



## EXPECTATIONS OF INSURED/LENDERS

- SEAMLESS ALL RISK COVER
- DESIGNING AND DPR
- PROACTIVE COORDINATION FOR REGULATORY/STATUTORY CLEARANCES
- SUPPLIES
- ERECTION AND CONSTRUCTION
- TESTING AND COMMISSIONING
- OPERATION AND MAINTENANCE
- HANDING OVER TO PRINCIPALS



## ALL RISK COVERAGE.....SIMPLIFIED

“ Loss or damage of insured property, liability or business loss arising out of any peril except

- War perils
- Nuclear perils “

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Infrastructure Projects.  
(Underwriting Challenges)



## TRADITIONAL COVERS

- PROJECTS UPTO INR 2500 CRORES NEED TO BE COVERED UNDER TAC/IRDA MANDATED POLICY WORDINGS NAMELY
  - CAR
  - EAR
  - CPM
- PROJECTS ABOVE INR 2500 CRORES TAILORMADE POLICY WORDING ALLOWED



## MEGA SIZE TRENDS

- ICONIC BUILDINGS/BRIDGES ( BURJ KHALIFA- 828 M, SHANGHAI TOWERS -632 M, KINGDOM TOWER- 1000M under progress )
- ALL WEATHER TRANSPORTATION ACROSS CONTINENTS, ACROSS HIGH MOUNTAINS ( TIBET-CHINA RAIL, SILK ROUTE, CHINA TO AMERICA )
- RAPID MASS TRANSPORTATION IN HIGHLY POPULATED CITIES (TOKYO)
- HIGH SPEED CONVERGED COMMUNICATION ( TV, PHONE, DATA)



## UNCERTAINTIES OF MEGA TRENDS

- INSUFFICIENT/INACCURATE INFORMATION
- DESIGN CHANGES MIDWAY
- LACK OF CLARITY ON PROJECT SCOPE
- UNREALISTIC SCHEDULE (GOLD PLATING OF PROJECT)
- DELAYED CLEARANCES FROM STATUTORY/REGULATORY AUTHORITIES
- DIVERGENT ESTIMATES/DATA IN DPR



## COMPLEXITIES OF PERILS

- OVERLAPPING EVENTS OF RIOT, CIVIL COMMOTION, CIVIL WAR (MIDEAST TURMOILS...)
- ATMOSPHERIC FURRIES ( US SNOWSTORMS, CLOUD BURSTS – UK, CHINA, INDIA..)
- EXTENDED WINTORS/SUMMERS
- GIGANTIC EARTHQUAKES/TSUNAMIES (FUKUSIMA JAPAN, NEPAL...)
- CYBER ATTACKS BY TERRORISTS
- GREED AND INFIEDILITY
- OVERREACHING SOCIAL MEDIA
- WIDER INFORMATION ON NET



UNDERWRITING CHALLENGES UNDER PLETHORA OF UNCERTAINTIES AND  
COMPLEXITIES

- ASSETS COMPLEXITIES Vs TECHNOLOGIES AVAILABLE
- PERILS UNCERTAINTIES Vs AVAILABLE MODELS
- UNPRECEDENTED EXPECTATIONS FOR SEAMLESS ALL RISK COVER Vs AVAILABLE MODELS
- CHANGES IN GOVERNMENTS ORDERING REVIEW/RENEGOTIATION/CANCELLATION OF PROJECTS
- CHANGES IN TAX REGIME/ REGULATORY/STATUTORY PROVISIONS



## FALLOUTS OF UNCERTAINTIES/COMPLEXITIES

- COST OVERUN Vs FINANCIAL CLOSURE
- DELAYED PAYMENTS
- PENALTIES/LIQUIDATED DAMAGES
- CANCELLATION/RENEGOTIATION OF CONTRACTS
- SEVERAL MAJOR CLAIMS
- NON PAYMENTS OF PREMIUM/CLAIMS
- DELAYED PAYMENTS OF PREMIUM /CLAIMS
- DENIED POLICY EXTENSION REQUESTS
- HIGHLY INFLATED EXTENSION PREMIUM/ HIGHER DEDUCTIBLES
- CHANGES OF REINSURERS MIDWAY