



Confederation of Indian Industry



SME Insurance: The Backbone of Economic Progress

Contributing 45% of the industrial output and 40% of exports, Small and Medium Enterprises (SMEs) play a vital role in promoting growth, utilizing human capital and strengthening the economy of our country. However, since they operate on thin margins, these enterprises often lack expensive security infrastructure, and hence are privy to risks of damage to assets, property, and business in the face of fire, floods and other natural and man-made calamities. The most appropriate solution, in this case, is insurance. Insurance can cover specific requirements of SMEs and is in fact, indispensable for their consistent business survival and success.

TYPES OF BUSINESS INSURANCE

1. SME Package insurance and Business Package policy

Features: Covers commercial establishments involved in manufacturing/trading for risk to business property, assets, and equipment, machinery, and appliances - against fire, earthquakes, floods, burglaries, vandalism, mechanical and electrical failure, and accidents.

Benefit: Provides flexibility to combine several covers under one policy.

2. Trade Credit Insurance Policy

Features: Covers supplier of goods/services (excluding financial service) against delay in payment or non-payment of trade credit due to commercial, political and country risks.

Benefits: Provides protection against unanticipated situations that are beyond control.

3. Cyber Defense Insurance Policy

Features: Covers a business against risks of cyber exposures like hacking or virus attacks, privacy breaches and theft of data. It also covers expenses related to defending cyber claims like legal defense costs. It covers business interruptions, multimedia liability, reputational loss, system failure, and computer crime among others.

Benefits: Provides protection against cybercrimes that are growing in intensity due to rising dependence on digital media and internet.



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4. Legal Liability Insurance Policy

Features: Covers a business against legal liabilities due to personal injury and/or losses caused to employees, customers, business partners, and other third parties.

Benefits: It takes into account all the liabilities under the Fatal Accidents Act 1855 and the Workmen's Compensation Act 1923.

5. Group Health Insurance Policy

Features: Customized to cover the requirements of a group of employees in an organization against expenses due to health problems. These can be Hospitalization Expenses, Pre-Hospitalization Expenses, Post Hospitalization Expenses, Domiciliary Hospitalization Expenses, and Daycare Treatments.

Benefits: Employers get tax benefits and employees get cover for all members of their families with Lower Premium Costs, Cashless Claims across Network Hospitals and Cover from day one of joining the group.

Other Types of Insurance

- Boiler and Pressure Plant Insurance Policy
- Marine Cargo Insurance Policy
- Group Mediclaim Insurance Policy for Employees
- Contractor All Risk /Erection All Risk/Storage-Cum-Erection Policy
- Director's and Officer's Liability Insurance