

**Policy Wordings**

**Business Suraksha Plus – Variant 3**

**1. SECTION I : PROPERTY DAMAGE SECTION**

**1. SECTION I –A –PROPERTY DAMAGE ALL RISKS (OTHER THAN MACHINERY BREAKDOWN)**

**INSURING CLAUSE**

In consideration of the payment by the Insured named in the Schedule hereto of the Premium mentioned therein, THE INSURER AGREES (subject to the Conditions, Provisos and Exclusions contained herein or endorsed or otherwise expressed hereon, which shall all be deemed to be conditions precedent to the right of the Insured to recover hereunder) TO INDEMNIFY the Insured in respect of SUDDEN AND ACCIDENTAL PHYSICAL LOSS, DESTRUCTION OR DAMAGE TO THE PROPERTY DESCRIBED IN THE SCHEDULE HEREON DIRECTLY AND WHOLLY ATTRIBUTABLE TO ANY CAUSE, EXCEPT AS HEREINAFTER PROVIDED, OCCURRING DURING THE CURRENCY OF THE POLICY, REFERRED TO HEREIN AS 'DAMAGE'.

In no case shall the liability of the Insurer exceed the respective Sums Insured expressed in the Schedule except as may be provided herein.

**1.1 EXCEPTED CAUSES**

- i. The deliberate and sustained operation of the Insider's plant machinery pipeline or other equipment in excess of the design specifications on the specific and intentional instruction of the Insured.
- ii. Withdrawal or go-slow of labour or cessation of work.
- iii. Failure of supply of water, gas, electricity, fuel or power.
- iv. Gradual subsidence and settlement, shrinkage or expansion or erosion of soil.
- v. IT IS ALSO UNDERSTOOD AND AGREED THAT subject to the PROVISO below, this insurance does not cover:
  - a) Wear and tear, gradual deterioration, rusting, corrosion, metal fatigue, oxidation, autooxidation, damp, change in temperature or humidity, action of air or light or natural heating or drying.
  - b) Fermentation, evaporation, loss of weight, contamination or change in quality (except where such is directly caused by an occurrence which is not otherwise excluded).

- c) Failure, breakdown, malfunction, derangement collapse or rupture of any mechanical or electrical or electronic machine apparatus or equipment whatsoever.
- d) Short-circuiting, self-heating, leakage or surge of electrical current, over-loading or excessive power.
- e) The cost of replacing, repairing or rectifying defective parts, materials, workmanship, design or defect or omission in design or specification or latent defect.
- f) Leakage or overflowing of the contents of any storage tank, vessel or other container or the flaring of products
- g) Loss of data, data media and records, as well as its regeneration.
- h) Clean up costs other than as provided under 3.14
- i) Seepage and/or pollution and/or contamination, direct or indirect, rising from any cause whatsoever.
- j) Infidelity of an employee.

PROVISION: Clause v (a) – (f) above shall not be deemed to exclude any further destruction or damage which itself is not excluded by any of the terms, conditions and Excepted Causes of this policy, occasioned as a consequence of any of the Contingencies listed therein.

**1.2. EXCLUDED PROPERTY**

Unless otherwise expressly agreed, this Section does not cover loss or destruction of or damage to any of the following:

- i. property in course of construction or erection or dismantling or undergoing testing or commissioning other than as provided elsewhere under this Section; however, this Exclusion shall not apply in respect of normal maintenance and testing. It is also understood that bringing up from shutdown shall not be construed as testing;
- ii. road vehicles (other than motor vehicles used exclusively on the Insured's premises), railway rolling stock, waterborne vessels or craft; but this exclusion shall not apply to the Insured's fire fighting vehicles within a radius of 30 kilometres of the insured premises, whilst going to or returning from a mutual aid assignment.

- iii. land (including topsoil, backfill), runways, canals, dams, bridges, docks or tunnels;
- iv. goods or property in transit, other than:
  - a) land transits of plant and/or machinery for the purpose of maintenance and general running for operational use;
  - b) property in transit as provided under the Temporary Removal Extension;
  - c) inland transit within INDIA as provided under the Inland Transit Extension.
- v. property which is insured by a more specific policy;
- vi. underground property other than pipelines, cabling, utilities and related equipment;
- vii. offshore property other than jetty facilities declared as insured hereunder;
- viii. property belonging to third parties unless specifically declared as insured hereunder or in the Insured's care custody and control and for which they are responsible;
- ix. catalysts and consumable materials but only whilst in the course of process, production, or manufacture, other than as provided under Article 1.3.8.
- x. cash, bullion, coins, cheques, stamps, precious stones, jewellery, antiques, securities, obligations of any kind, books of account, or other business books or records, computer records or data, manuscripts, plans, drawings, patterns or models.
- ii. the work of reinstatement must be commenced within 12 months of the date of occurrence of any loss or damage unless permitted by the insurer within the said 12 months, and may be carried out wholly or partially upon another site, provided that the liability of the Insurer is not increased thereby.

### 1.3.2. FIRE FIGHTING EXPENSES

It is agreed that in the event of a fire or a series of fires arising directly or indirectly from the same occurrence including fire threatening to involve the Property Insured under this Section of the Policy, the Insured shall be entitled to recover:

- i. the actual cost of materials used and/or damaged in extinguishing or controlling or attempting to extinguish or control any such fire;
- ii. the cost of all clothing and/or personal effects damaged and/or lost as a result of such fire and/or fighting, extinguishing or controlling or attempting to fight extinguish or control such fire unless more specifically insured elsewhere;
- iii. all other actual expenses (including wages and the like paid for fighting, extinguishing or controlling or attempting to fight extinguish or control such fire and/or localising such fire).

All claims for personal injury are excluded.

Limit for each and every loss hereunder: As specified in the schedule

### 1.3.3. WORKS OF ART

This Policy extends to cover Works of Art displayed in the offices of the Insured up to a limit as specified in the schedule, each and every loss.

### 1.3.4. PROPERTY OF EMPLOYEES

This Policy extends to cover property of the Employees at the insured premises to the extent that it is not otherwise insured.

### 1.3.5. PROPERTY NOT ON THE INSURED PREMISES

This policy extends to cover property of the Insured temporarily stored up to a limit as specified in the schedule, any one location, any one loss.

### 1.3.6. LEAKAGE AND OVERFLOWING

It is hereby agreed that notwithstanding anything contained herein to the contrary, that this Policy extends to cover the loss of stock caused by leakage and/or overflowing from any storage tank or vessel.

### 1.3.7. CONTAMINATION AND CO-MINGLING OF STOCKS

It is hereby agreed that notwithstanding anything contained herein to the contrary, that this Policy extends to cover loss or damage to stocks as a result of contamination and/or co-mingling whilst in the Insider's care, custody or control, subject to a limit as specified in the schedule, each and every loss.

## 1.3. EXTENSIONS APPLICABLE TO THIS SECTION

### 1.3.1. PUBLIC AUTHORITIES

This Section of the Policy includes such additional cost of reinstatement of the destroyed or damaged sections of the Property caused by a contingency insured against as may be incurred solely by reason of the necessity to comply with any Regulations, Bye-laws or Statutory Provisions relating to the reinstatement of Property provided that:

- i. the amount recoverable under this extension shall not include:
  - a) the cost of complying with any such Regulations, Bye-laws, or Statutory Provisions where destruction or damage occurs prior to inception of this Policy, or is not insured by this Policy, or where notice to comply has been served upon the Insured prior to the occurrence of any destruction or damage or in respect of any undamaged sections of the Property;
  - b) any increased rates, taxes, duties, charges, levies or assessment as a result of complying with such Regulations, Bye-laws or Statutory Provisions;

### 1.3.8. CATALYSTS AND CONSUMABLE INTERESTS IN PROCESS

Catalysts and consumable materials in the course of process are covered to a maximum limit as specified in the schedule, each and every loss.

### 1.3.9. INLAND TRANSIT

It is hereby agreed that notwithstanding anything contained herein to the contrary, that this Policy extends to cover the Insured's property in long transit within the territory of the Republic of India, up to a limit as specified in the schedule, any one transport.

## 1.4. CONDITIONS APPLICABLE TO THIS SECTION

### 1.4.1. BASIS OF INDEMNIFICATION (ALL PROPERTY)

In the event of destruction of or loss of or damage to Property Insured hereunder (excluding Stock) by a contingency insured against, the amount payable under each of the items of this Section of the Policy shall be calculated on the basis of the reinstatement or replacement of the Property lost, destroyed or damaged, subject to the following provisions:

#### Reinstatement or Replacement shall mean:

- i. where Property is lost or destroyed, the rebuilding of any buildings or the replacement by similar property of any other Property, in either case in a condition equal to but not better or more extensive than its condition when new;
- ii. where Property is damaged, the repair of the damage and the restoration of the damaged portion of the Property to a condition substantially the same as but not better or more extensive than its condition when new.

#### Special Provisions

- a) The work of replacement or reinstatement (which may be carried out upon the same or another site and in any manner suitable to the requirements of the Insured subject to the liability of the Insurer not being thereby increased) must be commenced within 12 months of the date of the destruction or damage or such further period as the insurer shall in writing allow, otherwise no payment beyond the amount which would have been payable under this Section of the Policy if this clause had not been incorporated herein shall be made.
- b) Where any Property is damaged or destroyed in part only, the liability of the Insurer shall not exceed the sum representing the cost which the Insurer could have been called upon to pay for reinstatement if such Property had been wholly destroyed.
- c) No payment beyond the amount which would have been payable under this Section of the Policy if this clause had not been incorporated therein shall be made if at the time of any

destruction or damage such Property shall be covered by any other insurance effected by or on behalf of the Insured which is not upon the identical basis of reinstatement as stated in this Section of the Policy.

- d) If, as a result of the application of any of these Special Provisions, no payment is to be made beyond the amount which would have been payable under this Section of the Policy if this Clause had not been incorporated therein, the rights and liabilities of the Insured and the Insurer in respect of the destruction or damage shall be subject to the Terms and Conditions of the Policy as if this clause had not been incorporated therein.
- e) If at the time of the reinstatement of the sum representing 80 pct. of the cost which would have been incurred in the reinstatement if the whole property covered by such item had been destroyed exceeds the sum insured thereon at the commencement of any destruction or damage then the Insured shall be considered as being his own Insurer for the difference between the sum insured and the sum representing 80 pct. of the cost of reinstatement of the whole of the property and shall bear a rateable proportion of the loss accordingly.

### 1.4.2. BASIS OF INDEMNIFICATION (STOCK AND CATALYST)

In the event of destruction of or loss of or damage to stock (other than catalyst whilst in process) insured hereunder by a contingency insured against, the amount payable under each of the items of the policy shall be calculated on the basis of the value of such property immediately before the occurrence of the said contingency, with due allowance for depreciation for age, use and condition.

The Insurers shall be entitled at their option to reinstate or replace the destroyed or damaged property.

If the stock hereby insured shall, at the time of the destruction of or loss or damage, be collectively of greater value than the sum insured thereon then the Insured shall be considered as being his own Insurer for the difference and shall bear a rateable proportion of the loss accordingly. Every item, if more than one, of the policy shall be separately subject to this condition.

In the event of destruction of or loss of or damage to catalyst whilst in process, the basis of indemnification shall be the Actual Cash Value, which shall be determined on the basis of Replacement Cost to the Insured, less salvage value, multiplied by the remaining useful life (in months) and divided by the total useful life (in months) obtained from the prior catalyst used in this process.

Replacement Cost of Catalyst means the amount it would take to replace the damaged or destroyed property with property of like kind and quality, determined at the time of loss.

Actual Cash Value of Catalyst means the replacement cost, at the time of loss, of the damaged or destroyed property, less depreciation.

#### 1.4.3. STOCK ADJUSTMENT

Where stock is subject to declaration, the following conditions shall apply:

- i. The Premium is provisional, being 100 pct. of the estimated premium, based on the Declared Value and shall on the expiry of the Period of Insurance be adjusted as hereinafter provided.
- ii. The value of the Stock on the last day of each quarter shall be declared in writing by the Insured to the Insurer within thirty days thereafter, and if a declaration be not so given the Insured shall be deemed to have declared the maximum Sum Insured as the value.
- iii. On the expiry of the Period of Insurance the actual premium shall be calculated at the appropriate rate on the average amount declared, that is, the total of the sums declared divided by the number of declarations. If the actual premium be greater than the provisional Premium the Insured shall pay the difference; if it be less, the difference shall be repaid to the Insured, but such repayment shall not exceed one-half of the provisional Premium.
- iv. The indemnity provided for stocks shall be based upon the replacement price at the time and place of loss or if there is no such price, at a price determined from a recognised price at a point through which stocks would normally be sold/adjusted to reflect the cost of transporting such stocks to such point.

#### 1.4.4. 72 HOURS CLAUSE

##### **Flood**

Each loss by flood and all losses from this peril within a 72 hour period shall be deemed to be one loss insofar as the Total Sum Insured and deductible provisions of this policy are concerned. The Insurer shall not be liable for any loss caused by any flood occurring before the effective date and time of this policy; however, the Insurer will be liable for any losses occurring for a period of up to seventy-two (72) hours after the expiration of this policy, provided that the first flood damage occurs prior to the date and time of the expiration of this policy.

##### **Wind and/or Rainstorm**

Each loss by wind and/or rainstorm shall constitute a single claim hereunder; provided, if more than one windstorm and/or rainstorm caused by the same atmospheric disturbance shall occur within any period of seventy-two (72) hours during the term of this Policy, such windstorm and/or rainstorm shall be deemed to be

a single windstorm and/or rainstorm within the meaning thereof.

##### **Earthquake**

Each loss caused by earthquake shall constitute a single claim hereunder provided that more than one earthquake shock occurring within any seventy-two (72) hours during the term of this policy shall be deemed a single earthquake within the meaning hereof.

#### 1.4.5. TERRORISM DAMAGE EXCLUSION CLAUSE

This Policy excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any act of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

For the purpose of this exclusion, an act of terrorism means an act or series of acts, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), or unlawful associations, recognized under Unlawful Activities (Prevention) Amendment Act, 2008 or any other related and applicable national or state legislation formulated to combat unlawful and terrorist activities in the nation for the time being in force, committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public or any section of the public in fear for such purposes.

This exclusion also includes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to the above.

## 2. SECTION I - B : MB (MACHINERY BREAKDOWN)

### **INSURING CLAUSE**

In consideration of the payment by the Insured named in the Schedule hereto of the Premium mentioned therein.

THE INSURER AGREES that subject to the terms, exceptions, limits and conditions contained herein or endorsed here on which shall all be deemed to be conditions precedent to the right of the Insured to recover hereunder, to indemnify the Insured against:

SUDDEN AND ACCIDENTAL BREAKDOWN OF PROPERTY INSURED AS DESCRIBED IN THE SCHEDULE HERETO DIRECTLY AND WHOLLY ATTRIBUTABLE TO ANY CAUSE, EXCEPT AS HEREINAFTER PROVIDED, OCCURRING DURING THE CURRENCY OF THE POLICY.

In no case shall the liability of the Insurer exceed the respective sums insured expressed in the schedule,

PROVIDED that the due observance and fulfilment of the terms, conditions and endorsements so far as they relate to anything to be done or complied with by the

Insured shall be conditions precedent to liability of the Insurer to make any payment under this Policy.

Breakdown shall mean sudden and accidental physical loss or damage necessitating repair or replacement before working can be resumed resulting from:

- i. defects in material, design, construction, erection or assembly or
- ii. fortuitous working accidents such as vibration, maladjustment, loosening of parts, centrifugal force, abnormal stresses, defective or accidental lack of lubrication, water hammer or local overheating, failure or faults in protection devices or
- iii. excessive voltage or current, failure of insulation, short circuits, open circuits or arcing or the effects of static electricity or
- iv. incompetence, negligent acts or lack of skill of employees or third parties or
- v. falling, impact, collision or similar occurrences, obstruction or the entry of foreign bodies or
- vi. overpressure, except when caused by occurrences excluded in exception i.e of this section
- vii. any other cause not hereinafter excluded.

This Insurance applies whilst the Property Insured is working or at rest or being dismantled or moved for the purpose of cleaning, inspection, overhauling or being re-erected in another position within the Situation shown in the Schedule.

## 2.1. EXCEPTIONS APPLICABLE TO THIS SECTION

The Insurer shall not be liable for:

- i. loss or damage caused by fire, chemical explosion, lightning, whether direct or indirect, extinguishing of fire, subsequent demolition, dismantling and clearance of debris, aircraft and other aerial devices or articles dropped therefrom, collapse of buildings, and theft  
for the purpose of this Section, explosion shall not mean the bursting or disruption of turbines, boilers, compressors, engine cylinders, hydraulic cylinders, flywheels or other parts subject to centrifugal force, transformer switches or oil immersed switch gear
  - a) wastage of material, wearing away or wearing out of any part of a machine caused by or resulting from ordinary usage, rust, boiler scale or other deposits, corrosion or deterioration due to chemical or atmospheric conditions or otherwise scratching of painted or polished surfaces
  - b) slowly developing deformation, distortion, cracks, fractures, blisters, laminations, flaws or grooving or the making good of

defective tube joints or other defective joints or seams unless such defects result in damage otherwise insured under the Policy

- ii. loss or damage caused by the imposition of abnormal conditions directly or indirectly resulting from testing or willful overload beyond safe limits, or experiments it being understood that bringing up from shutdown shall not be construed as testing
- iii. loss of use of any machine or consequential loss of any nature whatsoever; other than specific coverage available under Section II (Business Interruption).
- iv. loss or damage caused by earthquake, seaquake, tidal wave, subsidence, landslide, Rockfall, hurricane, typhoon, cyclone, volcanic eruption or other convulsion of nature, flood, inundation or escape of water from water-containing apparatus
- v. loss or damage caused by the willful act or willful neglect of the Insured or his representatives. However, acts of malicious damage by employees and/or representatives of the Insured are covered
- vii.
  - a) loss of or damage to or loss of use of Property directly or indirectly caused by seepage or pollution
  - b) the cost of removing, nullifying or cleaning-up, seeping, polluting or contaminating substances
- viii. loss or damage due to any faults or defects known to the Insured at the time this insurance was arranged and not disclosed to the Insurer; or for which the manufacturer is responsible by contract.
- ix. accidental damage indefinable under Section AR of this policy
- x. loss or damage to foundations and masonry, refractory linings exchangeable or replaceable parts and attachments such as flexible drives or tools used for cutting, drilling, grinding, polishing or similar purposes or moulds, patterns pulverising and crushing surfaces, screens and sieves, engravings on cylinders, ropes, chains, belts, elevator and conveyor bands, batteries, tyres, connecting wire and cables, flexible pipes, joining and packing material and all other parts not made of metal (except the insulation of electrical conductors), fuels, filter fillings, cooling media, lubricants, catalysts, chemicals or other operating media
- xi. loss of data, data media and records as well as its regeneration;
- xii. loss or damage caused by flue gas and/or chemical explosion to boilers and/or pressure vessels;

- xiii. lack of power, light, heat, steam or refrigeration unless the result of a sudden and unforeseen happening;
- xiv. loss or damage to vehicles and/or vessels.

## **2.2. CONDITIONS APPLICABLE TO THIS SECTION**

### **2.2.1. VALUATIONS AND ADJUSTMENT OF LOSSES**

In case of loss or damage, the basis of adjustment unless otherwise endorsed thereon shall be the Replacement Cost.

Replacement Cost shall mean all expenses necessarily incurred to repair, rebuild or replace with new materials of like kind and quality including dismantling and re-erection charges incurred for the purpose of effecting repair.

Replacement Cost shall be determined as of the date of settlement of any claim for loss or damage under this Policy.

The Insured shall be entitled to receive monetary settlement hereunder based upon the actual reinstatement value provided the Insured shall provide all such information as the Insurers shall require in proof of the amount of the loss.

### **2.2.2. RIGHT OF INSPECTION**

The Insurers' officials shall at all reasonable times have the right of access to the premises in which the machines are situated provided they comply with all reasonable site access requirements.

### **2.2.3. DUE DILIGENCE**

It is agreed by the Insured that during the continuance of this Policy the machine(s) shall be maintained in good working order and not wilfully operated beyond safe limits and that Government or other regulations relating to the condition, operation or inspection of machine(s) are observed. The Insured agree to forward to the Insurer copies of such inspection reports whenever required to do so by the Insurer.

### **2.2.4. REPAIRS**

In the event of a Breakdown of any Property Insured likely to give rise to a claim hereunder, the Insurer shall have the right to take over and control all necessary repairs to be completed to the satisfaction of the Insured.

### **2.2.5. REMOVAL**

Such insurance as is afforded under this Section of the Policy shall also apply while the Property Insured is being removed because of imminent danger of loss or damage.

the reasonable extra cost of safeguarding, preserving, temporary repair and of expediting the repair of such damaged Property, including overtime and extra cost of express and other rapid means of transportation.

Limit as specified in the schedule, each and every loss

## **3.2. IMMEDIATE REPAIRS**

It is agreed that in case of loss the Insured, if they so elect, may immediately begin repairs or reconstruction but such work shall at all times be open to supervision by the Insurer and in case of dispute as to the cost of repair and/or reconstruction the loss shall be settled in accordance with the terms of this Policy, the sole object of this Condition being not to deprive the Insured from the use of operating properties which may be necessary to their Business.

## **3.3. MINOR WORKS**

It is understood and agreed that these Sections of the Policy automatically include minor alterations and/or construction and/or re-construction and/or additions and/or maintenance and/or testing and commissioning and/or modifications and/or work carried out on any of the property insured under this policy, subject to a maximum contract value (as specified in the schedule) any one Project being the value of the said Project at the commencement thereof.

Notwithstanding other terms and conditions herein, this Extension of the Policy shall only pay in excess of more specific insurance, if any, arranged in respect of minor works. The deductibles applicable to this Policy shall not apply where the amount payable under such other insurance exceeds the deductible herein but in no case shall any loss be payable below the deductible amount herein.

Any Consequential Loss, following a loss covered hereunder, is excluded.

## **3.4. INADVERTENT OMISSION**

The Insured having notified the Insurers of their intention to insure all Property in which they are interested and it being their belief that all such Property is insured, if hereinafter any such Property shall be found to have been inadvertently omitted, the Insurers will deem it to be insured within the terms of this Policy, up to a limit, as specified in the schedule, each and every loss.

## **3.5. HIRE PURCHASE OR LEASE AGREEMENTS**

Certain items of the Property may be the subject of hire purchase lease or other agreements and the interest of the other parties to these agreements is noted in this Insurance, the nature and extent of such interest to be disclosed in the event of loss, destruction or damage.

## **3.6. ARCHITECTS', SURVEYORS' & CONSULTING ENGINEERS' FEES**

The insurance by the Policy shall include an amount in respect of Architects', Surveyors, Consulting Engineers'

## **3. EXTENSIONS APPLICABLE TO SECTIONS I A & B**

### **3.1. EXPEDITING EXPENSES**

In the event of loss hereunder the Insurer shall also pay, in addition to the indemnity otherwise provided,

and Legal and other Fees necessarily incurred in the reinstatement of the Property Insured consequent upon its destruction or damage but not for preparing any claim, it being understood that the amount payable for such Fees shall not exceed those authorised under the scales of the various Institutions and/or Bodies regulating such charges. This extension shall also include reasonable costs incurred by the Insured of a like nature.

Limit as specified in the schedule, each and every loss.

### 3.7. CAPITAL ADDITIONS

The insurance by this policy shall, subject to its terms and conditions extend to cover:

- i. any newly acquired buildings, machinery and plant in so far as the same are not otherwise insured, and
- ii. alterations, additions and improvements to buildings, machinery and plant during the current period of insurance at any of the premises hereby insured, provided that
  - a) at any one situation this cover shall not exceed 5 pct. of the total sums insured on such property
  - b) the Insured undertake to give particulars of any such capital additions forthwith and pay such additional premiums as the Insurers may require.

### 3.8. REINSTATEMENT OF SUM INSURED FOLLOWING A LOSS

At all times during the period of insurance of this policy, the insurance cover will be maintained to the full extent of the respective sum insured in consideration of which upon the settlement of any loss under this policy, pro-rata premium for the unexpired period from the date of such loss to the expiry of period of insurance for the amount of such loss shall be payable by the Insured to the Company.

The additional premium referred above shall be deducted from the net claim amount payable under the policy. This continuous cover to the full extent will be available not withstanding any previous loss for which the Company may have paid hereunder and irrespective of the fact whether the additional premium as mentioned above has been actually paid or not following such loss. The intention of this condition is to ensure continuity of the cover to the Insured subject only to the right of the Company for deduction from the claim amount, when settled, of pro-rata premium to be calculated from the date of loss till expiry of the Policy.

Notwithstanding what is stated above, the sum insured shall stand reduced by the amount of loss in case the insured immediately on occurrence of the loss exercises his option not to reinstate the sum insured as above.

Note: No Reinstatement premium is chargeable for reinstatement of property upto 15% of the total sum insured.

### 3.9. TEMPORARY REMOVAL

Subject to the following provisions, the Property Insured by this Section of the Policy is covered whilst temporarily removed for cleaning, renovation, repair and other similar purposes, elsewhere on the same or to any other premises world-wide and in transit thereto and therefrom by road, rail or inland waterway and/or whilst temporarily stored elsewhere.

The amount recoverable under this Extension shall not exceed the amount which would have been recoverable had the destruction or damage occurred in that part of the Premises from which the Property is temporarily removed.

This Extension does not apply to Property if and so far as it is otherwise insured, nor to Property held by the Insured in trust, other than machinery and plant.

### 3.10. EXPENSES TO MINIMIZE A LOSS

In case of actual or imminent loss or damage it shall be lawful and necessary for the Insured, their factors, servants or assigns to sue, labour and travel for, in or about the defence, safeguard and recovery of the property Insured hereunder, or any part thereof, without prejudice to this insurance, nor shall the acts of the Insured or the Insurer in recovering, saving and preserving the property insured in case of loss or damage be considered a waiver or an acceptance of abandonment. The expense so incurred shall be borne by the Insurer up to a maximum of each and every loss. (as specified in the schedule).

### 3.11. DELIBERATE DAMAGE

This Insurance covers physical loss of property insured or expenses incurred by the Insured directly caused by any act or order of any governmental authority acting under the powers vested in them to prevent or mitigate the pollution hazard or threat thereof, resulting directly from damage to the property insured, provided such act of governmental authority has not resulted from lack of due diligence by the Insured to prevent or mitigate such hazard or threat.

### 3.12. SHUT DOWN / START UP COSTS

It is hereby agreed and declared that this policy extends to cover Shut Down and Start Up Costs necessarily and reasonably incurred by the Insured consequent upon a loss or damage covered by this policy.

### 3.13. COMPUTER SYSTEMS RECORDS

The coverage herein shall be extended to cover loss of data, data media and records, as well as its regeneration, up to a limit (as specified in the schedule), any one loss, subject to:

- i. the loss of data, data media and records having been caused by a damage covered under sections AR or MB
- ii. data / software back-up being kept in fireproof safe

- iii. The following special exclusions shall apply:
  - loss or damage for which the repair company or maintenance company is contractually liable.
  - any costs for standard adjustment, rectifying functional failures and maintenance of insured object unless necessary in connection with the repair of an insured loss normal wear and tear of media.
  - erroneous programming, perforating, loading or printing.

### 3.14. REMOVAL OF DEBRIS

It is further agreed that this Policy includes the cost and expenses of clearing debris, including the cost of clean up, after loss, destruction or damage by a contingency insured hereunder including but not limited to the costs and expenses actually incurred in the necessary dismantling, removal, demolition, shoring up or propping, clearance of drains and sewers temporary boarding up of the Property so destroyed or damaged including undamaged portions and the removal of debris (including the removal of contents whether damaged or undamaged) provided that:

- i. such costs are not recoverable under any other policy of insurance;
- ii. no liability is assumed for the expense of removal of any Property or part thereof, the removal of which is solely required by any government law or public ordinance.

Limit as specified in the schedule each and every loss. PROVIDED that this Policy does not insure against the costs of decontamination or removal of water, soil or any other substance on or under the premises insured hereunder.

It is a condition precedent to recovery under this extension that the Insurer shall have paid or agreed to pay for direct loss or damage to the property insured hereunder unless such payment is precluded solely by the operation of any deductible and that the Insured shall give notice to the Insurers of intent to claim for cost of removal of debris or cost of clean up NO LATER THAN 12 MONTHS AFTER THE DATE OF SUCH PHYSICAL LOSS OR DAMAGE.

## 4. CONDITIONS APPLICABLE TO SECTIONS I A & B

### 4.1. PROPERTY PLANT TESTING & COMMISSIONING CLAUSE

It is hereby noted and agreed that this insurance does not cover destruction or damage to property in course of construction or erection, dismantling or undergoing testing or commissioning including mechanical, performance testing and any business interruption resulting therefrom.

Acceptance of property hereon is subject to satisfactory completion of the following procedures:

- i. Mechanical Testing.
- ii. Testing and Commissioning.
- iii. Performance testing conforming to 100 pct. Contract Design Criteria and continuous operation of a minimum 72 hours duration.

Official acceptance by the Insured following formal hand over certificate procedure. (It being understood that no equipment faults or punch list items affecting operation integrity of the plant are outstanding, unless otherwise agreed by Insurers).

Proviso: This exclusion does not apply to on-going maintenance/schedule turnaround. This exclusion also does not apply to revamp work subject, however, to the maximum contract value as declared within the Minor Works Extension contained within this policy.

### 4.2. SEEPAGE AND/OR POLLUTION AND/OR CONTAMINATION EXCLUSION; DEBRIS REMOVAL & COST OF CLEAN UP EXTENSION; AUTHORITIES EXCLUSION

- i. SEEPAGE AND/OR POLLUTION AND/OR CONTAMINATION EXCLUSION Notwithstanding any provision in the Policy to which this Endorsement is attached this Policy does not insure against loss, damage, costs or expenses in connection with any kind or description of seepage and/or pollution and/or contamination, direct or indirect, arising from any cause whatsoever.

NEVERTHELESS if fire and/or explosion is not excluded from this Policy and a fire and/or explosion arises directly or indirectly from seepage and/or pollution and/or contamination and/or explosion any loss or damage insured under this Policy arising directly from that fire and/or explosion shall (subject to the terms, conditions and limitations of the Policy) be covered.

However, if the insured property is the subject of direct physical loss or damage for which the Insurer has paid or agreed to pay or would have paid or admitted liability or been held liable for but for the application of any deductible provision contained under Section I- A or I- B of this Policy, then this Policy (subject to its terms, conditions and limitations) insures against direct physical loss or damage to the property insured hereunder caused by resulting seepage and/or pollution and/or contamination.

The Insured shall give notice to the Insurer of intent to claim NO LATER THAN 12 MONTHS AFTER THE DATE OF THE ORIGINAL PHYSICAL LOSS OR DAMAGE.

- ii. Notwithstanding any of the preceding of this Endorsement or any provision of the Policy to



which this Endorsement is attached, this Policy does not insure against loss, damage, costs, expenses, fines or penalties incurred or sustained by or imposed on the Insured at the order of any Government Agency, Court or other Authority arising from any cause whatsoever, other than as provided elsewhere under this Policy.

Nothing in this Endorsement shall override any radioactive contamination exclusion clause in the Policy to which this Endorsement is attached.

#### **4.3. WORKMEN**

Workmen may be employed for the purpose of minor extensions or alterations, installations, maintenance and the like without prejudice to this Insurance.

#### **4.4. WAIVERS OF RECOURSE**

It is understood and agreed that this Insurance shall not be invalidated should the Insured waive, with Insurers' agreement, prior to loss or damage affected thereby, any or all rights and recovery against any part for loss or damage to the property described herein, provided however, that the Insurers' rights of recourse against any manufacturers and suppliers be maintained in force.

It is specifically agreed to automatically waive rights of recourse against contractors of the Assured (and/or their subcontractors) during the policy period but only in respect of the normal maintenance activities of the Assured. Normal maintenance shall be deemed to include work during normal shutdowns and the bringing up from normal shutdowns.

#### **4.5. EXPIRATION**

If this policy should expire or be cancelled while an insured event is in progress, it is understood and agreed that insurers, subject to all other terms and conditions of this policy, are responsible as if the entire loss had occurred prior to the expiration of this insurance.

#### **4.6. MARGIN CLAUSE**

No adjustment in premium shall be made unless the values reported represent an increase or reduction of 10 pct. or greater from the previous values reported.

The premium shall be proportionately increased or reduced for the unexpired time of the policy and shall be based on the difference between the previously reported values, or the values at inception and those currently reported.

## **5. SECTION: II - BI (BUSINESS INTERRUPTION)**

### **INSURING CLAUSE**

The Insurers agrees that if Property Insured under Section I- A and/or I- B be lost, destroyed or damaged by any of the contingencies insured thereunder (destruction or damage so caused being hereinafter termed "Damage") at any time during the Period of Insurance and the Business carried on by the Insured

be in consequence thereof interrupted or interfered with, the Insurer will pay to the Insured the amount of actual sustained loss resulting from such interruption or interference in accordance with the provisions of this Policy.

Provided that the Insurer shall not be liable for any loss under this Section of the Policy unless the Insider's Property lost, destroyed or damaged as defined is insured against such Damage under Section I- A and/ or Section I-B and the Insurer shall have paid for or admitted liability or be held liable in respect of such Damage and would have paid for or admitted liability or been held liable therefor but for the application of any deductible provision under Sections One and/or Two which excludes liability for losses below a specified amount.

Provided that if the Sum Insured by this item be less than the sum produced by applying the Rate of Gross Profit to (multiple of IP) the Annual Turnover, the amount payable shall be proportionately reduced.

### **5.1. SPECIFICATIONS**

#### **5.1.1. GROSS PROFIT**

The Insurance under this Article is limited to loss of Gross Profit due to (i) Reduction in Turnover and (ii) Increase in Cost of Working and the amount payable as indemnity thereunder shall be:

- i. in respect of Reduction in Turnover: the sum produced by applying the Rate of Gross Profit to the amount by which the Turnover during the Indemnity Period shall, in consequence of the Damage, fall short of the Standard Turnover;
- ii. in respect of Increase in Cost of Working: the additional expenditure necessarily incurred for the sole purpose of avoiding or diminishing the Reduction in Turnover which but for that expenditure would have taken place during the Indemnity Period in consequence of the Damage, but not exceeding the sum produced by applying the Rate of Gross Profit to the amount of the reduction thereby avoided.

Less any sum saved during the Indemnity Period in respect of such of the charges and expenses of the Business payable out of Gross Profit as may cease or be reduced in consequence of the Damage.

### **5.2. DEFINITIONS APPLICABLE TO THIS SECTION**

#### **5.2.1. TURNOVER**

The money paid or payable to the Insured for goods sold and delivered and for services rendered in the course of the Business.

#### **5.2.2. GROSS PROFIT**

The amount of the Turnover (adjusted by deducting opening stocks and adding closing stocks) from which shall be deducted the Specified Working Expenses.

5.2.3. SPECIFIED WORKING EXPENSES

.....  
.....  
.....

5.2.4. INDEMNITY PERIOD

The period beginning with the occurrence of the Damage and ending not later than ..... months thereafter during which the results of the Business shall be affected in consequence of the Damage.

5.2.5. RATE OF GROSS PROFIT:

the rate of Gross Profit earned on the Turnover during the financial year immediately before the date of the Damage

to which such adjustments shall be made as may be necessary to provide for the trend of the Business and for variations in or special circumstances affecting the Business either before or after the Damage or which would have affected the Business had the Damage not occurred, so that the figures thus adjusted shall represent as nearly as may be practicable the results which but for the Damage would have been obtained during the relative period after the Damage.

5.2.6. STANDARD TURNOVER:

the Turn-over during that period in the twelve months immediately before the date of the Damage which corresponds with the Indemnity Period, appropriately adjusted where the Indemnity Period exceeds twelve months

5.2.6. ANNUAL TURNOVER:

the Turnover during the 12 months immediately before the date of the damage

5.2.8. SHORTAGE IN TURNOVER

The amount by which the Turnover during the indemnity period shall in consequence of the damage fall short of the Standard Turnover which relates to that period.

5.3. EXTENSIONS APPLICABLE TO THIS SECTION

5.3.1. PROFESSIONAL ACCOUNTANTS

Any particulars or details contained in the Insured's books of account or other business books or documents which may be required by the Insurers under the conditions of this Policy for the purpose of investigating or verifying any claim hereunder may be produced by professional accountants if at the time they are regularly acting as such for the Insured and their report shall be prima facie evidence of the particulars and details to which such report relates.

The Insurer will pay to the Insured the reasonable charges payable to the Insured to their professional accountants for producing such particulars or details or any other proofs, information or evidence as may be required by the Insurer under the terms of this Policy

and reporting that such particulars or details are in accordance with the Insider's books of account or other business books or documents.

Provided that the sum of the amount payable under this clause and the amount otherwise payable under the Policy shall in no case exceed the liability of the Insurer as stated in the Schedule.

5.3.2. VESSEL IMPACT TO JETTY

It is hereby declared and agreed that the Policy extends to cover the Insured's physical loss or damage and the consequent Business Interruption loss resulting from Vessel Impact to the Jetty owned by the Insured.

Limit: Section I & II combined as defined in the Schedule, each and every loss.

5.3.3. PREVENTION OF ACCESS / PORT BLOCKAGE

This Section is extended to include the actual loss of Gross Profit sustained as a consequence of physical damage or destruction resulting out of causes not excluded under policy to any property within a maximum radius in kms as specified in schedule from the insured's premises and only inland resulting in the insured being unable to or prohibited by any governmental or municipal order, to obtain access or exit from the insured premises.

Provided that after the application of all other terms, conditions and provisions of policy the liability under this extension in respect of any one occurrence shall not exceed the maximum indemnity periods under Section II of this Policy of Insurance but always subject to the Sum Insured stated in the Particular Conditions.

Limit: Maximum as specified in policy schedule over and above the policy time excess

This extension includes loss originating from blockage of the port due solely to accidental causes, resulting in the inability to use the jetty of the .....

5.3.4. CUSTOMERS, SUPPLIERS AND UTILITIES EXTENSION EXTENSION TO COVER CUSTOMERS' PREMISES

In consideration of the payment of the aforementioned additional premium shown in the policy/the Endorsement, it is hereby agreed and declared that, subject to the conditions of the Policy, loss as insured by items(s) Nos. of this policy, resulting from interruption of or interference with the business in consequence of damage (as within defined) to property due to Fire, Lightning, Explosion, Aircraft Damage (FLEXA) and Act Of God (AOG) perils at the undernoted situations,

shall be deemed to be loss resulting from damage to property used by the Insured at the premises. For the purposes of this Extension the term "customers" means those companies, organisations or individuals as named hereunder with whom at the time of the damage, The Insured has direct contracts or trading relationships for supply of goods or services.

Provided that the liability under this memorandum in respect of any location shall not exceed the limits as specified in the schedule.

Further Provided that if the percentage, shown against the name of the customer in whose premises damage has occurred, shall be less than the percentage of the Annual Turnover derived by the Insured from that customer, the amount otherwise payable will be proportionately reduced.

Provided Again that the liability under this memorandum in respect of any one location under shall not exceed the limits as specified in the schedule.

#### EXTENSION TO COVER SUPPLIERS' PREMISES

In consideration of the payment of (the aforementioned additional premium) (an additional premium which included in the premium hereon) it is hereby agreed and declared that subject to the conditions of the policy, loss as insured by the item(s) number(s) of this policy, resulting from interruption of/ or interference with the business in consequence of damage (as within defined) to property due Fire, Lightening, Explosion, Aircraft Damage (FLEXA) and Act Of God (AOG) perils at the under noted situation shall be deemed to be loss resulting from damage to property used by the insured at the premises.

Provided that the liability under this memorandum in respect of any one location shall not exceed in respect of (each of) item(s) number(s) percent as specified in the schedule of the sum insured there under Where the extension relates to more than one supplier with differing limits, the proviso and "Situations" should be amended to read as follows:

Provided that the liability under this memorandum in respect of any one location under shall not exceed the limits as specified in the schedule.

The terms "suppliers" shall mean those companies, organizations or individuals as named hereunder with whom at the time of the damage, The Insured has direct contracts or trading relationships for purchase of goods or services.

Further provided that if the percentage shown against the name of the supplier in whose premises damage has occurred shall be less than the percentage of dependence of the insured on that supplier, the amount otherwise payable shall be proportionately reduced.

#### PUBLIC UTILITIES EXTENSION - ELECTRICITY STATION, GAS WORKS AND WATER WORKS

In consideration of the payment of an additional premium amounting to Rupees as mentioned in the schedule it is hereby agreed and declared that loss as insured by + (item No's as mentioned in the schedule of) this policy resulting from interruption of or interference with the business carried on by the insured at the premises described within in consequence of failure of electric supply at the terminal ends of the electricity service

feeders\*/Gas Works\*/Water Works\* from which the insured obtain electric Supply\*/Gas\*/Water\* at the said premises directly due to Damage (as within defined) to property at an Electricity Station or Substation of Public Electricity Supply Undertaking\*/Gas Works\*/Water Works\* (excluding Jack wells ) from which the insured obtain electricity supply\*/Gas\*/Water\* shall be deemed to be loss resulting from damage to property used by the insured at the premises

+ Delete if inapplicable \*Omit as may be necessary

Provided, however, that the Company shall not be liable for any loss occasioned by the deliberate act of the Government, Municipal or Local Authority or Supply Authority not performed for the sole purpose of safeguarding life or protecting any part of the supply undertaking's system or by the exercise by any such Authority of its power to withhold or restrict or ration supply not necessitated solely by Damage to the supply undertaking's generating or supply equipment by an insured peril. For the purpose of the above extension, the 'Indemnity Period' in respect of each damage or of a series of damages consequent on or attributable to one source or original cause shall be as follows:

"The period beginning with the occurrence of damage and ending not later than 60 days thereafter during which the result of the business shall be affected in consequence of the damage."

Provided that the Company shall not be liable for any loss unless the duration of each such failure exceeds 24 hours.

Subject otherwise to the terms, exceptions, conditions and limitations of this Policy.

In any action, suit or other proceeding, where the Company alleges that by reason of the provisions of this Condition any loss or damage is not covered by this insurance, the burden of proving that this loss or damage is covered shall be upon the insured.

#### 5.3.5. ACCUMULATED STOCKS

In adjusting any loss, account shall be taken and an equitable allowance made if any shortage in turnover due to damage is postponed by reason of the turnover being temporarily maintained from accumulated stocks of finished goods owned by the Insured.

#### 5.3.6. ADDITIONAL INCREASE IN COST OF WORKING

It is hereby agreed and declared that notwithstanding anything contained herein to the contrary, this policy extends to cover costs and expenses necessarily and reasonably incurred during the indemnity period in consequence of the 'Damage' and not otherwise payable under Article 5.1.1.(ii) above for the purposes of maintaining the business, it being understood that if any such costs under Article 1 (I) or Article 2 are of a capital asset nature then account shall be taken of the residual value of such capital items so involved existing at the end of the maximum Indemnity Period.

## 5.4. CONDITIONS APPLICABLE TO THIS SECTION

### 5.4.1. ALTERNATIVE PREMISES

If during the Indemnity Period goods shall be sold or services shall be rendered elsewhere than at the premises for the benefit of the Business either by the Insured or by others on their behalf the money paid or payable in respect of such sales or services shall be brought into account in arriving at the Turnover during the Indemnity Period.

### 5.4.2. PREMIUM ADJUSTMENT

The premium hereunder is provisional and shall be calculated on the basis as shown in the Schedule of this policy.

At the expiry of this policy the Insured shall declare the Actual Gross Profit Earned during the Policy Period suitably adjusted to reflect the period of indemnity and in the event of this being less than the sum insured thereon a return of premium not exceeding 50 per cent of the premium paid for the Policy Period will be made in respect of the differences.

If any damage shall have occurred, giving rise to a claim under this Policy such premium adjustment shall be made in respect only of so much of the said difference as is not due to such damage.

### 5.4.3. ALTERNATIVE SETTLEMENTS

It is agreed and declared that at the option of the Insured, the term "Output" may be substituted for the term "Turnover" and for the purposes of this Section of Policy "Output" shall mean the sale value of goods manufactured by the Insured in the course of the Business at the premises,

Provided that:

- i. only one such meaning shall be operative in connection with any one occurrence involving Damage (as herein defined)
- ii. if the meaning set out above be adopted, Condition 5.4.1. shall stand to read as follows:  
ALTERNATIVE PREMISES

If during the Indemnity Period goods shall be manufactured elsewhere than at the premises for the benefit of the Business either by the Insured or by others on the Insider's behalf the sale value of such goods shall be brought into account in arriving at the Output during the Indemnity Period.

### 5.4.4. DEPARTMENTAL CLAUSE

If the Business be conducted in Departments, the independent trading results of which are ascertainable the provisions of Clauses (i) and (ii) of Article 5.1.1. shall apply separately to each Department affected by the Damage.

## 6. EXCLUSIONS APPLICABLE TO ALL SECTIONS

UNLESS OTHERWISE EXPRESSLY AGREED, this Insurance does not cover any destruction or damage occasioned by or through or in consequence of, directly or indirectly, any of the following:

- i. a) War, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not), civil war.
- b) Mutiny, civil commotion assuming the proportions of or amounting to a popular rising, military rising, insurrection, rebellion, revolution, military or usurped power.

In any action, suit or other proceeding, where the Company alleges that by reason of the provisions of this Condition any loss or damage is not covered by this insurance, the burden of proving that such loss or damage is covered shall be upon the Insured.

- ii. Confiscation, requisition, sequestration, nationalisation or similar act.
- iii. Damage directly or indirectly caused by or arising from or in consequence of or contributed to by:
  - a) nuclear weapons material;
  - b) ionising radiation's or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. Solely for the purpose of this Exclusion combustion shall include any self-sustaining process of nuclear fission.

## 7. CONDITIONS APPLICABLE TO ALL SECTIONS

### 7.1. MISDESCRIPTION

If there be any material misdescription of any of the property hereby insured or of the trade, process or manufacture carried out by the Insured or any misrepresentation as to may fact material to be know for estimating the risk or any omission to state such fact, the Insurer shall not be liable under this Policy so far as it relates to property affected by any such misdescription, misrepresentation or omission.

### 7.2. ERRORS AND OMISSIONS

If there is any inadvertent error and/or omission in the name of the Insured and/or in the title or description by location or value of the property Insured hereunder or in the information upon which this insurance or its renewal is based, this shall not void or impair this insurance provided the Insured shall advise the Insurer immediately upon discovery of any such discrepancy and pay any additional premium reasonably required by the Insurer in consequence of the revised information.

### 7.3. ALTERATIONS

If there is any alteration after the commencement of this insurance whereby the risk of loss or damage is

increased the insurance shall cease to attach in respect of such loss or damage which is directly or indirectly attributable to such increase in risk, unless the Insured, immediately upon becoming aware of such alteration, obtains the agreement of the Insurer by endorsement upon the policy.

#### **7.4. CONTRIBUTION**

If at the time of any loss or damage happening to any property hereby insured, there be any other subsisting insurance or insurance's covering the same property, the Insurer shall not be liable to pay or contribute more than their rateable proportion of such loss or damage.

Multiple policies involving Bank or other lending or financing entity -

In case there is more than one insurance policy issued to the customer/ policyholder covering the same risk, the Company will not apply contribution clause. Underinsurance will be applied on an overall basis taking into consideration the sum insured under all policies and comparing it with value at risk.

#### **7.5. CLAIMS**

On the happening of any loss, destruction or damage, the Insured shall forthwith give written notice thereof to the Insurer by mail telex or facsimile and shall deliver to the Insurer:

- i. particular an account as may be reasonably practicable of all the several articles or items of Property damaged or destroyed, and of the amount of the destruction or damage thereto respectively, having regard to their value at the time of the loss, destruction or damage, not including profit of any kind, (other than would be indefinable under Section Two of this policy) together with particulars of any consequential loss resulting therefrom;
- ii. particulars of all other insurance's which are or could be applicable to loss, if any.

The Insured shall at their own expense produce, procure and give to the Insurer all such further particulars, plans, specifications, books, vouchers, invoices, duplicates or copies thereof, documents, proofs and information with respect to the claim and the origin, cause and circumstances under which the destruction or damage occurred, and any matter affecting the liability or the amount of the liability of the Insurer as may be reasonably required by or on behalf of the Insurer together, if required by the insurer, with a declaration on oath or in other legal form of the truth of the claim and of any matters connected therewith.

No claim under this Policy shall be payable unless the terms of this Condition have been complied with, and in the event of non-compliance therewith in any respect, any payment on account of the claim already made shall be repaid to the Insurer forthwith.

#### **7.6. DUE DILIGENCE**

The Insured shall at all times act with due diligence to prevent, or minimise the extent of, any loss of or damage to the property insured.

#### **7.7. CANCELLATION**

The Insured can cancel the policy at any time during the policy term, by informing the Company. The Company can cancel the policy only on the grounds of established fraud, by giving minimum notice of 7 days to the Insured. The Company shall refund proportion premium for unexpired policy period subject to no claim(s) made during the policy period.

#### **7.8. FRAUD**

If the Insured shall make any claim knowing the same to be false or fraudulent, as regards amount or otherwise, this policy shall be void and all claim hereunder shall be forfeited.

#### **7.9. REINSTATEMENT**

The Insurer may at their option reinstate or replace the property damaged or lost or any part thereof, instead of paying the amount of the loss or damage, or may join with any other Company or Insurer in so doing, but only as circumstances permit and in reasonably sufficient manner, and in no case shall the Insurer be bound to expend more than the Sum Insured specified in the Schedule.

If the Insurer so elect to reinstate or replace any property, the Insured shall, at his own expense, furnish the Insurer with such plans, specifications, measurements, quantities and such other particulars as the Insurer may require, and no acts done, or caused to be done by the Insurer with a view to reinstatement or replacement shall be deemed an election by the Insurer to reinstate or replace.

#### **7.10. PUBLIC AUTHORITIES**

If, in any case, the Insurer shall be unable to reinstate or repair the property hereby insured, because of any municipal or other regulations in force affecting the alignment of streets, or the construction of buildings, or otherwise, the Insurer shall, in every such case, only be liable to pay such sum as would be requisite to reinstate or repair such property if the same could lawfully be reinstated to its former condition.

Notwithstanding the foregoing this condition shall not be deemed to exclude cover granted by the Public Authorities Extension herein.

In the event the Insured shall elect to receive monetary settlement per BASIS OF INDEMNIFICATION, this general condition shall not be applicable.

#### **7.11. SUBROGATION**

The Insured shall, at the expense of the Insurer, do, and concur in doing, and permit to be done, all such acts and things as may be necessary or reasonably required by

the Insurers for the purpose of enforcing any rights and remedies or of obtaining relief or indemnity from other parties to which the Insurers shall be or would become entitled or surrogated, upon its paying for or making good any loss or damage under this Policy, whether such acts and things shall be or become necessary or required before or after his indemnification by the Insurer.

## **7.12 ARBITRATION**

All matters in difference between The Insured and The Company (hereinafter referred to as the "parties") in relation to this Insurance, including its formation and validity, and whether arising during or after the period of this Insurance, shall be referred to an arbitration tribunal in the manner hereinafter set out.

Unless the parties agree upon a single arbitrator within 30 days of one receiving a written request from the other for arbitration the claimant (the party requesting arbitration) shall appoint his arbitrator and give written notice thereof to the respondent. Within thirty days of receiving such notice the respondent shall appoint his arbitrator and give written notice thereof to the claimant, failing which the arbitrator shall be appointed in accordance with the provisions of the India Arbitration and Conciliation Act 1996.

Should the arbitrators fail to agree, they shall within thirty days of such disagreement appoint an umpire to whom the matter in difference shall be referred. Should the arbitrators fail within such period to appoint an umpire, and then either of them or either of the parties may apply to the appointer for the appointment of the umpire.

The arbitration tribunal shall have power to fix all procedural rules for the holding of the arbitration including discretionary power to make orders as to any matters which it may consider proper in the circumstances of this case with regard to pleadings, discovery, inspection of documents, examination of witnesses and any other matter whatsoever relating to the conduct of the arbitration and may receive and act upon such evidence whether oral or written strictly admissible or not as it shall in its discretion think fit.

All costs of the arbitration shall be at the discretion of the arbitration tribunal who may direct to and by whom and in what manner they shall be paid.

The seat of arbitration shall be in Mumbai and the arbitration tribunal shall apply the laws of India. The arbitration shall be in accordance of the Indian Arbitration and Conciliation Act 1996 as amended up to the date of such arbitration..

## **7.13. DEDUCTIBLES**

If the cover in respect of the Property or any specified part of such Property is indicated in the Schedule as being subject to a Deductible, the Insured shall, in respect of each and every occurrence giving rise to a claim, first bear the full amount of such deductible stated

in the Schedule and the Insurer's liability, after making all other adjustments to the claim presented by the Insured, shall be reduced accordingly.

Where Property Damage results in Business Interruption, the deductibles under Property Damage and Business Interruption shall apply separately.

A single deductible shall apply for claims under Section IA or IB and any or all of the Extensions Applicable to Section I Property Damage (including Machinery Breakdown & Stock at plant & or Port) considered together.

## **7.14 RECOVERIES**

After expenses incurred in salvage or recovery are deducted, any salvage or recovery, except recovery through subrogation proceedings, shall accrue entirely to the benefit of the Insurer until the sum paid by the Insurer has been recovered, except for any amount assumed by the Insured (other than a deductible) over and above any payment made under this Policy.

Any recovery as a result of subrogation proceedings, after expenses incurred in such subrogation proceedings are deducted, shall accrue to the Insured in the proportion that the amount of the deductible bears to the amount of the entire loss.

## **7.15. NO CONTROL**

This Insurance shall not be affected by failure of the Insured to comply with the provisions of this Policy in any portion of the property over which the Insured has no control.

## **7.16. BANKRUPTCY**

In the event of bankruptcy or insolvency of the Insured, the Insurers shall not be relieved thereby of the obligations under this policy.

## **7.17. INTERIM PAYMENTS**

Within 30 days of agreement to the loss adjuster's report, the Insurer will make interim payment of the claim amount as approved by the Loss Adjuster.

## **7.18. BRANDS AND TRADEMARKS**

In the event of loss or damage by a peril insured against to property bearing a brand or trademark or which in any way carries or implies the guarantee or responsibility of the manufacturer or Insured, the salvage value of such damaged property shall be determined after removal in the customary manner of all such brands or trademarks or other identifying characteristics.

The Insured shall have full right to the possession of all goods involved in any loss under this policy and shall retain control of all damaged goods. The Insured, exercising reasonable discretion, shall be the sole judge as to whether the goods involved in any loss under this policy are fit for consumption and no goods so deemed by the Insured to be unfit for consumption shall be sold or otherwise disposed of except by the Insured or with

the Insider's consent but the Insured shall allow Insurers any salvage obtained on the sale or other disposition of such goods.

#### 7.19. APPLICABLE LAW

This Insurance is issued subject to, and shall be governed by, the Law of the Republic of India.

#### 7.20. RENEWAL

The Company shall be under no obligation to renew the policy on expiry of the period for which premium has been paid. The Company reserves the right to offer revised rates, terms and conditions at renewal based on claim experience and a fresh assessment of the risk. This policy may be renewed only by mutual consent and subject to payment in advance of the total premium at the rate in force at the time of renewal. The Company, however, shall not be bound to give notice that the policy is due for renewal or to accept any renewal premium. Unless renewed as herein provided, this policy shall automatically terminate at the expiry of the period for which premium has already been paid.

7.21 In no case whatsoever shall the Company be liable for any loss or damage after the expiry of 12 months from the happening of the loss or damage unless the claim is the subject of pending action or arbitration; it being expressly agreed and declared that if the Company shall disclaim liability for any claim hereunder and such claim shall not within 12 calendar months from the date of the disclaimer have been made the subject matter of a suit in a court of law then the claim shall for all purposes be deemed to have been abandoned and shall not thereafter be recoverable hereunder.

7.22 MID-TERM REVISION IN SUM INSURED shall be allowed as follows:

- (1) Increase in sum insured - On pro-rata basis.
- (2) Decrease in sum insured - On short-period scale.

## 8. EXCLUSIONS

This Policy shall not respond:

- i. to any loss or part that part of any loss, discovered during or as a result of any stocktaking or inventory computation or during preparation of any balance sheet or profit and loss account, unless the loss is proven by the Insured to be due to a peril covered by this Policy;
- ii. to potential income, including but not limited to interest and dividends, not realised by the Insured because of a loss covered by this Policy;
- iii. to any loss sustained by the Insured arising from third party claims for damages of any type for which the Insured is or may be legally liable as a result of a peril covered by this Policy;
- iv. to costs, fees and other expenses incurred by the Insured in establishing the existence of or amount of loss covered by this Policy;

- v. to any loss incurred directly or indirectly arising out of dealing in stocks, bonds, commodities, futures, options, currencies, foreign exchange and the like or other financially related or speculative venture;
- vi. to any loss incurred directly or indirectly by the Insured or any Employee(s) engaging in any Trade or Business which has not previously been agreed by the Insurer;
- vii. to loss of property surrendered away from an office of the Insured as a result of a threat communicated to the Insured to
  - a) do bodily harm to a director, trustee, Employee, relative or invitee of any Employee or
  - c) do damage to the premises or property of the Insured.
- viii. to any loss or damage which arises directly or indirectly by reason of or in connection with war, invasion, act of foreign enemy, terrorism, hostilities or warlike operations (whether war has been declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportion of or amounting to a popular uprising, military or usurped power, martial law, riot or the act of any lawfully constituted authority. In any claim under this Policy for loss or damage, the burden of proving that such damage does not fall within this Exclusion shall be upon the Insured;
- ix.
  - a) to any loss or destruction of or damage to any property whatsoever, or to any loss, or expense whatsoever resulting or arising therefrom or to any consequential loss
  - b) to any legal liability of whatsoever nature directly or indirectly caused by or contributed to by arising from

- ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel, or
- the radioactive, toxic, explosive or other hazardous properties of any explosive, nuclear assembly or nuclear component thereof.

## SUPPLEMENTARY CLAUSES & CONDITIONS APPLICABLE TO SECTION I

### 1.1 Deterioration of Stocks in cold Storage premises due to accidental power failure consequent to damage at the premises of Power Station due to an insured peril

"In consideration of the payment of additional premium of Rs. .... it is hereby agreed and declared that notwithstanding anything to the contrary in the policy or in any of its conditions, this policy covers destruction or damage to the property hereby insured caused

by change of temperature in consequence of failure of electric supply at the terminal ends of electric service feeders from which the Insured obtains electric supply directly due to damage caused by any peril insured against under this policy to property at insured premises or any Electric Station or Sub-Station of Public Electric Supply undertaking from which the Insured obtains electric supply.

Provided that the Company shall not be liable for any loss occasioned by the deliberate act of the Government, municipal or Local authority or Supply Authority not performed for the sole purpose of safeguarding life or protecting any part of the supply undertaking's systems or by the exercise by any such authority of its power to withhold or restrict or ration supply not necessitated solely by damage to the Supply Undertaking's generating or supply equipment by an insured peril.

Provided further that the Company shall not be liable for any loss unless the duration of each such failure exceeds 24 hours.

Subject otherwise to the terms, exceptions, conditions and limitations of the Policy."

In any action, suit or other proceedings where the company alleges that by reason of the provisions of this condition any loss or damage is not covered by this insurance, the burden of proving that this loss or damage is covered shall be upon the Insured.

## **1.2 Deterioration of stocks in cold storage premises due to change in temperature arising out of loss or damage to the cold storage machinery (ies) in the Insured's premises due to operation of insured peril.**

"In consideration of the payment of additional premium of Rs. \_\_\_\_\_ it is hereby agreed and declared that notwithstanding anything to the contrary in this policy or in any of its conditions this policy covers destruction of or damage to the property hereby insured caused by change of temperature in consequence of failure of electric supply following damage to Insured's property due to insured peril(s).

Provided further that the Company shall not be liable for any loss unless the duration of each such failure exceeds 24 hours.

Subject otherwise to the terms, extensions, conditions and limitations of this Policy"

In any action, suit or other proceedings where the company alleges that by reason of the provisions of this condition any loss or damage is not covered by this insurance, the burden of proving that this loss or damage is covered shall be upon the Insured.

## **2.1 Account Receivables Clause**

In consideration of the payment of additional premium, it is hereby agreed and declared that, notwithstanding anything to the contrary in this policy or in any of its conditions, the policy extends to cover the shortage in collection of accounts receivable resulting from insured

physical loss or damage including accounts receivable records stored as electronic data or reconstruction cost of such records whichever is lower.

## **3.1 Additional Insured**

It is understood and agreed that any individual, firm, corporation and/or its joint ventures, for whom or with whom The Insured may be operating is hereby named as additional Insured in The Schedule when required by contract, or as required. It is further understood and agreed that in the event there is any violation of the terms and conditions of this insurance by one Insured, it shall not affect the rights of other Insured; including interest of mortgagees and notice of assignment in respect thereof.

## **4.1 Agreed Bank Clause**

It is hereby declared and agreed:-

1. That upon any monies becoming payable under this Policy the same shall be paid by the Company to the Bank and such part of any monies so paid as may relate to the interests of other parties insured hereunder shall be received by the Bank as Agents for such other parties.
2. That the receipts of the Bank shall be complete discharge of the Company therefore and shall be binding on all the parties insured hereunder.  
N.B: The Bank shall mean the first named Financial Institution/ Bank named in the Policy.
3. That if and whenever any notice shall be required to be given or other communication shall be required to be made by the Company to the Insured or any of them in any manner arising under or in connection with this Policy such notice or other communication shall be deemed to have been sufficiently given or made if given or made to the Bank.
4. That any adjustment, settlement, compromise or reference to arbitration in connection with any dispute between the Company and the Insured or any of them arising under or in connection with this Policy if made by the Bank shall be valid and binding on all parties insured hereunder but not so as to impair rights of the Bank to recover the full amount of any claim it may have on other parties insured hereunder.
5. That this insurance so far only as it relates to the interest of the Bank therein shall not cease to attach to any of the insured property by reason of operation of Condition 3 of the Policy except where a breach of the Condition has been committed by the Bank or its duly authorised agents or servants and this insurance shall not be invalidated by any act or omission on the part of any other party insured hereunder whereby the risk is increased or by anything being done to upon or any building hereby insured or any



building in which the goods insured under the Policy are stored without the knowledge of the Bank provided always that the Bank shall notify the Company of any change of ownership or alterations or increase of hazards not permitted by this insurance as soon as the same shall come to its knowledge and shall on demand pay to the Company necessary additional premium from the time when such increase of risks first took place and

6. It is further agreed that whenever the Company shall pay the Bank any sum in respect of loss or damage under this Policy and shall claim that as to the Mortgagor or owner no liability therefore existed, the Company shall become legally subrogated to all the rights of the Bank to the extent of such payments but not so as to impair the right of the Bank to recover the full amount of any claim it may have on such Mortgagor or Owner or any other party or parties insured hereunder or from any securities or funds available.

#### **5.1 Appraisalment Clause**

If the aggregate claim for any one loss does not exceeds the amount per location or % of the sum insured mentioned in the schedule whichever is higher, no special inventory/appraisalment of the undamaged property shall be required.

#### **6.1 Automatic Extension Clause**

Notwithstanding anything herein to the contrary, the Insurer hereby agrees to automatically extend the period of insurance under the policy by a further period of months as specified in schedule at pre-agreed rates.

Subject otherwise to the terms, exceptions and conditions of the Policy.

#### **7.1 Breakage Of Fixed Glass And Outdoors Signs**

It is hereby noted and agreed that property covered under the Policy is inclusive of glass and/or outdoor signs.

Subject otherwise to the terms, exceptions and conditions of the Policy.

#### **8.1 Broad Water Damage Clause**

In consideration of payment of additional premium, it is hereby declared and agreed that notwithstanding what is stated in the policy or any endorsements to the contrary, the insurance under this policy shall extend to include loss or damage caused by:

1. Accidental discharge, leakage, or overflow of water or steam from plumbing, septic tanks and cylinders, stand pipes for fire hose, industrial and domestic appliances, refrigerating system, air-conditioning system and rain (or snow) admitted through defective roof, headers spouting or by open or defective windows, show windows,

picture windows, doors, transoms, ventilators or skylights;

2. Breakage of/or leakage from street water supply, mains or fire hydrants.

PROVIDED THAT:

- a) The Insured undertakes to exercise all ordinary and reasonable precautions for the maintenance and safety of the property;
- b) All conditions of this policy shall apply (except insofar as they maybe hereby expressly varied) and that any reference therein to loss or damage by fire shall be deemed to apply to loss or damage as aforesaid.
- c) The liability of the company under this endorsement shall in no case exceed the sum insured on each item of the policy.

#### **9.1 Contract Price Clause**

It is hereby declared and agreed that in respect of Goods sold but not delivered for which the Insured is responsible and with regard to which under conditions of the sale, the sale contract is, by reason of an insured peril, cancelled either wholly or to the extent of the loss or damage, the liability of the Company shall be based on the Contract Price, and for the purpose of Average, the value of all goods to which this clause would be applicable shall be ascertained on the same basis.

Insured is required to maintain electronic records or such other authenticated records of all such transactions which can be produced for verification on demand at any point of time and/or in substantiation of the claim.

This clause is subject otherwise to the terms, exceptions and conditions of the Policy.

#### **10.1 Contracting Purchaser's Interest**

It is hereby agreed and declared that company will Indemnify the insured If at the time of the Damage the Insured have contracted to sell their interest in any Building insured by this Section and the purchase has not been but shall afterwards be completed, the purchasers on completion of the purchase (if and so far as the property is not otherwise insured against such Damage by them or on their behalf) shall be entitled to benefit under this Section without prejudice to the rights and liabilities of the Insured or the Insurer until completion

#### **11.1 COST OF CLEARING DRAINS CLAUSE**

It is hereby declared and agreed that this Policy extends to cover any expense necessarily incurred by the Insured in the clearing of drains within the surrounding premises as a consequence of property insured by this policy being destroyed or damaged by fire or by any other perils hereby insured against, it being understood that the total liability for such clearing shall not exceed any one loss.

## 12.1 Cost Of Re Writing Records Clause / Valuable Papers & record Clause

The Insurer shall indemnify the Insured up to the limit of indemnity as specified in the schedule, in respect of physical loss or damage to documents, business books, registered mortgages, bill of lading, and any other document all of which must be of value to the Insured but only for the value of the materials as stationary together with the cost of clerical labour expended in writing up or restoring said documents but not for the value to the Insured of the information contained therein.

Subject otherwise to the terms, exceptions and conditions of the Policy.

## 13.1 De Contamination and cost of cleanup

The Insurer shall indemnify the Insured up to the limit of indemnity as specified in the schedule, in respect of the cost of decontamination and/or cleanup cost of insured property contaminated including but not limited to presence of pollution or hazardous materials in compliance with the regulatory requirement/s as a result of physical damage to the insured property due to insured perils. This coverage is applicable to only that part of insured property contaminated as a direct result of insured physical damage.

Company is not liable for the costs involved in removal of neither contaminated uninsured property nor the contaminant therein, whether or not the contaminant results from an insured event.

## 14. 1 Designation Of Property Clause

For the purpose of determining, where necessary, the item under which any property is insured, the Company agrees to accept the designation under which the property has been entered in the Insured's books

## 15.1 Earthquake (Fire & Shock) When Storm, Tempest, Flood, Inundation Perils Are Covered

In consideration of the payment by the Insured to the Company of the additional premium, it is hereby agreed and declared that notwithstanding anything stated in the printed Exclusions of this Policy to the contrary, this insurance is extended to cover loss or damage (including loss or damage by fire) to any of the property insured by this Policy occasioned by or through or in consequence of Earthquake including Flood or Overflow of the sea, lakes, reservoirs and rivers and/or Landslide / Rockslide resulting therefrom.

Provided always that all the conditions of this Policy shall apply (except in so far as they may be hereby expressly varied) and that any reference therein to loss or damage by fire shall be deemed to apply also to loss or damage directly caused by any of the perils which this insurance extends to include by virtue of this Endorsement.

## Special conditions

1. Excess  
Excess/ Deductible as appearing in the schedule shall be applicable.
2. This extension cover applies only if the entire property in one complex / compound / location covered under this Policy is extended to cover this risk and the Sum Insured for this extension is identical to the Sum Insured against the risk covered under Policy except for the value of the plinth and foundations of the building(s).
3. Onus of proof  
In the event of the Insured making any claim for loss or damage under this Policy he must (if so required by the Company) prove that the loss or damage was occasioned by our through or in consequence of Earthquake.

## 16.1 Escalation Clause

In consideration of the payment of an additional premium amounting to 50% of the premium produced by applying the specified percentage to the first or the annual premium as appropriate on the under noted items(s) the Sum(s) Insured thereby shall, during the period of insurance, be increased each day by an amount representing 1/365th of the specified percentage increased per annum.

Unless specifically agreed to the contrary the provisions of this clause shall only apply to the sums insured in force at the commencement of each period of insurance.

At each renewal date the insured shall notify the Insurers:-

1. The sum to be insured under each item above, but the absence of such instructions the Sums Insured by the above items shall be those stated on the policy (as amended by the any endorsement effective prior to the aforesaid renewal date) to which shall be added the increases which have accrued under this Clause during the period of insurance upto that renewal date, and
2. The specified percentage increase(s) required for the forthcoming period of insurance, but in the absence of instructions to the contrary prior to renewal date the existing percentage increase shall apply for the period of insurance from renewal.

All the conditions of the policy in so far as they may be hereby expressly varied shall apply as if they had been incorporated herein.

## 17.1 Forest Fire

In consideration of the payment of additional premium the insurance under the policy shall extend to include loss of or damage to the property insured directly caused

by burning, whether accidental or otherwise, of forest, bush and jungles and the clearing of lands by Fire.

### **18.1 On Account Of Payment Clause**

It is hereby declared and agreed that progress payment on account of any loss recoverable under this Policy will be made to the Insured at such stages as may be mutually agreed upon if desired by the Insured and on production of an interim report and recommended payment on account amount by the loss adjuster (if appointed) that such payments are deducted from the final agreed claim settlement figures.

### **19.1 Sue And Labor Clause**

This policy extends to cover any reasonable expenses being incurred by the Insured in their efforts to recover safeguard or preserve the Property Insured to minimise any imminent or actual loss as insured under the Policy or to prosecute in its own name any claim for indemnity or damages or otherwise against any persons in respect of such loss the Insurer shall pay such expenses.

### **20.1 Unnamed Location**

5% of TSI subject to max of Rs 5crs in aggregate. All locations within India as per insured records are deemed to be covered under the policy subject to condition that the occupancy is related to insured's trade/Manufacturing activity/services covered under the policy. All other policy terms and condition remains unaltered.

### **21.1 Claim Preparation Cost (Excluding appointment of experts)**

On costs and expenses necessarily and reasonably incurred by the insured following loss or damage to the property insured.

- I. to reconstruct and recompile records (but not for the value to the insured of the insured information contained therein)
- II. to extract and compile information required by the Company from the insured's own records for the purpose of preparing a claim under the Policy but excluding legal, investigation fees/expenses incurred for the purpose of contesting any issue over the Company's Liability under the Policy.

Provided always that no amount shall be recoverable under this endorsement if subsequent to the incurrence of any expenses, the Company shall deny liability for any claim in respect of which the expenses have been incurred (with or without the consent of the Company)

### **22.1 Land And Water Contaminant Cleanup, Removal and Disposal**

The Insurer shall indemnify the Insured up to the limit of indemnity as specified in the schedule, in respect of the reasonable and necessary cost for the cleanup, removal and disposal of the actual not suspected presence of Contaminant(s) from uninsured property consisting of

land, water or any other substance in or on land at the Insured Location if the release, discharge or dispersal of such Contaminant(s) is a direct result of insured physical loss or damage to insured property.

This Policy does not cover the cost to cleanup, remove and dispose of Contamination from such property:

- a. At any location insured for Personal Property only.
- b. At any property insured under AUTOMATIC COVERAGE or OMISSION TO INSURE or Miscellaneous Unnamed Location coverage provided by this Policy.
- c. When the Insured fails to give written notice of loss to the Company within 180 days after inception of the loss.

### **23.1 Additional Custom Duty/Import tax cost**

The Insurer shall indemnify the Insured up to the limit of indemnity as specified in the schedule, in respect of the additional, extra custom duty/taxes incurred in replacing/importing equipment in a event of claim.

### **24.1 Pairs And Sets Clause**

In the event of insured loss or damage to the personal property, this policy shall insure the resulting reduction in value of the remaining undamaged components or parts of products customarily sold as individual units or sold as pairs, sets, lots or in ranges.

At the Insured's option, the Insured may collect the full value of the pair or set provided the Insured tenders the remaining article or articles of the pair or set to the Insurer.

### **25.1 Deferred Payment clause**

It is hereby agreed and declared that insurer will cover loss or physical damage to personal property of the type insured sold by insured under conditional sale or trust agreement or installment or deferred payments scheme to the buyer, indemnity is limited to the unpaid balance payment after the buyer stops payments subject to limit of indemnity as specified in the schedule.

Following such event the insured is expected to use all reasonable efforts including legal action if required to collect collection due or regain possession of property. Coverage is not applicable to product recall or any loss related to advertising of such recall by insured.

### **26.1 Customers Goods/Consigned Goods / Care Custody & Control Clause**

The Insurer shall indemnify the Insured, in respect of property of others in the care, custody or control of the Insured, at the amount for which the Insured may be liable but not exceeding the replacement cost (without deduction for depreciation) with materials of like kind and quality plus cost of labour and materials expended by the Insured in performing work thereon including freight, insurance, taxes overhead, fees and profits upto 10% of sum insured per event and in aggregate.

Subject otherwise to the terms, exceptions and conditions of the Policy.

## 27.1 Control of Damaged Property Clause

This Policy gives control of physically damaged property consisting of as specified in schedule as follows:

- 1) The Insured will have full rights to the possession and control of damaged property in the event of Insured physical damage to such property provided proper testing is done to show which property is physically damaged.
- 2) The Insured using reasonable judgment will decide if the physically damaged property can be reprocessed or sold.
- 3) Property so judged by the Insured to be unfit for reprocessing or selling will not be sold or disposed of except by the Insured, or with the Insured's consent.
- 4) Any salvage proceeds received will go to the :
  - a. Company at the time of loss settlement; or
  - b. Insured if received prior to loss settlement and such proceeds will reduce the amount of loss payable accordingly.

Subject otherwise to the terms, exceptions and conditions of the Policy.

## 28.1. Terrorism Damage Cover Endorsement - Material Damage and Loss Of Profit

### INSURING CLAUSE

Subject otherwise to the terms, exclusions, provisions and conditions contained in the Policy and in consideration of the payment by the Insured to the Company of additional premium as stated in the Schedule, it is hereby agreed and declared that notwithstanding anything stated in the 'Terrorism Risk Exclusion" of this Policy to the contrary, this Policy is extended to cover:-

- (i) Physical loss or physical damage occurring during the period of this Policy caused by an act of terrorism, subject to the exclusions, limits and excess hereinafter contained,

For the purpose of this cover, an act of terrorism means an act or series of acts, including but not limited to the use of force or violence and/ or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), or unlawful associations, recognized under Unlawful Activities (Prevention) Amendment Act, 2008 or any other related and applicable national or state legislation formulated to combat unlawful and terrorist activities in the nation for the time being in force, committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public or any section of the public in fear for such purposes.

- (ii) loss, damage, cost or expense directly caused by, resulting from or in connection with any action taken in suppressing, controlling, preventing or minimizing the consequences of an act of terrorism by the duly empowered government or Military Authority.

Provided that If the Insured is eligible for indemnity under any government compensation plan or other similar scheme in respect of the damage described above, this Policy shall be excess of any recovery due from such plan or scheme.

For the purpose of the aforesaid inclusion clause, "Military Authority" shall mean armed forces, para military forces, police or any other authority constituted by the government for maintaining law and order.

- (iii) Loss resulting from necessary interruption of business caused by direct physical loss or damage in respect of which liability has been admitted by the Company under (i) and/or (ii) above. In the event of such direct physical loss or damage, this Policy shall be liable for the actual loss sustained by the insured resulting directly from such necessary interruption of business, but not exceeding the loss of gross profits, as defined in the Policy, less charges and expenses which are not necessary during the interruption of business, for such length of time as would be required, with the exercise of due diligence and dispatch, to repair, rebuild or replace such part of the property as has been destroyed or damaged, commencing with the date of such direct physical loss or damage and not limited by the expiration of this Policy.

Due consideration shall be given to the continuation of normal charges and expenses, including payroll expenses, to the extent necessary to resume operations of the Insured with the same operational capability as existed immediately before the loss.

### LOSSES EXCLUDED

#### (A) For Materials Damage

This cover shall not indemnify loss of or damage to property caused by any or all of the following:-

1. loss by seizure or legal or illegal occupation;
2. loss or damage caused by:
  - (i) voluntary abandonment or vacation,
  - (ii) confiscation, commandeering, nationalisation, requisition, detention, embargo, quarantine, or any result of any order of public or government authority, which deprives the Insured of the use or value of its property;
3. loss or damage arising from acts of contraband or illegal transportation or illegal trade;

4. loss or damage directly or indirectly arising from or in consequence of the seepage and or discharge of pollutants or contaminants, which pollutants and contaminants shall include but not be limited to any solid, liquid, gaseous or thermal irritant, contaminant or toxic or hazardous substance or any substance the presence, existence or release of which endangers or threatens to endanger the health, safety or welfare of persons or the environment;
5. loss or damage arising directly or indirectly from or in consequence of chemical or biological emission, release, discharge, dispersal or escape or chemical or biological exposure of any kind;
6. loss or damage arising directly or indirectly from or in consequence of asbestos emission, release, discharge, dispersal or escape or asbestos exposure of any kind;
7. any fine, levy, duty, interest or penalty or cost or compensation/damages and/or other assessment which is incurred by the Insured or which is imposed by any court, government agency, public or civil authority or any other person;
8. loss or damage by electronic means including but not limited to computer hacking or the introduction of any form of computer virus or corrupting or unauthorised instructions or code or the use of any electromagnetic weapon.
9. loss or damage caused by vandals or other persons acting maliciously or by way of protest or strikes, labour unrest, riots or civil commotion;
10. loss or increased cost occasioned by any public or government or local or civil authority's enforcement of any ordinance or law regulating the reconstruction, repair or demolition of any property insured hereunder;
11. any consequential loss or damage, loss of use, delay or loss of markets, loss of income, depreciation, reduction in functionality, or increased cost of working;
12. loss or damage caused by factors including but not limited to cessation, fluctuation or variation in, or insufficiency of, water, gas or electricity supplies and telecommunications or any type of service;
13. loss or increased cost as a result of threat or hoax;
14. loss or damage caused by or arising out of burglary, house - breaking, looting, theft, larceny or any such attempt or any omission of any kind of any person (whether or not such act is committed in the course of a disturbance of public peace) in any action taken in respect of an act of terrorism;
15. loss or damage caused by mysterious disappearance or unexplained loss;
16. loss or damage directly or indirectly caused by mould, mildew, fungus, spores or other micro-organism of any type, nature or description, including but not limited to any substance whose presence poses an actual or potential threat to human health;
17. total or partial cessation of work or the retardation or interruption or cessation of any process or operations or omissions of any kind.

**(B) For Loss of Profit**

This cover shall not indemnify:-

1. Increase in loss resulting from interference at the insured premises, by terrorists or other persons, with rebuilding, repairing or replacing the property or with the resumption or continuation of operation;
2. increase in loss caused by the suspension, lapse, or cancellation of any lease, license, contract, or order, unless such results directly from the insured interruption of business, and then the Company shall be liable for only such loss as affects the Insured's earnings during, and limited to, the period of indemnity covered under this Policy;
3. increase in loss caused by the enforcement of any ordinance or law regulating the use, reconstruction, repair or demolition of any property insured hereunder;
4. the Insured's lack of sufficient capital for timely restoration or replacement of property lost destroyed or damaged;
5. loss resulting from :
  - a) deliberate erasure, loss, distortion or corruption of information on computer systems or other records, programmes or software;
  - b) other erasure, loss, distortion or corruption of information on computer systems or other records, programmes or software unless caused by damage to the machine or apparatus in which the records are mounted;
6. loss resulting from alterations, additions, improvements, rectification of defects or faults or elimination of any deficiencies carried out after the physical ;
7. loss of market or any other consequential loss.
8. loss as a result of physical or mental or bodily injury to any person.

9. Loss arising from contingent Business Interruption Extension of the Business Interruption/Loss of profit Section under this policy, comprising of Customers and Suppliers premises, Prevention of Access and Public Utilities.

#### LIMIT OF INDEMNITY

The limit of indemnity under this cover shall not exceed the Total Sum Insured for Material Damage and Loss of Profits given in the Policy Schedule or INR 15,000,000,000 whichever is lower. In respect of several insurance policies within the same compound/location with one or different insurers, the maximum aggregate loss payable per compound/location by any one or all insurers shall be INR 15,000,000,000 for Material Damage and Loss of Profits. If the actual aggregate loss suffered at one compound/location is more than INR 15,000,000,000 for Material damage and Loss of Profits, the amounts payable under individual policies shall be reduced in proportion to the sum insured of the policies.

#### EXCESS

##### A. For material damage

Shops & Residential Risks - 1% of the claim amount for each and every claim subject to minimum of INR 10,000 and a maximum of INR 5,00,000/-.

Non-Industrial Risks - 1% of the claim amount for each and every claim subject to minimum of INR 25,000 and a maximum of INR 10,00,000/-.

Industrial Risks - 5% of the claim amount for each and every claim subject to minimum of INR 1,00,000 and a maximum of INR 2,50,00,000

##### B. For Loss of Profit

In any one occurrence of loss or damage, the Company shall not be liable for the amount obtained by multiplying seven (7) days standard turnover with rate of gross profit.

#### CANCELLATION CLAUSE

Notwithstanding the cancellation provisions relating to the basic insurance policy on which this endorsement is issued, there shall be no refund of premium allowed for cancellation of the Terrorism risk insurance during the period of insurance except where such cancellation is done along with the cancellation of the basic insurance. Where a policy is cancelled and rewritten mid-term purely for the purpose of coinciding with the accounting year of the insured, pro-rate refund of the cancelled policy premium will be allowed.

Note: The definitions, terms and conditions of the Policy save as modified or endorsed herein shall apply.

## SUPPLEMENTARY CLAUSES & CONDITIONS APPLICABLE TO SECTION II

### 29.1 Tax Treatment of Profits

The Insurer shall indemnify the Insured, in respect of the increased tax liability from an insured loss at an Insured Location if the tax treatment of:

- 1) the profit portion of a loss payment under this Policy involving finished stock manufactured by the Insured; and/or
- 2) the profit portion of a TIME ELEMENT loss payment under this Policy; is greater than the tax treatment of profits that would have been incurred had no loss occurred.

## SECTION III - PORTABLE ELECTRONIC EQUIPMENT SECTION

This Section shall apply to the Property insured at work or at rest or whilst being used by the authorised employee(s) of the Insured on journey to places by train or road or air anywhere within the territorial limits mentioned in the Schedule for the purpose of business or profession of the Insured

The liability of the Company for any one item of the Property insured shall not exceed in aggregate in any one period of Insurance the Sum Insured set out against such items in the attached Schedule(s) unless the Sum Insured under such item is reinstated after occurrence of a claim for balance period.

#### Definition

**"Portable Electronic Equipment"** - Portable Electronic Equipment like Laptops, palm tops, PDAs, Mobile Phones, and the like including the value of Systems Software, Medical, Bio-medical, Micro processors, Audio-visual, geophysical and other mobile/ portable professional instruments / equipment used for survey, measurement and control and other specified equipment including those which are portable in nature.

#### EXPENSE FOR LOSS MINIMIZATION

The following provision is applicable if the Insured has opted for this extension.

This Policy includes expenses for loss minimization necessarily incurred by The Insured to prevent any aggravation of an Insured Loss following a loss or damage at any Insured's Premises specified in The Schedule, including moving / shifting of property if this contributes to loss minimization, subject to a limit per loss as per schedule. Limit: Upto Per event and in aggregate as agreed and specified in Schedule

This Section is subject to the same terms, conditions, exclusions, warranties and provisions as that of **ELECTRONIC EQUIPMENT INSURANCE SECTION** except to the extent that the same are over ridden by following special exceptions and conditions.

## EXCLUSIONS - PORTABLE ELECTRONIC EQUIPMENT

The Company will not indemnify the Insured in respect of loss, damage or liability directly caused by or arising out of or aggravated by -

1. Cessation of work whether total or partial.
2. Cost Incurred/time involved in the movement of machinery and/or any other property and/or personnel outside the territorial limits of India other than the cost of delivery of replacements for machinery lost or damaged.
3. Misalignment of the Property insured not accompanied by damage otherwise covered by this section.
4. Loss of or damage to the Property insured covered under this section falling under the terms of the maintenance agreement.
5. Loss destruction or damage directly occasioned by pressure wave caused by aircraft and other aerial devices traveling at sonic or supersonic speeds.

In any action, suit or other proceedings where the Company alleges that by reason of the provisions of the above exclusions any loss, destruction, damage or liability is not covered by this insurance, the burden of proving that such loss, destruction, damage or liability is covered shall be upon the Insured.

### Special Exceptions :

The Company will not pay for -

- a) the Excess stated in the Schedule to be borne by the Insured in any one occurrence; if more than one item of Property insured is lost or damaged in one occurrence, the Insured shall not, however, be called upon to bear more than the highest single Excess applicable to such items;
- b) loss of or damage to rented or hired equipment for which the owner is responsible either by law or under a lease and/or maintenance agreement;
- c) loss of or damage to hard disk and read-write head whilst in transit except when caused by an insured damage to the whole computer
- d) loss of or damage to bulbs, valves, tubes, ribbons, fuses, seals, belts, wires, chains, rubber tyres, exchangeable tools, engraved cylinders, objects made of glass, porcelain or ceramics, sieves or fabrics, or any operating media (e.g. lubricating oil, fuel, chemicals);
- e) aesthetic defects, such as scratches on painted, polished or enamelled surfaces.
- f) In respect of the parts mentioned under 4) and 5) above the Company shall be liable to provide compensation in the event that such parts are affected by an indemnifiable loss or damage to the Property insured.
- g) any unexplained disappearance of the Property insured.

Loss or damage caused by mechanical or electrical derangement/ breakdown of any article unless caused by accidental external means.

## PROVISIONS APPLYING TO PORTABLE ELECTRONIC EQUIPMENT INSURANCE SUM INSURED –

It is a requirement of this insurance that the Sum Insured shall be equal to the cost of replacement of the Property insured by new property of the same kind and same capacity, which shall mean its replacement cost including freight, dues and customs duties, if any, and erection costs.

The Sum Insured of the Property insured under this section shall include the value of 'System Software' provided by the manufacturer to operate the system

### BASIS OF INDEMNITY –

In cases where damage to the Property insured can be repaired, the Company will pay expenses necessarily incurred to restore the damaged Property insured to its former state of serviceability plus the cost of dismantling and re-erection incurred for the purpose of effecting the repairs as well as ordinary freight to and from a repair-shop, customs duties and dues, if any, to the extent such expenses have been included in the Sum Insured. If the repairs are executed at a workshop owned by the Insured, the Company will pay the cost of materials and wages incurred for the purpose of the repairs plus a reasonable percentage to be determined by the Company to cover overhead charges.

No deduction shall be made for depreciation in respect of parts replaced, except those with limited life, but the value of any salvage will be taken into account. If the cost of repairs as detailed hereinabove equals or exceeds the actual value of the Property insured immediately before the occurrence of the damage, the settlement shall be made on the basis provided for in (b) below.

In cases where the Property insured is destroyed, the Company will pay the actual value of the Property insured immediately before the occurrence of the loss, including costs for ordinary freight, erection and customs duties if any, provided such expenses have been included in the Sum Insured, such actual value to be calculated by deducting proper depreciation from the replacement value of the Property insured. The Company will also pay any normal charges for the dismantling of the Property insured which has been destroyed, but the salvage will be taken into account.

Any extra charges incurred for overtime, night-work, work on public holidays, express freight, are covered by this Insurance only if especially agreed to in writing.

In the event of the makers' drawings, patterns and core boxes necessary for the execution of a repair not being available, the Company shall not be liable for the cost of making any such drawings, patterns and core boxes.

The cost of any alterations, improvements or overhauls shall not be recoverable under this policy.

The cost of any provisional repairs will be borne by the Company if such repairs constitute part of the final repairs, and do not increase the total repair expenses.

In cases where the Property insured is subjected to total loss and meanwhile it becomes obsolete, all costs necessary to replace the lost or damaged Property insured with a follow-up model (similar type) of similar structure/ configuration (of similar quality) i.e. low, average or high capacity – will be reimbursed.

If the Sum Insured is less than the amount required to be insured as per provision –titled “Sum Insured” hereinabove, the Company will pay only in such proportion as the Sum Insured bears to the amount required to be insured. Every item if more than one shall be subject to this condition separately.

The Company will make payments only after being satisfied, with necessary bills and documents, that the repairs have been effected or replacements have taken place, as the case may be. The Company may, however, not insist for bills and documents in case of total loss where the Insured is unable to replace the damaged Property insured for reasons beyond their control. In such cases claims can be settled on 'Indemnity Basis'.

#### **WARRANTY –**

It is warranted that the Maintenance Agreement in force at the inception of this policy is maintained during the currency of this policy and no variation in the terms of the Agreement shall be made without the written consent of the Company being obtained.

For the purpose of this warranty the word 'Maintenance' shall mean the following -

- i. Safety checks,
- ii. Preventive maintenance
- iii. Rectification of loss or damage or faults arising from normal operation as well as from ageing.

#### **Special Conditions–**

It is a condition of this policy, that all Property insured being in the nature of portable equipment covered hereby -

- i. shall always be in the custody and control of a designated permanent employee of the Insured and kept in locked cupboards/cabinets/safe deposit vaults if circumstances warrant it to be left unattended.
- ii. shall never be left unattended in a motor vehicle, aircraft or any other type of conveyance
- iii. shall be hand-bagged by the Insured when traveling by aircraft, but if and when not allowed as hand-baggage, should be specifically declared to the airline as “valuable cargo”.

#### **Un repairable Equipment Clause**

The following provision is applicable if the Insured has opted for this extension.

For unrepairable electrical or mechanical equipment, including computer equipment under this Policy the adjustment of the physical damage loss amount will be not exceeding the cost to replace with equipment that is the most functionally equivalent to that damaged or destroyed, even if such equipment has technological advantages and/or represents

an improvement in function and/or forms part of a program of system enhancement. Limit: Upto Per event and in aggregate as agreed and specified in Schedule

#### **PORTABLE ELECTRONIC EQUIPMENT – SUPPLEMENTARY CLAUSES AND CONDITIONS**

##### **1. PEEI- REINSTATEMENT VALUE CLAUSE FOR PORTABLE ITEMS**

Notwithstanding anything contrary to what is stated in section VII of this policy it is hereby declared and agreed that in the event of the property insured under this section and stated within the policy being destroyed or damaged, the basis upon which the amount payable under (each of the said items of) the policy is to be calculated and shall be cost or replacing or reinstating on the same site or any other site with property of the same kind or type but not superior to or more extensive than the insured property when new as on date of the loss, subject to the following Special Provisions and subject also to the terms and ;conditions of the policy except in so far as the same may be varied hereby.

##### Special Provisions

- 1) Until expenditure has been incurred by the insured in replacing or reinstating the property destroyed or damaged the company shall not be liable for any payment in excess of the amount which would have been apayble under the Policy if this memorandum had not been incorporated therein.
- 2) If at the time of replacement or reinstatement the sum representing the cost which would have been incurred in replacement or reinstatement if the whole of the property covered has been destroyed, exceeds the sum insured thereon or at the commencement of any destruction or damage to such property by any of the perils insured against by the policy, then the insured shall be considered as being his own insurer for the excess and shall bear a rateable proportion of the loss accordingly. Each item of the policy (if more than one) to which this memorandum applies shall be separately subject to the foregoing provision.
- 3) This memorandum shall be without force or effect if
  - a. The insured fails to intimate to the company within 60 days from the date of destruction or damage or such further time as the company may in writing allow his intention to replace or reinstate the property destroyed or damaged.
  - b. The insured is unable or unwilling to replace or reinstate the property destroyed or damaged on the same or another site.



## 2. PEEL- OMISSION TO INSURE ADDITIONS OR EXTENSIONS

The insurance by this policy extends to cover Portable equipment as defined in the Schedule hereof which the insured may acquire or for which they may become responsible:-

- 1) The liability under this extension shall not exceed in respect of portable equipment 5% of the sum insured by the items of the Schedule
- 2) The insured shall notify the company of each additional insurance as soon as it shall come to their knowledge and shall pay the appropriate additional premium thereon from the day of inception.
- 3) Following the advice of any additional insurance as aforesaid, cover by this extension shall be fully reinstated.
- 4) No liability shall attach to the company in respect of any portable item while such property is otherwise insured.

All new additions to the portable equipments by the insured not specifically insured/included during the currency of the policy should be declared at the end of the year and suitable additional premium paid on pro rata basis from the date of acquisition of additions may be suitably adjusted.

If the insured fails to declare the values of such additions within 30 days after expiry of the policy, there shall be no refund of the advance premium collected.

## 3. PEEL- ESCALATION CLAUSE

In consideration of the payment of an additional premium amounting to 50% of the premium produced by applying the specified percentage to the first or the annual premium as appropriate on the undernoted item(s) the Sum(s) Insured thereby shall, during the period of Insurance, be increased each day by an amount representing 1/365th of the specified percentage increase per annum.

Unless specifically agreed to the contrary the provisions of the clause shall only apply to the sums insured in force at the commencement of each period of insurance.

At each Renewal Date the Insured shall notify the Insurers:-

- i. the Sums to be Insured under each item above, but in the absence of such instructions the Sums Insured by the above items shall be those stated on the policy (as amended by any endorsement effective prior to the aforesaid renewal date) to which shall be added the increases which have accrued under this Clause during the period of Insurance upto that renewal date, and
- ii. the specified percentage increase(s) required for the forthcoming period of Insurance, but in the absence of instructions to the contrary prior

to the renewal date the existing percentage increase shall apply for the period of insurance from renewal.

All the conditions of the policy in so far as they may be hereby expressly varied shall apply as if they had been incorporated herein.

## 4. PEEL- AGREED BANK CLAUSE

It is hereby declared and agreed:-

1. That upon any monies becoming payable under this Policy the same shall be paid by the Company to the Bank and such part of any monies so paid as may relate to the interests of other parties insured hereunder shall be received by the Bank as Agents for such other parties.

2. That the receipts of the Bank shall be complete discharge of the Company therefore and shall be binding on all the parties insured hereunder.

N.B: The Bank shall mean the first named Financial Institution/ Bank named in the Policy.

3. That if and whenever any notice shall be required to be given or other communication shall be required to be made by the Company to the Insured or any of them in any manner arising under or in connection with this Policy such notice or other communication shall be deemed to have been sufficiently given or made if given or made to the Bank.

4. That any adjustment, settlement, compromise or reference to arbitration in connection with any dispute between the Company and the Insured or any of them arising under or in connection with this Policy if made by the Bank shall be valid and binding on all parties insured hereunder but not so as to impair rights of the Bank to recover the full amount of any claim it may have on other parties insured hereunder.

5. That this insurance so far only as it relates to the interest of the Bank therein shall not cease to attach to any of the insured property by reason of operation of Condition 3 of the Policy except where a breach of the Condition has been committed by the Bank or its duly authorised agents or servants and this insurance shall not be invalidated by any act or omission on the part of any other party insured hereunder whereby the risk is increased or by anything being done to upon or any building hereby insured or any building in which the goods insured under the Policy are stored without the knowledge of the Bank provided always that the Bank shall notify the Company of any change of ownership or alterations or increase of hazards not permitted by this insurance as soon as the same shall come to its knowledge and shall on demand pay to the

Company necessary additional premium from the time when such increase of risks first took place and

It is further agreed that whenever the Company shall pay the Bank any sum in respect of loss or damage under this Policy and shall claim that as to the Mortgagor or owner no liability therefore existed, the Company shall become legally subrogated to all the rights of the Bank to the extent of such payments but not so as to impair the right of the Bank to recover the full amount of any claim it may have on such Mortgagor or Owner or any other party or parties insured hereunder or from any securities or funds available.

**5. PEEI - CAPITAL ADDITIONS**

The insurer shall indemnify the insured up to the 15% of Policy Sum Insured per event and in aggregate in respect of loss of or damage to any equipment acquired or operated by or held in the care, custody or control of the insured after the inception of this policy of insurance and not included in the schedule. Any additions or extensions to property insured which have been carried out after the inception of this policy of insurance collectively referred to as capital additions. Any increase in the new replacement value as a result of such capital additions shall not exceed limit specified as above. This additional insurance cover is also subject to the insuring party advising the insurer within one month of the particulars of any such capital additions and the payment of any additional premium the insurer may require

**6. PEEI - BASIS OF INDEMNITY**

In consideration of the payment of additional premium, the policy extend to cover items mentioned in Policy Schedule on replacement basis in cases where the Property insured is destroyed the company shall indemnify the Insured for Replacement Value of the insured items by a new property of the same kind and same capacity including freight and customs duties, if any and erection costs, if any provided such expenses have been included in the Sum Insured but without any allowance for wear and tear and /or depreciation for equipment upto 5 years old.

In case the age of the damaged item exceeds 5 years the settlement shall be on the Replacement Value of the insured items as new at the time of damage less due allowance for Betterment., wear and tear and or depreciation or the value which can be realized from the market for such insured item immediately before occurrence of damage whichever is lower

**7. PEEI- Claim Preparation Cost**

In consideration of the payment of additional premium, it is hereby agreed and declared that, notwithstanding

anything to the contrary in this policy or in any of its conditions, the insurance by this Policy extends to include costs reasonably incurred by the Insured in producing and certifying any particulars or details in support of any claim as may be required by the Company in terms of the conditions of the Policy.

**Limit :** Upto Per event and in aggregate as agreed and specified in Schedule

**8. PEEI- Waiver of improvement/Betterment clause for replacement of selected machinery**

In the event of total physical damage of the insured machinery/ equipment necessitating replacement, which may become obsolete at the time of such replacement, shall be the cost of reinstatement of the damaged machinery with the follow up model of the same type provided that such cost of replacement does not exceed the sum insured set against the said item.

It is further agreed & declared that this extension shall not be enforceable if the insured is unable or unwilling to reinstate the property. However, if the cost of replacement with the follow up model exceeds the sum insured set against the said item, the company's liability would not exceed the sum insured.

**9. PEEI- WORLDWIDE GEOGRAPHICAL EXTENSION**

**10. PEEI- UN REPAIRED DAMAGES**

In the event of insured deciding not to replace or repair the damaged item covered under the policy and decides to continue with the damaged item after incurring necessary expenditure for safe working of the damaged item. The insurer shall indemnify amount expended in making the item safe plus the reasonable repair cost which would have been incurred by the Insured had the Insured repaired the damage item or reasonable amount equivalent to reduced life of damaged item.

**Limit :** Upto Per event and in aggregate as agreed and specified in Schedule

**Details of Property Insured**

Sr. No.	Risk Location	Description of property insured	Sum Insured (Rs.)	Premium (Rs.)
1				

**Details of Supplementary Clauses & Conditions**

Sr. No.	Description Of Supplementary Clauses & Conditions	Sum Insured (Rs.)	Premium (Rs.)	Excess / Deductible applicable if any
1				

## CLAUSES, EXTENSIONS AND DEDUCTIBLE

1. \_\_\_\_\_
2. \_\_\_\_\_

## SPECIAL CONDITIONS, WARRANTIES AND EXCLUSIONS

1. \_\_\_\_\_
2. \_\_\_\_\_

### SECTION IV - MONEY SECTION

In the event of loss of Money relating to Business or Profession of the Insured due to accident or personal mishap happening to the Insured during the currency of the Policy, the Company hereby agrees, subject to the terms, conditions and exclusions herein contained, endorsed or otherwise expressed hereon, to pay to the Insured the amount of loss in the circumstances or situations as set out in the Schedule, provided always that the limit of the Company's liability for any one loss shall in no case exceed the amount specified against the respective item of the Property insured in the said Schedule.

The Company will also pay for cost of replacement or repair of the Insured's safe or strong room at the insured premises in the event of its being damaged by thieves or burglars

#### DEFINITIONS: MONEY:

Money shall mean and include Cash, Coins, Bank Draft, Currency Notes (including foreign currency),

Cheques, Traveller's Cheque, Postal Order, Money Order, Pay Order, Current Postage Stamp, unused Postage and Revenue Stamps, Stock and Share Certificates or other Certificates of a negotiable nature, Credit Card Vouchers.

Bank shall mean and include Bank of every description, Post Office and Government Treasury.

#### BUSINESS / WORKING HOURS :

That period of time that the Insured or any Director, Partner or Employee of the Insured is on the premises of the business. Business hours may be defined as the time mentioned in the corporate guidelines of the Insured

#### TRANSIT SECURITY WARRANTY

All transits of Money in excess of Rs.5,00,000 shall be in a locked briefcase conveyed as far as practicable in a motor vehicle accompanied at all times by at least one permanent employee of the Insured.

#### EXCLUSIONS- MONEY EXTENSION

The Company shall not be liable in respect of:

- 1) Shortage of Money due to error or omission.
- 2) Loss of Money entrusted to any person other than the Insured or a designated permanent employee or directors of the Insured.
- 3) Loss of Money where the insured or his employee is involved in such loss as a principal or accessory, except

loss due to fraud or dishonesty of the cash carrying employee of the insured, occurring whilst in transit and discovered within 72 hours.

- 4) Loss occurring on the Insured's premises mentioned in the schedule, after business hours, unless the money is in locked safe or strong rooms or properly secured and fixed locker.
- 5) Money carried under contract of affreightment and theft of Money from unattended vehicle.
- 6) Loss of or Damage to Money in transit by post.
- 7) Loss of money collected by authorised employee/s and or directors of the Insured whilst they are in transit if such money has remained in their personal custody for more than 72 hours.
- 8) Loss of Money from safe or strong room following use of the key to the safe or strong room or any duplicate thereof belonging to the Insured, unless this has been obtained by threat or by violence.
- 9) Loss or damage due to or contributed to by the Insured having caused or suffered anything to be done whereby the risk hereby insured against is unnecessarily increased.

#### SPECIAL CONDITIONS - MONEY SECTION

**MAINTENANCE OF BOOKS AND KEYS:** The Insured shall keep a daily record of the amount of cash contained in the safe or strong room and such record shall be deposited in a secure place other than the said safe or strong room, and produced as evidence in support of a claim under this policy. The keys of the safe or strong room shall not be left on the Insureds' premises out of business hours unless the Insureds' premises are occupied by the Insured or any other permanent designated employee of the

Insured in which case such keys if left on the Insureds' premises shall be deposited in a secure place not in the vicinity of the safe or the strong room.

**ADJUSTMENT OF PREMIUM:** This extension provision is applicable only if it is opted by the Insured. The premium in so far as it relates to cash-in-transit is to be regulated by the amount of such Money in transit during each period of insurance and for this purpose a proper record shall be kept in the books of the Insured which the Insured shall at all reasonable times allow the Company to inspect. Within one month from expiry of each period of insurance the Insured shall furnish the Company with a correct account of all such Money in transit during the period and if the ascertained amount shall differ from the estimated amount on which premium has been paid, the difference in premium shall be met by the further proportionate payment to the Company or by a refund to the Insured as the case may be, but in no case shall the refund be more than fifty percent (50%) of the premium stated in the Schedule and retention of premium shall not be less than the minimum of Rs. 250/-.

## **MONEY SECTION - SUPPLEMENTARY CLAUSES AND CONDITIONS**

### **1. MONEY- AUTOMATIC REINSTATEMENT**

Notwithstanding the occurrence of a loss this insurance will remain in force for the full amount insured against each item of the Schedule of Benefits to the Policy (where applicable) or as may be adjusted by endorsement thereto; the Insured agreeing to pay additional premium at the rate at which premium has originally been computed under the policy on the amount of such loss pro rata from the date of damage to the expiry or renewal of the period of insurance.

### **2. MONEY- BUSINESS / WORKING HOURS EXTENDED**

Notwithstanding anything in the Policy to the contrary the insurance by this Policy extends the definition of 'business hours' to be that period of time that the Insured or any Director, Partner or Employee of the Insured is on the premises of the business.

Business hours may be defined as the time mentioned in the corporate guidelines of the Insured.

### **3. MONEY- CLAIM PREPARATION COSTS**

The insurance by this Policy extends to include costs incurred by the Insured in producing and certifying any particulars or details in support of any claim as may be required by the Company in terms of the conditions of the Policy subject to a limit of 5% of the claim amount.

### **4. MONEY- DAMAGE TO CLOTHING / PERSONAL EFFECTS (ASSAULT) CLAUSE**

In consideration of the agreed Premium paid by the Insured, the Company agrees that if any of the Insured or any Director, Partner or Employee of the Insured (hereinafter referred to for the purposes of this Clause as the 'insured person(s)') acting in the course of their authorised employment with the Insured and / or in the interests of the Business of the Insured shall either whilst engaged in the custody within the Insured Premises of Money or whilst engaged in any transit of Money declared hereon sustain loss or damage to their clothing and /or personal effects arising from assault during the course of any Burglary or Housebreaking or Hold-up or theft or any attempt thereat or whilst attempting to thwart such Burglary or Housebreaking or Hold-up or theft that results or would have resulted in an indemnifiable loss or damage under the Policy the Company shall indemnify the insured person(s) for the actual loss and/or damage such indemnity being limited to a maximum of Rs.5,000 or 1% of the claim amount whichever is lower.

Any one occurrence shall for the purposes of this Clause mean loss or damage to clothing and /or personal effects of one or more insured person(s) arising out of a fortuitous event involving one or more instances of assault including repeated exposure to the same general circumstances.

Subject otherwise to the terms, conditions and exceptions of the Policy and endorsements if any thereon.

### **5. MONEY- DEFINITION OF MONEY**

Notwithstanding anything contained in the Policy to the contrary the insurance by this Policy extends to include the following definition of the term 'Money'

Coins, Cash, Bank & Currency notes (including foreign currency) Cheques, Travellers Cheques, Postage and Money Orders unused Postage and Revenue Stamps, Stock and Share Certificates or other Certificates of a negotiable nature, Credit Card Vouchers.

### **6. INFIDELITY COVER CLAUSE**

In consideration of the agreed Premium paid by the Insured, the Company agrees to indemnify the Insured in respect of loss of Money occurring whilst such Money is in transit due to the fraud or dishonesty by the Employee(s) (and not the Insured or any Director or Partner of the Insured) entrusted with the transit of Money provided that

- i. such loss following from fraud or dishonesty is discovered and reported to the Company within 72 hours
- ii. such Employee(s) have not been previously during the course of their employment with the Insured involved in any act of fraud or dishonesty that was known to or discovered by the Insured
- iii. the services/ employment contracts of such Employee(s) are forthwith terminated
- iv. the Insured immediately takes all reasonable steps to apprehend such Employee(s) and secure recovery of the Money
- v. the indemnification shall be limited to the amount set forth in the Schedule as the Limit of Liability in respect of any one occurrence.
- vi. the indemnification due to the Insured under the provisions of this Clause shall stand reduced by the amounts of any monies (including terminal benefits) in the custody of the Insured that are due to such Employee(s) which the Insured is legally entitled to confiscate or appropriate

Any one occurrence shall for the purposes of this Clause mean loss of Money following from one event of fraud or dishonesty involving one or more Employee(s) acting in collusion.

### **7. MONEY-LOSS OR DAMAGE TO SAFES, STRONGROOMS & MONEY RECEPTACLES (INCLUDING DAMAGE TO PROPERTY AND LANDLORDS FIXTURES & FITTINGS)**

The insurance by this Policy extends to include:-

- 1) the cost of repairing the damage to any safe, strongroom or receptacle of money following an 'insured event' whether or not at the time of the occurrence of damage such safe, strong room

or receptacle contained money as defined or otherwise

- 2) the cost of removing and returning such safe or money receptacle from the premises of the Insured to a place of repair as approved by the Company
- 3) the cost of repairing any building, structure or property as a result of the theft of money (as defined) or any attempt of theft or the removal for repair of any safe or money receptacle including damage done to landlords property as a result of the removal or replacement of such safe or receptacle.

All such costs as incurred in terms of the provisions of this clause shall be **in addition** to the sum or sums insured to the Schedule of the Policy but shall be limited to twenty percent (20%) of the collective Claim amount subject to a maximum of Rs 25,000 by the Schedule to the Policy

#### **8. MONEY- MONEY IN OVERNIGHT CUSTODY CLAUSE**

In consideration of the agreed Premium paid by the Insured, the Company agrees to indemnify the Insured for loss of Money by Burglary or Housebreaking whilst such Money is in the overnight custody of the Insured or any Director, Partner or Employee (hereinafter referred to for the purposes of this Clause as the 'insured person(s)') in the course of an insured transit provided that

- such overnight custody of Money arose from business exigencies
- the Money is kept hidden and secured in a locked safe or any other locked container within the usual private residence of the insured person and such private residence is not left unoccupied at any time
- the duration of such overnight custody does not exceed 14 hours (in addition to any intervening holidays when the Banks and/or the Insured's Business are closed) after which the Money must be delivered to the Insured's named Premises or to the Bank
- the indemnification shall be limited to the amount set forth in the Schedule as the Limit of Liability in respect of any one occurrence
- the Company shall not be liable in respect of any loss or damage occurring at the private residence or premises thereof as a consequence of the Burglary or Housebreaking or any attempt thereat.

Any one occurrence shall for the purposes of this Clause mean loss of Money by Burglary or Housebreaking at the private residence of one or more insured persons arising from the same incident that may result in a claim or a series of claims under the provisions of this Clause.

#### **9. MONEY- REPLACEMENT OF KEYS & LOCKS, RECODING OF LOCKING DEVICES (INCLUDING REPAIR)**

The insurance by this Policy extends to include the cost to the Insured of:-

- 1) replacing keys and locks or modifying the locking mechanism to any strongroom, safe or money receptacle in the event of such keys or locks having being stolen
- 2) repairing any locking mechanism (mechanical or electrical) to any strongroom, safe or money receptacle including any alarm devices relating or attached thereto following upon forceable entry; or any attempt thereat to such strongroom, safe or money receptacle
- 3) the recoding of locking devices of any safe, strongroom or receptacle following loss or damage as insured

Provided that:-

- 1) the Company indemnity shall be limited to the cost of replacing any such lock with one of similar quality to that being the subject of the claim
- 2) the Company indemnity shall not exceed fifteen percent (15%) of the claim amount on 'money'
- 3) the Insured shall bear twenty percent (20%) of the cost of each and every claim as insured in terms of the provisions of this clause
- 4) the insurance in terms of the provisions of this clause shall relate to the premises occupied by the Insured only

#### **10. MONEY- TEMPORARY SAFE RENTAL (AND THE INSURANCE THEREOF)**

The insurance by this Policy extends to include the cost to the insured of:-

- 1) hiring a safe of similar size and quality whilst the safe being the subject of a claim is being repaired provided the time required to remove, repair and return such safe to the premises of the Insured exceeds seven (7) consecutive days
- 2) the delivery; and installation of the hired safe on the premises of the Insured and return of such hired safe provided such cost is not included in the cost of the hire agreement as detailed in (a) herein
- 3) the insurance by this clause extends to include the cost of replacing or repairing the hired safe in the event of theft or damage to such safe whilst on hire to the Insured provided there be no other insurance in effect providing insurance following such occurrence
- 4) the indemnity shall not exceed fifteen percent (15%) of the claim amount on 'money'

**11. MONEY- THEFT BY USE OF DUPLICATE KEYS**

The insurance by this Policy extends to include theft of Money as defined following upon the use of duplicate keys to any safe or strong room provided that in such event the Insured shall give categorical proof to the Company that such duplicate key or keys were utilised.

In the event of such loss the Insured shall as soon as possible thereafter have the locking mechanism of such safe or strong room modified or replaced in order to accommodate the use of the replaced keys. In the time period between the theft and the replacement of the locking mechanism or the accommodation of alternative keys the insurance by this Policy shall be suspended insofar as such safe or strong room is utilised.

In the event of loss in terms of the provision of this clause the Company limit of indemnity shall be limited to twenty five percent (25%) of any claim quantified as an amount of loss agreed by the Company.

**12. MONEY- WORLD WIDE TRAVEL**

The insurance by this Policy extends to include the World Wide territorial business activities of the Insured or any Director, Partner or Employee of the Insured for the loss of money following upon:-

- 1) theft following forceable entry to any accommodation or office premises which are being utilised by the Insured or any Director, Partner or Employee of the Insured whilst acting in the interests of the Insured
- 2) hold-up or mugging
- 3) being victim of any hi-jack activity or being taken hostage by any party

In the event of the above occurrences having taken place the Insured or such Director, Partner or Employee of the Insured shall report such event to the Police authorities of the country involved and a reference certificate to such event shall be made available to the Company if so requested.

The Company liability in the event of loss as insured in terms of the provisions of this clause shall be limited to five percent (5%) of the sum insured as stated in the Schedule to the Policy or as endorsed thereon.

**13. MONEY- THEFT FROM UNATTENDED VEHICLE**

The policy is extended to cover theft of money from unattended vehicle provided such was parked in a secured parking area. The maximum indemnity allowed under such extension is 10% of the policy sum insured.

**14. MONEY- RIOT & STRIKE DAMAGE CLAUSE**

It is hereby declared and agreed, subject to the terms, conditions and exclusions contained or endorsed or otherwise expressed in the Policy, that the Policy is

extended to indemnify the Insured in the event of loss of Money insured which is directly caused by:

- 1. The act of any person taking part together with others in any disturbance of the public Peace (whether in connection with a strike or lock-out or not) not being an occurrence mentioned in exclusion (c) and (d) hereinafter.
- 2. The action of any lawfully constituted authority in suppressing or attempting to suppress any such disturbance or in minimizing the consequences of any such disturbance.
- 3. The willful act of any striker or locked-out worker done in furtherance of strike or in resistance to a lock-out resulting in visible physical damage by external violent means.
- 4. The action of any lawfully constituted authority in preventing or attempting to prevent any such act or in minimizing the consequences of any such act.

This insurance does not cover:

- a) Loss of earnings, loss by delay, loss of market share or other consequential or indirect loss or damage of any kind or description whatsoever.
- b) Loss or damage resulting from total or partial cessation of work or the retarding or interruption or cessation of any process or operation or omissions of any kind.
- c) Loss or damage occasioned by permanent or temporary dispossession of business / professional premises mentioned in the Schedule resulting from confiscation, commandeering or requisition by any lawfully constituted authority.
- d) Loss or damage occasioned by permanent or temporary dispossession resulting from the unlawful occupation by any person of the business / professional premises mentioned in the Schedule or prevention of access to the same.

PROVIDED that the Company is not relieved under (c) or (d) above of any liability to the Insured in respect of physical damage to Insured's safe or strong room or cash box at the Insured's business / professional premises mentioned in the Schedule occurring before dispossession or during temporary dispossession.

All other terms, conditions and exclusions of the Policy shall remain unchanged.

**Details of Cover :**

Sr. No.	Risk SI Component	Risk Location address	Description of property insured	Per Sending Limit	Sum Insured (Rs.)
1	Cash In Transit				
2	Cash in safe				
3	Cash in counter				

**Details of Supplementary Clauses & Conditions:**

Sr. No.	Description Of Supplementary Clauses & Conditions	Sum Insured (Rs.)	Premium (Rs.)	Excess / Deductible applicable if any
1				

**CLAUSES, EXTENSIONS AND DEDUCTIBLE**

- \_\_\_\_\_
- \_\_\_\_\_

**SPECIAL CONDITIONS, WARRANTIES AND EXCLUSIONS**

- \_\_\_\_\_
- \_\_\_\_\_

**SECTION V - BAGGAGE SECTION**

In the event of loss of or damage to Baggage due to accident or personal mishap suffered by the Insured whilst on journey, anywhere in the Territorial Limits specified in the Schedule, the Company will indemnify the Insured in respect of such damage up to the actual value of the Baggage at the time of happening of damage or loss but not exceeding the Sums(s) stated in the Schedule in any one period of insurance.

**Interpretation**

**Insured person:** Insured person shall mean the Insured or any director or any permanent employee of the Insured working at the premises stated in the Schedule.

**Journey:** Journey shall mean any business trip undertaken in connection with official purpose outside the city, town or municipal limit of normal place of work of the Insured.

**Baggage:** Baggage shall mean personal goods belonging to the Insured or goods for which he or she is responsible officially and such goods are necessary for the purposes of his journey and are being taken by him or her on journey or acquired by him/her during the journey

In the event of loss of or damage to Baggage due to accident or personal mishap suffered by the Insured whilst on journey, anywhere in the Territorial Limits specified in the Schedule, the Company will indemnify the Insured in respect of such damage up to the actual value of the Baggage at the time of happening of damage or loss but not exceeding the Sums(s) stated in the Schedule in any one period of insurance.

**Exclusions - BAGGAGE EXTENSION**

The Company shall not be liable in respect of

- The Excess stated in the Schedule to be borne by the Insured in any one occurrence.
- Loss of or damage due to cracking, scratching or breakage of lens or glass whether part of any equipment or otherwise or of china, marble, screen and other article of brittle or fragile nature unless such loss or damage arises from accident to vessel, vehicle, train or aircraft by which such Property insured is conveyed.

- Loss of or damage caused by moth, mildew, vermin or any process of cleaning, repairing, dyeing or restoring to which the Property insured is subjected.
- Loss of or damage to any electrical and electronic machines, apparatus fixtures or fitting (including wireless sets, computer, radio, television set and tape recorders) arising from over running, excessive pressure, short circuiting, arcing, self heating or leakage of electricity from whatever cause (lightning included).
- Loss of or damage caused by mechanical derangement or over winding of watches and clocks.
- Theft from car except from car of fully enclosed saloon type having all doors, windows and other openings securely locked and properly fastened.
- Loss of or damage whilst being conveyed by any carrier under contract of affreightment.
- Damage to money, foreign exchange, securities, manuscripts, deeds, bonds, bills of exchange, promissory notes, stock or share certificates, stamps, business books or documents, jewellery, watches, furs, precious metals, precious stones, gold or silver ornaments or any other valuables including cash, cheque, travel tickets, bank drafts, share certificates and stamps.
- Loss or damage to the perishable and consumable goods
- Loss of articles like fans, umbrellas, sun glasses, sticks in use on the voyage and articles or clothes whilst being worn on the person of the Insured or carried about.
- Damage due to confiscation or detainment by the order of any Govt. or any other public authority.
- Loss or Damage not reported to local Police where the loss occurred, within 24 hours of discovery and a written report is obtained from such authority.
- Damage or destruction caused by or arising from the leakage, spilling or exploding of liquids, oils or material of like nature or articles of a dangerous or damaging nature.

**BAGGAGE - SUPPLEMENTARY CLAUSES AND CONDITIONS****1. BAGGAGE- WORLDWIDE GEOGRAPHICAL EXTENSION****Details of Cover:**

Sr. No.	Description of property insured	Sum Insured (Rs.)
1		

**Details of Supplementary Clauses & Conditions**

Sr. No.	Description Of Supplementary Clauses & Conditions	Sum Insured (Rs.)	Premium (Rs.)	Excess / Deductible applicable if any
1				

## CLAUSES, EXTENSIONS AND DEDUCTIBLE

1. \_\_\_\_\_
2. \_\_\_\_\_

## SPECIAL CONDITIONS, WARRANTIES AND EXCLUSIONS

1. \_\_\_\_\_
2. \_\_\_\_\_

### SECTION VI - INFIDELITY/DISHONESTY OF EMPLOYEES SECTION

The Company will indemnify the Insured against any direct pecuniary loss sustained by any reason of any act of fraud/dishonesty committed by any Employee of the Insured on or after the date of commencement of this policy and during uninterrupted service with the Insured and discovered during the continuance of this Policy or within twelve calendar months of the expiration thereof and in the case of death, dismissal or retirement of the Employee within the period the aforesaid events shall first happen

Provided Always That :

- 1) The liability of the Company shall not exceed
  - a) in respect of any Employee of the Insured the amount of guarantee stated against his name or against the relevant category of Employee in the Schedule.
  - b) in respect of all claims under this Policy the total amount of guarantee
- 2) If this Policy shall be continued in force for more than one period of indemnity or if any liability shall exist on the part of the Company under this Policy and also under any other policy in respect of fraud or dishonesty of the Employee, the liability of the Company hereunder shall not be accumulated or increased thereby but the aggregate liability of the Company during any number of periods of indemnity and for any number of acts of fraud or dishonesty committed by the Employee shall not exceed the amount of guarantee hereunder or the amount of guarantee under any other such policy as aforesaid whichever is greater.
- 3) The Company shall not be liable to pay more than one claim in respect of the acts of any one of the Employees.
- 4) The loss shall have occurred in connection with occupation and duties of the Employee

#### Exceptions - INFIDELITY/DISHONESTY OF EMPLOYEES

- 1) The Company shall not be liable in respect of losses arising elsewhere than in the Territorial Limits stated in the Schedule.
- 2) The Company shall not be liable for losses not sustained within a retroactive period not exceeding two years from the date of discovery of any such loss(es). It is understood that in such retroactive period the insurance was continuously in force and the Company will not be liable to pay any claim in respect of loss sustained prior

to the inception of the original policy. It is further understood that losses which become payable under this clause shall be subject to the terms, conditions, exceptions of the policy in force as on the date of discovery.

#### Definitions

- 1) The term "Insured" wherever appearing in this section means any person, partnership firm or any body of persons whether incorporated or not with whom the employee who is included in the schedule attached hereto has a contract of service.
- 2) The term "Employee" wherever appearing in this policy means any person (other than a person whose employment is of a casual nature and who is employed otherwise than for the purpose of the Insured's trade or business) who has entered into a contract of employment with the Insured, whether such contract of employment is expressed or implied, oral or in writing.

#### Special Conditions - INFIDELITY/DISHONESTY OF EMPLOYEES

1. On the discovery of any act of default or circumstances which may give rise to a claim, the Insured shall:
  - a) forthwith give written notice to the Issuing Office of the Company.
  - b) immediately take all steps to prevent further loss;
  - c) supply at the request of and free of expense to the Company all such proof, information and other evidence (verified by statutory declaration if so required) relating to the claim as the Company may require.
2. If the Insured is or shall hereafter be guaranteed by any other person, society or company or hold other security or insurance against such loss as is hereby guaranteed, the Company shall only be liable to bear the loss rateable with such person, society or company or securities or insurance.
3. Any money of the Employee in the hands of Insured and any money which but for the Employee's dishonesty would have been due to the Employee from the Insured shall be deducted from the amount otherwise payable under this Policy. Any money recovered after the settlement of any claim shall be the property of the Company, not exceeding however the amount paid by the Company.
4. The Insured shall if and when required by the Company but at the expenses of the Company use all diligence in prosecuting any of the Employee(s) to conviction for any act which such Employee shall have committed and in consequence of which a claim has been made under such Policy and shall at the Company's expense give all information and assistance to enable the Company to sue for and obtain reimbursement from any such Employee by reason of whose acts or defaults a claim has been made or money which the Company shall have become liable to pay in respect thereof.



5. Unless the Company be advised by the Insured and the Company's written approval be obtained the Company shall not be liable hereunder in the event of any change in the nature of the business of the Insured or in the duties and condition of service of the Employee or if remuneration of the Employee be reduced or its basis altered or if the precautions stated by the Insured with regard to accounting be not duly followed or if the Insured shall continue to entrust the Employee with money or goods after having knowledge of any material fact bearing on the honesty of the Employee.
6. If any part of the premium or renewal is based on estimates furnished by the Insured, the Insured shall keep an accurate record containing all relevant particulars and shall allow the Company to inspect such record. The Insured shall within one month after the expiry of each period of insurance furnish such information as the Company may require. The premium or renewal premium shall thereupon be adjusted and the difference paid or allowed to the Insured
7. If required by the Company, the agent or representative of the Company shall in case of any loss to the Insured be permitted at all reasonable times to examine into the circumstances of such loss and the Insured shall on being required to do so by the Company produce all books of accounts, receipts, documents relating to or containing entries relating to the loss in his possession and furnish copies of or extracts from such of them as may be required by the Company so far as they relate to such claims and will in any way assist the Company to ascertain the correctness thereof or the liability of the Company under this Policy.
8. The Company shall be entitled at its own expense and for its own benefit in the name of the Insured to prosecute all claims and exercise all right or action available to the Insured against the Employee in respect of any act insured against in connection with which it may have made payment under this policy and the Insured shall give to the Company all such information and assistance as may be reasonably required for maintaining such claims or rights.
9. For the purpose of identifying Employee in all cases of change of residence or occupation or change of name whether by marriage or otherwise due notice thereof in writing shall be given by the Insured to the Company.

## **INFIDELITY/DISHONESTY OF EMPLOYEES SECTION – SUPPLEMENTARY CLAUSES AND CONDITIONS**

### **1. FG- EXTENDED COVER FOR PAST EMPLOYEES**

The indemnity provided by this insurance extends to include any claim as Insured which may arise after any employee has terminated their services to the Insured or whose services have been terminated by the Insured and for which loss (as insured) may be directly associated with such employee and provided that the period of time for the determination of such loss shall be

within 12 (twelve) months after the termination of service to the Insured by such employee.

### **2. FG- ACCOUNTANTS & AUDITORS**

Any particulars or details contained in the Insured's books of account or other business books or documents which may be required by the Company for the purpose of investigating or verifying any claim may be produced and certified by the Insured's Auditors or professional Accountants and their certificate shall be prima facie evidence of the particulars and details to which it relates.

### **3. FG- ALTERATION OF SYSTEMS**

It is a condition precedent to the Company's liability that the precautions and checks for securing the accuracy of accounts and stock records may be changed by the Insured provided such alternative method or system for securing accuracy of accounts and stock control has been approved by the Insured's financial director or a senior person acting in similar capacity or by the Insured's appointed Auditors and Accountants.

### **4. FG- AUTOMATIC REINSTATEMENT**

Notwithstanding the occurrence of a loss this insurance will remain in force for the full amount insured against each item of the Schedule to the Policy (where applicable) or as may be adjusted by endorsement thereto; the Insured agreeing to pay additional premium on the amount of such loss pro rata from the date of damage to the expiry or renewal of the period of insurance.

### **5. FG- CLAIMS PREPARATION COSTS & AUDIT FEES (INCLUDING COMPUTER SYSTEM CERTIFICATION)**

The insurance by this Policy extends to include the costs incurred by the Insured in producing and certifying any particulars or details in support of any claim as may be required by the Company in terms of the conditions of the Policy.

Should it be required to conduct an independent audit together with the certification of computer systems and records following the intervention of such by the person or persons responsible for the loss then the insurance by the provision of this clause shall provide an indemnity to the Insured for such cost provided that such cost shall not exceed ten percent (10%) of the claim paid or payable by the Company.

### **6. FG- COSTS OF RECOVERY FOLLOWING SUBROGATION TO THE COMPANY (BY THE COMPANY)**

In the event of the Insured subrogating their rights to the Company following the payment of a claim as determined by the provisions of the Policy and upon the Company proceeding against the person or persons responsible for the loss as paid by the Company; then the Company agrees to proceed in the full amount of the Insured's loss even if such loss shall be in excess of the amount of the indemnity paid by the Company and upon

the recovery of such amount the Company will make payment to the Insured of the difference between the amount recovered and the amount which the Company paid to the Insured as indemnity for the loss; less the pro rata amount of the cost of such recovery by the Company as the amount paid by the Company to the Insured in settlement of the claim bears to the total amount recovered by the Company after due consideration for the recovery of legal costs and expenses.

**7. FG- COSTS OF RECOVERY (BY THE INSURED FOR LOSS IN EXCESS OF THE SUM INSURED)**

In the event of the Insured proceeding against the person or persons responsible for a loss in excess of the indemnity made by the Company or the sum insured; then the Insured by written agreement of the Company may proceed for the recovery of the difference in the amount of loss or sum insured and the indemnity made by the Company; at the expense of the Company provided such expenditure is limited to ten percent (10%) of the amount of the claim paid to the Insured by the Company as indemnity for such loss.

Provided that in the event of the Insured being successful in the recovery or partial recovery of such amount then the Company shall indemnify the Insured for such additional cost as the additional costs of recovery shall bear to the indemnity made by the Company for the loss as such bears to the total amount of recovery within the 10% limitation as determined herein. (explanation: the additional costs for recovery divided by the total amount of indemnity made by the Company multiplied by the additional amount of recovery made by the Insured).

**8. FG- COST OF RECTIFYING ACCOUNTING & COMPUTER RECORDS & PROGRAMMES**

Following upon any event for which the Company have agreed to make payment of a claim in terms of the provisions of the Policy the insurance by the provisions of this clause extends to indemnify the Insured for the cost of rectifying accounting and computer records following upon the falsification or manipulation of data or accounting entries; provided the Company's indemnity is limited to fifteen percent (15%) of the claim paid by the Company in the first instance.

**9. FG- CREDIT / DEBIT CARD (FRAUDULENT USE OF)**

The insurance by this Policy extends to indemnify the Insured in the event of any permanent employee of the Insured fraudulently making use of any credit or petrol card

Provided that:-

- i. upon the loss or mislocation of such card by the person or persons authorised to make use of such card the credit facility granted by the use of such card shall be cancelled immediately
- ii. the Company's liability shall be limited to the

amount by which the Insured has been defrauded which corresponds to a thirty (30) day time period commencing with the date on which the card was first fraudulently utilised

- iii. the Insured shall bear twenty percent (20%) of each and every loss as insured by the provisions of this clause

The limit of indemnity by the provision of this clause is ten percent (10%) of the sum insured as shown in the Schedule to the Policy or as endorsed thereon within any period of insurance.

**10. FG- DISCRETION IN REPORTING TO POLICE (PERIOD OF GRACE AND SUCCESSFUL RECOVERY)**

In the event of the discovery by the Insured of any insured loss in terms of the Policy for which the Insured intends claiming indemnity from the Company the Insured; notwithstanding anything contained to the contrary in the Policy conditions or any other clause to this Policy and with the consent of the Company; may refrain from reporting such matter to the police or any other authority as may be required by the law to which the territorial requirements of this insurance are applicable; however upon the insistence of the Company to have such matter reported to the police or any other authority then in order to qualify a potential claim the Insured shall comply with such requirement immediately.

In the event of the Company making allowance for the discretion of the Insured in reporting a potential claim to the police (or similar authority) the Company may make payment of a claim subject to the successful establishment of their subrogation rights and attachment and sale of the property of the guilty persons or persons in the recovery (or part recovery) of the loss.

**11. FG- SUBROGATION WAIVER (CONTRACTING PARTIES)**

The insurance by this Policy shall not be prejudiced in the event of the Insured signing any agreement with any contracting party which conducts a permanent service in the interests of the Insured whereby the subrogation rights of the Company is limited or invalidated as a result of the Insured signing such an agreement; however the Company subrogation rights shall remain in effect insofar as the Company may proceed against the person or persons in the employment of such contracting parties being responsible for any loss as insured and for which the Company have indemnified the Insured in the total amount of the loss or otherwise.

**12. FG- UNIDENTIFIABLE EMPLOYEES (LOSS AS A RESULT OF)**

In the event of a loss as insured by this Policy and consequent upon the requirements giving rise to the definition of 'loss' it being found that the identification of an employee or employees for such loss are not

identifiable then subject to the following provisions the Company shall indemnify the Insured for the resulting loss:-

- i. the Insured shall give adequate proof which shall be confirmed by their auditors or any other auditor appointed by the Company that the loss as insured could not have been caused by anyone other than a person or persons in the Insured's permanent employment or such person or persons who may have left their employment within three (3) months prior to the identification of the loss
- ii. the Insured shall immediately upon the detection of such loss change any accounting or administrative procedure relative to such loss in order to prevent further loss or possibility of loss following the events of similar occurrence
- iii. irrespective of any clause or provision of cover to the insurance by this Policy the Insured shall notify the Police authorities of the respective area of jurisdiction to which this insurance is applicable; of the loss being the subject matter of the claim.
- iv. In the possible event of the detection of such employee or employees and whether at the time of detection they shall be employed by the Insured or not; the Insured shall immediately prosecute such employee or employees irrespective of their position of employment or past employment and shall notify the Company of their identity and locality (if possible)

Should the Company have made payment of a claim as Insured in terms of the provisions of this clause and should the Insured not have complied with the aforesaid conditions which are a condition precedent and subsequent to the payment of a claim then the Company shall upon demand on the Insured be entitled to repayment of the amount paid to the Insured inclusive of interest on such amount for the time period for which the Insured had use of the money paid by the Company at an interest rate equivalent to the overdraft rate afforded to the Company by their bank at such time

### 13 FG- CONTRACTUAL/OFF ROLL EMPLOYEE COVER

In consideration of the payment of additional premium, this policy extends to cover any person engaged in the service of insured in the ordinary course of the insured's business and whom the insured compensates by wages and/or commission and has the right to govern and direct in the performance of such services.

It also includes i) part time or temporary employee ii) any individual / individuals assigned to perform employee duties for the insured by any agency furnishing temporary personnel on a contingent part time basis provided however, that this policy does not cover any loss caused by such individual if such loss is covered by an insurance or surety ship held by the agency furnishing such temporary personnel to the insured.

### Details of Cover:

Sr. No.	Description of employees insured	Sum Insured (Rs.)
1		

### Details of Supplementary Clauses & Conditions

Sr. No.	Description Of Supplementary Clauses & Conditions	Sum Insured (Rs.)	Premium (Rs.)	Excess/ Deductible applicable if any
1				

### CLAUSES, EXTENSIONS AND DEDUCTIBLE

1. \_\_\_\_\_
2. \_\_\_\_\_

### SPECIAL CONDITIONS, WARRANTIES AND EXCLUSIONS

1. \_\_\_\_\_
2. \_\_\_\_\_

### SECTION VII - PUBLIC LIABILITY SECTION

The Company will indemnify the Insured against their legal liability (other than liability under the Public Liability Insurance Act, 1991 or any other Statute based on the doctrine of "No Fault liability") to pay compensation including claimant's costs, fees and expenses anywhere in India, in accordance with Indian Law.

### INDEMNITY:

The indemnity only applies to claims arising out of accidents occurring in the insured premises during the period of insurance first made in writing against the Insured during the policy period and the Insured is indemnified against all sums subject to limit of indemnity chosen by Insured which the Insured shall become legally liable to pay for and/or arising out of Injury and/or Damage but only against claims arising out of or in connection with the business specified in the Schedule and not against claims arising out of or in connection with:-

1. Pollution howsoever caused
2. Any product.

For the purpose of determining the indemnity granted :

1. 'Injury' means death, bodily injury, illness or disease of or to any person;
2. 'Damage' means actual and/or physical damage to tangible property;
3. 'Pollution' means pollution or contamination of the atmosphere or of any water, land or other tangible property;
4. 'Product' means any tangible property after it has left the custody or control of the Insured, which has been designed, specified, formulated, manufactured,

constructed, installed, sold, supplied, distributed, treated, serviced, altered or repaired by or on behalf of the Insured but shall not mean food and beverages supplied by or on behalf of the Insured primarily to the Insured's employees as a staff benefit.

- 'Accident' means a fortuitous event or circumstance which is sudden, unexpected and unintentional including resultant continuous, intermittent or repeated exposure arising out of the same fortuitous event or circumstance.

**Exclusion:**

The Company shall not be liable for

- 0.25% of the limit of Indemnity for any one Accident subject to a minimum of Rs.25,000/- .

Any compensation for death of or bodily injury to any member of Insured person's family, partners, managerial staff, employees, contractor's employees or damage to property belonging to or in the custody of or control of Insured or Insured person's family, partner, director, managerial staff, employees and contractor's employees.

- Injury or Damage caused by or resulting from anything sold, supplied, installed, erected, repaired, altered or treated and/or due to professional advice rendered by the Insured or by any person on behalf of the Insured other than food or beverages sold or supplied by the Insured as a service to the employees or visitors for consumption in the office through Canteen/outside suppliers.
- Liability arising from use of any motor vehicle or pedal cycle.
- Liability assumed by the Insured by agreement and which would not have attached in the absence of such agreement.
- Liability arising out of all personal injuries such as libel, slander, false arrest, wrongful eviction, wrongful detention, defamation etc. and mental injury, anguish, or shock resulting therefrom; liability more specifically insured elsewhere.
- Liability for infringement of plans, copy-right, patent, trade name, trade mark, registered design;
- Liability arising out of fines, penalties, punitive or exemplary damages or any other damages resulting from the multiplication of compensatory damages.
- damage to property owned leased or hired or under hire-purchase or on loan to the Insured or otherwise in the Insured's care custody or control other than the
  - employees' and visitors' clothing and personal effects.
  - premises tenanted by the Insured to the extent that the Insured would be held legally liable in the absence of any specific agreement.
- liability more specifically insured elsewhere.

**Details of Cover:**

Sr. No.	Description of property insured	Sum Insured (Rs.)
1		

**Details of Supplementary Clauses & Conditions**

Sr. No.	Description Of Supplementary Clauses & Conditions	Sum Insured (Rs.)	Premium (Rs.)	Excess/ Deductible applicable if any
1				

**CLAUSES, EXTENSIONS AND DEDUCTIBLE**

- \_\_\_\_\_
- \_\_\_\_\_

**SPECIAL CONDITIONS, WARRANTIES AND EXCLUSIONS**

- \_\_\_\_\_
- \_\_\_\_\_

**SECTION VIII - EMPLOYEES COMPENSATION SECTION**

Notwithstanding anything contained in the Policy or any of its Endorsements or SECTIONS hereto, it is agreed and declared that in consideration of the agreed premium being paid by the Insured to the Company the following Coverage Section is included under the Policy effective the date stated herein. Subject to the terms and provisions including the General Conditions and General Exclusions of the Policy and all endorsements thereon.

Now this policy witnesseth, subject to the terms exceptions and conditions contained herein or endorsed hereon, that if at any time during the **Period of Insurance** any **Employee or Employees of the Insured** shall sustain **Injury** by accident arising out of and in the course of his employment in the **Business**, for which the **Insured** is liable to pay compensation under any Law(s) specified in the **Schedule**, then the Company shall indemnify the **Insured** up to the **Limit of Indemnity** against all sums for which the **Insured** shall be so liable, including costs and expenses for defending any such claim incurred with the Company's consent.

PROVIDED ALWAYS that in the event of any change in the Law(s) or the substitution of other legislation therefore, this **Policy** shall remain in force but the liability of the Company shall be limited to such sum as the Company would have been liable to pay if the Law(s) had remained unaltered.

**DEFINITIONS**

This SECTION, the **Schedule** and any Clauses thereon shall be considered one document and any word or expression to which a specific meaning has been attached in Definitions bears that specific meaning wherever it appears in this Policy in bold typeface.

**Business** means the Business of the **Insured** as specified in the **Schedule** in respect of which this Policy is issued.

**Injury** means physical bodily injury including death resulting from such injury arising out of an accident but does not include any mental sickness, disease, **Occupational Disease**, unless caused by such physical bodily injury.

**Insured** means the person or organization specified in the Policy **Schedule** but does not include their Contractors or Sub Contractors.

**Occupational Disease** means any occupational disease or illness including but not limited to the diseases listed under Schedule III of the Employees' Compensation Act, 1923 contracted by an **Employee** due to employment in the **Business**.

**Wages** means the remuneration payable to an **Employee** by the **Insured** for the employment in the **Business** and includes any privilege or benefit which is capable of being estimated in money other than a travelling allowance or the value of any travelling concession or a contribution paid by the employer of an employee towards any pension or provident fund or a sum paid to an employee to cover any special expenses entailed on him by the nature of his employment;

**Employee or Employees** means such person or persons in direct employment under the **Insured** in the **Business**, but shall not include any person employed under a Contractor or Sub-Contractor of the **Insured** unless specifically shown as covered in the **Schedule and by an endorsement**.

**Schedule** means the Schedule attached to and forming part of this **Policy**.

**Period of Insurance** means the period for which this insurance is availed by the **Insured** as specified in the **Schedule**, unless cancelled earlier.

**Limit of Indemnity** means the maximum amount of indemnity as specified in the **Schedule** that will be provided under this Policy by the Company in respect of

- a) any particular claim by an **Employee** and
- b) all claims arising out of all accidents for any number of **Employees** during the **Period of Insurance**

## EXCLUSIONS

This Policy shall not cover liability of the **Insured**:

- a) For **Injury** caused to **Employee** by accident directly or indirectly caused by or arising from or in consequence of or attributable to war, invasion, act of foreign enemy, hostilities (whether war be declared or not) civil war, mutiny, insurrection, rebellion, revolution or military or usurped power, nuclear weapons material, ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel.
- b) Accident occurring at any other place than the Place or Places of Employment specified in the **Schedule**, unless the **Employee** was at such other place whilst on duty for the purpose of the **Business** and on the directions of

the **Insured** or any of its official authorized to exercise control and supervision over the **Employee**.

- c) For **Occupational Diseases** contracted by an **Employee**
- d) For interest and/or penalty imposed on the **Insured** under any law or otherwise.
- e) Under any Law for medical expenses in connection with treatment of any **Injury** sustained by an **Employee**
- f) For persons employed in the **Business** under a Contractor or Sub-Contractor of the **Insured** unless specifically covered in the **Schedule**
- g) For **Injury** sustained by person whilst in the employ of the **Insured** otherwise than in the **Business** and/or who has is not declared for insurance under this Policy.
- h) Assumed by agreement which would not have attached in the absence of such agreement
- i) For any sum which the **Insured** would have been entitled to recover from any party but for an agreement between the **Insured** and such party.
- j) For any accident occurring whilst the **Employee** is under the influence of intoxicating liquor or drugs.
- k) For any incapacity or death of an **Employee** resulting from his/her deliberate self-injury or the deliberate aggravation of an accidental **Injury**.

## CONDITIONS

1. **The Contract:** This **SECTION** and the **Schedule** shall be read together as one contract and any word defined herein and shown in bold shall bear such specific meaning wherever it may appear in the **Policy** or the **Schedule**.
2. **Due Observance:** The due observance and fulfilment of the terms, conditions and endorsements of this **SECTION** so far as they relate to anything to be done or not to be done by the **Insured** shall be condition precedent to any liability of the Company to make any payment under this **SECTION**.
3. **Mis-representation/Non-Disclosure:** This Policy shall be void in the event of any mis-representation or non-disclosure in the Proposal and the **Insured** is deemed to warrant the truth and accuracy of the statements and answers in the Proposal which form the basis of this Policy.
4. **Written Communication:** Every notice or communication to be given or made under this **Policy** shall be delivered in writing to the Company.
5. **Safeguards:** The **Insured** shall take reasonable precautions to prevent accidents and disease and shall comply with all statutory obligations, manufacturer's recommendations and other safety regulations in conduct of the **Business**.
6. **Claim Intimation:** In the event of any occurrence which may give rise to a claim under this **SECTION** the **Insured** shall as soon as possible, and in any case within a period of thirty days of such occurrence, give notice thereof to

the Company in writing with full particulars. Every letter claim writ summons and process shall be notified to the Company immediately on receipt. Notice shall also be given to the Company immediately the **Insured** shall have knowledge of any impending prosecution inquest or fatal enquiry in connection with any such occurrence as aforesaid.

7. **Company's Rights After Loss:** No admission offer promise or payment shall be made by or on behalf of the **Insured** without the consent of the Company which shall be entitled, without being obliged to do so, if it so desires to take over and conduct in his name the defence or settlement of any claim or to prosecute in his name for its own benefit any claim for indemnity or damages or otherwise and shall have full discretion in the conduct of any proceedings and in the settlement of any claim and the **Insured** shall give all such information and assistance as the Company may require.

8. **Declaration of Employees and Wages:** It is clearly agreed and Understood that the **Insured** shall be bound at all times to declare all **Employees** and **Wages** payable in respect of such **Employees** on the basis of which the Premium for this Policy is calculated.

In case of increase in **Employees** or **Wages** subsequent to insurance, **Insured** shall keep the Company intimated and obtain Endorsement by payment of necessary additional premium.

The **Insured** shall as and when require by the Company permit inspection of its records to verify the **Wages** and **Employees** and shall also provide duly authenticated copies thereof if so required the Company.

9. **Average:** Notwithstanding anything contained hereinabove,

(i) a) If the number of **Employees** (whether on duty or otherwise) employed by the **Insured** on the date of accident is higher than the number covered under this Policy, the Company shall indemnify **Insured's** liability arising out of such accident, only in such proportion that the number of **Employees** covered bears to the **Employees** found employed on the date of accident.

b) If the amount of **Wages** declared for this insurance for all **Employees** is less than the actual **Wages** paid until date of accident, the Company shall be liable to indemnify on any claim only in proportion that the **Wages** declared bears to the **Wages** paid. For the purpose of this clause, the **Wages** declared shall be calculated proportionately for the period from commencement of Policy until date of accident for comparison with the actual **wages** paid during such period to determine applicability of this clause.

c) If the liability of the **Insured** for any claim by an **Employee** is determined on the basis of **Wages** higher than covered under this Policy, the Company shall be liable to indemnify only in proportion that the **Wages** covered under the Policy for the **Employee/Employees** bears to the **Wages** on the basis of which **Insured** is held liable. For the purpose of this clause, the **Wages** covered in respect of any **Employee** shall be deemed to be the average wage per **Employee** in the category under which the **Employee** falls as specified in the **Schedule**, unless actual **Wages** paid at the time of accident is substantiated by submission of documentary evidence to the Company.

(ii) If more than one of the above clauses is found applicable in respect of a claim, only such clause under which the liability of the Company is least shall be applied.

10. **Maintenance of record of Employees/Wages:** The **Insured** undertakes to maintain an accurate record of the **Employees** and **Wages** in respect of the **Business** throughout the **Period of Insurance**, in compliance with all statutory requirements or otherwise, and allow the **Company** to inspect such records during or upon expiry of this **Policy**.

11. **Contribution:** If at the time of the happening of an accident covered by this **Policy** there shall be any other insurance covering the same risk in respect of the **Employee** whether or not effected by the **Insured**, then the Company shall not be liable to contribute more than its rateable proportion of the amount that would otherwise be payable under this Policy.

Multiple policies involving Bank or other lending or financing entity -

In case there is more than one insurance policy issued to the customer/ policyholder covering the same risk, the Company will not apply contribution clause. Underinsurance will be applied on an overall basis taking into consideration the sum insured under all policies and comparing it with value at risk.

12. **Cancellation:** The **Insured** may cancel this **Policy** by sending at least 15 days written notice to the **Company** and in such event the premium shall be adjusted in accordance with Condition 8 above.

**Company** also reserves the right to cancel this **Policy** immediately upon becoming aware of any misrepresentation, fraud, non-disclosure of material facts or non-cooperation by or on behalf of the **Insured**; the **Company** is not obliged to refund the premium already paid under the **Policy**.

Notice of cancellation will be mailed to the **Insured** last known address. If notice of cancellation is mailed, proof of mailing will be sufficient proof of notice.

13. **Forfeiture:** If the **Insured** shall make any claim or connive in the making of any claim, knowing the claim to be false or fraudulent, the **Policy** shall become void and all claims will stand forfeited.
14. **Subrogation:** In the event of any payment under this Policy, the Company shall be subrogated to the extent of such payment to all the Insured's rights of recovery and the Insured shall execute all papers required and shall do everything necessary to secure and preserve such rights, including the execution of such documents necessary to enable the Company effectively to bring suit in the name of each Insured.
15. **Alteration and Assignment:** No change in, modification of, or assignment of interest under this **Section** shall be effective except when made by a written endorsement to this **Policy** which is signed by an authorised employee of the **Company**.
16. **Arbitration:** The parties to the contract may mutually agree and enter into a separate Arbitration Agreement to settle any and all disputes in relation to this policy. Arbitration shall be conducted under and in accordance with the provisions of the Arbitration and Conciliation Act, 1996.
- b) It is clearly agreed and understood that no reference to arbitration can be made if the **Company** has either not admitted or has disputed liability in respect of any claim under or in respect of this **Policy**.
- c) In the event that these arbitration provisions shall be held to be invalid then all such disputes or differences shall be referred to the exclusive jurisdiction of the Indian Courts.
- d) It is further expressly agreed and declared that if the **Company** shall disclaim liability in respect of any claim and is not within 12 calendar months from the date of such disclaimer be made the subject matter of a suit or proceeding before a Court of law or any other forum, it shall for all purposes be deemed to have been abandoned and shall not thereafter be recoverable hereunder.
17. **Law and Jurisdiction:** It is hereby declared and agreed that this contract of insurance and all claims there under shall be governed by Indian Law and any legal proceeding in respect thereof shall be raised a competent court of India. All claims shall be paid in Indian Rupees only.

**Details of Cover:**

Sr. No.	Description of employees insured	Sum Insured (Rs.)
1		

**Details of Supplementary Clauses & Conditions**

Sr. No.	Description Of Supplementary Clauses & Conditions	Sum Insured (Rs.)	Premium (Rs.)	Excess/ Deductible applicable if any
1				

**CLAUSES, EXTENSIONS AND DEDUCTIBLE**

- \_\_\_\_\_
- \_\_\_\_\_

**SPECIAL CONDITIONS, WARRANTIES AND EXCLUSIONS**

- \_\_\_\_\_
- \_\_\_\_\_

**Condonation of Delay:**

The Company may condone delay on merit where it is proved that delay in reporting of claim or submission of claim documents is due to reasons beyond the control of the insured. Notwithstanding the above, delay in reporting of claim or submission of claim documents due to reasons beyond the control of the insured shall not be condoned where such claim even if reported in time would in any which ways be rejected.

**Claims Process:**

In the event of loss of an insured event the insurance company must be informed immediately. Our contact details are as follows:

**HDFC ERGO General Insurance Co. Ltd.**  
**6th Floor, Leela Business Park,**  
**Andheri Kurla Road, Andheri (E),**  
**Mumbai - 400059**  
**Contact - 022 6234 6234**

While Intimation of claim, Insured has to provide relevant information which includes Policy details and Loss details (viz. Loss Location, Contact Details, Details of Loss / Accident) Based on the details provided Claim will be registered and Claim No. will be provided to the Insured.

After registration, Claims officer will appoint the Surveyor within 24 hrs.

- An acknowledgement with respect to the claim intimation is given to the insured, once we are in receipt of any claim intimation from the insured.
- Based on the information submitted in the claim intimation letter, if required, we may procure more information from the insured depending on the facts mentioned therein. Upto the satisfaction of the Company.
- Surveyor / Investigator may be appointed if required.
- Apart from surveyor/investigator, opinions of legal experts are sought, if required.
- Based on the investigation and documentations provided, the decision with respect to the claim would be taken and accordingly conveyed to the insured (vide written communication)

Processing of Claim: The documents generally required for processing of claims are:

1. Policy/Underwriting documents.
2. Survey Report with Photographs
3. Claim Form, duly completed.
4. Log book / Asset register / Capitalized item list
5. Repair / Replacement invoices with receipt
6. All Applicable valid Certificates

7. Any other relevant documents required based on type of loss

8. KYC documents

Apart from above Standard documents some other documents may be called for based on the nature of claim. Any other document as may be necessary and appropriately applicable for the claims preferred under the different sections of the policy.

### **Grievance Redressal Procedure**

If you have a grievance that you wish us to redress, you may contact us with the details of your grievance through:

Our Grievance Redressal Officer

- Call Centre - 120 6234 6234 / 022-6234 6234
- Emails – grievance@hdfcergo.com
- Contact Details for Senior Citizens: 022 6242 6226 | Email ID: seniorcitizen@hdfcergo.com Designated Grievance Officer in each branch.
- Company Website – www.hdfcergo.com
- Courier - Any of our Branch office or corporate office

You may also approach the Complaint & Grievance (C&G) Redressal Cell at any of our branches with the details of your grievance during our working hours from Monday to Friday.

If you are not satisfied with our redressal of your grievance through one of the above methods, you may contact our Head of Customer Service at

**The Complaint & Grievance Redressal Cell,  
HDFC ERGO General Insurance The Company Ltd.  
D-301, 3rd Floor, Eastern Business District (Magnet Mall),  
LBS Marg, Bhandup (West),  
Mumbai – 400078, Maharashtra**

In case you are not satisfied with the response / resolution given / offered by the C&G cell, then you can write to the Chief Grievance Officer of the Company at the following address

**To the Chief Grievance Officer  
HDFC ERGO General Insurance The Company Limited  
D-301, 3rd Floor, Eastern Business District (Magnet Mall),  
LBS Marg, Bhandup (West),  
Mumbai - 400078, Maharashtra  
e-mail: cgo@hdfcergo.com**

Grievance may also be lodged at IRDAI Integrated Grievance Management system- <https://bimabharosa.irdai.gov.in>

You may also approach the nearest Insurance Ombudsman for resolution, if your grievance is not redressed by the Company. The contact details of Ombudsman offices are below if your grievance pertains to:

- Insurance claim that has been rejected or dispute of a claim on legal construction of the policy
- Delay in settlement of claim
- Dispute with regard to premium
- Non-receipt of your insurance document

You may also refer Our website [www.hdfcergo.com](http://www.hdfcergo.com) <https://www.hdfcergo.com/customer-voice/grievances> for detailed grievance redressal procedure.



The contact details of the Insurance Ombudsman offices are as below-

<b>NAMES OF OMBUDSMAN AND ADDRESSES OF OMBUDSMEN CENTERS</b>	
<b>Office Details</b>	<b>Jurisdiction of Office (Union Territory, District)</b>
<p><b>AHMEDABAD</b>  <b>Office of the Insurance Ombudsman,</b>                      Jeevan Prakash Building, 6th floor,                      Tilak Marg, Relief Road,                      Ahmedabad – 380 001.                      Tel.: 079 - 25501201/02                      Email: bimalokpal.ahmedabad@cioins.co.in</p>	<p>Gujarat,                      Dadra &amp; Nagar Haveli,                      Daman and Diu</p>
<p><b>BENGALURU</b>  <b>Office of the Insurance Ombudsman,</b>                      Jeevan Soudha Building, PID No. 57-27-N-19                      Ground Floor, 19/19, 24th Main Road,                      JP Nagar, 1st Phase,                      Bengaluru – 560 078.                      Tel.: 080 - 26652048 / 26652049                      Email: bimalokpal.bengaluru@cioins.co.in</p>	<p>Karnataka</p>
<p><b>BHOPAL</b>  <b>Office of the Insurance Ombudsman,</b>                      1st floor,"Jeevan Shikha",                      60-B,Hoshangabad Road, Opp. Gayatri Mandir,                      Bhopal – 462 011.                      Tel.: 0755 - 2769201 / 2769202                      Email: bimalokpal.bhopal@cioins.co.in</p>	<p>Madhya Pradesh, Chattisgarh</p>
<p><b>BHUBANESHWAR</b>  <b>Office of the Insurance Ombudsman,</b>                      62, Forest park,                      Bhubneshwar – 751 009.                      Tel.: 0674 - 2596461 /2596455                      Fax: 0674 - 2596429                      Email: bimalokpal.bhubaneswar@cioins.co.in</p>	<p>Orissa</p>
<p><b>CHANDIGARH</b>  <b>Office of the Insurance Ombudsman,</b>                      Jeevan Deep Building SCO 20-27,                      Ground Floor Sector- 17 A,                      Chandigarh – 160 017.                      Tel.: 0172-2706468                      Email: bimalokpal.chandigarh@cioins.co.in</p>	<p>State of Punjab, Haryana (excluding 4 districts vizGurugram, Faridabad, Sonapat and Bahadurgarh), Himachal Pradesh, Union Territories of Jammu &amp;Kashmir, Ladakh and Chandigarh.</p>
<p><b>CHENNAI</b>  <b>Office of the Insurance Ombudsman,</b>                      Fatima Akhtar Court, 4th Floor, 453,                      Anna Salai, Teynampet,                      CHENNAI – 600 018.                      Tel.: 044 - 24333668 / 24333678                      Fax: 044 - 24333664                      Email: bimalokpal.chennai@cioins.co.in</p>	<p>Tamil Nadu Puducherry Town and Karaikal (which are part of Puducherry).</p>
<p><b>DELHI</b>  <b>Office of the Insurance Ombudsman,</b>                      2/2 A, Universal Insurance Building,                      Asaf Ali Road,                      New Delhi – 110 002.                      Tel.: 011 - 23237539                      Email: bimalokpal.delhi@cioins.co.in</p>	<p>Delhi, 4 districts of Haryana vizGurugram, Faridabad, Sonapat and Bahadurgarh)</p>

**NAMES OF OMBUDSMAN AND ADDRESSES OF OMBUDSMEN CENTERS**

Office Details	Jurisdiction of Office (Union Territory, District)
<p><b>GUWAHATI</b>  <b>Office of the Insurance Ombudsman,</b>                      JeevanNivesh, 5th Floor,                      Nr. Panbazar over bridge, S.S. Road,                      Guwahati – 781001(ASSAM).                      Tel.: 0361 - 2632204 / 2602205                      Email: bimalokpal.guwahati@cioins.co.in</p>	Assam, Meghalaya, Manipur, Mizoram, Arunachal Pradesh, Nagaland and Tripura
<p><b>HYDERABAD</b>  <b>Office of the Insurance Ombudsman,</b>                      6-2-46, 1st floor, "Moin Court",                      Lane Opp. Saleem Function Palace,                      A. C. Guards, Lakdi-Ka-Pool,                      Hyderabad - 500 004.                      Tel.: 040 - 23312122                      Email: bimalokpal.hyderabad@cioins.co.in</p>	State of Andhra Pradesh, Telangana and Yanam – a part of Union Territory of Puducherry
<p><b>JAIPUR</b>  <b>Office of the Insurance Ombudsman,</b>                      JeevanNidhi – II Bldg., Gr. Floor,                      Bhawani Singh Marg,                      Jaipur - 302 005.                      Tel.: 0141 – 2740363/2740798                      Email: bimalokpal.jaipur@cioins.co.in</p>	Rajasthan
<p><b>KOCHI</b>  <b>Office of the Insurance Ombudsman,</b>                      Office of the Insurance Ombudsman,                      10th Floor, Jeevan Prakash, LIC Building,                      Opp to Maharaja's College Ground, M.G. Road,                      Kochi - 682 011.                      Tel.: 0484 - 2358759                      Email: bimalokpal.ernakulam@cioins.co.in</p>	Kerala Lakshadweep, Mahe - a part of Union territory of Puducherry
<p><b>KOLKATA</b>  <b>Office of the Insurance Ombudsman,</b>                      Hindustan Bldg. Annexe, 4th Floor,                      4, C.R. Avenue,                      KOLKATA - 700 072.                      Tel.: 033 - 22124339                      Fax : 033 - 22124341                      Email: bimalokpal.kolkata@cioins.co.in</p>	States of West Bengal, Sikkim and Union Territories of Andaman & Nicobar Islands
<p><b>LUCKNOW</b>  <b>Office of the Insurance Ombudsman,</b>                      6th Floor, JeevanBhawan, Phase-II,                      Nawal Kishore Road, Hazratganj,                      Lucknow - 226 001.                      Tel.: 0522 - 4002082 / 3500613                      Email: bimalokpal.lucknow@cioins.co.in</p>	Districts of Uttar Pradesh :Laitpur, Jhansi, Mahoba, Hamirpur, Banda, Chitrakoot, Allahabad, Mirzapur, Sonbhadra, Fatehpur, Pratapgarh, Jaunpur, Varanasi, Gazipur, Jalaun, Kanpur, Lucknow, Unnao, Sitapur, Lakhimpur, Bahraich, Barabanki, Raebareilly, Sravasti, Gonda, Faizabad, Amethi, Kaushambi, Balrampur, Basti, Ambedkarnagar, Sultanpur, Maharajgang, Santkabirnagar, Azamgarh, Kushinagar, Gorkhpur, Deoria, Mau, Ghazipur, Chandauli, Ballia, Sidharathnagar
<p><b>MUMBAI</b>  <b>Office of the Insurance Ombudsman,</b>                      3rd Floor, JeevanSevaAnnexe,                      S. V. Road, Santacruz (W),                      Mumbai - 400 054.                      Tel.: 022 - 69038800/27/29/31/32/33                      Email: bimalokpal.mumbai@cioins.co.in</p>	Goa, Mumbai Metropolitan Region excluding Areas of Navi Mumbai & Thane

**NAMES OF OMBUDSMAN AND ADDRESSES OF OMBUDSMEN CENTERS**

<b>Office Details</b>	<b>Jurisdiction of Office (Union Territory, District)</b>
<b>NOIDA</b> <b>Office of the Insurance Ombudsman,</b> BhagwanSahai Palace 4th Floor, Main Road, Naya Bans, Sector 15, Distt: GautamBuddh Nagar, U.P-201301. Tel.: 0120- 2514252 / 2514253 Email: bimalokpal.noida@cioins.co.in	State of Uttaranchal and the Districts of Uttar Pradesh: Agra, Aligarh, Bagpat, Bareilly, Bijnor, Budaun, Bulandshehar, Etah, Kanoor, Mainpuri, Mathura, Meerut, Moradabad, Muzaffarnagar, Oraiyya, Pilibhit, Etawah, Farukkabad, Firozbad, Gautambodhanagar, Ghaziabad, Hardoi, Shahjahanpur, Hapur, Shamli, Rampur, Kashganj, Sambhal, Amroha, Hathras, Kanshiramnagar, Saharanpur.
<b>PATNA</b> <b>Office of the Insurance Ombudsman,</b> 2nd Floor, Lalit Bhawan, Bailey Road, Patna 800 001. Tel.: 0612-2547068 Email: bimalokpal.patna@cioins.co.in	Bihar, Jharkhand
<b>PUNE</b> <b>Office of the Insurance Ombudsman,</b> JeevanDarshan Bldg., 3rd Floor, C.T.S. No.s 195 to 198, N.C. Kelkar Road, Narayan Peth, Pune – 411 030. Tel.: 020- 24471175 Email: bimalokpal.pune@cioins.co.in	Maharashtra, Area of Navi Mumbai and Thane excluding Mumbai Metropolitan Region.