

## Policy Wordings

### BUSINESS SURAKSHA PLUS - VARIANT 2

#### SECTION I - MATERIAL DAMAGE

In consideration of the insured paying to the Company, the premium shown in the schedule, HDFC ERGO General Insurance Company Limited (herein after called the Company) subject to the terms, conditions and exclusions contained herein or endorsed or otherwise expressed hereon which shall so far as the nature of them respectively will permit be deemed to be conditions precedent to the right of the Insured to recover hereunder agrees that if post issuance of Policy any of the property insured be accidentally physically lost or destroyed or damaged other than by an excluded cause, during the period of insurance or any subsequent period in respect of which the insured shall have paid and the Insurer shall have accepted the premium required for this policy, the Insurer will pay to the Insured the value of the property at the time of the happening of its accidental physical loss or destruction or damage (being hereinafter termed as Damage) or at its option reimburse for reinstatement or replace such property or any part thereof.

Provided that the liability of the Insurer in respect of any one loss or in the aggregate in any one period of insurance shall in no case exceed the sum insured stated in policy schedule

#### EXCLUSIONS

##### A. EXCLUDED CAUSES

1) This policy does not cover damage to the property insured caused by following reasons unless otherwise specifically covered and stated in the policy schedule

i) faulty or defective design materials or workmanship inherent vice latent defect gradual deterioration deformation or distortion or wear and tear

ii) interruption of the water supply, gas, electricity or fuel systems or failure of the effluent disposal systems to and from the premises

unless Damage by a cause not excluded in the policy ensues and then the Insurer shall be liable only for such ensuing Damage.

a) i) collapse or cracking of buildings

ii) corrosion rust extremes or changes in temperature dampness dryness wet or dry rot fungus shrinkage evaporation loss of weight pollution contamination change in colour flavour texture or finish action of light vermin insects marring or scratching unless such loss is caused directly by Damage to the property insured or to premises containing such property by a cause not excluded in the policy

c) i) larceny

ii) acts of fraud or dishonesty of Insured or his employees

iii) disappearance unexplained or inventory shortage misfiling or misplacing of information shortage in supply or delivery of materials or shortage due to clerical or accounting error

d) i) coastal or river erosion

ii) normal settlement or bedding down of new structures

2) Damage caused by or arising from :-

a) any willful act or willful negligence on the part of the Insured or any person acting on his behalf

b) cessation of work delay or loss of market or any other consequential or indirect loss of any kind or description whatsoever

3) Damage occasioned directly or indirectly by or through or in consequence of any of the following occurrences, namely:

c. War, invasion, foreign enemy act, hostilities or acts of war (whether war has been declared or not), civil war, acts of sabotage and/or terrorism, rebellion, military or civilian uprising, mutiny, revolt, revolution, military or usurped power, military regime or a state of siege or events of factors causing the declaration or existence of military rule or a state of siege.

4) i) permanent or temporary dispossession resulting from nationalization commandeering or requisition by any lawfully constituted authority

ii) permanent or temporary dispossession of any building resulting from the unlawful occupation of such building by any person

provided that the Insurers are not relieved of any liability to the Insured in respect of Damage to the property insured occurring before dispossession or during temporary dispossession which is otherwise insured by this Policy

iii) the destruction of property by order of any public authority

In any action, suit or other proceeding where the Insurer alleges that by reason of the provisions of Exclusions A3 (a) and (b) above any loss destruction or damage is not covered by this insurance the burden of proving that

such loss destruction or damage is covered shall be upon the Insured.

- 5) Damage directly or indirectly caused by or arising from or in consequence of or contributed confiscation to by:
  - a) nuclear weapons material
  - b) ionising radiations 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
  - c) The radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly, weapon or component.
- 6) Deliberate and sustained operation of the plant beyond rated capacity, imposition of abnormal operating conditions directly or indirectly resulting from overload beyond safe limits except for conditions permitted by the Original Equipment Manufacturers/Suppliers (OEM)
- 7) Damage to electronic installations, computers and data processing equipment resulting from their breakdown or derangement.
- 8) Damage due to mechanical or electrical breakdown or derangement of machinery or equipment. However the exclusion will not apply if such damage was caused as a result thereof, by any reason whatsoever which was not excluded and, in such event, the Insurers' liability shall be limited only to the damage caused as a result thereof.
- 9) Expenses necessarily incurred on (i) architects, surveyors and consulting engineer's fees and (ii) debris removal by the Insured following a loss, destruction or damage to the Property insured by an insured peril in excess of 3% and 1% of the claim amount respectively
- 10) Terrorism Damage Exclusion Warranty

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 sabotage/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.

- 11) Any loss or damage occasioned by or through or in consequence directly or indirectly due to Act of God Perils. For the purpose of this exclusion Act of God Perils means a) Earthquake, b) Storm & Tempest c) Rain and Cloudburst, Snow and Hail d) Flood e) Inundation unless otherwise stated in the schedule
- 12) Pollution, except for pollution of the property insured under this Policy if caused as a result of the risks expressly covered thereunder or damage to the insured property as a result of the risks expressly covered under this policy which were caused as a result of pollution
- 13) Erasure or corruption of electronic data (including following a computer virus). This exclusion does not apply to resulting loss or damage to Property Insured, should an Insured Event (except malicious, purposeful and intentional loss or damage) follow.

For the purpose of this exclusion "electronic data" shall mean Information converted to a form useable for communications, interpretation or processing by electronically controlled equipment, including program, software and other coded instructions

- 14) Any loss or damage to any machine and/or electrical appliance and/or electrical apparatus or a part thereof which was caused by fire which broke out as a result of the following matters or by them:

Excess voltage, overloading, short-circuit, electrical arching, over heating which was caused by any reason whatsoever including lightning, provided that this limitation shall only apply in regard to that electrical machine, or the electrical appliance or the electrical apparatus or to a part thereof which may be separated, which was damaged as aforementioned and not in regard to other electrical machines, appliances or apparatus which sustained loss or damage from fire which spread and reached them.

- 15) Direct loss or damage to insured property which was caused on the order of a public authority.
- 16) Loss or destruction of or damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss directly or indirectly caused by or contributed to by or arising from; confiscation, nationalization, commandeering, requisition or destruction of or damage to property by order of the Government of India or any public seizure or destruction under quarantine or customs regulation.

## **B. EXCLUDED PROPERTY**

This Policy does not cover following properties unless specifically otherwise covered and mentioned in policy schedule :

- 1) Money, cheques stamps bonds credit cards securities of any description, jewellery precious stones precious metals ,bullion furs curiosities rare books ,works of art ,

Portable Electronic Equipment policy, goods held in trust or on commission, documents, manuscripts, business books, computer systems records, patterns, models, moulds, plans designs and explosives of any type.

- 2) a) vehicles licensed for road use (including accessories thereon), caravans, trailers, railway locomotives or rolling stock watercraft aircraft spacecraft or the like
- b) property in transit other than within the premises specified in the Schedule
- c) property or structures in course of demolition construction or erection and materials or supplies in connection therewith
- d) land (including top-soil back-fill drainage or culverts) driveways pavements roads runways railway lines dams reservoirs canals rigs wells pipelines tunnels bridges docks piers jetties excavations wharves mining property underground off-shore property unless specifically covered.
- e) livestock growing crops or trees
- f) property damaged as a result of its undergoing any process. However this exclusion does not apply to loss or damage by spoilage resulting from the retardation or interruption or cessation of any process or operation caused by any of the perils not excluded under this Policy.
- g) property undergoing testing installation including materials and supplies therefore if directly attributable to the operations of work being performed thereon unless damage by a cause not otherwise excluded ensues and then the insurer will be liable only for such ensuing loss.
- h) property more specifically insured
- i) property insured if removed to any building or place other than in which it is herein stated to be insured, except machinery and equipment's temporarily removed for repairs, cleaning, renovation or other similar purpose for a period not exceeding 60 days.
- j) damage to property which at the time of the happening of such damage is insured by or would for the existence of this policy be insured by any marine policy or policies except in respect of any excess beyond the amount which would have been payable under the marine policy or policies had this insurance not been effected.
- k) property for which the manufacturer or supplier or repairer is responsible for loss or damage either in law or contract
- l) property having faults or defects existing at the time of commencement of this insurance and known to the insured or his authorized representative but not disclosed to the Company.
- m) Property in Open unless otherwise stated in the schedule
- n) Property outside the premises unless otherwise stated in the schedule

o) Property during the course of erection and/or demotion unless otherwise stated in the schedule

p) spoilage of food products in cold storage due to interruption in refrigeration, which was caused as a result of the insured event unless otherwise stated in the schedule

## DEDUCTIBLES

This policy does not cover the deductibles stated in the schedule in respect of each and every loss as ascertained after the application of all other terms and conditions of the policy including any condition of Average.

Warranted that during the currency of the policy the Insured shall not effect insurance in respect of the amount of the deductibles stated in the schedule.

## Special Conditions to Section I

### 1. Basis of Loss Settlement :

In the event of any loss destruction or damage the indemnification under this section shall be calculated on the basis of the reinstatement or replacement of the property lost destroyed or damaged, subject to the following provisions :

#### 1.1. Reinstatement or replacement shall mean :

1. where property is lost or destroyed, the rebuilding of any buildings or the replacement of any other property by similar property, in either case in a condition equal to but not better or more extensive than its condition when new

2. 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.

#### 1.2 Loss Limit Basis:

##### Partial Loss:

i. If Plant and Machinery or Furniture, Fixture, Fittings is a Partial Loss, We will reimburse to You the cost of repairs to the extent required to bring that Property to a condition substantially the same as, but not superior, better or more extensive than its condition

ii. If any Insured Stock is a Partial Loss We will pay You to the extent of the loss of such Partial Loss.

We will pay maximum up to the limit specified in the policy schedule.

##### Total Loss:

If Plant and Machinery or Furniture, Fixture, Fittings including Stocks is a Total Loss, We will pay You for the Reinstatement/Replacement Value of the Plant and Machinery or Furniture, Fixture, Fittings including stocks.

We will pay maximum up to the limit specified in the policy schedule.

### 2.3. Special Provisions

- a. The work of reinstatement (which may be carried out upon another site and in any manner suitable to the requirements of the Insured subject to the liability of the Insurers not being thereby increased) must be commenced and carried out within 24 months after the destruction or damage otherwise no payment beyond the amount which would have been payable under the policy if this special provisions had not been incorporated herein shall be made
  - b. Where any property is lost destroyed or damaged in part only the liability of the Insurers shall not exceed the sum representing the cost which the Insurers could have been called upon to pay for reinstatement if such property had been wholly destroyed
  - c. Until the cost of reinstatement or replacement shall have been actually incurred the amount payable under each of the items shall be calculated on the basis of the actual cash value of such items immediately before the loss destruction or damage with due allowance for depreciation for age use and condition.
3. Underinsurance: If the property hereby insured shall at the time of reinstatement/replacement repair following a loss or damage indemnifiable under this section be of greater value than the Sum Insured under the policy, then the insured shall be considered as being his own insurer for the difference and shall bear a rateable proportion of loss.

Each item of the section to which this condition applies shall be separately subject to the foregoing provision. The provision is not applicable if the sum insured is on loss limit basis.

Waiver of Underinsurance: (applicable if mentioned in the policy schedule)

If the sum insured is on reinstatement value basis: the underinsurance provision is waived up to a % specified on the policy schedule.

## SECTION II - BUSINESS INTERRUPTION

The Insurers agree that if during the period of insurance the business carried on by the insured at all the premises specified & listed in the Schedule is interrupted or interfered with in consequence of loss destruction or damage indemnifiable under Section I, then the Insurers shall indemnify the Insured for the amount of loss as hereinafter defined resulting from such interruption or interference provided that the liability of the Insurers in no case exceeds the total sum insured or such other sum as may hereinafter be substituted therefore by Endorsement signed by or on behalf of the Insurers.

### Special Exclusions to Section II :

1. Unless specifically covered this Policy does not cover loss resulting from interruption of or interference with the business directly or indirectly attributable to
- 1.1 any restrictions on reconstruction or operation imposed

by any public authority

- 1.2 the Insured's lack of sufficient capital for timely restoration or replacement of property lost destroyed or damaged
- 1.3 loss of business due to causes such as suspension lapse or cancellation of a lease license or order etc. which occurs after the date when the items lost destroyed or damaged are again in operating condition and the business could have been resumed, if said lease license order etc. had not lapsed or had not been suspended or cancelled.
- 1.4 Damage to boilers, economisers turbines or other vessels machinery or apparatus In which pressure is used or their contents resulting from their explosion or rupture
- 1.5 Damage resulting from :
  - a) deliberate erasure loss distortion or corruption of information on computer systems or other records programs or software.
  - b) Other erasure loss distortion or corruption of information on computer systems or other records programs of software unless resulting from fire lightning explosion aircraft, impact by any road vehicle or animals earthquake, hurricane, windstorm flood, bursting overflowing discharging or leaking of water tanks apparatus or pipes in so far as it is not otherwise excluded unless caused by Damage to the machine or apparatus in which the records are mounted.
2. This Policy does not cover the deductible stated in the Schedule to be borne by the Insured.

### Basis of Insurance :

The cover provided under this Section shall be limited to loss of Gross Profit due to (a) Reduction in Turnover and (b) Increase in Cost of Working (c) Loss of Wages on dual basis and the amount payable as indemnity hereunder shall be

#### (a) 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 fall short of the Standard Turnover in consequence of the loss destruction or damage

#### (b) in respect of Increase in Cost of Working:

The additional expenditure necessarily and reasonably 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 loss destruction or 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 loss destruction or damage provided that if the sum insured by this item be less than the sum produced by applying the Rate of Gross Profit to the Annual Turnover (or to a proportionately increased

multiple thereof where the Maximum Indemnity Period exceeds twelve months) the amount payable shall be proportionately reduced.

**(c) Loss of wages on dual basis, if separately covered in the schedule.**

The insurance benefits will be calculated as hereunder:

**Loss of wages:**

**I. Full Indemnity period**

The sum produced by applying the rate of wages to the shortage in turnover, in consequence of the insured event during that part of the indemnity period commencing with the insured event and ending not later than the number of weeks stated in the schedule for which 100% cover was given for the date of event, less every saving in wages due to the event during the same period.

**II. Partial indemnity period**

The sum produced by applying the rate of wages to the shortage in turnover during the remainder of the indemnity period and multiplying by the percentage the wages covered for this period, less every savings in wages during the same period.

Should the loss of wages during this partial indemnity period exceed the sum arrived at as above, the sum deducted as saving under 1) above will be added to the insurance benefits, but in no case will the total indemnity for this period exceed the total loss of wages during this period less savings.

**III. Extended indemnity period**

If an extended indemnity period is explicitly stated in the schedule, it is agreed that the insured at his option is entitled to extend the period for which he will receive full indemnity according to the definition under 1) above for the number of weeks of the extended period shown in the schedule. This instead of the indemnity provided under 1) and 2) above. The indemnity will be established as per 1) above, however for the extended period.

In addition the insured is entitled to indemnity for loss of wages as per 1) above for the remainder of the indemnity period but not more than the sum deducted as saving in wages for the extended period.

**Definitions:**

**1. Gross Profit**

The amount by which

- the sum of the amount of the Turnover and the amount the closing stock and work in progress shall exceed
- the sum of the amounts of the opening stock and work in progress and the amount of the Specified Working Expenses.

Note: The amounts of the opening and closing stocks and work in progress shall be arrived at in accordance with the Insured's normal accountancy methods, due provision being

made for depreciation.

Specified Workings Expenses:

1. All Purchases (less Discounts Received) ;
2. % Of the Annual Wage Roll (including Holiday and Insurance contributions);
3. Power;
4. Consumable Stores;
5. Carriage;
6. Packing Materials;
7. Bad Debts;
8. Discounts Allowed;
9. Any other expenses to be specified.

Note 2: The words and expressions used in this Definition shall have the meaning usually attached to them in the books and accounts of the Insured.

**2. Turnover**

The money (less discounts allowed) paid or payable to the Insured for goods sold and delivered and for services rendered in the course of the business at the Premises.

**3. Indemnity Period**

The period beginning with the occurrence of loss destruction or damage and ending not later than the Maximum Indemnity Period thereafter during which the results of the Business shall be affected in consequence thereof. Provided always that the Company is not liable for the amount equal to the Standard Gross Profit for the period of time exclusion stated in the schedule.

**4. Rate of Gross Profit**

The Rate of Gross Profit earned on the turnover during the financial year immediately before the date of loss destruction or damage

**5. Annual Turnover**

The Turnover during the twelve months immediately before the date of loss destruction or damage

**6. Standard Turnover**

The Turnover during that period in the twelve months immediately before the date of loss destruction or damage which corresponds with the Indemnity Period appropriately adjusted where the indemnity Period exceeds twelve months to which such adjustments shall be made as may be necessary to provide for the trend of business and for variations in or other circumstances affecting the Business either before or after loss destruction or damage or which would have affected the Business had the loss destruction or damage not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the loss destruction or damage would have been obtained during the relative period after the loss destruction or damage.

## 7. Standard Gross Profit

The amount equivalent to the rate of gross profit applied to the standard turnover .

### Provisions :

#### Memo 1 - Benefits from Other Premises

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

#### Memo 2 - Return of Premium

If the Insured declares, at the latest nine months after the expiry of any Period of Insurance, that the Gross Profit earned (or a proportionately increased multiple thereof where the maximum Indemnity Period exceeds 12 months) during the accounting period of 12 months most nearly concurrent with any period of Insurance, as certified by the Insured's Auditors, was less than the Sum Insured thereon, a pro-rata return of premium not exceeding % of premium mentioned in the policy schedule paid on such Sum Insured for such period of Insurance shall be made in respect of the difference.

Where, however, the declaration is not received by the Company within nine months after the expiry of the period of insurance, no refund shall be admissible.

If any loss destruction or damage has concurred giving rise to a claim under this policy, such return shall be made in respect only of so much of said difference as is not due to such loss destruction or damage.

#### Memo 3 – Overhauls

In calculating the loss, due allowance shall be made for the time spent on any overhauls, inspections, modifications carried out during any period of interruption.

#### Under Insurance:

Should at the time of the event the sum insured be less than the gross profit earned during 12 months from the date of event but for the loss, (hereunder the would have been turnover) the indemnity will be reduced by the proportion between the sum insured and the "would have been turnover".

Should the indemnity period specified in the schedule be longer than 12 months, the indemnity will be reduced by the proportion between the sum insured and the result of multiplying the "would have been turnover" by the number of months of the indemnity period divided by 12.

Waiver of Underinsurance: (applicable if mentioned in the policy schedule)

The underinsurance provision is waived up to a % specified in the policy schedule.

## SECTION III - BREAKDOWN OF ELECTRICAL AND MECHANICAL APPLIANCE (Machinery Breakdown)

Subject to the terms, exceptions, exclusions, provisions and conditions contained herein or endorsed

hereon, the Company will at its own option by payment or reinstatement or repair indemnify the Insured against unforeseen and sudden physical damage by any cause not hereinafter excluded including but not limited to loss or damage happening through any mechanical, electrical, electro mechanical, electronic or hydraulic malfunction, failure, derangement, breakdown or non-operation of whatsoever kind to any machinery insured specified in the Schedule(s) whilst in the premises therein mentioned necessitating its immediate repair or replacement.

For the purpose of this section machinery means any mechanical, electrical and electronic equipments

This section shall apply to the Property insured after successful completion of their performance/acceptance tests, whether they are at work or at rest, or being dismantled for the purpose of cleaning or overhauling, or in the course of the aforesaid operations themselves, or when being shifted within the aforesaid premises, or during subsequent re-erection.

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

### EXCEPTIONS UNDER SECTION III

Unless specifically covered and stated in the policy schedule the Company shall not be liable under this section in respect of -

1. Loss, damage and/or liability caused by or arising from or in consequence, directly or indirectly of fire including extinguishment of a fire or clearance of debris and dismantling necessitated thereby, smoke, soot, aggressive substance, lightning, explosion of any kind (other than bursting or disruption of turbines, compressors, cylinders of steam engines, hydraulic cylinders or fly wheels or other apparatus subject to centrifugal force, internal pressure) theft, collapse of buildings, subsidence, landslide, rockslide, water, which escapes from water containing apparatus, flood, inundation, storm, tempest, earthquake, volcanic eruption or other Acts of God, impact of land borne or waterborne or airborne craft or other aerial devices and/or articles dropped therefrom.

Any loss or damage by fire within the electrical appliances and installation insured by this Policy arising from or occasioned by overrunning, excessive pressure, short circuiting, arcing, self heating or leakage of electricity, from whatever cause (lightning included), is covered; provided that this extension shall apply only to the particular electrical machine; apparatus fixture fitting or portions of the electrical installation so affected and not to other machines, apparatus, fixtures fittings or portions of the electrical installation which may be destroyed or damaged by fire so set up.

2. Accident, loss, damage and/or liability resulting from overload experiments or tests requiring the imposition of

abnormal conditions.

3. Gradually developing flaws, defects, cracks or partial fractures in any part not necessitating immediate stoppage, although at some future time repair or renewal of the parts affected may be necessary.
4. Deterioration of or wearing away or wearing out of any part of any machine caused by or naturally resulting from normal use or exposure.
5. Loss, damage and/or liability caused by or arising out of the willful act, willful neglect or gross negligence of the Insured or his responsible representatives.
6. Liability assumed by the Insured by agreement unless such liability would have attached to the; Insured notwithstanding such agreement.
7. Loss, damage and/or liability due to faults or defects existing at the time of commencement of this insurance and known to the Insured or his responsible representative but not disclosed to the company.
8. Loss of use of the Insured's plant or property of any other consequential loss incurred by the Insured.
9. Loss, damage and/or liability due to explosions in chemical recovery boilers, other than pressure explosions e.g. smelt, chemical, ignition, explosions etc.

#### **SPECIAL EXCLUSIONS:**

The Company shall not be liable for:

1. The Deductible, as stated in the Schedule, to be first borne by the Insured out of each and every claim; where more than one item is damaged in one and the same occurrence, the Insured shall not, however, be called upon to bear more than the highest Excess applicable to any one such item;
2. Loss of or damage to belts, ropes, chains, rubber tyres, dies, moulds, blades, cutters, knives or exchangeable tools, engraved or impression cylinders or rolls; objects made of glass, porcelain, ceramics, all operating media (e.g. lubricating oil, fuel, catalyst, refrigerant, dowtherm), felts, endless conveyor belts or wires, sieves, fabrics, heat resisting and anti-corrosive lining and parts of similar nature, packing material, parts not made of metal (except insulating material) and non-metallic lining or coating of metal parts.
3. Loss or damage for which the manufacturer or supplier or repairer of the Property insured is responsible either by law or contract.

In any action, suit or other proceeding where the Company alleges that by reason of the provisions of the exceptions or exclusions above, 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.

#### **PROVISIONS -**

### **1. SUM INSURED**

Reinstatement value Basis: 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 and customs duties, if any, and erection costs.

Loss limit Basis : Sum Insured shall be equal to the cost of replacement of the Property insured by similar property of the same age, kind and same capacity including freight and customs duties, if any, and erection costs.

### **2. BASIS OF INDEMNITY**

#### **Partial Loss:**

- a. In cases where damage to the Property insured can be repaired, the Company will pay expense 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 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 cover overhead charges.

No deduction shall be made for depreciation in respect of parts replaced except for (i) wear and tear parts and (ii) parts for which manufacturers have specified a fixed life for use and the like but the value of any salvage will be taken into account.

#### **Total Loss:**

If the cost of repairs as detailed hereinabove equals or exceeds the actual value of the machinery insured immediately before the occurrence of the damage the settlement shall be made on the basis provided for in (b) below.

- a. 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 said Property insured. The Company will also pay any normal charges for the dismantling of the Property insured destroyed but the salvage will be taken into account.

If the sum insured is on loss limit basis the Company will pay for cost as mentioned in (b) above or the sum insured whichever is less.

Underinsurance: If the property hereby insured shall at the time of reinstatement/replacement repair following a loss or damage indemnifiable under this section be of greater value than the Sum Insured under the policy, then the insured shall be considered as being his own insurer for the difference and shall bear a rateable proportion of loss.

Each item of the section to which this condition applies shall be

separately subject to the foregoing provision. The provision is not applicable if the sum insured is on loss limit basis.

Waiver of Underinsurance: (applicable if mentioned in the policy schedule)

If the sum insured is on reinstatement value basis: the underinsurance provision is waived up to a % specified on the policy schedule.

#### **SECTION IV - ELECTRONIC EQUIPMENT**

Subject to and/or in consideration of the Insured having paid to the Company the premium mentioned in the Schedule and subject to the terms, exclusions, conditions and provisions contained herein or endorsed hereon the Company will indemnify the Insured in the manner and to the extent hereinafter provided.

This Section shall apply to the insured items (only after successful completion of their performance/acceptance test whether they are at work or at rest or being dismantled for the purpose of cleaning or overhauling or in the course of aforesaid operations themselves or when being shifted within the premises mentioned in the Schedule or during subsequent re-erection.

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 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.

#### **EQUIPMENTS**

All electronic equipments like computers, medical, biomedical, micro-processors; audio/visual equipments including the value of systems software may be covered under this section. The term equipment shall include the entire computer system consisting of CPU, keyboards, monitors, printers, stabilizers, UPS, system software etc.

Dish antenna is excluded from the scope of cover under this section. Further portable electronic equipments like notebook, lap top computer, sonography machine are also excluded under this section.

#### **SCOPE OF COVER**

The Company hereby agrees that in the event that the Property insured or any part thereof entered in the Schedule shall suffer any unforeseen and sudden physical loss or damage from any cause, other than those specifically excluded, in a manner necessitating repair or replacement, the Company will indemnify the Insured in respect of such loss or damage as hereinafter provided by payment in cash, replacement or repair (at their own option) up to an amount not exceeding in any one year of insurance in respect of each of the items specified in the Schedule the sum set opposite thereto and not exceeding in all the total sum expressed in the Schedule as insured hereby.

#### **EXCLUSIONS**

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 EXCLUSION**

The Company shall not, however, be liable for

1. The Excess stated in the Schedule to be borne by the Insured in any one occurrence; if more than one item 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;
2. loss or damage caused by any faults or defects existing in the Property insured at the time of commencement of the present insurance within the knowledge of the Insured, or his representatives, whether such faults or defects were known to the company or not;
3. loss or damage as a direct consequence of the continual influence of operation (e.g. wear and tear, cavitations, erosion, corrosion, incrustation) or of gradual deterioration due to atmospheric conditions;
4. any costs incurred in connection with the elimination of functional failures unless such failures were caused by an indemnifiable loss of or damage to the Property insured;
5. any costs incurred in connection with the maintenance of the Property insured, such exclusion also applying to parts exchanged in the course of such maintenance operations;
6. loss or damage for which the manufacturer or supplier of the Property insured is responsible either by law or under contract;
7. 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;
8. consequential loss or liability of any kind or description;
9. 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);

10. aesthetic defects, such as scratches on painted polished or enamelled surfaces.

In respect of the parts mentioned under 9) and 10) above the Company shall be liable to provide compensation

in the event that such parts are effected by an indemnifiable loss or damage to the Property insured.

#### **PROVISIONS APPLYING TO SECTION IV**

##### **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**

1. 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.

2. 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.

3. 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.

##### **SECTION V - PORTABLE ELECTRONIC EQUIPMENT**

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.

### Special Exceptions:

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

The Company will not pay for

1. 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;
2. 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;
3. 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
4. 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);
5. aesthetic defects, such as scratches on painted, polished or enamelled surfaces.
6. In respect of the parts mentioned under d) and e) 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.
7. any unexplained disappearance of the Property insured.
8. Loss or damage caused by mechanical or electrical derangement/ breakdown of any article unless caused by accidental external means.
9. Cessation of work whether total or partial.
10. 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.
11. Misalignment of the Property insured not accompanied by damage otherwise covered by this section.
12. Loss of or damage to the Property insured covered under this section falling under the terms of the maintenance agreement

13. 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.

### PROVISIONS APPLYING TO PORTABLE ELECTRONIC EQUIPMENT

#### 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 lockers/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”.

## SECTION VI- BOILER & PRESSURE PLANT

Subject to the terms exceptions, exclusions, provisions,

definitions, warranties and conditions contained herein or endorsed hereon, the Company will at its own option by payment or reinstatement or repair indemnify the Insured against -

1. Accident or Damage (other than by fire) to the Boilers and/or other Pressure Plant described in the Schedule;
2. Damage (other than by fire) to surrounding property of the insured described in the Schedule or to property held by the insured in trust or on commission or for which he is responsible;
3. Liability of the Insured at law on account of -
  - a) death of or bodily injury to any person (other than a person under a contract of service or apprenticeship with the Insured sustaining death or bodily injury which arises out of and in the course of employment with the Insured);
  - b) damage to property not belonging to the Insured nor held in trust or on commission nor for which he is responsible; caused by and solely due to Explosion or Collapse as hereinafter defined of any Boiler or other Pressure Plant described in the Schedule occurring in the course of ordinary working

Provided that the liability of the Company for any one item of the insured property and Third Party Liability shall not exceed in the aggregate in any one period of Insurance the Sum Insured set against such item in the attached Schedule(s) unless the Sum Insured under such item is reinstated after occurrence of a claim for balance period

## EXCEPTIONS - BOILER & PRESSURE PLANT

### THE COMPANY SHALL NOT BE LIABLE UNDER THIS POLICY IN RESPECT OF -

1. Loss damage and/or liability caused by or arising from or in consequences, directly or indirectly of Fire (arising from explosion or collapse or any other cause whatsoever) including extinguishment of a fire or clearance of debris and dismantling necessitated thereby, smoke, soot, aggressive substance lightning, theft, collapse of buildings, subsidence, landslide, rockslide, water which escapes from water containing apparatus, flood, inundation, storm, tempest, earthquake, volcanic eruption or other Acts of God, impact of land borne, waterborne, or airborne craft or other aerial devices and/or articles dropped therefrom.
2.
  - a) War Invasion, Act of Foreign Enemy, Hostilities or War like operations (whether war be declared or not), Civil War, Rebellion, Revolution, Insurrection, Mutiny, Riot, Strike, Lock out and Malicious Damage, Civil Commotion, Military or Usurped power, Martial law, Conspiracy, Confiscation, Commandeering a group of Malicious Person or persons acting on behalf of or in connection with any Political Organisation. Requisition or Destruction or damage by order of any Government de jure or de facto or by any Public, Municipal or Local Authority.
  - b) Nuclear reaction, nuclear radiation or radioactive contamination.

3. Accident loss damage and/or liability resulting from overload experiments or tests requiring the imposition of abnormal conditions.
4. Gradually developing flows, defects, cracks or partial fractures in any part not necessitating immediate stoppage although at some future time repair or renewal of the parts affected may be necessary.
5. Defects due to the wearing away or the wasting of the materials of a Boiler or a Pressure Plant whether by leakage, corrosion or by the action of the fuel or otherwise the grooving or the fracturing of any of the parts of a Boiler or pressure plant or for deterioration generally or for the development of cracks blisters, lamination and other flaws or fractures, failures of joint within the range of steam or feed pipes, or for bulging and deformation due to overheating of tubes (unless such defects, fracture, failure or bulging result in explosion or collapse) or for the cracking of section of cast-iron heating boilers or other vessels constructed of cast iron.
6. The failure of individual tubes in Boilers of the water tube locomotive or other multitubular types, in Super heaters or in Economizers (unless such defects result in explosion or collapse).
7. Loss or damage to the insured plant or property and/or liability arising during and occasioned by the application of steam hydraulic or any other test of this plant as specified by Inspecting Authority or otherwise.
8. Loss or damage and/or liability caused by or arising out of the wilful act or wilful neglect or gross negligence of the insured or his responsible representatives.
9. Liability assumed by the Insured by agreement unless such Liability would have attached to the Insured not withstanding such agreement.
10. Loss or damage and/or liability due to faults or defects existing at the time of commencement of this Insurance and known to the Insured or his responsible representatives but not disclosed to the Company.
11. Loss of use of the Insured's plant or property or any other consequential loss incurred by the Insured.
12. Loss or damage for which the manufacturer or supplier or repairer of the property is responsible either by law or under contracts.

In any action, suit or other proceeding where the company alleges that by reason of the exceptions or exclusions above 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.

## WARRANTIES

It is hereby warranted that during the currency of the Policy;

- i) The Boiler and Pressure Plants described in the Schedule are annually inspected by Inspectors appointed by the appropriate Government except where there is no statutory requirement for Government Inspection; the

inspections are to be carried out by an independent competent person;

- ii) The Boilers and Pressure Plant described in the Schedule shall only be operated by Attendants holding a valid certificate of competency issued under the appropriate Boiler Act;
- iii) The Insured shall be in possession of the unqualified permission in writing of the competent Inspecting Authority to operate the said Boilers and Pressure Plant. If the maximum pressure or load upon safety valve immediately prior to any explosion or collapse was in excess of that stipulated by the said Authority the Insured shall not be entitled to any compensation or indemnity under this policy in respect of such explosion or collapse.

## DEFINITIONS

The following terms wherever used in this policy shall have attached to them the under mentioned meanings

1. 'Boiler' shall mean any fired closed vessel or a combined container piping system in which steam is generated under pressure.
2. 'Pressure Plant' shall mean any unfired closed container under steam gas or fluid pressure.
3. 'Explosion' shall mean the sudden and violent rending or tearing apart of the permanent structure of a Boiler or Pressure Plant or any part or parts thereof by force of internal steam gas or fluid pressure causing bodily displacement of the said structure and accompanied by the forcible ejection of its contents.
4. 'Collapse' shall mean the sudden and dangerous distortion of any part of Boiler or Pressure Plant by bending or crushing caused by Steam Gas or Fluid Pressure whether attended by rupture or not. It shall not mean any slowly developing deformation due to any cause.
5. 'Flue Gas Explosion' shall mean an explosion of ignited gases in the furnaces or flues of the boilers, economizers and super heaters.
6. 'Chemical Explosion' shall mean an explosion arising out of chemical reaction in any plant.

## CONDITIONS - BOILER & PRESSURE PLANT

1. This extension and the attached Schedule(s) shall be read together as one contract and any words or expressions to which specific meanings have been attached in any part of this policy or of the attached Schedules shall bear the same meanings wherever they may appear.
2. The pressure or load upon the safety valves of any items of plant shall at no time exceed the maximum pressure specified in the Schedule or the permissible working pressure therefore as set out in the report on the last examination whichever is the lowest.
3. If at any time after commencement of this Insurance there is an alteration of fuel used other than for which the Boiler was designed or which is used at the time of effecting the insurance, the Company shall be informed immediately of

such alteration and this insurance will continue only on payment of additional premium if necessary to be fixed on the merits of each individual item.

4. If a claim is in any respect fraudulent or if any false declarations made or used in support thereof or if any fraudulent means of devices are used by the Insured or any one acting on his behalf to obtain any benefit under this policy, or if a claim is made and rejected and no action or suit is commenced within three months after such rejection or in case of Arbitration taking place as provided herein within three months after the Arbitrators or Umpire have made their award, all benefit under this Policy shall be forfeited.
5. No admission, offer promise, payment or indemnity shall be made or given by or on behalf of the insured without the written consent of the Company who shall be entitled if they so desire to take over and conduct in the name of the Insured the defense or settlement of any claim for indemnity or damage or otherwise and shall have full discretion in the conduct of any proceeding or in the settlement of any claim and the Insured shall give all such information and assistance as the Company may require.
6. The due observance and fulfillment of the terms, provision and condition of and endorsement on this Policy in so far as they relate to anything to be done or complied with by the Insured and the truth of the statements and answers in the said proposals shall be conditions precedent to any liability of the Company to make any payment under this Policy.
7. **SUM INSURED**

If the Boiler Pressure Plant covered under Policy Schedule shall at the time of any loss be of greater value than the Sum, Insured shall be considered as being the own Insurer for the difference and shall bear a rateable share of the loss accordingly. The terms value shall mean the new replacement value of the Plant which is inclusive of freight dues and custom duties, if any and erection costs. Every item if more than one of this Policy shall be separately subject to this condition.

#### 8. BASIS OF INDEMNITY

a) In case where damage to an item can be repaired, the Company shall pay expenses necessarily incurred to restore the damaged machine 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, if any but for the Boiler and Pressure Vessel listed in the Schedule, only 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 shall pay the cost of materials and wages incurred for the purpose of the repairs plus the reasonable percentage to cover overhead charges. No deduction shall be made for depreciation in respect of parts replaced, but the value of any salvage shall be taken into the account if the cost of repairs as detailed herein above equals or exceeds the actual value of the item immediately before the occurrence

of the damage, the settlement shall be made on the basis provided for in (b) below.

- b) In case where an insured item is destroyed the Company shall pay the actual value of the item immediately before the occurrence of the loss, including changes for ordinary freight cost of erection and customs duties if any but for the Boiler and Pressure Vessels listed in the Schedule, only 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 item. The Company shall also pay any normal charges for the dismantling of the item destroyed, but the salvage shall be taken into account.

Any extra charges incurred for overtime night work, work on public holiday and excess freight shall be covered by this policy only if especially agreed in writing.

The Company will make payments only after being satisfied, with the 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 equipments for reasons beyond their control. In such cases claims can be settled on 'Indemnity Basis'.

#### 9. OBLIGATIONS OF THE INSURED

- a) The insured shall take all reasonable steps to maintain the insured property in efficient working order and to ensure that no item is habitually or intentionally overloaded. The Insured shall fully observe the manufacturers Instructions for operating inspection and overhaul, as well as Government statutory municipal and all other binding regulations including the rules under the Indian Boilers Act in force concerning the operation and maintenance of the insured Boilers and Pressure Plants.
- b) The Company's officials shall at all reasonable times have the right to inspect and examine any Boiler and Pressure Plant or any property insured hereunder and the Insured shall provide the officials of the Company with all details and information necessary for the assessment of the risk. The Company shall provide the Insured with a copy of the Inspecting official's report, which shall however be treated as strictly confidential both by the Insured and the Company.

Whenever arrangements have been made for a 'Thorough Inspection' of Boiler or Pressure Plant the Insured shall cause the Boiler or Pressure Plant to be stopped, emptied and properly cleaned inside and outside rendered accessible in every part, so far as its construction will allow.

- c) In the event of any -
  - i) Material change in the original risk.
  - ii) Alteration, modification or addition to an insured item.
  - iii) Departure from prescribed operating conditions whereby the risk of loss or damage increases.
  - iv) Changes in the insured's interest (such as discontinuation of liquidation of the businesses or business or being

placed in receivership) taking place, the Policy shall be void unless its continuance be agreed by endorsement signed by the Company.

#### 10. DUTIES FOLLOWING AN ACCIDENT

In the event of any occurrence which might give rise to a claim under this Policy the Insured shall -

- a) Immediately notify the Company by telephone or telegram as well as writing giving an indication as to the nature and extent of loss or damage.
- b) Take all reasonable steps within his power to minimize the extent of the loss or damage or liability
- c) preserve the damage or defective parts and make them available for inspection by an official or surveyor of the Company;
- d) furnish all such information and documentary evidence as the Company may require.

The company shall not be liable for any loss or damage of which notice and completed form have been received by the Company within 15 days of its occurrence.

Upon notification of a claim being given to the company the Insured may proceed with the repair of any minor damage not exceeding Rs. 2,500/- provided that the carrying out of such repair is without prejudice to any question of liability of the Company and any damaged part requiring replacement is kept for inspection by the Company but in all other cases a representative of the Company shall have the opportunity of inspecting the damage before any alterations, repair or replacements are effected. Nothing contained herein shall prevent the insured from taking such steps as are absolutely necessary to maintain the operation of the Plant.

The liability of the Company under the Policy in respect of any item of property sustaining damages, for which indemnity is provided, shall cease if the said item is kept in operation without being repaired to the satisfaction of the Company

#### SECTION VII – MONEY

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: 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 FOR MONEY SECTION

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

1. **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.
2. **ADJUSTMENT OF PREMIUM:** This extension provision is applicable only if it is opted by the Insured and separately mentioned in the schedule. 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.

## SECTION VIII - BAGGAGE

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.

### 1.1.1. Exclusion

#### The Company shall not be liable in respect of

1. The Excess stated in the Schedule to be borne by the Insured in any one occurrence.
2. 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.

3. 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.
4. 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).
5. Loss of or damage caused by mechanical derangement or overwinding of watches and clocks.
6. Theft from car except from car of fully enclosed saloon type having all doors, windows and other openings securely locked and properly fastened.
7. Loss of or damage whilst being conveyed by any carrier under contract of affreightment.
8. Damage to money, 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.
9. Loss or damage to the perishable and consumable goods
10. 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.
11. Damage due to confiscation or detainment by the order of any Govt. or any other public authority.
12. 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.
13. 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.

## SECTION IX: INFIDELITY/DISHONESTY OF EMPLOYEES

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

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.

#### Exceptions

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.
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

#### Special Conditions

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



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.

### SECTION X - PUBLIC LIABILITY

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.
5. '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

1. 0.25% of the limit of Indemnity for any one Accident subject to a minimum of Rs.25,000/- .
2. 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.
3. 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.
4. Liability arising from use of any motor vehicle or pedal cycle.
5. Liability assumed by the Insured by agreement and which would not have attached in the absence of such agreement.
6. 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.
7. Liability for infringement of plans, copy-right, patent, trade name, trade mark, registered design;
8. Liability arising out of fines, penalties, punitive or exemplary damages or any other damages resulting from the multiplication of compensatory damages.
9. 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
  - (a) employees' and visitors' clothing and personal effects.
  - (b) premises tenanted by the Insured to the extent that the Insured would be held legally liable in the absence of any specific agreement.
10. liability more specifically insured elsewhere.

### SECTION XI - Business Interruption (following Machinery Breakdown & Boiler Explosion)

The business carried on by the Insured at the premises specified in the Schedule be interrupted or interfered with in consequence of an Accident which shall mean sudden and unforeseen physical damage, as defined in the Machinery Insurance/Boiler and Pressure Plant Section of any machinery specified in the schedule of machinery then the Company shall

in respect of each item in the Schedule indemnify the Insured against the amount of loss as hereinafter defined resulting from such interruption or interference.

PROVIDED THAT the liability of the Company during any one-year of Insurance shall in no case exceed in the whole the total Sum Insured hereby or such other sum or sums as may hereafter be substituted therefore by endorsement signed by or on behalf of the Company.

PROVIDED ALSO that at the time of happening of an Accident there shall be in force an insurance covering the machinery described in the Schedule from any accidental cause indemnifiable under Machinery Breakdown Insurance Section and or Boiler & Pressure Plant Section and in respect of which liability shall have been admitted or would have been admitted but for the operation of any Excess there under.

PROVIDED ALWAYS that the due observance and fulfillment of the terms of this Policy in so far as they relate to anything to be done or complied with by the Insured and the truth of the statements and answer(s) in the proposal shall be conditions precedent to any liability of the Company.

## EXCLUSIONS

The Company shall not be liable for any loss resulting from interruption of or interference with the business directly or indirectly attributable to any of the following causes –

- i) Willful act or willful neglect or gross negligence of the insured or his responsible representatives.
- ii) Loss or damage to machinery or other items which are not listed in the list of machinery insured even if the consequence of material damage to an item indicated in the list of machinery insured is involved.
- iii) Loss or damage caused by any faults or defects existing at the time of commencement of this insurance within the knowledge of the insured or his responsible representatives whether such faults or defects were known to the Company or not.
- iv) Shortage, destruction, deterioration and spoilage of or damage to raw materials, semi finished or finished products or catalyst or operating media (such as fuel, lubricating oil, refrigerant, heating media and the like) even if the consequence of material damage to an item indicated in the list of machinery insured is involved.
- v) Any restrictions on reconstruction or operation imposed by any public authority.
- vi) An extension of the normal repair period for more than 4 weeks on account of -
  - a) the inability to secure or delays in securing replacement parts, machines or technical services.
  - b) the inability to carry or delays in carrying out repairs.
  - c) the prohibition to operate the machinery due to import and/or export customs & other restrictions or by statutory regulations.
  - d) transport of parts to and from the Insured's premises.

- vii) Alterations improvements or overhauls being made while repairs or replacements of damaged or destroyed property are being carried out.
- vii) Loss damage and/or liability caused by or arising from or in consequence directly or indirectly of -
  - a) War, Invasion, Act of foreign enemy, hostilities or War like operations (whether war be declared or not), Civil War, Rebellion, Revolution, Insurrection, Mutiny, Riot, Strike, Lockout and Malicious Damage, Civil Commotion, Military or usurped power, martial law, conspiracy, confiscation, commandeering a group of malicious person or persons acting on behalf of or in connection with any political organisation, requisition or destruction or damage by order of any government de jure or de facto or by any public. Municipal or Local Authority, an act of terrorism or the action of any lawfully constituted authority in suppressing or attempting to suppress or minimise the consequences thereof.
  - b) Nuclear reaction, nuclear radiation or radioactive contamination.

## CONDITIONS

- a) This Policy and the Schedule(s) shall be read together as one contract and any word or expression to which a specific meaning has been attached in any part of this Policy or of the Schedule(s) shall bear such meaning wherever it may appear.
- b) This Policy shall be avoidable in the event of misrepresentation, mis-description or nondisclosure in material particular.
- c) This Policy shall be avoided if,
  - i) the business be wound up or carried on by a liquidator or receiver or permanently discontinued OR
  - ii) the insured's interest ceases otherwise than by death OR
  - iii) any alteration be made whereby the risk of an accident is increased OR
  - iv) the retention of standby or spare machinery or any other loss minimising factors in existence when this insurance was effected be reduced or discontinued unless its continuance is admitted by an endorsement signed by or on behalf of the Company
- d) The insured shall at his own expense take all reasonable precautions and comply with all reasonable recommendations of the Company to prevent loss or damage and comply with statutory requirements and manufacturers' recommendations.
- e) i) Representatives of the Company shall at any reasonable time have the right to inspect and examine the risk and the Insured shall provide the representatives of the Company with all details and information necessary for the assessment of the risk.

- ii) The Insured shall immediately notify the Company in writing of any material change in the risk and cause at his own expense, such additional precautions to be taken as circumstances may require and the scope of cover and/ or premium shall if necessary be adjusted accordingly.
- iii) Dismantling and reassembling in connection with any examinations shall be carried out by the Insured on such date or dates as the Company and the insured mutually agree upon for the making of such examinations.
- No material alteration shall be made or admitted by the insured whereby the risk is increased, unless the continuance of the cover provided under this Policy is confirmed in writing by the Company.
- f) The Insured shall be obliged to keep complete records. All records e.g. inventories, production and balance sheets for the three preceding years shall be held in safe keeping or as a precaution against their being simultaneously destroyed the insured shall keep separate sets of such records.
- g) In the event of any occurrence, which gives rise to or is likely to give rise to a claim under this Policy the Insured shall -
- i) Forthwith give notice thereof to the Company
- ii) do and concur in doing and permit to be done all such things as may be reasonably practicable to minimize or establish the extent of any interruption of or interference with the business or to avoid or diminish the loss resulting therefrom.
- iii) as far as may be reasonably practicable without causing any increase in the period of interruption or interference take precautions to preserve any things which might prove necessary or useful by way of evidence in connection with any claim
- iv) discontinue the use of any damaged machinery unless the Company authorize otherwise and the Company shall not be liable in respect of any further interruption or interference arising out of the continued use of any damaged machinery without their having given their consent to such use until said machinery has been repaired to the satisfaction of the insurers
- v) in the event of a claim being made under this Policy not later than thirty days after the expiry of the indemnity period or within such further time as the Company may allow in writing at his own expense deliver to the Company a written statement setting forth particulars of his claim together with details of all other policies covering the accident or any part of it or consequential loss of any kind resulting therefrom and the insured shall at his own expense also produce and furnish to the Company such books of accounts and other business books e.g. invoices, balance sheets and other documents, proofs, information, explanation and other evidence as may reasonably be required by the Company for the purpose of investigating or verifying the claim together with if required - a statutory declaration 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 already made on account of the claims shall be repaid to the Company forthwith.
- h) In the event of an accident to any insured machinery likely to give rise to a claim under this Policy, the Company shall have the right to take over and control all necessary repairs or replacements.
- i) The Insured shall at the expense of the Company do and concur in doing and permit to be done all such acts and things as may be necessary or reasonably required by the Company for the purpose of enforcing any rights or remedies or obtaining relief or indemnity from other parties to which the Company shall be or would become entitled or subrogated upon its paying for or making good any loss or damage under this Policy whether such acts and things are or become necessary or required before or after his indemnification by the Company
- j) If the claim be in any respect fraudulent or if any false declaration be made or used in support thereof or if any fraudulent means or devices are used by the insured or any one acting on his behalf to obtain any benefit under this policy or if the Accident be occasioned by the willful act or with the connivance of the insured or if the claim be made and rejected and an action or suit be not commenced within three months after such rejection or in case of an arbitration taking place as provided hereunder within three months of this policy after the Arbitrator or Arbitrators or Umpire shall have made their award, all benefit under this Policy shall be forfeited.
- k) If at the time of any accident resulting in a loss under this Policy there be any other insurance covering the same loss or damage, the Company shall not be liable to pay more than its rateable proportion of the loss.
- l) Midterm increase in Sum Insured -  
If the sum insured is increased during the currency of the policy -
- i) Short period scale of rate shall apply to the increased amount.
- ii) If the policy is renewed thereafter for twelve months, for an amount not less than the increased total sum insured, the difference of premium between the short period scale of rates and pro-rata rate, may be refunded, or a new policy for the full increased sum insured, may be issued, at the tariff rate (annual or short period, as required) canceling the old insurance and allowing a pro-rata refund for the unexpired period of the cancelled policy'.
- n) Departmental Clause - Applicable when business has separate section or departments, each earning a different rate of gross profit)  
If the business be conducted in departments, the independent trading results of which are ascertainable, the provision of clauses (a) & (b) of item 1 of the specification shall apply separately to each department affected by the damage; provided that if the sum insured by the said

item be less than the aggregate of the sum produced by applying the rate of gross profit provided for each department of the business (whether affected by the accident or not) to the relative annual output thereof, the amount payable shall be proportionately reduced.

- o) "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."
- p) Every notice and other communication required by these conditions must be written or printed.

## SECTION XII : EMPLOYEES COMPENSATION

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.
12. **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.
13. **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**.
14. **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.

#### GENERAL EXCLUSIONS APPLICABLE TO ALL SECTIONS

The Company shall not be liable to indemnify under any section of this policy any direct or indirect loss/damage or liability or expenses howsoever caused on account of the following unless specifically provided in any of the sections:

1. Liability arising out of violation of any Rules and Regulation of the Govt. or Statutory authorities.
2. Loss or damage directly or indirectly, proximately or remotely occasioned by or which arises out of or in connection with war, invasion, act of foreign enemy, hostilities or civil war, rebellion, revolution, insurrection, warlike operation (whether war be declared or not), usurped power or civil commotion or loss or pillage in connection therein or confiscation or detention by the order of any Government or public authority.
3. 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, 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) committed for political, religious, ideological or similar purpose including the intention to influence any government and/or to put the public, or any section of the public in fear. (A uniform definition of terrorism is used throughout this document)

In any action, suit or other proceedings where the Company alleges that by reason of provisions hereof,

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.

4. Loss or damage arising due to delay/improper packaging.
5. Any loss or damage to any property whatsoever or any loss or expense whatsoever resulting or arising there from or any consequential loss and any legal liability of whatsoever nature directly or indirectly, caused by or contributed to by, or arising from ionizing radiation or contamination by radioactivity from any source whatsoever.
6. Any accident, loss, destruction, damage or legal liability directly or indirectly caused by or contributed to by or arising from nuclear weapons material.
7. Liability arising due to martial law or state of seize or any of the event or cause which determines the proclamation or maintenance of martial law or state of seize
8. Loss or damage wear and tear, depreciation, gradual deterioration/ development of flaws, atmospheric or climatic condition.
9. Loss or damage caused by or arising out of willful act/ gross negligence of the insured.
10. Loss of or damage to any Property insured under this Policy in the even of non-cooperation, misrepresentation, mis description or non-disclosure in any material particular or if a claim be fraudulent or any fraudulent means or devices be used by the Insured or any one acting on his behalf to obtain any benefit under this Policy

#### 11. Communicable Disease Exclusion Clause

1. Notwithstanding any provision, clause or term of this [Insurance Contract] to the contrary, this [Insurance Contract] excludes any loss, cost, damage, liability, claim, fines, penalty or expense or any other amount of whatsoever nature, whether directly or indirectly and/or in whole or in part, related to, caused by, contributed to by, resulting from, as a result of, as a consequence of, attributable to, arising out of, arising under, in connection with, or in any way involving (this includes all other terms commonly used and/or understood to reflect or describe nexus and/or connection from one thing to another whether direct or indirect):
  - 1.1 a Communicable Disease and/or the fear or threat (whether actual or perceived) of a Communicable Disease and/or the actual or alleged transmission of a Communicable Disease regardless of any other cause or event contributing and/ or occurring concurrently or in any sequence thereto, and
  - 1.2 a pandemic or epidemic, as declared by the World Health Organisation or any governmental authority.
2. As used herein, Communicable Disease means: any infectious, contagious or communicable substance or agent and/or any infectious, contagious or communicable disease which can be caused and/or transmitted by means of substance or agent where:

2.1 the disease includes, but is not limited to an illness, sickness, condition or an interruption or disorder of body functions, systems or organs, and

2.2 the substance or agent includes, but is not limited to, a virus, bacterium, parasite, other organism or other micro-organism (whether asymptomatic or not); including any variation or mutation thereof, whether deemed living or not, and

2.3 the method of transmission, whether direct or indirect, includes but not limited to, airborne transmission, bodily fluid transmission, transmission through contact with human fluids, waste or the like, transmission from or to any surface or object, solid, liquid or gas or between organisms including between humans, animals, or from any animal to any human or from any human to any animal, and

2.4 the disease, substance or agent is such:

2.4.1 that causes or threatens damage or can cause or threaten damage to human health or human welfare, or

2.4.2 that causes or threatens damage to or can cause or threaten damage to, deterioration to, contamination of, loss of value of, loss of marketability of or loss of use or usefulness of, tangible or intangible property.

For avoidance of doubt, Communicable Disease includes but is not limited to Coronavirus Disease 2019 (Covid -19) and any variation or mutation thereof.

3. For further avoidance of doubt, any contingent or other business interruption loss, cost, damage, loss of income, loss of use, increased cost of working and/or extra expense arising out of or attributable to:

3.1 any partial or complete closure of and/or slowdown in, including but not limited to any closure by or under the advisories of public, military, government or civil authorities, or any denial of access to insured premises, or customer and or supplier premises (including service / utility providers), or

3.2 change in consumer behaviour, or

3.3 an absence of infected employees or employees suspected of being infected shall not be covered by this [Insurance Contract].

4. For still further avoidance of doubt, loss, cost, damage, liability, claim, fines, penalty or expense or any other amount excluded hereby, includes but is not limited to any cost to identify, clean-up, detoxify, disinfect, decontaminate, mitigate, remove, evacuate, repair, replace, monitor, sanitize or test: (1) for a Communicable Disease or (2) any tangible or intangible property covered by this [Insurance Contract] that is affected by such Communicable Disease.

5. It is clarified that (1) no other prior, concurrent or subsequent provision, clause, term or exception of this [Insurance Contract] (including but not limited to) any prior, concurrent or subsequent endorsement and/or any provision, clause, term, buy back or exception that operates, or is intended to operate, to extend the coverage

of, or protections provided by, this [Insurance Contract] by whatever name called like any coverage extension, additional coverage, global extension, exception to any exclusion; (2) no change in the law, clause or similar provision; (3) no follow the fortunes clause or similar provision; and/or (4) no change in the law or any regulation (to the extent permitted by applicable law), shall operate to provide any insurance, coverage or protection under this [Insurance Contract] that would otherwise be excluded through the exclusion set forth in this [Endorsement] [Clause].

6. If the [Insurer] alleges that by reason of this [Endorsement][Clause] any amount is not covered by this [InsuranceContract] the burden of proving the contrary shall rest in the [Insured].

7. Sanction and Embargo Clause

No (re)insurer shall be deemed to provide cover and no (re)insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that (re)insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

## GENERAL CONDITIONS – APPLICABLE TO ALL SECTIONS

The Policy and Schedule shall be read together as one contract and any word or expression to which a specific meaning has been attached in any part of this Policy or the Schedule shall bear such specific meaning wherever it may appear.

1. The Proposer understands that if a proposal has been completed for this insurance, then the statements and all particulars provided in such proposal, and any attachments thereto, are material to the insurance company's decision to provide this insurance. The applicant further understands that the insurance company will, in its sole discretion, issue this Policy in reliance upon the truth of such statements and particulars.

THIS POLICY SHALL BE VOIDABLE AT THE OPTION OF THE COMPANY IN THE EVENT OF MIS-REPRESENTATION, MIS-DESCRIPTION OR NON-DISCLOSURE OF ANY MATERIAL PARTICULAR BY THE INSURED. ANY PERSON WHO, KNOWINGLY AND WITH INTENT TO DEFRAUD THE INSURANCE COMPANY OR OTHER PERSONS, FILES A PROPOSAL FOR INSURANCE CONTAINING ANY FALSE INFORMATION, OR CONCEALS FOR THE PURPOSE OF MISLEADING, INFORMATION CONCERNING ANY FACT MATERIAL THERETO, COMMITS A FRAUDULENT INSURANCE ACT WHICH WILL RENDER THE POLICY VOIDABLE AT THE INSURANCE COMPANY'S SOLE DISCRETION AND RESULT IN A DENIAL OF INSURANCE BENEFITS. IF A CLAIM IS IN ANY RESPECT FRAUDULENT, OR IF ANY FRAUDULENT OR FALSE PLAN, SPECIFICATION, ESTIMATE, DEED, BOOK, ACCOUNT ENTRY, VOUCHER, INVOICE OR OTHER DOCUMENT, PROOF OR EXPLANATION IS PRODUCED, OR ANY

FRAUDULENT MEANS OR DEVICES ARE USED BY THE INSURED, POLICYHOLDER, BENEFICIARY, CLAIMANT OR BY ANYONE ACTING ON THEIR BEHALF TO OBTAIN ANY BENEFIT UNDER THIS POLICY, OR IF ANY FALSE STATUTORY DECLARATION IS MADE OR USED IN SUPPORT THEREOF, OR IF LOSS IS OCCASIONED BY OR THROUGH THE PROCUREMENT OR WITH THE KNOWLEDGE OR CONNIVANCE OF THE INSURED, POLICYHOLDER, BENEFICIARY, CLAIMANT OR OTHER PERSON, THEN ALL BENEFITS UNDER THIS POLICY ARE FORFEITED

2. All insurances under this policy shall cease on expiry of 7 days from the date of fall or displacement of any building or part thereof or of the whole or any part of any range of buildings or of any structure of which such building forms part.

PROVIDED such a fall or displacement is not caused by a peril not excluded by this policy or such loss or damage would be covered if such building, range of buildings or structure were insured under this policy.

Notwithstanding the above, the Company, subject to an express notice being given as soon as possible but not later than seven days of any such fall or displacement may agree to continue the insurance subject to revised rates, terms and conditions as may be decided by it and confirmed in writing to this effect

3. Under any of the following circumstances the insurance ceases to attach as regards the property affected unless the Insured, before the occurrence of any loss or damage, obtains the sanction of the Company signified by endorsement upon the policy by or on behalf of the Company :-
- a) If the trade or manufacture carried on be altered, or if the nature of the occupation or other circumstances affecting the building insured or containing the insured property be changed in such a way as to increase the risk of loss or damage by Insured Perils.
- b) If the building insured or containing the insured property becomes unoccupied and so remains for a of more than 30 days.
- c) If the interest in the property passes from the insured otherwise than by will or operation of law
4. The Company may cancel this policy on grounds of misrepresentation, fraud, non-disclosure of material facts, non-co-operation by the insured or anyone acting on his behalf. Such cancellation of the policy shall be from the inception date, without refund of any premium, upon sending 7 days' notice in this regard at insured's address shown in the schedule.

The policy may also be cancelled by the insured at any time by giving at least 15 days written notice to the company. The company will refund premium on a short period basis by reference to the time cover is provided.

No Policy can be cancelled on insured's request, if a claim is reported under this Policy.

5. (i) On the happening of any loss or damage the Insured shall forthwith give notice thereof to the Company and shall within 15 days after the loss or damage, or such further time as the Company may in writing allow in that behalf, deliver to the Company

a) A claim in writing for the loss or damage containing as particular an account as may be reasonably practicable of all the several articles or items or property damaged or destroyed, and of the amount of the loss or damage thereto respectively, having regard to their value at the time of the loss or damage not including profit of any kind.

b) Particulars of all other insurances, if any. The Insured shall also at all times at his own expense produce, procure and give to the Company all such further particulars, plans, specification books, vouchers, invoices, duplicates or copies thereof, documents, investigation reports (internal/ external) proofs and information with respect to the claim and the origin and cause of the loss and the circumstances under which the loss or damage occurred, and any matter touching the liability or the amount of the liability of the Company as may be reasonably required by or on behalf of the Company together with declaration on oath or in other legal form of the truth of the claims and of any 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

- (ii) In no case whatsoever shall the Company be liable for any loss or damage after the expiration 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 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

6. On the happening of loss or damage to any of the property insured by this policy, the Company may -

- a. enter and take and keep possession of the building or premises where the loss or damage has happened,
- b. take possession of or require to be delivered to it any property of the Insured in the building or on the premises at the time of the loss or damage,
- c. keep possession of any such property and examine, arrange, remove or otherwise deal with the same,
- d. sell any such property or dispose of the same for account of whom it may concern.

The powers conferred by this condition shall be exercisable by the Company at any time until notice in writing is given by the insured that he makes no claim under the policy, or if any claim is made, until such claim is



finally determined or withdrawn, and the Company shall not by any act done in the exercise or purported exercise of its powers hereunder, incur any liability to the Insured or diminish its rights to rely upon any of the conditions of this policy in answer to any claim.

If the insured or any person on his behalf shall not comply with the requirements of the Company or shall hinder or obstruct the Company, in the exercise of its powers hereunder, all benefits under this policy shall be forfeited.

The Insured shall not in any case be entitled to abandon any property to the Company whether taken possession of by the Company or not.

7. If the Company at its option, reinstate or replace the property damaged or destroyed or any part thereof, instead of paying the amount of the loss or damage, or join with any other Company or Insurer in so doing, the Company shall not be bound to reinstate exactly or completely but only as circumstances permit and in reasonably sufficient manner, and in no case shall the Company be bound to expend more in reinstatement than it would have cost to reinstate such property as it was at the time of the occurrence of such loss or damage nor more than the sum insured by the Company thereon.

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

If in any case the Company 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 Company 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.

8. If the property hereby insured shall at the time of reinstatement/replacement repair following a loss or damage indemnifiable under the policy be of greater value than the Sum Insured under the policy, then the insured shall be considered as being his own insurer for the difference and shall bear a rateable proportion of loss.
9. Each item of the policy to which this condition applies shall be separately subject to the foregoing provision.

Provided however that if the said sum insured in respect of such item(s) of the Schedule shall not be less than 85% (Eighty Five percent) of the value of the item(s) thereat, will be applicable for sections other than I, II and III and this condition shall be of no purpose and effect.

If at the time of any loss or damage happening to any property hereby insured there be any other subsisting insurance or insurances, whether effected by the Insured or by any other person or persons covering the same

property, this Company shall not be liable to pay or contribute more than its rateable proportion of such loss or damage.

10. The Insured shall at the expense of the Company do and concur in doing, and permit to be done, all such acts and things as may be necessary or reasonably required by the Company for the purpose of enforcing any rights and remedies or of obtaining relief or indemnity from other parties to which the Company shall be or would become entitled or subrogated, 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 Company
11. "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."

12. Every notice and other communication to the Company required by these conditions must be written or printed.
13. 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. Thus continuous cover to the full extent will be available notwithstanding 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

14. The Insured shall take all reasonable steps to safeguard the Property insured against any loss or damage. The Insured shall exercise reasonable care that only competent employees are employed and shall take all reasonable steps to prevent all accidents and shall comply with all statutory or other regulations.
15. The Company shall have free access to inspect any Property insured and the books of accounts of the Insured. If at any time any event shall occur materially affecting the risks insured hereunder the Insured shall give notice in writing to the Company immediately

16. The Company may after admission of liability pay to the Insured/third party the maximum indemnity amount on receiving the documentary evidence and thereafter the Company shall not be under further liability in respect of such occurrence except for the payment of costs and expenses of litigation incurred prior to the date of payment
17. No claim shall be payable under this Policy unless the cause of action arises in India and the liability to pay claim established against the Insured in any Indian court. It is further agreed and understood that only Indian Law shall be applicable to any such action however, in case the liability is otherwise clear on the basis of evidence produced by the Insured, the Company may entertain the claim without reference to a court of law
18. The Company shall be entitled to take over and conduct in the name of Insured the defense or settlement of any claim in the name of Insured for its own benefit in pursuance of any remedies to which the Company shall be or would become entitled or subrogated upon its indemnifying the Insured. The Company shall have full discretion in conduct of any proceedings and in settlement of any claim and the Insured shall give all such assistance and information as the Company may require
19. 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.
20. MID – TERM increase in Sum Insured shall be allowed as follows:
  - a) Increase in Sum Insured – on Pro Rata Basis
  - b) Decrease in Sum Insured – on Short Period Scale

**SHORT PERIOD SCALE:**

Policies issued or renewed for periods shorter than 12 months must be charged for on the following scale, which must also be applied in calculating the premium where policies are cancelled during currency at the request of the Insured.

21. If any payment is made under this policy, We will be subrogated to the extent of such payment up to all Your rights of recovery from any third party. You must do all that is necessary to secure and must not prejudice such rights. Any monies recovered will be applied first to any costs and expenses made to obtain the recovery, second to any payments made by Us, and third to any other payments made by you.

Period	% of rate to be charged
For a period not exceeding 15 days	10% of the Annual rate
For a period not exceeding 1 month	15% of the Annual rate
For a period not exceeding 2 months	30% of the Annual rate
For a period not exceeding 3 months	40% of the Annual rate
For a period not exceeding 4 months	50% of the Annual rate
For a period not exceeding 5 months	60% of the Annual rate
For a period not exceeding 6 months	70% of the Annual rate
For a period not exceeding 7 months	75% of the Annual rate
For a period not exceeding 8 months	80% of the Annual rate
For a period not exceeding 9 months	85% of the Annual rate
For a period exceeding 9 months	The full Annual rate

**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

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 where settlement amount is over 1 lac

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.

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:

- Contact us- 022 6158 2020/ 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 Company Limited**

**D-301, 3rd Floor, Eastern Business District (Magnet Mall),  
LBS Marg, Bhandup (West) Mumbai-400078,**

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 Company Limited**

**D-301, 3rd Floor, Eastern Business District (Magnet Mall),  
LBS Marg, Bhandup (West) Mumbai-400078,**

**e-mail: cgo@hdfcergo.com**

You may also approach the nearest Insurance Ombudsman for resolution of Your grievance. The contact details of Ombudsman offices are mentioned 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

**Names of Ombudsman and Addresses of Ombudsmen Centres**

<b>NAMES OF OMBUDSMAN AND ADDRESSES OF OMBUDSMAN CENTRES</b>	
<b>OFFICE DETAILS</b>	<b>JURISDICTION OF OFFICE (UNION TERRITORY, DISTRICT)</b>
<p><b>AHMEDABAD - Shri Kuldip Singh</b> Office of the Insurance Ombudsman, Jeevan Prakash Building, 6th floor, Tilak Marg, Relief Road, Ahmedabad – 380 001. Tel.: 079 - 25501201/02/05/06 Email: bimalokpal.ahmedabad@cioins.co.in</p>	<p>Gujarat, Dadra &amp; Nagar Haveli, Daman and Diu.</p>
<p><b>BENGALURU -</b> Office of the Insurance Ombudsman, 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> Office of the Insurance Ombudsman, Janak Vihar Complex, 2nd Floor, 6, Malviya Nagar, Opp. Airtel Office, Near New Market, Bhopal – 462 003. Tel.: 0755 - 2769201 / 2769202 Fax: 0755 - 2769203 Email: bimalokpal.bhopal@cioins.co.in</p>	<p>Madhya Pradesh Chattisgarh.</p>
<p><b>BHUBANESHWAR - Shri Suresh Chandra Panda</b> Office of the Insurance Ombudsman, 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> Office of the Insurance Ombudsman, S.C.O. No. 101, 102 &amp; 103, 2nd Floor, Batra Building, Sector 17 – D, Chandigarh – 160 017. Tel.: 0172 - 2706196 / 2706468 Fax: 0172 - 2708274 Email: bimalokpal.chandigarh@cioins.co.in</p>	<p>States of Punjab, Haryana (excluding 4 districts viz Gurugram, Faridabad, Sonapat and Bahadurgarh), Himachal Pradesh, Union Territories of Jammu &amp; Kashmir, Ladakh and Chandigarh.</p>
<p><b>CHENNAI</b> Office of the Insurance Ombudsman, Fatima Akhtar Court, 4th Floor, 453, Anna Salai, Teynampet, CHENNAI – 600 018. Tel.: 044 - 24333668 / 24335284 Fax: 044 - 24333664 Email: bimalokpal.chennai@cioins.co.in</p>	<p>Tamil Nadu, Puducherry Town and Karaikal (which are part of Puducherry).</p>

NAMES OF OMBUDSMAN AND ADDRESSES OF OMBUDSMAN CENTRES	
OFFICE DETAILS	JURISDICTION OF OFFICE (UNION TERRITORY, DISTRICT)
<p><b>DELHI - Shri Sudhir Krishna</b></p> <p>Office of the Insurance Ombudsman, 2/2 A, Universal Insurance Building, Asaf Ali Road, New Delhi – 110 002. Tel.: 011 - 23232481/23213504 Email: bimalokpal.delhi@cioins.co.in</p>	<p>Delhi, 4 Districts of Haryana viz. Gurugram, Faridabad, Sonapat and Bahudurgarh</p>
<p><b>GUWAHATI</b></p> <p>Office of the Insurance Ombudsman, Jeevan Nivesh, 5th Floor, Nr. Panbazar over bridge, S.S. Road, Guwahati – 781001(ASSAM). Tel.: 0361 - 2632204 / 2602205 Email: bimalokpal.guwahati@cioins.co.in</p>	<p>Assam, Meghalaya, Manipur, Mizoram, Arunachal Pradesh, Nagaland and Tripura.</p>
<p><b>HYDERABAD</b></p> <p>Office of the Insurance Ombudsman, 6-2-46, 1st floor, "Moin Court", Lane Opp. Saleem Function Palace, A. C. Guards, Lakdi-Ka-Pool, Hyderabad - 500 004. Tel.: 040 - 23312122 Fax: 040 - 23376599 Email: bimalokpal.hyderabad@cioins.co.in</p>	<p>State of Andhra Pradesh, Telangana and Yanam - a part of Union Territory of Puducherry.</p>
<p><b>JAIPUR</b></p> <p>Office of the Insurance Ombudsman, Jeevan Nidhi – II Bldg., Gr. Floor, Bhawani Singh Marg, Jaipur - 302 005. Tel.: 0141 - 2740363 Email: bimalokpal.jaipur@cioins.co.in</p>	<p>Rajasthan.</p>
<p><b>ERNAKULAM - Ms. Poonam Bodra</b></p> <p>Office of the Insurance Ombudsman, 2nd Floor, Pulinat Bldg., Opp. Cochin Shipyard, M. G. Road, Ernakulam - 682 015. Tel.: 0484 - 2358759 / 2359338 Fax: 0484 - 2359336 Email: bimalokpal.ernakulam@cioins.co.in</p>	<p>Kerala, Lakshadweep, Mahe-a part of Union Territory of Puducherry</p>
<p><b>KOLKATA - Shri P. K. Rath</b></p> <p>Office of the Insurance Ombudsman, Hindustan Bldg. Annexe, 4th Floor,4, C.R. Avenue, KOLKATA - 700 072. Tel.: 033 - 22124339 / 22124340 Fax : 033 - 22124341 Email: bimalokpal.kolkata@cioins.co.in</p>	<p>States of West Bengal, Sikkim and Union Territories of Andaman &amp; Nicobar Islands.</p>
<p><b>LUCKNOW -Shri Justice Anil Kumar Srivastava</b></p> <p>Office of the Insurance Ombudsman, 6th Floor, Jeevan Bhawan, Phase-II, Nawal Kishore Road, Hazratganj, Lucknow - 226 001. Tel.: 0522 - 2231330 / 2231331 Fax: 0522 - 2231310 Email: bimalokpal.lucknow@cioins.co.in</p>	<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, Raebareli, Sravasti, Gonda, Faizabad, Amethi, Kaushambi, Balrampur, Basti, Ambedkarnagar, Sultanpur, Maharajgang, Santkabirnagar, Azamgarh, Kushinagar, Gorkhpur, Deoria, Mau, Ghazipur, Chandauli, Ballia, Sidharathnagar.</p>

NAMES OF OMBUDSMAN AND ADDRESSES OF OMBUDSMAN CENTRES	
OFFICE DETAILS	JURISDICTION OF OFFICE (UNION TERRITORY, DISTRICT)
<p><b>MUMBAI</b></p> <p>Office of the Insurance Ombudsman, 3rd Floor, Jeevan Seva Annexe, S. V. Road, Santacruz (W), Mumbai - 400 054. Tel.: 69038821/23/24/25/26/27/28/28/29/30/31 Fax: 022 - 26106052 Email: bimalokpal.mumbai@cioins.co.in</p>	<p>Goa, Mumbai Metropolitan Region excluding Navi Mumbai &amp; Thane.</p>
<p><b>NOIDA - Shri Chandra Shekhar Prasad</b></p> <p>Office of the Insurance Ombudsman, Bhagwan Sahai Palace 4th Floor, Main Road, Naya Bans, Sector 15, Distt: Gautam Buddh Nagar, U.P-201301. Tel.: 0120 - 2514252 / 2514253 Email: bimalokpal.noida@cioins.co.in</p>	<p>State of Uttaranchal and the following Districts of Uttar Pradesh: Agra, Aligarh, Bagpat, Bareilly, Bijnor, Budaun, Bulandshehar, Etah, Kanooj, Mainpuri, Mathura, Meerut, Moradabad, Muzaffarnagar, Oraiyya, Pilibhit, Etawah, Farrukhabad, Firozbad, Gautambodhanagar, Ghaziabad, Hardoi, Shahjahanpur, Hapur, Shamli, Rampur, Kashganj, Sambhal, Amroha, Hathras, Kanshiramnagar, Saharanpur.</p>
<p><b>PATNA - Shri N. K. Singh</b></p> <p>Office of the Insurance Ombudsman, 1st Floor, Kalpana Arcade Building,, Bazar Samiti Road, Bahadurpur, Patna 800 006. Tel.: 0612-2680952 Email: bimalokpal.patna@cioins.co.in</p>	<p>Bihar, Jharkhand.</p>
<p><b>PUNE - Shri Vinay Sah</b></p> <p>Office of the Insurance Ombudsman, Jeevan Darshan Bldg., 3rd Floor, C.T.S. No.s. 195 to 198, N.C. Kelkar Road, Narayan Peth, Pune – 411 030. Tel.: 020-41312555 Email: bimalokpal.pune@cioins.co.in</p>	<p>Maharashtra, Area of Navi Mumbai and Thane excluding Mumbai Metropolitan Region.</p>