect, may immediately begin repair or reconstructions but such work at all times be open to supervision by the company and in case of dispute as to the cost of repairs and/or reconstruction the loss shall be settled in accordance with the terms of this policy, the sole object of this condition being not to deprive the insured from the use of operating properties which may be necessary to their business. Evidence of loss to be photographed and if any damaged items are replaced, the damaged item to be preserved for inspection by the surveyor.

Limit of Liability/Sum Insured – Up to 25% of Total Sum insured(excluding Stock)

Deductible: As per base product, “Section I”

6) LOSS OF RENT CLAUSE (UIN:IRDAN132RP0021V01202223/A0126V01202223)

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. Maximum indemnity period not to exceed 3 (three) years.

Limit of Liability/Sum Insured: Up to 25% of Total Sum Insured

Deductible: As per base product, “Section I”

7) INSURANCE OF ADDITIONAL EXPENSES OF RENT FOR AN ALTERNATIVE ACCOMMODATION (UIN: IRDAN132RP0021V01202223/A0127V01202223)

Additional expenses of rent for an alternative accommodation may be covered on the following basis :

- a) The period of Indemnity may be limited to the period during which the original premises remain untenable as a result of occurrence of perils insured against. Maximum indemnity period not to exceed 3 (three) years.
- b) The additional expense recoverable under the policy may be additional rent actually paid i.e. the difference between the new and the original rent only.
- c) Certificate from the Local Municipal Authority or an Architect to the effect that premises in question are untenable will be accepted as adequate proof of the fact that the premises, in fact, have become untenable.
- d) Insurance should be granted against Perils covered under “FG Bharat Sookshma Udyam Suraksha” should be granted only if it involves actual physical damage to the building. The cover does not intend to pay, if for instance, the insured’s entry is barred by strikers, demonstrators and similar occurrences.

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- e) The cover may be limited to buildings other than those of “Kutchha” construction.
- f) The area for alternative accommodation may be equivalent to the area presently occupied. However, no restriction will apply in respect of locality for the alternative accommodation, so long as the alternative accommodation is taken in the same city of town.
- g) Cover may be permitted to the tenant as also to the Owner-Occupant. Further, in respect of the Owner-Occupant, the alternative accommodation may be limited to the area presently under his occupation.
- h) For the Owner-Occupant, since he will not be paying any rent based on the area occupied by him (in comparison with the actual rent being paid by the tenant in the same building or similar buildings in the same locality) the standard rent based on the rateable values fixed by Municipal/Revenue Authorities for tax purposes may be treated as the original rent for the purpose of this insurance.
- i) It will be compulsory for
 - i. the Owner-Occupant to insure both building and contents.
 - ii. the tenant to insure the contents of the premises for which he is seeking this extension

Endorsement wording for insurance of rent for alternative accommodation Tenant or Owner-Occupant

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 months whichever is earlier.

Provided that the liability of the Company shall not exceed Rs. the sum insured hereby.

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 :

1. 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 “Kutchha” Construction.
2. 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

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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

Limit of Liability/Sum Insured : Up to 25% of Total Sum Insured

Deductible: As per base product, "Section I"

8) DETERIORATION OF STOCKS IN COLD STORAGE PREMISES (UIN: IRDAN132RP0021V01202223/A0128V01202223)

A. Deterioration Of Stocks In Cold Storage Premises Due To Accidental Power Failure Consequent To Damage At The Premises Of Power Station Due To An Insured Peril

Policy covering stocks in cold storage premises may be extended to cover the above subject to following endorsement wordings:

"In consideration of the payment of additional premium of Rs. _____ it is hereby agreed and declared that notwithstanding anything to the contrary in this policy or in any of its conditions, this policy covers destruction of or damage to the property hereby insured caused by change of temperature in consequence of failure of electric supply at the terminal ends of electric service feeders from which the Insured obtains electric supply directly due to damage caused by any peril insured against under this policy to property at insured premises or any Electric Station or Sub-Station of Public Electric Supply undertaking from which the Insured obtains electric supply.

Provided that the Company shall not be liable for any loss occasioned by the deliberate act of the Government, Municipal or Local Authority or Supply Authority not performed for the sole purpose of safeguarding life or protecting any part of the supply undertaking's systems or by the exercise by any such authority of its power to withhold or restrict or ration supply not necessitated solely by damage to the Supply Undertaking's generating or supply equipment by an insured peril.

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Provided further that the Company shall not be liable for any loss unless the duration of each such failure exceeds 24 hours.

Subject otherwise to the terms, exceptions, conditions and limitations of this Policy.”

In any action, suit or other proceedings where the company alleges that by reason of the provisions of this condition any loss or damage is not covered by this insurance, the burden of proving that this loss or damage is covered shall be upon the Insured.

Subject otherwise to the terms, extensions, conditions and limitations of this Policy”.

In any action, suit or other proceedings where the company alleges that by reason of the provisions of this condition any loss or damage is not covered by this insurance, the burden of proving that this loss or damage is covered shall be upon the Insured.

B. Deterioration Of Stocks In Cold Storage Premises Due To Change In Temperature Arising Out Of Loss Or Damage To The Cold Storage Machinery(Ies) In The Insured’s Premises Due To Operation Of Insured Peril

“In consideration of the payment of additional premium of Rs. _____ it is hereby agreed and declared that notwithstanding anything to the contrary in this policy or in any of its conditions this policy covers destruction of or damage to the property herby insured caused by change of temperature in consequence of failure of electric supply following damage to Insured”s property due to insured peril(s).

[Provided further that the Company shall not be liable for any loss unless the duration of each such failure exceeds 24 hours

Subject otherwise to the terms, extensions, conditions and limitations of this Policy”.

In any action, suit or other proceedings where the company alleges that by reason of the provisions of this condition any loss or damage is not covered by this insurance, the burden of proving that this loss or damage is covered shall be upon the Insured.

Limit of Liability/Sum Insured: _____Any One Accident (AOA) : _____Any One Year (AOY)

(with AOY Upto 25% of Total Sum Insured)

This cover is on first loss basis without application of average.

Deductible: As per base product, “Section I”

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9. ACCIDENTAL DAMAGE (UIN: IRDAN132RP0021V01202223/A0129V01202223)

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon and subject to the Insured having paid the agreed extra premium, the policy extends to indemnify the Insured against loss, destruction of or damage to the insured property and property held in trust as mentioned in the schedule caused by accidental external damage, excluding damages caused by or in consequence of:

- a) Mechanical or electrical breakdown or derangement of machinery or equipment
- b) The freezing solidification or inadvertent escape of molten material
- c) Damage resulting from over load experiments or tests requiring the imposition of abnormal conditions.
- d) Damage due to wear and tear, rust, corrosion, erosion, cavitations, boiler scale, incrustation, deterioration, settling, gradual cracking, gradually developing deformation or distortion, gradual deterioration due to atmospheric conditions or due to such other causes.
- e) Property Insured in transit other than within the premises specified in the Schedule. This exclusion does not apply to Customer Vehicles while being driven outside the Insured's Premises by the Insured or his Employee for the purpose of collecting, repair works, testing or returning the Motor Vehicle to a customer if Insured is Motor Dealership.
- f) Plant machinery or equipment during installation removal or reciting (including dismantling re-erection stripping down and assembly) if directly attributable to such operations
- g) Property Insured undergoing manufacture alteration, repair, testing, installation or servicing including materials and supplies thereof if directly attributable to the operations or work being performed thereon unless damage by a cause not otherwise excluded ensues and then company will be liable only for such ensuing loss
- h) Collapse either full or partial
- i) Any other cause specifically excluded hereunder

PROVIDED that the liability of the Company shall in no case exceed in respect of each item the sum expressed in the said Schedule to be insured thereon or in the whole the limit of liability hereby or such other sum or sums as may be substituted therefore by memorandum hereon or attached hereto signed by or on behalf of the Company.

Limit of Liability/Sum Insured: _____Any One Accident (AOA) : _____Any One Year (AOY)

(with AOY Upto 25% of Total Sum Insured)

This cover is on first loss basis without application of average

Deductible: As per base product, "FG Bharat Laghu Udyam Suraksha"

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This Prospectus

This prospectus gives information only. This is not an insurance contract. Each insurance cover is subject to terms and conditions, which You can read in the **FG Business Suraksha-Laghu (Retail)** Policy document. You must read the policy document to know the insurance cover fully. You can get a copy of the **FG Business Suraksha-Laghu (Retail)** Policy from Our branch or from Our website <https://general.futuregenerali.in>. For legal interpretation, the policy document will hold.

Grievances

If You have any grievance about any matter relating to the policy, or Our decision on any matter, or Our decision about Your claim, You can pursue Your grievance with

1. Our Grievance Redressal Officer,
2. The Consumer Affairs Department of Insurance Regulatory and Development Authority of India (IRDAI) You can lodge Your grievance in the Integrated Grievance Management System (IGMS).
3. The Insurance Ombudsman, depending on the nature of grievance and the financial implications, if any.
4. The Consumer Protection Forum or the Court.

About Our Company

Future Generali India Insurance is a joint venture between the Future Group – the game changers in Retail Trade in India and Generali - an 190 year old global insurance group featuring among the world's 60 largest companies*. Future Generali has been aptly benefitting from the Indian expertise and network of Future Group and the global insurance insight in diverse product classes of Generali Group. Our competitive edge, extensive range of general insurance products, wide network, claim servicing capabilities and the ability to provide all possible general insurance solutions under one roof, makes us the most preferred partner for our customers.

*As per Fortune Global 500 Ranking (2017)

INSURANCE ACT 1938 SECTION 41- Prohibition of Rebates

No person shall allow or offer to allow either directly or indirectly, as an inducement to any person to take out 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 the premium shown on the policy, nor shall any person taking out or renewing a policy accept any rebate, except such rebate as may be allowed in accordance with the published prospectus or tables of the insurer.

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ANY PERSON MAKING DEFAULT IN COMPLYING WITH THE PROVISIONS OF THIS SECTION SHALL BE PUNISHABLE WITH FINE WHICH MAY EXTEND TO TEN LAKHS RUPEES.

Disclaimer: In the event of any question relating to interpretation of the insurance coverage, the policy document will prevail.