Machinery
Loss of Profit
(MLOP)
Insurance



**Protecting Profits, Not Just Property.** 

**Protect it!** 





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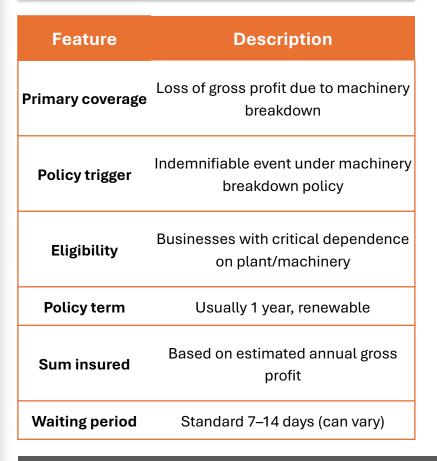
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# WHAT IS IT?

Machinery loss of profit (MLOP) insurance covers financial losses arising from a disruption in business due to machinery breakdown. While a standard machinery breakdown (MB) policy covers repair costs, MLOP covers loss of income during the downtime.

### **Key Highlights**





#### WHAT DOES IT COVER

- ☐ Loss of gross profit, including:
  - Net profit that would have been earned
  - Standing charges (fixed expenses like rent, salaries, interest, etc.)
  - Increased cost of working (expenses to minimize the loss)
- ☐ Coverage period: from the start of interruption to reinstatement of normal operations, up to the selected indemnity period (e.g., 3, 6, or 12 months).

OPTIONAL EXTENSIONS (ADD-ONS)

- Damage at supplier's/customer's premises
- Loss due to denial of access
- Auditors' fees for claim preparation

- Failure of utilities (power, water, etc.)
- Coverage for multiple breakdown events



## WHY MLOP IS IMPORTANT

- Protects income, not just assets
- Complements machinery breakdown policy
- Ensures business continuity
- Critical for capex-heavy industries
- Can be tailored to your actual operations and profitability



### **IDEAL FOR INDUSTRIES LIKE:**

- Manufacturing (textiles, steel, plastics)
- Pharmaceuticals
- Food & beverage
- **Automotive**
- Power generation & processing

#### **MAJOR EXCLUSIONS**

- Delay due to non-availability of spares
- Willful negligence or faulty operation
- Wear and tear or gradual deterioration
- Damage not covered under MB policy
- Loss due to fire, natural calamity (unless covered separately)