

Shopkeeper Insurance Policy - *Tension free shopkeeper ek policy ban jaye*

Why does one need a Shopkeeper Insurance Policy?

Shop keeping is an economic activity pursued with the aim of earning maximum profits within the limits of Government Rules & Regulations as well as social values. To ensure that one can focus on this primary activity, it is necessary that the mind should be free from other worries not related to trading such as accidents, which could hamper the business activity

What does the Shop-keeper Insurance Policy Cover?

Shopkeeper Insurance Policy covers all the probable risks and perils faced by small to medium sized shop owners. It provides protection for the property and the interests of the Insured in the business venture.

The Shopkeepers Insurance Policy contains 13 sections. Section-wise coverage is as follows:

Section s	Type of Insurance	What is covered	What is not covered
1 A	Fire	Loss to the Building. Perils as per Standard Fire & Special Perils Policy including Earthquake.	Loss/Damage to bonds, securities, precious stones, jewellery, cash, valuables, Live stock, Motor Vehicle, Pedal Cycle etc.
1B	Fire	Loss to the Contents (Stock in Trade & FFF). Perils as per Standard Fire & Special Perils Policy including Earthquake.	
2	House Breaking	Loss/damage to contents (excluding Money and Valuables) by Housebreaking excluding where any partner or any employee of the insured or member of the insured family is concerned as principal or accessory.	Loss/damage to animals, motor vehicles, pedal cycles, documents, bonds, securities, jewellery, cash valuables etc.

The Oriental Insurance Company Limited

Section s	Type of Insurance	What is covered	What is not covered
3	Money	(A) Loss of money due to any accident or misfortune between any two places within a radius of 25 Kilometres from the insured shop whilst in the hands of the insured &/or his authorized employees.	(A) Loss of money where an employee of the insured or member of the Insured's family, is concerned as principal or accessory.
		(B) Cash in safe / Steel cupboard / Cash Box under lock & key due to housebreaking.	(B) Loss of money from safe following the use of the key to the said safe or any duplicate thereof belonging to the insured unless such key has been obtained by assault or violence or any threat.
		(C) Cash in till / Counter during business hours following assault &/or violence &/or threat	
4	Pedal Cycle	Loss/damage to pedal cycle as per Standard Fire & Special Perils Policy including housebreaking or theft. Legal liability Rs.10, 000/- (Third party accidental death or bodily injury & accidental damage to property)	Loss/damage while racing, pace-making whilst used for hire or reward, overloading, strain, or mechanical breakdown, theft of accessories unless pedal cycle is stolen at the same time.
5	A. Plate Glass	Accidental breakage to fixed plate glass (Plain & ordinary glaze quality) in the insured building. Note: Damage to framework & other than plain glass such as embossed, silvered ornamental etc. can also be covered provided specifically declared.	Breakage of frameworks, disfiguration/ scratching of glass, unless specifically stated.
6	B. Neon Sign	Loss or damage to Neon sign (glow sign by accidental external means. Fire, lightning external explosion.	Loss or damage by fusing or burning of any bulbs and/or tubes arising from short circuiting or arcing or any other mechanical or electrical breakdown.
7	Baggage	Loss/Damage to personal baggage of the Insured and accompanied baggage related to the trade.	(i) Cash, jewellery, travel tickets, consumable goods, loose articles such as sticks, umbrellas, sunshades etc. (ii) Loss whilst traveling within the municipal limits of the village, town or city where permanently residing.
8	Personal Accident	Death or bodily injury by accidental violent, external & visible means to self & employees up to 10 times the annual salary. (Age group 16 to 65 years should only be insured). Medical benefit extension at additional premium. Weekly compensation for TTD while	Exceptions as per PA Policy such as Suicide or attempted suicide, self – injury, death or injury resulting from the Insured committing any breach of law with criminal intent.

The Oriental Insurance Company Limited

Sections	Type of Insurance	What is covered	What is not covered
		hospitalization.	
9	Fidelity Guarantee	Direct pecuniary loss caused by Act of Fraud or dishonesty (Forgery, embezzlement, larceny) by insured's employees.	1. Not more than one claim in respect of any one employee. 2. Salesman and commission Agents not to be covered.
10	Electronic Equipment Insurance	Electronic Equipment including Personal computers, CCTV and related equipments.	Loss due to wear & tear faults facts existing at commencement of the policy, for which the manufacturer is responsible.
11	Break Down - Electrical Appliances	Break down of appliances installed in the shop such as AC, Refrigerator etc.	Loss due to faults existing before insurance or for which the supplier or manufacturer is responsible
12	A. Public Liability	Legal liability of the Insured to the public for bodily injury or accidental death – Rs.2, 50,000/-	Liability to family members & employees
	B. Employers' Liability (WC)	Insured's legal liability to his employees as per WC Act.	Liability to Public & Family members
13	Business Interruption	Loss in respect of following items: -Loss of Gross Income Expenses towards -Accountant's Charge	Aggravation of loss due to restrictions imposed by public authorities, lack of sufficient capital. Losses consequential to material damage to securities records, manuscripts plan, drawing etc.

* Rate to be loaded by 50% in the absence of AMC / in house maintenance facilities.

^ Premium for this section will be loaded by 0.025% applied to the policy period turnover

Note: Risk of Terrorism can be covered at extra premium @0.20% with an excess of 0.50% of sum insured.

Excess:

1.	Building/ Contents (Sec. 1)	For Act of God Perils - 5% of claim amount subject to minimum of Rs 10,000/-. For other than Act of God Perils – Rs 10,000/-
2	Baggage Insurance, Electronic Equipment Insurance & Break Down of Electrical Equipments, (Sec. 7, 10 & 11)	Rs 1,000/-
3	Pedal Cycle (Sec.4)	Rs.250/-
4	Business Interruption (Sec. 13)	3 days (Time Excess)

Salient features of the Policy

- i. The Shopkeeper Insurance Policy can be taken for any shop of Pucca construction where the cumulative value for building and contents is up to Rs.2 crores.
- ii. 15% of the sum insured is waived for under insurance for section I.
- iii. Minimum four sections are to be taken out of which section 1B & 2 are compulsory. The Business Interruption (Section 13) can also be opted as one of the optional section.
- iv. Shops selling confectionery and sweet meats items can be covered provided no process of manufacturing is done in the shop premises.
- v. Restaurants / cafes cannot be covered.
- vi. Dry Cleaner shops can be covered provided no process is carried out in the shop premises.
- vii. Jewellery shops cannot be covered.
- viii. Tailor shops; watch repairers can be covered provided no process is carried out. Incidental repairs are however allowed.
- ix. No Shopkeeper Insurance Policy can be issued for showrooms and display centres where no sales are carried out.
- x. Electrical & electronic goods like CCTV, Personal Computer and related equipments installed in Insured's shop can also be covered against the risk of fire, housebreaking, electrical or mechanical breakdown.
- xi. For taking coverage under more than four sections 15% discount is allowed. For more than six sections 20% discount is allowed.
- xii. Long term policy for upto 4 years at discounted rate is also available.
- xiii. The policy carries varying excess applicable to different sections.
- xiv. Terrorism risk can also be covered at additional premium.
- xv. For taking Business Interruption cover proposer should have a Sales Tax No. and if he is tax payee, Permanent Account No. (PAN) is also required.
- xvi. Reinstatement of sum insured subsequent to loss is available for all Sections except PA, Fidelity Guarantee, Public Liability and WC

How does one select the Sum Insured?

In case of any incident giving rise to a claim under the policy, the following steps should be taken:

For building, the sum insured must cover the full cost of rebuilding the property including architect fee etc and the cost of clearing away the debris and cost of meeting any new building regulations or by-laws.

For contents, the sum insured should be the replacement value.

For the remaining sections such as Money Insurance (Section 3), Fidelity Guarantee (Section 9), Personal Accident (Section 8), Public Liability & Workmen Compensation (Section 12) and Business Interruption (Section 13), the sum insured is as opted by the proposer

General Exclusions

This policy does not cover loss or damage;

- i. Caused by war and allied perils
- ii. By nuclear radiation and related causes.

These are only the salient features of the policy. For further details regarding scope of cover, exclusions, conditions etc., please contact the nearest Oriental office