Kshema Industrial All Risks Insurance Policy

FAQ's

1. What perils are covered in the IAR policy?
   The IAR policy does not include any perils, In the policy, only excluded properties and excluded causes are stated. Any damage caused by an accident that is not stated as exclusion is covered.

2. In addition to our IAR policy, do we need a separate burglary policy?
   Burglary is not excluded and is therefore covered by the IAR insurance.

3. How many sections are there under this policy?
   There are Two sections under this policy:
   Section I: Material Damage
   Section II: Business Interruption

4. What are the coverages under Section I of this policy?
   Under Section I:
   - Fire and all Special Perils
   - Burglary, Theft
   - Machinery Breakdown/Boiler Explosion/Electronic Equipment Insurance

5. What are the coverages under Section II of this policy?
   Under Section II:
   - Business Interruption (Fire and all Special Perils)
   - Business Interruption (Machinery Breakdown) OPTIONAL

6. What are the benefits of using an IAR policy rather than distinct SFSP, MBD, and FLOP policies?
   It provides broader cover. The IAR coverage covers perils such as unintentional damage and burglary. The rate of machinery breakdown is low, and IAR policy does not allow for depreciation.

7. Can I cover livestock in my IAR policy together with other assets?
   The IAR policy does not cover livestock.

8. Does depreciation apply to breakdown claims such as MBD or EEI?
   IAR policy covers assets on Reinstatement basis. For breakdown claims such as MBD or EEI policies, depreciation is not applicable.

9. While relocating our machinery to our on-site facility for overhauling, it is accidentally damaged. Is it protected?
   Yes. The IAR coverage covers damage that occurs during transit within the risk premises.

10. Is MLOP a mandatory cover in IAR policy?
    No, MLOP is an optional cover.

11. Is FLOP a Mandatory cover?
    Yes. FLOP is a Mandatory cover.

12. Who can take Industrial All Risk Insurance Policy?
    Industrial risks in India, excluding risks accessible under the Petrochemical Tariff are eligible to take IAR policy. This policy offers comprehensive coverage against all perils and risks, except those explicitly excluded within the policy terms.

13. Is collision-related damage to motor vehicles covered?
    The IAR policy does not cover vehicles that are licensed for road use.

14. Is Underinsurance applicable in IAR Policy?
    Under Insurance is applicable in an IAR policy if the policy sum insured is less than 85% of the value at risk.

15. Is there any discount available for Voluntary deductible?
    Yes, discount is available based on range of Voluntary deductible opted.