



**HDFC ERGO - Bharat Laghu Udyam Suraksha Prospectus**

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**HDFC ERGO - Bharat Laghu Udyam Suraksha Prospectus**

**Introduction**

This prospectus gives basic information about the **Bharat Laghu Udyam Suraksha** Policy that You can purchase from Us, i.e. the HDFC ERGO General Insurance Company. The **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 Dos and Don'ts**

<b>1.</b>	<b>When You fill up the Proposal Form</b>	<ul style="list-style-type: none"> <li>• <b>Read the instructions in the proposal form carefully before filling up the details.</b></li> <li>• <b>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.</b></li> <li>• <b>Make sure You have opted for the correct policy based on the total Sum Insured.</b></li> <li>• <b>Fill up the proposal form completely and answer all the questions truthfully.</b></li> </ul>
<b>2.</b>	<b>During the Policy Period</b>	<ul style="list-style-type: none"> <li>• <b>Make full disclosure in the proposal and related documents about Yourself and all the Insurable Assets.</b></li> <li>• <b>Remember, the information You give Us is the basis of Our contract with You.</b></li> <li>• <b>You must inform Us of any changes in the business premises or if it remains unoccupied for more than 30 days.</b></li> <li>• <b>Do not allow unauthorised persons to occupy Your premises.</b></li> <li>• <b>Ensure that all security procedures are in force.</b></li> </ul>
<b>3.</b>	<b>When You have a Claim</b>	<ul style="list-style-type: none"> <li>• <b>Give notice of loss to Us, as required.</b></li> <li>• <b>Inform the respective authorities, as required.</b></li> <li>• <b>Make true and full disclosures in Your claim form.</b></li> <li>• <b>Give all documents supporting the claim.</b></li> <li>• <b>Give full cooperation for inspection and investigation of claim.</b></li> </ul>

**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 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.

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

	In-built Cover	Details
1	<b>Additions, alterations or extensions</b>	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	<b>Temporary removal of stocks</b>	Loss to stocks temporarily removed to other premises for fabrication, processing or finishing up to 10% of value.
3	<b>Cover for Specific Contents</b>	Cover for Money up to ₹ 50,000 (Fifty Thousand Rupees) during the policy period, cover for documents such as deeds, manuscripts, business books, plans, drawings, securities etc. up to ₹ 50,000 (Rupees Fifty Thousand) during the policy period, cover for computer programmes, information and data up to ₹ 5 Lakh (Rupees Five Lakh) during the policy period and cover for personal effects of employees, Directors and visitors up to ₹ 15,000 (Rupees Fifteen Thousand) per person for a maximum of 20 persons during the policy period.
4	<b>Start-Up Expenses</b>	Start-up cost incurred by You in respect of insured risk consequent upon a loss or damage due to insured events up to ₹ 5 Lakhs ( Rupees Five Lakh).
5	<b>Professional fees</b>	Reasonable fees of architects, surveyors and consulting engineers up to 5% of the claim amount.
6	<b>Costs for Removal of debris</b>	Reasonable expenses for removal of debris up to 2 % of the claim amount.
7	<b>Costs compelled by Municipal Regulations</b>	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.

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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
	<b>We cover physical loss or damage, or destruction caused to the Insured Property by</b>	<b>We do not cover for loss or damage, or destruction caused to the Insured Property by</b>
1	Fire, including due to its own fermentation, or natural heating, or spontaneous combustion.	caused by a. its undergoing any heating or drying process 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 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,	-

	Column A	Column B
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	a. if it is 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**

- 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.**
- 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.**

**Standard Add-On Covers**

You can purchase standard Add-on covers under **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 **Bharat Laghu Udyam Suraksha** 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.

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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.
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 **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 **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 **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.

### 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.
 

**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 expired 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.

### Examples

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 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.**

### Underinsurance

**Underinsurance waiver up to 15%:** This is a special feature of the **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.

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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)**

- 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 ₹ 57 Crore. 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.**
- 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 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.**
- Your shop has 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 payment of ₹ 31.25 Lakhs only (62.5% of ₹ 50 Lakhs) 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:

- 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.
  - For terrorism risk the Excess shall be as per the Clause attached with this policy.
- Your deliberate, wilful or intentional act or omission, or of anyone on Your behalf, or with Your connivance.
- 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.
- Loss, destruction or damage to the stocks in cold storage premises caused by change of temperature.
- 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.
- 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.
- 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.

- 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.
- Pollution or contamination, unless
  - the pollution or contamination itself has resulted from an Insured Event, in which case only physical damage to the Insured Property is covered, or
  - an Insured Event itself results from pollution or contamination.
- 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.
- Loss of any Insured Property which is missing or has been mislaid or its disappearance cannot be linked to any single identifiable Insured Event.
- Loss or damage to any Insured Property removed from Your Premises to any other place, except
  - Machinery and equipment temporarily removed for repairs, cleaning, renovation or other similar purposes for a period not exceeding 60 days,
  - Stock covered under in-built Cover 'Temporary removal of stocks'.
- Any reduction in market value of any Insured Property after its repair or reinstatement.
- 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.
- 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.
- 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 safety measures, age of construction 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).

Discount offered under this policy:

- Online Discount – 5%
- Loyalty Discount – 2.5%

### 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.

The Insured can cancel the policy at any time during the policy term, by informing the Company.

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The Company can cancel the policy only on the grounds of established fraud, by giving minimum notice of 7 days to the Insured.

The Company shall refund proportion premium for unexpired policy period subject to no claim(s) made during the policy period.

**3. We can cancel the policy.**

The Company can cancel the policy only on the grounds of established fraud, by giving minimum notice of 7 days to 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

**Details of additional covers (Add-ons) offered with the policy\***

Add On's	Description	Special Conditions (if any)
Accidental Damage	Covers direct physical loss or damage to the insured property due to accidental external means whilst situated in the insured premises subject to terms, conditions & exclusions	
Loss Minimization	We shall pay reasonable expenses incurred to safe guard the property including moving/ shifting of property to prevent aggravation of Loss or damage to the Insured's property as specified in the Policy Schedule following the operation of insured perils.	
Extra Expenses	We will pay a fixed amount for expenses arising out of an admissible loss which the insured has incurred to maintain his business activities such as taking alternate accommodation, shifting of property to another unit, additional expenses for shifting of his employees/labours.	
Involuntary Betterment	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, We will pay the cost of purchasing and installing which is necessitated by incompatibility between new equipment installed to replace equipment which has sustained damage and undamaged existing equipment at the same or an interdependent location.	This extension shall not be enforceable if the insured is unable or unwilling to reinstate the property. Limit of Indemnity/ Sum Insured shall not exceed 50% of the total sum insured (excluding stock) This cover is not applicable to Stocks

Add On's	Description	Special Conditions (if any)
Loss of Rent and Additional Expense of Rent for Alternative Expenses	<p><b>For owners (Loss of Rent)</b> In consideration of payment of additional premium, it is hereby agreed and declared that 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".</p> <p><b>For Owners and Tenants (Additional Expenses of Rent for alternative premises)</b> In consideration of payment of additional premium, it is hereby agreed and 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 Premises, We 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 as opted by you and mentioned in Policy Schedule whichever is earlier. Provided our liability shall not exceed the Sum Insured as opted by you and mentioned in Policy Schedule. Provided further that if the sum produced by applying the monthly additional rent, borne by the insured for the alternative Premises to the maximum indemnity period is more than the Sum Insured hereby, our liability shall be proportionately reduced.</p>	<p>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 "Kutchra" Construction. If the area of alternative Premises 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 Premises taken by the insured. The insured shall be at liberty to take alternative Premises in any locality so long as it is within the Municipal limit of the city or town in which the PREMISES is situated.</p>
Contract Works	It is hereby agreed that the Insured Property under the policy is extended to include the permanent works and temporary works that are erected or in the course of erection during the policy period including Plant and Machinery, and materials and all other property of whatsoever nature or description for incorporation therein but excluding contractors plant & machinery, fines and penalties arising out of such construction and any loss that is insured in any other policy.	Construction for the purpose of this cover shall mean for the extension or refurbishment of existing Buildings with a construction period not exceeding twelve months in duration within the Territorial Limits.
Escalation	<p>In consideration of the payment of an additional premium during the period of insurance, sum insured shall be increased each day by an amount representing 1/365th of the specified percentage increase per annum. Unless specifically agreed to the contrary the provisions of this clause shall only apply to the sum insured in force at the commencement of each period of insurance.</p>	

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Add On's	Description	Special Conditions (if any)
Brand and Label Clause	<p>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 Insurer elects to take all or any part of that property, the Insured may at the Insurers expense:</p> <p>a) stamp "salvage" on the property or its containers; or</p> <p>b) remove or obliterate the brands or labels, if doing so will not damage the property.</p> <p>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.</p>	
Dynamo Clause	<p>In consideration of additional premium and notwithstanding to the contrary contained in the policy, it is hereby agreed that loss or damage to the electrical appliances, apparatus, fixtures or fittings insured under this policy arising from or occasioned by overrunning, excessive pressure, short circuit, arcing, self-heating or leakage of electricity from whatever cause (lightning included) is covered. However, it expressly excludes loss or damage to the electrical appliances, apparatus, fixtures or fittings due to breakdown by whatsoever reason.</p>	

\* Please refer policy wording for complete details on coverage & exclusions.

**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.

**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 **Bharat Laghu Udyam Suraksha** Policy document. You must read the policy document to know the insurance cover fully. You can get a copy of the **Bharat Laghu Udyam Suraksha** Policy from Our branch or from Our website [www.hdfcergo.com](http://www.hdfcergo.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

1. Our Grievance Redressal Officer,  
You can send Your grievance in writing by post or email to Our Grievance Redressal Officer at the following address:  
If you have a grievance that you wish us to redress, you may contact us with the details of your grievance through:
  - **Contact us- 022 6158 2020/ 022 6234 6234**
  - **Emails – [grievance@hdfcergo.com](mailto:grievance@hdfcergo.com)**
  - **Contact Details for Senior Citizens: 022 6242 6226**
  - **Email ID- [seniorcitizen@hdfcergo.com](mailto:seniorcitizen@hdfcergo.com) Designated Grievance Officer in each branch.**
  - **Company Website – [www.hdfcergo.com](http://www.hdfcergo.com)**
  - **Courier - Any of our Branch office or corporate office**

You may also approach the Complaint & Grievance (C&G) Redressal Cell at any of our branches with the details of your grievance during our working hours from Monday to Friday.

If you are not satisfied with our redressal of your grievance through one of the above methods, you may contact our Head of Customer Service at

**The Complaint & Grievance Redressal Cell,  
HDFC ERGO General Insurance Company Limited,  
D-301, 3rd Floor, Eastern Business District (Magnet Mall),  
LBS Marg, Bhandup (West),  
Mumbai – 400078, Maharashtra**

In case you are not satisfied with the response / resolution given / offered by the C&G cell, then you can write to the Chief Grievance Officer of the Company at the following address

**To the Chief Grievance Officer  
HDFC ERGO General Insurance Company Limited,  
D-301, 3rd Floor, Eastern Business District (Magnet Mall),  
LBS Marg, Bhandup (West),  
Mumbai - 400078, Maharashtra e-mail: [cgo@hdfcergo.com](mailto:cgo@hdfcergo.com)**

Grievance may also be lodged at IRDAI Integrated Grievance Management System- <https://bimabharosa.irdai.gov.in>

You may also approach the nearest Insurance Ombudsman for resolution, if your grievance is not redressed by the Company. The contact details of Ombudsman offices are mentioned in 3, Insurance Ombudsman if your grievance pertains to:

- Insurance claim that has been rejected or dispute of a claim on legal construction of the policy
- Delay in settlement of claim

## HDFC ERGO - Bharat Laghu Udyam Suraksha Prospectus

- Dispute with regard to premium
  - Non-receipt of your insurance document
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) <https://igms.irda.gov.in>
  3. The Insurance Ombudsman, depending on the nature of grievance and the financial implications, if any.

You may also refer Our website [www.hdfcergo.com](http://www.hdfcergo.com)  
<https://www.hdfcergo.com/customer-voice/grievances>  
for detailed grievance redressal procedure.

4. The Consumer Protection Forum or the Court.

### About Our Company

**Name of the company – HDFC ERGO General Insurance Company Limited (IRDAI Reg No 146)**

**Registered & Corporate Office: 6th Floor, Leela Business Park, Andheri-Kurla Road, Andheri (East), Mumbai – 400 059. Churchgate, Mumbai – 400 020.**

**Website – [www.hdfcergo.com](http://www.hdfcergo.com)**

**Contact us- 022 6158 2020/ 022 6234 6234**

**Email – [care@hdfcergo.com](mailto:care@hdfcergo.com)**

### 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.**