

Business Guard - Udyam Package

UIN:IRDAN108CP0008V01202122

Prospectus



This prospectus gives basic information about the **Business Guard - Udyam Package** Policy that you can purchase from us, i.e. Tata AIG General Insurance Company Ltd. The **Business Guard - Udyam Package** Policy provides insurance cover for physical loss or damage to, or destruction of, Insured Property relating to your business.

This policy is meant 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 Dos 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. Give full cooperation for inspection and investigation of claim

The Insurance Cover

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

Section A (Tata AIG Bharat Griha Raksha)

We cover physical loss or damage, or destruction caused to the building and structures and other assets relating to your business. These are the Insured Properties.

Name of Cover	Your Loss	We Pay	Nature of Cover
Home Building Cover	Building is damaged	Cost of repairs, Architect's, Surveyor's, Consulting Engineer's fees, Costs of removing debris, Loss of Rent and Rent for Alternative Accommodation.	Standard
	Building is completely destroyed (Total Loss)	Cost of Construction	Standard
Home Contents	Any General Content is	Cost of repairs	Standard

Cover	damaged		
	Article or thing is lost or destroyed (Total Loss)	Cost of replacing that item with a same or similar item	Where Home Building is also covered, General Contents are automatically covered for 20% of the Sum Insured of the Home Building subject to a maximum of ₹ 10 Lakh. You can opt out of the cover or increase the Sum Insured by declaring the details.
Personal Accident Cover	Unfortunate death of Your spouse or Yourself due to an insured peril that caused damage to Home Building and/or Contents	₹ 5,00,000/- per person	Optional
Cover for Valuable Contents on Agreed Value Basis (under Home Contents Cover)	Valuable content is physically damaged.	Cost of repair	Optional
	Valuable content is a total loss	Agreed Value	

Exclusions under Section A (Tata AIG Bharat Griha Raksha) that is, what We do not pay.

We do not cover losses and expenses for any loss or damage or destruction of the Insured Property that is directly or indirectly a result of or is caused by or arising from events, stated below:

- Your deliberate, wilful, or intentional act or omission, or of anyone on Your behalf, or with Your connivance.
- 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.

Section B BURGLARY

Covers all contents and stock-in-trade against Burglary or Housebreaking (theft following upon an actual forcible and violent entry or exit from the premises), or holdup.

•Full indemnity based on Total Sum insured

Key Exclusions

Loss, destruction or damage caused by:

- Fire or explosions
- Inmates or member of the insured's household or business staff

Section C MONEY In Safe

Any loss of Money belonging to the Business of the Insured from within the insured premises specified in the said Schedule or any loss or damage to any safe, strong-room or cash box securing Money.

Definition

Money shall mean and include cash, bank notes, currency notes, bank drafts, cheques (whether open or crossed) postal orders, money orders, treasury notes, current postage and revenue stamps.

Some Exclusions

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Loss, destruction or damage caused by:
 •Collusion by any employee or agent of the insured
 •Use of keys or duplicate keys.

Money in Transit

Loss, destruction or damage caused by:
 •Use of counterfeit money
 •Unattended vehicles

Money in till/at counter

Loss, destruction, or damage caused by:
 •beyond business hours

Section D PUBLIC LIABILITY

Protects You against your legal liability in respect of accidental bodily injury to third parties and or accidental loss and/or damage to property belonging to third parties.

Some Exclusions

Liability arising out of:

•Wilful or intentional non-compliance of any statutory provision
 •Fines, penalties, punitive and/or exemplary damages

Section E Tata AIG Bharat Laghu Udyam Suraksha

Section E: TATA AIG Bharat Laghu Udyam Suraksha	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 or destruction or within such time as We may allow.
- ii. In all cases, We will not pay more than the relevant Sum Insured.
- 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.

1. **In-built Covers:** Under the Cover, We also pay the following and the Sum Insured payable under each of the in-built cover will be in addition to the base cover.

	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 stock temporarily removed to other premises for fabrication, processing or finishing upto 10% of value.
3.	Cover for Specific Contents	<ul style="list-style-type: none"> • Cover for Money upto ₹50,000 (Rupees Fifty Thousand) 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 One Lakh).
5.	Professional fees	Reasonable fees of architects, surveyors and consulting engineers upto 5 % of the claim amount.
6.	Cost 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 the 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.

	Column A	Column B
	We cover physical loss or damage, or destruction caused to the Insured Property by	We do not cover 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,	-

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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 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.

Standard Add-on covers

You can purchase the following standard Add-on cover under **Business Guard - Udyam Package** Policy. You must apply for these covers and pay additional premium.

1. Declaration policy for Stocks

You can opt for a 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 **Business Guard -Udyam Package** Policy covers the following properties.

- 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:
 - Basement (if any), all fixtures and fittings permanently attached to the floor, walls or roof like electrical wiring, antennas etc.
 - The following 'additional structures' located on Your Premises and used for Your Business, that are shown in the Policy Schedule:
 - garage, out-houses, security sheds, towers, verandah or porch, tanks, compound walls, retaining walls, fences and gates, internal roads,
 - lifts, hoists,
 - 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
 - water, gas and sewage pipeline within the premises
 - any other structure shown in the Policy Schedule.
- 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
 - machines under repair,
 - machines taken on hire or lease, or any system of purchase of goods,
 - foundation, bedding or setting of the machines, or
 - accessories of machines.
- Stock of goods or merchandise.** It may be:
 - finished goods, semi-finished goods, stock in process, stock invoiced and ready for dispatch,
 - raw materials, packing materials,
 - stock accepted for job work for which You are responsible,
 - stock held in trust for which You are responsible,
 - stock in Open in the Insured Premises.
- All other assets**, that is, all other tangible property located in Your premises and used for Your business. It includes
 - furniture and fixtures, office equipment, telephone equipment, electronic equipment, computers etc,
 - canteen and kitchen equipment, gym and permanent sports equipment etc.

Who can purchase this Policy?

- You can purchase the **Business Guard -Udyam Package** Policy for the **building or structure** if
 - You own it, or occupy it under a lease,
 - You occupy it as purchaser under an agreement of sale or lease,
 - You are an occupier authorised under any law,
 - Your property is occupied by a tenant, a licensee or Your employee, or
 - You are a tenant under an agreement in writing and are liable to repair it.
- You can purchase the **Business Guard -Udyam Package** Policy for **plant and machinery, stock or other property** if
 - You own it, or use it under a lease in writing,
 - You hold it in trust or on commission or are responsible for it,
 - You have taken plant and machinery or other contents on hire or lease, or any other system of purchase,
 - You have accepted stock for job work for which You are responsible.

3. You are **eligible** to purchase the **Business Guard -Udyam Package Policy**

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 to this policy.
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 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 Events.
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 -'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.
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 claims.

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.

- 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.

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 a 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 Business Guard - Udyam Package 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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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 the Annual rate
For a period not exceeding 1 month	85% of the Annual rate
For a period not exceeding 2 months	70% of the Annual rate
For a period not exceeding 3 months	60% of the Annual rate
For a period not exceeding 4 months	50% of the Annual rate
For a period not exceeding 5 months	40% of the Annual rate
For a period not exceeding 6 months	30% of the Annual rate
For a period not exceeding 7 months	25% of the Annual rate
For a period not exceeding 8 months	20% of the Annual rate
For a period not exceeding 9 months	15% of the Annual rate
For a period exceeding 9 months	No refund

3. We can cancel the policy.

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

4. Policy ends automatically:

- If Your 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.
- Change of ownership of insured property
- Sale of Insured Property

Making a claim

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

Insurance is the subject matter of solicitation. For more details on benefits, exclusions, limitations, terms & conditions, please read the policy wordings carefully, before concluding a sale.

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 **Business Guard -Udyam Package** Policy document. You must read the policy document to know the insurance cover fully. You can get a copy of the **Business Guard -Udyam Package** Policy from Our branch or from Our website <https://www.tataaig.com/>. 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

- Our Grievance Redressal Officer
- The Consumer Affairs Department of the Insurance Regulatory and Development Authority of India (IRDAI)—You can lodge Your grievance in the Integrated Grievance Management System (IGMS),

- The Insurance Ombudsman, depending on the nature of the grievance and the financial implications, if any, or
- The Consumer Protection Forum or the Court.

About Our Company

Tata AIG General Insurance Company, which started its operations in India on January 22, 2001 offers the complete range of insurance for automobile, home, personal accident, travel, energy, marine, property and casualty, as well as several specialized financial lines.

Tata AIG General Insurance Co. Ltd.

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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.

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.