

# **KISSAN AGRICULTURAL PUMPSET INSURANCE**

## **1. APPLICABILITY**

The policy applies to Centrifugal Pumpsets (Electrical & Diesel) and submersible pumpsets upto 25 H.P. capacity used for Agricultural purposes only.

Pumps with higher capacity i.e. more than 25 H.P. should be insured with Engineering Department.

## **2. SCOPE OF COVER**

- (a) Fire and or lightning
- (b) Theft/burglary (due to violent forcible entry and provided the pumpset is kept in a locked enclosure).
- © Mechanical/Electrical Breakdown.
- (d) Riot, Strike, Malicious damage.
- (e) Terrorism.

## **3. ADDITIONAL/OPTIONAL COVER**

- Flood risk can be covered by payment of additional premium.
- It is preferable to grant this cover where pump sets are fixed well and kept in enclosures and granting of cover in flood prone areas should preferably be avoided.
- Premium – 0.5%

#### **4. EXCLUSIONS**

- (a) Normal wear and tear, gradual deterioration due to atmospheric conditions or otherwise.**
- (b) Wilful act or gross negligence of insured or his representative.**
- © Faults existing at the time of commencement and known to the insured or his representative.**
- (d) Loss or damage for which the manufacturer or supplier of property is responsible either by law or under contract.**
- (e) Cost of dismantling, transporting to workshop and back as also cost of re-erection.**

**However, transport and re-erection charges to be paid in full in case of total loss.**

#### **5. SUM INSURED**

**100% of Market Value at the time of proposal.**

#### **6. PREMIUM**

- (i) Standard cover (Excluding Flood risk) 1% of S.I.**
- (ii) Flood cover (optional) 0.5% of S.I.**

**Note : Premium will be loaded by 50% for pumpsets which are more than 10 years old.**

#### **7. DISCOUNTS**

- (a) No Claim Discount (only to individual) : this shall be allowed at the following rates at the time of renewal :**

- (i) If no claim arises for 1 years 10%**
- (ii) If no claim arises for 2 consecutive years 15%**
- (iii) If no claim arises for 3 consecutive years 20%**

(b) **Long Term Discount :**

1.	2 years Policy	15%
2.	3 years and upto 5 years	25%
3.	6 years upto 9 years Policy	30%

© **Group Discount :**

<b><u>No. of Pumpsets</u></b>	<b><u>Group Discount</u></b>
2500 to 5000 sets	10%
5001 to 25000 sets	15%
25001 to 50000 sets	20%
Above 50000 sets	25%

(d) **Extra Premium for flood risk** : 0.5 to 1.0% (gross) p.a. of the sum insured. Flood cover should not be allowed freely & if necessary, it must be accepted by R.O. only.

(e) **Low Claim Discount** (for Group Policies only)

<b><u>Incurred Claim Ratio</u></b>	<b><u>Discount</u></b>
< 50%	10%
50-60	5%
61-70%	2.5%

8. **EXCESS**

It will be 1% of Sum Insured subject to a minimum of Rs.100/- on each and every claim.

9. **REWINDING CHARGES**

- Rewinding charges are payable after deducting salvage value of the burnt copper plus deductible excess.
- Rewinding charges payable under the policy should not exceed 15% of the Sum Insured.

## **10. CREDIT TO DEVELOPMENT OFFICER/AGENT**

**Agents/Development Officers will be entitled to 100% Notional credit.**

## **11. CLAIM PROCEDURE**

- **On the happening of loss or damage, the insured shall forthwith give notice to Insurance Co. (also to police in case of theft).**
- **Thereafter on receiving claim form, repair bills, the claims will be processed.**
- **Survey may not be conducted in all cases. Our liability shall be limited to the charges mentioned above after taking into account the salvage value and the excess applicable.**
- **Companies should not normally insist on surveys for pumps with less than 15 HPs. capacity unless they have reasons to do otherwise. The matter of holding survey is left to the discretion of the Company.**