

## PROSPECTUS

### STANDARD FIRE AND SPECIAL PERILS POLICY (COMMERCIAL)

Among life's many uncertainties, Fire and Natural Perils like Flood, Earthquake, Storm and Cyclones and Riots often prove to be the most damaging. Such an event not only causes the damage and destruction of your assets, it also leaves you with a huge financial burden to bear that is hard to recover. A single incident reduces everything to ashes which take years to re-build.

At such times, you need the safety of the DHFL Standard Fire and Special Perils Policy (Commercial).

This calms your worried mind by offering you comprehensive coverage and by giving you the financial support to recover from such sudden losses.

Our Standard Fire and Special Perils Policy (Commercial) covers all properties moveable or immovable of an Individual, at various locations against named perils.

#### **Applicability**

All moveable/ immovable properties of the proposer at specified location (excluding those in transit) broadly categorized as follows:

**1. Building (including plinth and foundations, if required):**

- o Whether completed or in course of construction (excluding the value of land).
- o Interiors, Partitions and Electricals.

**2. Plant & Machinery, Equipment's & Accessories (including foundations, if required)**

- o New
- o Second Hand &
- o Obsolete Machinery

**3. Stocks:**

- o Raw Material
- o Finished Goods
- o In process
- o In trade belonging to Wholesaler, Manufacturer and Retailer.

**4. Other Contents such as**

- o Furniture, Fixtures and Fittings
- o Cables, Piping's
- o Spares, Tools and Stores
- o Household goods etc.

**5. Items such as bullion, unset precious stones, curios, work of arts, manuscripts, plans, drawings, securities, obligations or documents, stamps, coins or paper money, Cheque, books of accounts, computer system records, explosives, if specifically insured.**

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## **Perils Covered**

The policy covers loss or damage due to Fire and other perils like Riot Strike and Malicious damage including Act of God perils like Storm, Flood, Cyclones and Earthquake (As an Add on cover) along with expenses that are incurred due to claims like Architect and Surveyor fees, removal of debris, loss of rent & rent for alternative accommodation (loss or expenses of rent is covered through add on covers).

Perils covered are listed below:

1. **Fire** – Excluding destruction or damage to the property insured by its own fermentation, natural heating or spontaneous combustion or its undergoing any heating or drying process.
2. **Lightning** – Fire or other damages due to lightning.
3. **Explosion/Implosion** – Excluding damage to a) boilers (other than domestic boilers) or their contents from their own explosion/implosion. b) caused by centrifugal forces.
4. **Aircraft Damage** – Damage caused by aircraft and other aerial devices and/ or articles dropped there from.
5. **Riot, Strike, Malicious Damage** – Damage to the property by such activity or by the action of any lawful authorities in suppressing such disturbance.
6. **Storm, Cyclone, Typhoon, Tempest, Hurricane, Tornado, Flood and Inundation**
7. **Impact Damage** – Impact by any Rail/Road vehicle or animal not belong to or owned by the insured or any occupier of the premises or their employees.
8. **Subsidence and Landslide including Rock slide** – Damage caused by Subsidence, Landslide / Rockslide. Subsidence means sinking of land or building to a lower level. Landslide means sliding down of land usually on a hill.
9. **Bursting and/or overflowing of Water Tanks, Apparatus and Pipes**
10. **Missile Testing operations**
11. **Leakage from Automatic Sprinkler**
12. **Bush Fire** – Excluding damages by Forest Fire.

Riot, strike and malicious damage (RSMD) and Storm, cyclone, typhoon, tempest, hurricane, tornado, flood and inundation (STFI) perils can be deleted with discount in premium rates. **Terrorism** is excluded from the scope of policy and can be covered on payment of additional premium.

## **Add On Covers Offered**

1. **Architects, Surveyors and Consulting Engineers Fees (in excess of 3% claim amount)**-  
(UIN: IRDAN155CP0022V01201718/A0040V01201718)  
Up to 3% of claim amount is already covered in policy.

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2. **Removal of Debris (in excess of 1% claim amount) –** (UIN: IRDANI55CP0022V01201718/A0041V01201718)  
Dismantling/Demolition of building, plant and machinery and Removal of Debris, upto 1% is already covered in the policy.
3. **(A) Deterioration of Stocks in Cold Storage premises –** (UIN: IRDANI55CP0022V01201718/A0042V01201718)  
Due to power failure consequent to damage at the premises of Power Station.  
  
**(B) Deterioration of stocks in cold storage premises –** (UIN: IRDANI55CP0022V01201718/A0043V01201718)  
Due to change in temperature arising out of loss or damage to the cold storage machinery(ies) in the Insured's premises.
4. **Forest Fire –** (UIN: IRDANI55CP0022V01201718/A0044V01201718)  
Damage to the property by burning of forest, bush, jungles and the clearing of lands by Fire.
5. **Impact Damage due to Insured's own Rail/Road Vehicles, Fork lifts, Cranes, Stackers and the like and articles dropped therefrom –** (UIN: IRDANI55CP0022V01201718/A0045V01201718)  
Impact by any Rail/ Road vehicle or animal belonging to or owned by the insured or any occupier of the premises or their employees.
6. **Spontaneous Combustion –** (UIN: IRDANI55CP0022V01201718/A0046V01201718)  
Destruction or damage to the property insured by its own fermentation, natural heating or spontaneous combustion or its undergoing any heating or drying process is covered.
7. **Omission to Insure additions, alteration or extensions –** (UIN: IRDANI55CP0022V01201718/A0047V01201718)  
Buildings, Plant & Machinery and other contents which insured may acquire or erect during the policy period.
8. **Earthquake–** (UIN: IRDANI55CP0022V01201718/A0048V01201718)
9. **Spoilage Material Damage Cover –** (UIN: IRDANI55CP0022V01201718/A0049V01201718) Damage due to cessation or retardation of any process.
10. **Leakage and Contamination Cover –** (UIN: IRDANI55CP0022V01201718/A0050V01201718) Physical loss of oil/chemical due to leakage and contamination from its tanker.
11. **Temporary Removal of Stocks Clause –** (UIN: IRDANI55CP0022V01201718/A0051V01201718) Shifting of stock to any other premises for the purpose of fabrication/Furnishing.
12. **Loss of Rent –** (UIN: IRDANI55CP0022V01201718/A0052V01201718)  
If Building or part thereof is unfit for occupation due to operation of insured peril.
13. **Insurance of Additional Expenses of Rent for An Alternative Accommodation–**  
(UIN: IRDANI55CP0022V01201718/A0053V01201718)  
It covers additional rent for non-manufacturing premises only during the period insured premises become inhabitable due to operation of insured perils.

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**14. Start-up Expenses** – (UIN: IRDANI55CP0022V01201718/A0054V01201718)

Expenses incurred for start-up of operations after a loss caused by operation of insured peril.

**EXCLUSIONS**

Following are excluded from the scope of Policy.

1. This Policy does not cover (not applicable to policies covering dwellings)
  - (a) The first 5% of each and every claim subject to a minimum of Rs. 10,000 in respect of each and every loss arising out of "Act of God perils" such as Lightning, STFI, Subsidence, landslide and Rock slide covered under the Policy.
  - (b) The first Rs. 10,000 for each and every loss arising out of other perils in respect of which the Insured is indemnified by this Policy.

The Excess shall apply per event per Insured.

2. Loss, destruction or damage caused by war, invasion, act of foreign enemy hostilities or war like operations (whether war be declared or not), civil war, mutiny, civil commotion assuming the proportions of or amounting to the popular rising, military rising, rebellion, revolution, insurrection or military or usurped power.
3. Loss, destruction or damage directly or indirectly caused to the property insured by
  - (a) Ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel.
  - (b) The radioactive toxic, explosives or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.
4. Loss, destruction or damage caused to the insured property by pollution or contamination excluding
  - (a) Pollution or contamination which itself results from a peril hereby insured against.
  - (b) Any peril hereby insured against which itself results from pollution or contamination
5. Loss, destruction or damage to bullion or unset precious stones, any curios or works of art for an amount exceeding Rs. 10000/-, goods held in trust or on commission, manuscripts, plans, drawings, securities, obligations or documents of any kind, stamps, coins, or paper money, cheques, books of accounts or other business books, computer systems records, explosives unless otherwise expressly stated in the Policy. \*
6. Loss, destruction or damage to the stocks in Cold Storage premises caused by change of temperature. \*
7. Loss, destruction or damage to any electrical machine, apparatus, fixture, or fitting arising from or occasioned by over-running, excessive pressure, short circuiting, arcing, self-heating or leakage of electricity from whatever caused (lightning included) provided that this exclusion shall apply only to the particular electrical machine, apparatus, fixture or fitting so affected and not to other machines, apparatus, fixtures or fittings which may be destroyed or damaged by fire so set up.
8. Expenses necessarily incurred on (i) Architects, Surveyors and Consulting Engineer's Fees and (ii) Debris Removal by

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the Insured following a loss, destruction or damage to the property insured by an insured peril in excess of 3% and 1% of the claim amount respectively. \*

9. Loss of earnings, loss by delay, loss of market or other consequential or indirect loss or damage of any kind or description whatsoever.
10. 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 perils covered. \*
11. Loss by theft during or after the occurrence of any insured peril except as provided under Riot, Strike, Malicious and Terrorism Damage cover. \*
12. Any Loss or damage occasioned by or through or in consequence directly or indirectly due to earthquake, volcanic eruption or other convulsions of nature. \*
13. Loss or damage to property insured if removed to any building or place other than in which it is herein stated to be insured, except machinery and equipment temporarily removed for repairs, cleaning, renovation or other similar purposes for a period not exceeding 60 days. \*

(Exclusions marked with \* can be covered on payment of additional premium.)

#### **SUM INSURED**

Property can be insured on depreciated cost (Market Value) or Reinstatement value basis. In order to get full protection, insurance on reinstatement basis is recommended for Building, Machinery, Furniture, Fixtures and Fittings. However, Stock should be covered only on Market Value basis.

**Agreed Value Basis:** Applicable only for Residential flat/apartment and sum insured would be calculated on following basis:

- a) By multiplying the Total Square Feet Area of the property as mentioned in the Registered Sale Deed/ Agreement by the value per Square Feet mentioned in the Ready Reckoner for Property Tax and Stamp Duty purpose issued by the Revenue Department of the State Government for the locality in which the Dwelling is situated on the date of the proposal.
- b) Value mentioned in the registered sale deed of property.

#### **Cancellation: Cancellation by Insured**

Policy may be terminated at any time at the request of the Insured, in which case the Company will retain the premium at short period rate for the time the Policy has been in force.

During the currency, if a policy is replaced with a new annual one covering the identical property, refund of premium may be allowed on pro-rata basis at the original rates for the sum insured replaced.

For the sum insured not replaced, refund will be calculated after charging premium at short period scale on such sum for the time the insurance has been in force subject to retention of the minimum premium.

In case a policy is cancelled on account of a Government Order or on completion of a "Building in course of construction" or where Buildings are demolished, pro-rata refund of premium may be allowed.

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**Cancellation by Company:**

The Company may cancel the policy by sending fifteen days' notice by recorded delivery to the insured at insured's last known address on the grounds of misrepresentation, fraud, non-disclosure of material facts or non-cooperation. In the event of cancellation of this Policy on grounds of misrepresentation, fraud, non-disclosure of material facts, the policy shall stand cancelled ab-initio and there will be no refund of premium. In the event the policy is cancelled on the grounds of non-cooperation of the insured then the premium shall be computed in accordance with company's short period rate for the period the Policy has been in force provided no claim has occurred up to the date of cancellation.

**Short Period Rate Table:**

For a period not exceeding	15 days	10% of the Annual rate
-do-	1 month	15% of the Annual rate
-do-	2 months	30% of the Annual rate
-do-	3 months	40% of the Annual rate
-do-	4 months	50% of the Annual rate
-do-	5 months	60% of the Annual rate
-do-	6 months	70% of the Annual rate
-do-	7 months	75% of the Annual rate
-do-	8 months	80% of the Annual rate
-do-	9 months	85% of the Annual rate
For a period exceeding	9 months	The full Annual rate

**PREMIUM**

Premium rate depends on various factors such as Occupancy, Construction, Age of building, Fire protection arrangement, Sum Insured, claim history and exposure to Act of God Perils like Earthquake and STFI.

**Minimum Premium:**

For policies of Tiny Sector minimum premium is Rs300/-.

For all other sectors and occupancies minimum premium is Rs500/-

**DISCOUNT**

**Online Sourcing Discount/ Direct Channel Discount**

If you are buying this policy online and directly from us you will be eligible for a discount of 10% on your premium.

**DHFLGI Duniya Discount (Loyalty Discount)**

If you are our existing customer a discount of 5% will be offered to you on purchase of this policy.

**Voluntary Deductible Discount:**

Deductible is excess which is mentioned in exclusion section of this prospectus.

If you opt for a deductible over and above the compulsory deductible, you are eligible for discount on premium as per following table:

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Deductible Amount		Discount
AOG Perils 5% of Claim amount subject to minimum INR	Other perils (INR)	
10,00,000	5,00,000	2%
20,00,000	10,00,000	4%
30,00,000	15,00,000	6%
60,00,000	30,00,000	8%
100,00,000	50,00,000	10%
500,00,000	100,00,000	12.5%
1,000,00,000	500,00,000	15%
2,000,00,000	1,000,00,000	20%
>2,000,00,000	>1,000,00,000	25%

### **Claims Procedure**

In the event of any unfortunate event be rest assured of complete assistance from us.

It is very convenient to get in touch with us by calling **18001230004**. Alternatively, one can reach us by using Mobile Application OR Customer Portal at our Website [www.dhflinsurance.com](http://www.dhflinsurance.com) OR by sending an e-mail at [mycare@dhflinsurance.com](mailto:mycare@dhflinsurance.com).

Intimation of claim to us, immediately on occurrence, will ensure prompt and effective assistance.

During notification of claim; information pertains to Insured, Policy, Occurrence of loss (Date, Place, Cause & Extent of loss) will be collected.

Immediate action to be taken in the event of a loss:

- Please take all possible steps for loss minimization
- Report to the Police in event of malicious damage and/or in event of any crime causing damage to insured property.
- Report to the Fire Brigade in event of Fire loss.
- Intimate us for arranging inspection of loss
- Provide necessary assistance to the Surveyor for inspection of the damaged items, submit claim documents at earliest and take suggested loss minimization steps.
- Alter or commence repairs post Surveyor's/ Insurance company's advice only.

Please provide following information at the time of claim intimation.

1. Policy Number:
2. Name of the Person notifying the claim:
3. Insured Name:
4. Date of loss:
5. Property Damaged:
6. Cause of loss:
7. Estimated quantum of loss:
8. Whether police report lodged, fire brigade intimated etc.

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We will require following documents to process your claim. You may provide the same to enable us to promptly settle your claim.

1. Claim Form duly filled in & signed.
2. F.I.R, if filed.
3. Fire Brigade Report
4. Detailed inventory of Loss with amount.
5. Original Repair /Replacement Bills with receipt.
6. Photographs if taken.

(The list of documents furnished herein below is illustrative but not exhaustive. We may request you to provide additional documents depending on the nature and circumstances of loss.)

**IRDA REGULATION NO 17:** This Policy is subject to regulation 17 of IRDAI (Protection of Policyholder's Interests) Regulation 2017 or any amendment thereof from time to time.

**Note:** Policy Term and Conditions & Premium rates are subject to change with prior approval from IRDAI.

**Disclaimer** - This is only a summary of the product features. The actual benefits available are as described in the policy, and will be subject to the policy terms, conditions and exclusions. Please seek the advice of your insurance advisor if you require any further information or clarification.

**SECTION 41 OF INSURANCE ACT, 1938**

1. 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 premium shown on the policy, nor shall any person taking out or renewing or continuing a policy accept any rebate, except such rebate as may be allowed in accordance with the prospectus or tables of the Insurers.
2. Any person making default in complying with the provisions of this section shall be liable for a penalty which may extend to Rupees Ten Lakhs.

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