

PROSPECTUS

NEW INDIA BIMA SATHI

MSMEs in Manufacturing, Services, and Trading industries have different risk exposures, requiring industry-specific insurance solutions. Below is a detailed comparison of coverages tailored for each sector.

Who is covered ?

The policies is for the benefit of entrepreneurs running Micro and Small Industries having an asset size /value not exceeding 5crs for Micro / 50 Cr for Small enterprises. The industries can be either in the manufacturing, trading or services sector.

Eligibility Criteria

- Available to Micro & Small Enterprises registered under the Micro, Small, and Medium Enterprises Development (MSMED) Act.
- Suitable for manufacturing, service, and trading businesses.

What is the Age Group ?

The policy entry age is 18 years to 70 years

Product Overview

The product – **BIMA SATHI**, consists of following Sections.

The section-wise cover and Sum Insured limits are as below:

Compulsory Section : Section 1 Fire Insurance

All other Sections are optional

Sr.No	Section	Sum Insured
1	Fire Insurance (1)as per New India Flexi Bharat Sookshma Udyam Suraksha policy and as modified from time to time (2)as per New India Flexi Bharat Laghu Udyam Suraksha policy and as modified from time to time	(1)Depending on asset size but not exceeding Rs 5 Cr (2)Depending on asset size exceeding Rs 5 crs but not exceeding Rs 50 Cr
2	Burglary	On 10% first loss basis - Maximum Rs 5 Cr Or Actual, whichever is lower

3	Loss of Profits following property damage as covered under Fire Section (BSUS/BLUS) on Fixed Sum Insured Basis (As in Loss of profit section of Shopkeepers Policy)	Upto 12% of the asset size but not exceeding Rs 5 Cr. IP 30 days, Time excess 5 days
4	Personal Accident For owner/ upto 20 Employees	i For owner/Employees (i) (Death , PTD) – upto 5 lakh (ii) Loss of one limb or one eye – upto - 1.5 lakh
5	Employee compensation	Upto 20 employees X Min wage of Rs 15000 or actual wages (whichever is higher)
6	Money Insurance	Upto Rs 10,00,000/- (Estimated Annual Turnover) and Rs 50,000/- maximum single carrying limit
7	Fidelity Guarantee	Upto Rs 5,00,000/- (floater-Named Basis)
8	Machinery Breakdown	Upto Rs 5,00,00,000/- (Name plate details of machinery to be declared)
9	Public Liability (industrial/non-industrial risk)	Limit of Liability Rs 50,000 in AOA/AGG
10	Terrorism (as per Pool)	Sum Insured under Fire + Loss of Profits Section

Additional feature :

Considering that this product is primarily targeted towards increasing insurance penetration in rural markets, **a discount of 10%** can be allowed on the overall premium. Further, to promote the use of renewable energy sources, an **additional discount of 2.5%** can be provided on the premium, if renewable energy is used by the Insured.

Product Coverage Overview

1. Fire Insurance (Only this is a compulsory section)

- Protection against fire, explosion, lightning, storm, flood, earthquake, riot, strike, malicious damage, and impact damage.
- Covers damage to building, machinery, equipment, stock, and other business assets.
- Business interruption cover (optional) for loss of income due to insured perils.

Following Sections are optional

2. Burglary Insurance

- Covers loss or damage to insured property due to burglary, theft, or attempted theft.
- Protection for stock-in-trade, raw materials, and finished goods.
- Coverage for damage to premises caused during a burglary attempt.

3. Loss of Profits on Fixed Sum Insured basis

Covers Loss of Profits following property damage as covered under Fire Section (BSUS/BLUS) on Fixed Sum Insured Basis (As in Loss of profit section of Shopkeepers Policy)

Indemnity Period : 30 days maximum after Time Excess 5 days

Pre-Defined BI Coverage: 12 % of Asset Sum Insured or maximum RS 5,00,00,000/-

- Indemnity Period: 30 days
- Time Excess: 5 days

Claim Calculation:

Asset Sum Insured : RS 1,00,00,000/-

Loss of Profits Sum Insured : 12% of Asset Sum Insured ie Rs 12,00,000/-

Event: Due to Fire Damage: Shop remains closed for 20 days

Daily LOP SI : RS 12,00,000 / 365 = Rs 3288 per day

Total Interruption period: 20 days (downtime due to fire)

Time Excess : 5 days (no claim paid for this)

Payable period : 20 days – 5 days = 15 days

Claim Payable: 15 days X Rs 3288/- = Rs 49,320/-

Note:

(1) If Interruption would have been for 4 days, no claim would be payable due to time excess of 5 days.

(2) If Interruption exceeds 30 days Indemnity Period, no further payout would be made beyond 30 days.

✓ Simple, no financial documents, No books required, claim will be processed based on proof of non-operation (e.g., surveyor report)

4. Liability Insurance

- Public Liability: Covers third-party bodily injury or property damage due to business operations.

5. Personal Accident Cover

- Accidental death and permanent total disablement, loss of one limb or one eye for business owners. and their employees

6. Workers' Compensation (WC) Insurance

- Covers disability benefits, and compensation for work-related injuries or deaths as per labour laws.

7. Fidelity Guarantee (FG) Insurance

- Protection against financial losses due to employee fraud, dishonesty, or embezzlement.

8. Money in Transit Insurance

- Covers loss of cash, cheques, and other valuables during transit due to theft, robbery, or accidental loss.

9. Machinery Breakdown Insurance

- Covers sudden and accidental Breakdown of Machinery

10. Terrorism Insurance

- Covers damage to building, machinery, equipment, stock, and other business assets and consequent Loss of Profit due to acts of Terrorism (as per GIC Terrorism Pool)

Policy Benefits

- Mandatory Fire Coverage ensures core business protection.
- Flexible Optional Add-ons allow customization based on business risks.
- Competitive Premiums tailored for MSMEs.
- Simplified Claims Process for faster settlements.

Policy Term & Renewal

- Policy Term: 1 year (renewable).
- Renewal: Subject to claim history and underwriting approval.

Premium Payment & Discounts

- Premium based on business type, size, turnover, and risk exposure.
- Discounts available for no claims, risk mitigation measures, and multiple optional coverages.

Claim Process

1. Immediate Notification: Inform the insurer about the claim incident.
2. Submission of Documents: Provide necessary proof such as FIR (for burglary), fire reports, invoices, and stock records.
3. Surveyor Assessment: Insurer-appointed surveyor evaluates the claim.
4. Claim Settlement: Based on assessment, the claim is processed and settled.

WHAT IS BROADLY EXCLUDED UNDER THE POLICY: For complete list of the exclusions, the reader may refer to the policy clause.

General major Exclusions

- War, nuclear risks, or terrorism-related losses (unless opted separately).
- Losses due to fraud or intentional damage by the insured.
- Wear and tear, depreciation, and gradual deterioration.
- Losses from illegal activities.

HOW TO INTIMATE CLAIMS:

The insured may intimate claims to the claims hub/policy issuing office within the stipulated time period.

The basic documents that would need to be submitted are Claim form, copy of FIR, FBR, etc as applicable, along with any other relevant documents as required by Claims Hub.

Grievance/Complaints –

- a. Details of Grievance redressal officer – Available on New India website – <https://www.newindia.co.in>
- b. IRDAI Integrated Grievance Management System - <https://igms.irda.gov.in/>
- c. Insurance Ombudsman – The contact details of the Insurance Ombudsman offices have been provided on our website .