

## **Introduction:**

A business owner who purchases a Property Insurance to cover any loss or damage to property and equipment, may also face consequential loss if the property is damaged or destroyed. A consequential loss policy will compensate the owner for this loss of business income due to business interruption. The Consequential Loss (fire) policy covers Loss of Gross Profit and /or increase in cost of working due to reduction in turnover / output due to operation of peril covered in the Standard Fire & Special Perils Policy.

## ***Who can avail of "Consequential Loss (Fire) Insurance Policy"?***

Any Business entity needs consequential loss fire insurance to cover indirect losses from fire, such as lost profits, standing charges, and increased operating costs that a standard fire policy doesn't address.

## ***What is the coverage under the policy?***

if any building or other property or any part thereof used by the Insured at the premises for the purpose of the Business be destroyed or damaged by the perils covered under the STANDARD FIRE AND SPECIAL PERILS POLICY, (Destruction or damage so caused being hereinafter termed Damage), and the Business carried on by the Insured at the Premises be in consequences thereof interrupted or interfered with. THEN THE COMPANY WILL PAY TO THE INSURED in respect of each item in the Schedule hereto the amount of loss resulting from such interruption or interference in accordance with the provisions contained therein

### **PROVIDED THAT**

1. Such Damages is caused at anytime after payment of the premium during the period of insurance named in the Schedule or of any subsequent period in respect of which the Insured shall have paid and the Company shall have accepted the premium required for the renewal of the policy.
2. At the time of the happening of the Damage there shall be in force a STANDARD FIRE AND SPECIAL PERILS POLICY covering the interest of the Insured in the property at the premises against such damage and that payment shall have been made or liability admitted thereunder. However, this Proviso shall not apply where payment is not made under STANDARD FIRE AND SPECIAL PERILS POLICY, solely due to operation of a proviso in STANDARD FIRE AND SPECIAL PERILS POLICY excluding liability for losses below a specified amount.
3. The liability of the Company shall in no case exceed in respect of each item the sum expressed in the said Schedule to be insured thereon or in the whole the total sum insured hereby or such other sum or sums as may hereafter be substituted thereof by memorandum duly signed by or on behalf of the Company.

## ***What is the Sum Insured in the Policy?***

- The sum insured under the Loss of Profits policy should represent the gross profit of the indemnity period selected.
- The indemnity period is the maximum period required to put the business back into normal operation after damage to insured property by an insured peril. The indemnity period could vary from 6 months to 3 years.
- For indemnity periods up to one year, the annual gross profit should be selected as the sum insured. For indemnity periods longer than one year, the Gross Profit (GP) should be proportionately increased.

## ***What are the exclusions under the policy?***

This insurance does not cover any loss resulting from damage occasioned by or through or in consequence, directly or indirectly, of any of the following occurrences namely;

- a) War, invasion, act of foreign enemy, hostilities or Warlike Operations (whether war be declared or not), Civil war.
- b) Mutiny, Civil Commotion assuming the proportion of or amounting to a popular rising, military rising, insurrection, rebellion, revolution, military or usurped power.



- c) In any action suit or other proceeding where the Company alleges that by reason of this provision of this condition any loss or damage is not covered by this Insurance, the burden of proving that such loss or damage is covered shall be upon the Insured.

#### ***What is the duration of the policy?***

Policy will be issued for a period of one year.

#### ***What is the Claims procedure?***

**Intimation:** Insured can call 18602580000 /18604250000 or write to us at [care@royalsundaram.in](mailto:care@royalsundaram.in)

**Submission:** The Claim documents to be submitted by the insured are given below:

1. Claim form
2. FIR/Final Report
3. Meteorological Report in case of Act of God Perils
4. Proof in support of Cause of Loss/Operation of Insured peril
5. Books of Accounts
6. Stock Register
7. Repair/Reinstatement Bills
8. Proof of Reinstatement
9. CKYC documents PAN, ROC certificate, Aadhaar, GST Registration Certificate
10. Any other document: There may be specific requirements depending upon the merits of each case

**Process:** The company will assign a surveyor to assess and evaluate the loss. If the claim is found to be in order, as per the policy terms, conditions, or warranties and does not fall under the policy exclusions, we will offer a settlement of the claim to the insured. The claim will be processed, and payment will be made by online fund transfer.

**Turn Around Time for claims settlement:** 15 working days from the date of receipt of survey report or last document / clarification from the Insured / Surveyor whichever is later.

#### ***What is the cancellation process?***

1. Your Policy may be cancelled by you at any time by giving fifteen (15) days' notice to Us in writing. The cancellation will take effect from the date We receive Your notice. Premium refund will be as per the Policy terms agreed between You and Us.
2. Your Policy may be cancelled by Us at any time by giving fifteen (15) days' notice to You in writing on the grounds of misrepresentation, fraud, on-disclosure of material facts or non-co-operation. The Policy will be cancelled without any refund in premium.

Your Policy will automatically be cancelled from the time Your business becomes insolvent or is wound up or is permanently discontinued or a liquidator, administrator, receiver, manager and / or trustee in bankruptcy is appointed to You or any of Your assets.

No refund of premium shall be due if the Insured has made a Claim under this Policy.

#### ***Grievance Redressal Procedure:***

1. In case of any grievance the insured person may contact the company through  
Website: <https://www.royalsundaram.in/customer-service>  
Contact Numbers: 1860 258 0000, 1860 425 0000  
E-mail: [manager.care@royalsundaram.in](mailto:manager.care@royalsundaram.in)  
Sr. Citizen can email us at: [seniorcitizengrievances@royalsundaram.in](mailto:seniorcitizengrievances@royalsundaram.in)

Fax: 044-7117 7140  
Courier: Grievance Redressal Unit  
Royal Sundaram General Insurance Co. Limited  
Vishranthi Melaram Towers,  
No.2/319, Rajiv Gandhi Salai (OMR) Karapakkam,  
Chennai – 600097.

Insured person may also approach the grievance cell at any of the company's branches with the details of grievance. If insured person is not satisfied with the redressal of grievance through one of the above methods, insured person may contact the grievance officer

Mr. T M Shyamsunder  
Grievance Redressal Officer,  
Royal Sundaram General Insurance Co. Limited,  
Vishranthi Melaram Towers, No.2/319, Rajiv Gandhi Salai (OMR),  
Karapakkam, Chennai – 600097.

For updated details of grievance officer, kindly refer the link <http://www.royalsundaram.in>.

If Insured Person is not satisfied with the redressal of grievance through above methods, the insured person may also approach the office of Insurance Ombudsman of the respective area/region for redressal of grievance as per Insurance Ombudsman Rules 2017. Grievance may also be lodged at IRDAI Integrated Grievance Management system <https://bimabharosa.irdai.gov.in>.

## 2. Consumer Affairs Department of IRDAI

- a. In case it is not resolved within 15 days or if You are unhappy with the resolution, You can approach the Grievance Redressal Cell of the Consumer Affairs Department of IRDAI by calling Toll Free Number 155255 (or) 1800 4254 732 or sending an e-mail to [complaints@irdai.gov.in](mailto:complaints@irdai.gov.in). You can also make use of IRDAI's online portal – Bima Bharosa Portal by registering Your complaint at <https://bimabharosa.irdai.gov.in/>
- b. You can send a letter to IRDAI with Your complaint on a Complaint Registration Form available by clicking here. You must fill and send the Complaint Registration Form along with any documents by post or courier to General Manager, Insurance Regulatory and Development Authority of India (IRDAI), Consumer Affairs Department - Grievance Redressal Cell, Sy.No.115/1, Financial District, Nanakramguda, Gachibowli, Hyderabad- 500032.
- c. You can visit the portal <https://bimabharosa.irdai.gov.in/> for more details.

## 3. Insurance Ombudsman

If the **Insured / insured member** is not satisfied with the redressal of grievance through above methods, the **insured / insured member** may also approach the office of Insurance Ombudsman of the respective area/region for redressal of grievance as per Insurance Ombudsman Rules 2017. You can approach the Council for Insurance Ombudsman depending on the nature of grievance and financial implication, if any. Information about Insurance Ombudsmen, their jurisdiction and powers are available on the website of the Insurance Regulatory and Development Authority of India (IRDAI) at [www.irdai.gov.in](http://www.irdai.gov.in). For the updated list of the offices of the Insurance Ombudsman, request you to visit the website of the Council for Insurance Ombudsman at <https://www.cioins.co.in/ombudsman> or on our company website at [www.royalsundaram.in](http://www.royalsundaram.in). You can also lodge online complaint with the Council for Insurance Ombudsman through the website of Council for Insurance Ombudsmen (CIO) at [www.cioins.co.in](http://www.cioins.co.in)

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#### Section 41 in the Insurance Act, 1938

##### 41. Prohibition of rebates

(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 the 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 published prospectuses or tables of the insurer: Provided that acceptance by an insurance agent of commission in connection with a policy of life insurance taken out by himself on his own life shall not be deemed to be acceptance of a rebate of premium within the meaning of this sub-section if at the time of such acceptance the insurance agent satisfies the prescribed conditions establishing that he is a bona fide insurance agent employed by the insurer.

(2) Any person making default in complying with the provisions of this section shall be liable for a penalty which may extend to ten lakh rupees.

**Note: In case of any conflict, the terms and conditions mentioned in the policy document shall prevail.**