

Kotak Bharat Laghu Udyam Suraksha
UIN: IRDAN152RP0003V01202021

Additional Covers (Add-ons) Wording

1. Escalation:

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

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:-

1.1 The sums to be insured under each item above, but in the absence of such instructions the Sums Insured by the above items shall be those stated on the policy (as amended by any endorsement effective prior to the aforesaid renewal date) to which shall be added the increases which have accrued under this Clause during the period of insurance up to that renewal date, and

1.2 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."

2. Incidental Expenses:

In consideration of the payment of additional premium, it is hereby declared and agreed that if a loss, destruction or damage is payable under the base policy then We will also pay the direct incidental cost associated with the insured property upto the fixed percentage of admissible claim amount under the policy, as specified in the Policy Schedule/Certificate of Insurance.

For the purpose of this Add-On cover while calculating the amount payable under this Cover, We will consider the admissible claim amount under the base policy after all applicable deductions and/or before applying policy excess, if any.

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

3. Additional startup/ shut down expenses:

In consideration of payment of additional premium, it is hereby understood and agreed that on the occurrence of an event which leads to a damage or loss covered under this Policy, this extension covers actual loss sustained due to specified start-up / shut-down costs for power and utilities such as electricity, water, steam, gas as well as feedstock, fuels or combustibles to re-establish the plant in the operational state it was at the time of the loss or damage in a normal start-up procedure and subject to the sublimit as specified in the Schedule .

Start-up costs will not be recoverable under normal or emergency shut down operations.

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

4. Minor works:

In consideration of the payment of additional premium, it is hereby agreed and declared that, notwithstanding anything to the contrary in this policy or in any of its conditions, this policy is extended to include minor alterations and/or construction and/or re-construction and/or addition and/or maintenance and/or modifications and/or work carried out on any of the property insured under this policy against insured perils.

Notwithstanding other terms and conditions herein, this extension to the policy shall only pay in excess of more specific insurance if any, arranged in respect of minor works. This extension does not cover any loss or damage, to the property which, at the time of happening of such loss or damage, is insured, but for existence of this property by any project insurance policy

It is further agreed and declared that, the loss of earnings, loss by delay, loss of market or any other consequential or indirect loss whatsoever, shall not be payable under this extension.

This extension excludes Loss or damage due to faulty design, defective material and bad workmanship, loss or damage arising out of testing, trial run etc.

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

5. Undamaged property

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon that the insurance by this Policy extends to cover the cost of destruction and subsequent replacement of undamaged property or undamaged portions of property, if such destruction is solely necessary in order to carry out repairs or reinstatement of the property insured by this Policy and for which the Company has admitted liability.

For the purpose of this clause, "undamaged" shall mean not damaged physically and directly by any event or perils not otherwise excluded by this Policy.