THE NEW INDIA ASSURANCE COMPANY LIMITED
Head Office : New India Assurance Bldg.
87, M.G. Road, Fort, Mumbai – 400 001
CIN No: L66000MH1919GOI000526 / IRDAI Regn. No.190

PROSPECTUS

FIRE LOSS OF PROFIT POLICY [FLOP] / BUSINESS INTERRUPTION

UIN : IRDAN190CP0084V01201819

Loss of Profit [LOP]/ Consequential Loss Insurance [Business Interruption (BI)]

An ordinary Fire policy on Buildings, machinery and contents indemnifies the insured for the physical loss of damage to his property caused by a Fire and or other insured perils.

However, Business interruption insurance can help your business to keep running if the insured property is lost or damaged after a catastrophic event such as fire, by covering ongoing costs so you can recover and rebuild

Sum Insured

- Gross Profit (i.e. Net profit + Standing Charges)
- Indemnity Period

Coverage

When operations are interrupted, LOP compensates for the following financial impacts:

- **Loss of Net Profit:** Reimburses the profits your business would have earned during the downtime, calculated using past financial records
- **Standing Charges:** Ongoing fixed expenses that continue regardless of production halts, such as rent, loan interest, taxes and employee salaries.
- **Increased Cost of Working:** Covers additional, reasonable, necessary costs required to keep the business running from a temporary location (e.g., temporary office setup, moving expenses).

How it is triggered: The loss must be a direct result of an insured peril under the Fire Insurance Policy

Period of Restoration: Coverage generally pays out from the date of the disaster until your property is rebuilt and operations resume.

Exclusions :

- **Non-Covered Perils:** wear and tear, or perils not listed in your underlying Standard Fire and Special Perils policy.
- **Fraud and Intentional Damage**
- **War and Nuclear Risks**.
- **Governmental & Public Authority Orders:**.
- **Lack of Funds / Market Fluctuations:**
- **Fines and Preparation Costs**

Please refer to policy document for complete list

Making a Claim

- **Notify Immediately** Give notice immediately along with details of the event and loss,
- **Material Damage Link:** BI coverage typically requires a linked, admissible physical damage/property claim (e.g., under your Standard Fire Policy).
- **Supporting documentation :**
  Incident Reports: Fire brigade reports, police FIR, or meteorological data.
  Financials: Pre-loss P&L statements, sales records, and tax returns to establish your standard revenue.
  Expense Records: Invoices for temporary premises, overtime wages, or expedited shipping to mitigate losses.

Other details

- Helpline / Toll free: 1800-209-1415 or on company
- website www.newindia.co.in
- Bima Bharosa https://bimabharosa.irdai.gov.in/
- Ombudsman - Website Link : https://www.cioins.co.in/
- You can send Your grievance in writing by post or email
- The New India Assurance Co. Ltd.,
  Head Office, 87 M.G.Road, Fort,
  Mumbai - 400 001,
  e-mail : customer.relation@newindia.co.in