

### BUSINESS PROTECT POLICY (LAGHU UDYAM)

Whereas the Insured named in the Schedule has made to **MAGMA HDI GENERAL INSURANCE COMPANY LTD.** (hereinafter called the "Company"), a proposal which is hereby agreed to be the basis of this Policy and has paid the premium specified in the Schedule, now the Company hereby agrees, subject to the terms, conditions and exclusions herein contained or endorsed or otherwise expressed hereon, that on the happening of any insured event as provided for hereunder arising during the Policy Period and notified as prescribed, the Company will make payment as provided for under each Section but only up to the Sum Insured or Limit of Indemnity as specified in the Schedule against each Section or each sub-limit of the Sum Insured or the Limit of Indemnity, as the case may be.

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

Section	Name of the Section	
Section – 1	FIRE INSURANCE COVER	Applicable (Compulsory)
Section – 2	FIRE LOSS OF PROFIT COVER	Applicable if covered in the Schedule
Section – 3	BURGLARY AND HOUSEBREAKING COVER	Applicable if covered in the Schedule
Section – 4	MACHINERY BREAKDOWN COVER	Applicable if covered in the Schedule
Section – 5	ELECTRONIC EQUIPMENT COVER	Applicable if covered in the Schedule
Section – 6	BOILER AND PRESSURE PLANT COVER	Applicable if covered in the Schedule
Section – 7	MONEY / CASH COVER	Applicable if covered in the Schedule
Section – 8	FIDELITY COVER	Applicable if covered in the Schedule
Section – 9	ALL RISK COVER	Applicable if covered in the Schedule
Section – 10	PLATE GLASS COVER	Applicable if covered in the Schedule
Section – 11	NEON SIGN/GLOW SIGN COVER	Applicable if covered in the Schedule
Section – 12	BAGGAGE COVER	Applicable if covered in the Schedule
Section – 13	PUBLIC LIABILITY COVER	Applicable if covered in the Schedule
	GENERAL EXCLUSIONS	Applicable (Compulsory)
	GENERAL CONDITIONS	Applicable (Compulsory)

## SECTION 1 – FIRE INSURANCE COVER

### Clause A: To whom this Policy is issued and what it covers

- i. This Policy is issued to You and covers Your Insured Property relating to Your Business as mentioned in the Policy Schedule where the total value at risk across all Insurable Asset classes at one location is exceeding ₹ 5 Crore (Rupees Five Crore) but not exceeding ₹ 50 Crore (Rupees Fifty Crore) at the policy Commencement Date  
  
Provided, if the value at risk for all Insurable Assets either exceeds ₹ 50 Crore or reduces below ₹ 5 Crore during the Policy Period, this policy shall, on expiry, be replaced by the applicable policy.
- ii. If more than one person is insured under this policy, each of You is a joint policyholder. Any notice or letter We give to any of You will be considered as given to all of You. Any request, statement, representation, claim or action of any one of You will bind all of You as if made by all of You.
- iii. If You have mortgaged, pledged or hypothecated any Insured Property with a Bank, the Policy Schedule will show an 'Agreed Bank Clause' and the name of such Bank. The terms and conditions of this arrangement will be added to this Policy as an additional Clause.

**The Policy Schedule:** The Policy Schedule is an important document about Your insurance cover. It shows:

- i. Your personal details,
- ii. the Policy Period,
- iii. the description of Your Insured Property,
- iv. the total Sum Insured, the Sum Insured for each cover, or for each block, set or category of Insured Property, and its limits and sub-limits for each and every location,
- v. the insurance covers You have purchased,
- vi. the premium You have paid for these insurance covers,
- vii. add-on covers opted by You,
- viii. other important and relevant aspects and information

**Special Meanings of certain words:** Words stated in the table below have a special meaning throughout this Policy, the Policy Schedule and Endorsements. These words with special meaning are stated in the Policy with the first letter in capitals.

Word/s	Specific meaning
<b>Agreed Value</b>	An amount agreed between You and Us at the policy Commencement Date for items, the value of which cannot be ascertained.
<b>Bank</b>	A bank or any financial institution
<b>Building</b>	Any building or structure in Your Premises where You carry on Your Business. It includes: <ol style="list-style-type: none"> <li>a. Basement (if any), all fixtures and fittings permanently attached to the floor, walls or roof like electrical wiring, antennas etc.</li> <li>b. The following 'additional structures' located on Your Premises and used for Your Business, that are shown in the Policy Schedule:               <ol style="list-style-type: none"> <li>i. garage, out-houses, security sheds, towers, verandah or porch, tanks, compound walls, retaining walls, fences, gates and internal roads,</li> <li>ii. lifts, hoists,</li> </ol> </li> <li>c. solar panels, wind turbines and air conditioning systems, central heating systems, security systems and cameras, electrical installations, fire alarm, fire sprinkler systems, power lines, power installations,</li> <li>d. water, gas and sewage pipeline within Your premises or any other structure shown in the Policy Schedule.</li> </ol>

<b>Business</b>	Your commercial enterprise, trade or profession as shown in the Policy Schedule.
<b>Commencement Date</b>	It is the date and time from which the Insurance Cover under this Policy begins. It is shown in the Policy Schedule.
<b>Contents</b>	Those articles or things in Your Premises that are not permanently attached or fixed to the structure of Your Premises.
<b>Endorsement</b>	A written amendment to the Policy that We make (additions, deletions, modifications, exclusions or conditions of an insurance Policy) which may change the terms or scope of the original policy.
<b>Excess</b>	It is the amount that You must bear in each and every claim before We become liable to pay.
<b>Insurable Assets</b>	All Buildings, Plant and Machinery, Furniture, Fixture and Fittings, Stock and all other Contents which, for the purposes of Your Business on any one location, You own, or hold as tenant or occupant, or hold in trust or on commission, or are legally responsible for as part of Your trade, even if You have not taken insurance cover for any of them.
<b>Insured Property</b>	The Building, Plant and Machinery, Furniture, Fixture and Fittings, Stocks and any other Contents that are declared and insured by You under this Policy, and are located in Your Premises unless specifically stated in this Policy. The Insured Property is shown in the Policy Schedule.
<b>Kutchra Construction</b>	Building(s) having walls and/or roofs of wooden planks/thatched leaves and/or grass /hay of any kind/ bamboo /plastic cloth/ asphalt/ canvas/ tarpaulin and the like.
<b>Market Value</b>	Market Value means new Replacement/Reinstatement Value minus depreciation reckoned as on the date of loss.
<b>Money</b>	Cash, bank and currency notes, credit cards, telephone cards, cheques, crossed bankers' drafts, postal orders, luncheon vouchers, current postage stamps, trading stamps, National Savings Certificates, Premium Bonds, credit sales vouchers or receipts, unexpired units in franking machines, gift tokens and consumer redemption vouchers belonging to You or for which You are responsible.
<b>Partial Loss</b>	Any loss other than Total Loss.
<b>Plant and Machinery</b>	All equipment, machinery, pipes and cables, spares, computers, servers and preloaded licensed system software located within any structure or in the open area of Your Premises.  It includes  i. machines under repair,  ii. machines taken on hire or lease, or through any system of purchase of goods,  iii. foundation, bedding or setting of the machines, or  iv. accessories of machines.
<b>Policy Period</b>	Policy period means the period commencing from the effective date and time as shown in the Policy Schedule and terminating at Midnight on the expiry date as shown in the Policy Schedule or on the termination of or the cancellation of insurance as provided for in this policy, whichever is earlier.
<b>Policy Schedule</b>	The document accompanying and forming part of the Policy that gives Your details and of Your insurance cover, as described in <b>Clause A</b> of this Policy.
<b>Premium</b>	The premium is the amount You pay Us for this insurance. The Policy Schedule shows the amount of premium for the Policy Period and all other taxes and levies.
<b>Pucca Construction</b>	Construction other than Kutchra Construction.

<b>Reinstatement/ Replacement</b>	<p>Reinstatement/Replacement is defined as:</p> <ul style="list-style-type: none"> <li>i the reconstruction of buildings or replacement of other property lost or destroyed.</li> <li>i the repair or partial replacement of property damaged.</li> </ul> <p>In either case, to a condition substantially the same as but not superior, better or more extensive than its condition if it were new on the date it is damaged or destroyed.</p>
<b>Reinstatement/ Replacement Value</b>	<p>This is the amount at which the Insured Property can be reinstated or replaced by a similar property, without deducting depreciation, and 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 if it were new on the date it is damaged or destroyed.</p>
<b>Stocks</b>	<p>Any stock of goods or merchandise. It may be:</p> <ul style="list-style-type: none"> <li>i Finished goods, semi-finished goods, stock in process, stock invoiced and ready for dispatch,</li> <li>ii Raw materials, packing materials, or</li> <li>iii Stock held in trust for which You are responsible.</li> <li>iv Stock in Open in the Insured Premises</li> </ul>
<b>Sum Insured</b>	<p>The amount shown as Sum Insured in the Policy Schedule. It represents Our maximum liability for each cover or part of cover and for each loss, as applicable.</p>
<b>Total Loss</b>	<p>A situation where the Insured Property or item is completely destroyed, lost, or damaged beyond retrieval or repair, or the cost of repairing it, is more than the Sum Insured of that item or in total.</p>
<b>We, Us, Our, Insurer</b>	<p>The Magma HDI General Insurance Company that has provided Insurance Cover under this Policy; of the Company.</p>
<b>You, Your, Insured</b>	<p>The Insured Person/s, Company or other entity shown in the Policy Schedule who has/have purchased insurance cover under this Policy; of such Insured Person/s.</p>
<b>Your Premises</b>	<p>The premises in which You carry on Business that is occupied by You for the purposes of Business declared to Us and is reflected in the Policy Schedule</p>

**Clause B. Insured Events**

We give insurance cover for physical loss or damage, or destruction caused to Insured Property by the following unforeseen events occurring during the Policy Period.

The events covered are given in Column A and those not covered in respect of these events are given in Column B.

	<b>Column A</b>	<b>Column B</b>
	<b>We cover</b> physical loss or damage, or Destruction caused to the Insured Property by	<b>We do not cover</b> for loss or damage, or Destruction caused to the Insured Property by
1.	Fire, including due to its own fermentation, or natural heating, or spontaneous combustion.	caused by a. its undergoing any heating or drying process, or b. burning of Insured Property by order of any Public Authority.
2.	Explosion or Implosion	a. caused to boilers, economizers or other vessels, machinery or apparatus in which steam is generated, or their contents, resulting from their own explosion or implosion, or b. caused by centrifugal forces.
3.	Lightning	-
4.	Earthquake, volcanic eruption, or other convulsions of nature	-
5.	Storm, Cyclone, Typhoon, Tempest, Hurricane, Tornado, Tsunami, Flood and Inundation	-
6.	Subsidence of the land on which Your Premises stand, Landslide, Rockslide	caused by a. normal cracking, settlement or bedding down of new structures, b. the settlement or movement of made up ground, c. coastal or river erosion, d. defective design or workmanship or use of defective materials, or e. demolition, construction, structural alterations or repair of any property, or ground works or excavations.
7.	Bush fire, Forest fire and Jungle fire	-
8.	Impact damage of any kind, i.e., damage caused by impact of, or collision caused by, any external physical object (e.g. vehicle, falling trees, aircraft, wall etc.),	a. caused by pressure waves caused by aircraft or other aerial or space devices travelling at sonic or supersonic speeds. b. caused by vehicle, animal or aircraft belonging to or owned by Insured or their employee while acting in the course of employment
9	Missile testing operations	-
10.	Riot, Strikes, Malicious Damages	caused by a. total or partial cessation of work or the retardation or interruption or cessation of any process or operations or omissions of any kind, b. temporary or permanent dispossession, confiscation,

		<p>commandeering, requisition or destruction by order of the government or any lawful authority, or</p> <p>c temporary or permanent dispossession of any Building by unlawful occupation by nay person</p>
	Column A	Column B
	We cover physical loss or damage, or destruction caused to the Insured Property by	We do not cover for loss or damage, or destruction caused to the Insured Property by
11.	<p>Acts of terrorism</p> <p>(Coverage as per Terrorism Clause attached.)</p>	Exclusions as per the terrorism clause attached
12.	Bursting or overflowing of water tanks, apparatus and pipes,	-
13.	Leakage from automatic sprinkler installations	<p>a repairs or alterations in the Building in which Your Business is located,</p> <p>b repairs, removal or extension of any sprinkler installation, or</p> <p>c defects in the construction known to You.</p>
14.	Theft within 7 days from the occurrence of and proximately caused by any of the above Insured Events	<p>if it is</p> <p>a of any article or thing outside Your Premises, or</p> <p>b of any article or thing attached from the outside of the outer walls or the roof of Your Premises, unless securely mounted.</p>

### Clause C. The Standard Cover

#### 1. What We cover

We cover physical loss or damage, or destruction of any Insured Property because of any Insured Event stated in **Clause B** of this Policy and subject to the exclusions stated in **Clause D of this Policy** subject to all terms and conditions of this Policy. We also give **In-built** Covers without charging additional premium which are stated in **Clause C (4)** of this Policy.

#### 2. Basis of Sum Insured

- i for Building, Plant and Machinery, Furniture, Fixture and Fittings and any other contents: Reinstatement Value
- i For Stocks:
  - a For raw material: landed cost at Your Premises.
  - b For stock in process: input cost of the stock at the time of loss.
  - c For finished stock: the manufacturing cost of the Finished Stock or the **Contract Price** of goods sold but not delivered and more precisely defined below.

**Contract Price** is in respect only of goods sold but not delivered, for which You are responsible and with regard to which under the conditions of the sale, the sale contract is cancelled by reason of any Damage insured under this Policy either wholly or to the extent of the Damage. The Company's liability shall be based on the Contract Price.

- i Bullion or unset precious stones, any curios or works of art or obsolete machinery and the like are to be covered on Agreed Value basis subject to a valuation certificate being submitted and found acceptable by Us.

### 3. **Restoration of Sum Insured**

Except as stated in **Clause G (II) (3) (e)** of this Policy, the insurance cover will at all times be maintained during the Policy Period to the full extent of the respective Sums Insured. This means that after We have paid for any loss, the policy shall be restored to the full original amount of Sum Insured. You must pay to Us proportionate premium for the unexpired Policy Period from the date of loss. We can also deduct this premium from the net claim that We must pay You.

Notwithstanding the above, the Sum Insured shall stand reduced by the amount of loss in case You, immediately on occurrence of the loss, exercise Your option not to restore the Sum Insured.

### 4. **In-built Covers**

If We agree to pay Your claim for loss or damage to Insured Property, We will also pay for the following loss or damage and expenses.

#### 4.1 *Additions, alterations or extensions:*

We cover Buildings, Plant, Machinery, and Furniture and Fittings, or other Contents which You will erect, or acquire, or for which You will become responsible, after the Commencement Date, in the Insured Premises. We will pay, for that item as follows:

- i You inform Us of the item so erected or acquired within 7 (seven) days of it becoming known to You,
- i such item of Property is not otherwise insured,
- i maximum limit under this cover is 15% (excluding stocks),
- iv subject to Underinsurance provision of **Clause F** of this Policy.

#### 4.2 *Temporary removal of stocks:*

We cover stocks temporarily removed to any other premises for the purposes of fabrication, processing or finishing, or other similar purposes as follows:

- i maximum cover will be 10% of the Sum Insured of Stock,
- i such stock is not otherwise insured.

#### 4.3 **Cover for Specific Contents:** We cover the following, as applicable:

- i Money for an amount not exceeding ₹50,000 (Rupees Fifty Thousand) during the policy period.
- i Deeds, manuscripts and business books, plans, drawings, securities, obligations or documents of any kind, but only for the cost of the materials and clerical labour expended in reproducing such records for an amount not exceeding ₹50,000 (Rupees Fifty Thousand) during the policy period.
- i Computer programmes, information and data but only for the cost of the materials and clerical labour expended in reproducing such records for an amount not exceeding ₹ 5 Lakh (Rupees Five Lakh) during the policy period.
- iv Employees', Directors', visitors' personal effects of every description (other than motor vehicles) for an amount not exceeding ₹15,000 (Rupees Fifteen Thousand) per person for a maximum of 20 (twenty) persons during the policy period.

#### 4.4 *Start-Up Expenses:*

We cover start-up costs necessarily and reasonably incurred by the insured in respect of the insured risk consequent upon a loss or damage covered by this policy for an amount not exceeding ₹ 5 Lakh (Rupees Five Lakh) during the policy period.

#### 4.5 *Professional fees:*

We will pay the expenses that You incur towards reasonable fees of Architects, Surveyors and Consulting Engineers as follows:

- i The fees are paid for preparing plans, specification tenders and quantities, and services in connection with the superintendence of the reinstatement of the Insured Building, Machinery, Accessories or Equipment;
- i The maximum We pay is 5 % of the claim amount;
- i We do not cover fees or costs for preparing any claim or estimate of loss or damage by the Insured Perils.

**4.6 Costs for removal of debris:**

We will pay reasonable expenses You incur towards removal of debris of any Insured Property from Your Premises, and dismantling, demolishing, shoring up or propping up of Insured Building or Machinery. The maximum We pay is 2 % of the claim amount.

**4.7 Costs compelled by Municipal Regulations:**

We pay such additional cost of reconstruction or reinstatement of the Insured Property that is incurred solely because You must comply with any regulations or bye-laws of any municipal or local authority, or any provision of any State or Central Act, Rules or regulations. We cover these costs on the following conditions:

- i You must commence the repairs, or reconstruction or reinstatement of the Insured Property, within a reasonable time after the date of damage or destruction. You must complete the repairs, reconstruction or reinstatement within reasonable time, in any case not beyond 12 months from the date of damage of destruction, or within such time as We may allow in writing.
- i If Our Liability is reduced under any term or condition of this Policy, Our liability under this extension will also be proportionately reduced.
- i The total amount recoverable under any item of the policy shall not exceed the sum insured thereby
- iv. All other terms and conditions of this Policy will apply to this extension.
- v. These costs will not include
  - a. the costs incurred for complying with such regulations,
    - for destruction or damage occurring before CommencementDate,
    - for destruction or damage not insured under this Policy
    - under which You have received notice before the destruction or damage occurred.
  - b. any additional cost required to repair or reconstruct the Insured Property to a condition equal to its condition when new, had the need to comply with the regulation arisen.
  - c.the amount of any rate, tax, duty, development or other charge or assessment arising out of capital appreciation which may be payable in respect of the Insured Property or by the owner thereof by reason of compliance with any of the aforesaid regulations or bye-laws.

**Clause D. Exclusions, that is, what We do not cover**

We do not cover losses or expenses, or any loss, damage to, or destruction of the Insured Property, directly or indirectly as a result of or if caused by or arising from events, stated below:

1. i. Excess of 5 % of each claim, subject to a minimum of ₹ 10,000 (Rupees Ten Thousand). This means that We will deduct 5 % of each claim, subject to a minimum of ₹ 10,000 (Rupees Ten Thousand) for each and every loss suffered by You under the terms of this policy.
  - ii. For terrorism risk the excess shall be as per the clause attached to this policy.
- 2 Your deliberate, wilful or intentional act or omission, or of anyone on Your behalf, or with Your connivance.



- 3 Loss, damage or destruction to any electrical/electronic machine, apparatus, fixture, or fitting by over-running, excessive pressure, short circuiting, arcing, self-heating or leakage of electricity from whatever cause (lightning included). This exclusion applies only to the particular machine so lost, damaged or destroyed. However, any ensuing loss or damage to other insured property due to operation of an insured peril is covered.
- 4 Loss, destruction or damage to the stocks in cold storage premises caused by change of temperature.
- 5 Loss, or damage by spoilage resulting from the retardation or interruption or cessation of any process or operation caused by operation of any of the Insured Events.
- 6 Your Premises or any Insured Building remaining continuously unoccupied for a period of more than 30 days, unless You have obtained prior written approval from Us and such approval is recorded as an endorsement on the Policy.
- 7 War, invasion, act of foreign enemy hostilities or war-like operations (whether war is declared or not), civil war, mutiny, civil commotion amounting to a popular rising, military rising, rebellion, revolution, insurrection or military or usurped power.
- 8 Ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from combustion of nuclear fuel, or the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component that is part of it.
- 9 Pollution or contamination, unless
  - i the pollution or contamination itself has resulted from an Insured Event, in which case only physical damage to the Insured Property is covered, or
  - ii an Insured Event itself results from pollution or contamination.
- 10 Loss, destruction or damage to bullion or unset precious stones, any curios or works of art unless such amount is declared separately and recorded in the Policy Schedule.
- 11 Loss of any Insured Property which is missing or has been mislaid, or its disappearance cannot be linked to any single identifiable Insured Event.
- 12 Loss or damage to any Insured Property removed from Your Premises to any other place, except
  - i machinery and equipment temporarily removed for repairs, cleaning, renovation or other similar purposes for a period not exceeding 60 days,
  - ii Stock covered under **Clause (C) (4.2)** of this Policy.
- 13 Any reduction in market value of any Insured Property after its repair or reinstatement.
- 14 Loss or damage to any Insured Property or any claim which is covered by a marine policy in force at the time of loss or damage, except in excess of the limits of that policy.
- 15 Any consequential or indirect loss or damage of any description, i.e. losses or extra costs (financial or non-financial) that follow or are a consequence of an Insured Event, like, loss by delay, loss of income or wages or earnings, or of market, or of time, medical expenses, or any costs not covered by this Policy.
- 16 Costs, fees or expenses for preparing any claim.

#### **Clause E. What We Pay**

**If any Insured Property is physically damaged, lost or destroyed, We will pay You as follows:**

**1. Partial Loss:**

- i If any Insured Property 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 if it were new on the date it was damaged.
- ii If any Insured Stock is a Partial Loss We will pay You to the extent of the loss of such Partial Loss.

**2. If Building or Plant and Machinery or Furniture, Fixture, Fittings is a Total Loss, We will pay You for**

- i The Reinstatement/Replacement Value of the Building or Plant and Machinery or Furniture, Fixture, Fittings.
  - i Reconstruction of the new building on the same site, or another site. If You reconstruct the new Building or Reinstatement the Plant and Machinery or Furniture, Fixture, Fittings on another site We will not pay You more than what We would pay to reconstruct or replace on the same site.
  - i Reinstatement using standard material readily available and in common use for similar type of Building.
3. If the Stock is a **Total Loss**, We will pay You as follows:
- i landed cost at Your Premises for Stock of raw materials,
  - i total manufacturing cost for Stock of finished goods,
  - i the input value of Stock in process at the time loss,
  - iv. The **Contract Price** in case of goods sold but not dispatched, and lying within Your premises for which You are responsible under the terms of a contract of sale. We will pay Your claim on the basis of the **Contract Price**, if the sale is cancelled wholly or to the extent of loss or damage caused by an Insured Event covered by this Policy. For the purposes of this para, the value of all goods to which this basis of settlement could apply in the event of loss or damage will also be ascertained on the same basis.
4. You must commence the repairs or Reinstatement within a reasonable time after the date of the damage or destruction. You must complete the repairs or Reinstatement within reasonable time, in any case not beyond 12 months from the date of damage or destruction, or within such time as We may allow in writing.
5. If You fail to start the work of the repairs or Reinstatement within reasonable time, or to complete the repairs or Reinstatement within time We will pay Your claim based on the Market Value of the Building, Plant and Machinery, Furniture, Fixture, Fittings as the case maybe.
6. We will pay the Market Value of the Building, Plant and Machinery, Furniture, Fixture and Fittings at the time it is a Total Loss, but not more than the relevant Sum Insured,
- i if the Building cannot be Reinstated or rebuilt due to Municipal, State or Central law, rules, regulations or bye-laws,
  - i if You do not wish to Reinstatement the Building, Plant and Machinery, Furniture, Fixture, Fittings.
7. We will also pay other amounts mentioned in **Clause C (4)** of this Policy.

*NOTE : In any claim, We will not pay more than the relevant Sum Insured , subject to Underinsurance as stated in Clause F of this Policy:*

**Clause F. Underinsurance:**

1. The Sum Insured for each item of Insured Property must be sufficient to pay for Reinstatement/Replacement of that Property on the date of loss. If the Reinstatement/Replacement Value of the Insured Property, in totality, including additions, alterations, erections and new acquisitions, is more than the Sum Insured, except to the extent waived in **Clause F (3)** of this Policy, it amounts to underinsurance, and will reduce proportionate to the difference from the amount that We will pay for Your claim.
2. Every item of Insured Property is subject to this condition separately.
3. Under this Policy Section, We will waive underinsurance upto 15%.
4. If at the time of damage the Sum Insured applicable to the relevant Buildings, Plant and Machinery, Furniture, Fixture, Fittings, Stocks and other contents is less than 85% of the value of Insurable Assets, You will be responsible for the difference and You will bear a proportionate share of the loss.
5. Underinsurance will not apply to Cover for Specific Contents.

*NOTE: The cost for Reinstatement of additions made to Insured Property during the Policy Period will be reckoned from the date of addition*

## Clause G. Conditions

### I) Your Obligations

#### 1. Make true and full disclosure in the proposal and related documents

- i. You have a duty of disclosure to tell Us everything You know, or could reasonably be expected to know, that is relevant to Us for deciding whether to give You insurance cover and on what terms. You owe this duty to disclose such relevant material information even if We have not specifically asked for it. This duty extends to any information or declarations given by anyone else on Your behalf.
- ii. We have agreed to give You insurance cover entirely on the basis of the information You, or anyone on Your behalf, have given Us in the proposal, statements and other declarations and documents (in writing or electronic) about Yourself, the Building, Plant and Machinery, Furniture, Fixture, Fittings, Stocks and other Contents. The correct and complete information You give is the basis of Our contract with You. Our promise to pay is conditional upon the truth of these statements and on the assumption that You, or anyone on Your behalf, has not withheld any material information about Yourself, the Building, Plant and Machinery, Furniture, Fixture, Fittings, Stocks and other Contents.

#### 2. Make true statements and full disclosure in the claim and related documents

You must also give true and full information in Your claim and submit true documents. If You give any false information or document in the claim, or if You withhold any information or document (written or electronic), We have a right to refuse payment of Your claim. We may also cancel Your policy.

#### 3. Obligation to take care: You must:

- i. ensure that unauthorised persons do not occupy Your Premises.
- ii. whenever Your Premises or any Building in Your Premises is unoccupied, You must ensure that all security procedures on Your Premises are in force.

#### 4. Inform change in circumstances:

You must inform Us immediately if:

- i. You change the nature of Your Business or any processes,
- ii. You let out Your Premises or any part, or Your Premises will no longer be solely occupied by You
- iii. You change the use of Your Premises or any Building,
- iv. Your Premises or any Building remains unoccupied for more than 30 days.

#### 5. Allow inspection and investigation of claim

You must allow and give full cooperation for the survey/investigation of Your claim by Us. You must allow Us, and any surveyor, officer or other representative that We authorise, to enter Your Premises, inspect it, take photographs and where required, permit the scientific testing and investigation of any insured article affected by the insured peril, You must answer all questions asked regarding Your claim truthfully and completely, and submit all documents that We will require.

#### 6. Follow claim procedure

When You suffer any loss or damage to any Insured Property, and wish to make a claim, You must follow all steps stated in this Policy about immediate reporting to Us and to the appropriate Legal Authorities as per **Clause G (III)** of this Policy.

### II) Automatic termination of the Policy:

This Policy will automatically end in the following cases:

- a. **Destruction of any Insured Building:** This Policy will automatically end 7 (seven) days after any Insured Building collapses or is displaced or destroyed by reason other than any Insured Event. If a separable part of any Insured Building falls down or is destroyed by reason other than any Insured Event, the cover will end for such part or additional structure.
- b. You can apply within 7 (seven) days of such fall or destruction for continuing insurance cover. We may agree, but will not be bound, to continue the cover on revised rates, terms and conditions.

- c **Change of use or ownership of Insured Property:** The Policy will end in regard to the Insured Property affected, unless You have obtained Our prior consent in writing as an Endorsement on the Policy,
  - i if You change the trade or manufacture, or the nature of Your occupation, or You change other circumstances relating to the Building or a building containing any Insured Property in such a way as to increase the risk of loss or damage by Insured Events;
  - i if Your interest in any Insured Property passes to another except by will or operation of law.
- d **Sale of Insured Property:** This Policy will end when You sell, surrender or release Your interest in any Insured Property or its part.
- e **Exhaustion of Sum Insured:** If any Insured Property is lost, destroyed or stolen, or is a Total Loss, and We pay You the full Sum Insured for such item, the insurance cover for that item will automatically end. If We pay the total Sum Insured for any claim, this Policy will end.
- f **Effect of death:** If You are an individual, in the event of Your unfortunate death the Insurance Covers that You have purchased will continue for the benefit of Your legal representative/s during the Policy Period subject to all the terms and conditions of this Policy.
- g **Policy not invalidated:** The Policy is not invalidated:
  - i by transfer of Your interest in the Policy by operation of law, if that occurs during the Policy Period. We can continue this policy on same or modified terms in favour of Your legal representatives if they apply for this purpose within 30 days of such transfer;
  - i by any act, omission, or alteration unknown to You, or beyond Your control, that increases the risk of loss or damage, if You give notice to Us immediately when You become aware of the act, omission or alteration, and pay additional premium if required; or
  - i if Your employees or workmen carry out repairs, maintenance work or minor alterations in the Insured Property.

### III) **Claims Procedure**

If You suffer a loss because of an Insured Event, You must make a claim for Your financial loss at Your cost.

The procedure for making a claim is given below. These include things that **You must do**, and that **You must not do**. It is important to comply with these to ensure that it does not prejudice Your claim in any manner.

#### 1. **Immediate notice to Us**

- a As soon as any loss or physical damage occurs to any Insured Property due to an Insured Event, You must immediately give notice to Us of the loss or damage. This is necessary so that We can survey/investigate the loss or damage.
- b You can give notice to any of Our offices or call centers.
- c You must state in this notice
  - i. the Policy Number,
  - ii. Your name,
  - iii. details of report to the police that You made,
  - iv. details of report to any Authority that You made,
  - v. details of the Insured Event,
  - vi. a brief statement of the loss,
  - vii. particulars of any other insurance of the Insured Property, Your Premises or any other Property on Your Premises,
  - viii. details of loss or damage under Add-ons, if any, and
  - ix. submit photographs of loss or physical damage, wherever possible.

## 2. Steps to prevent loss and damage

- a. You must take all reasonable steps to prevent further loss or damage to the Insured Property.
- b. Until We have inspected the Insured Property and Your Premises, and have given Our consent,
  - i. You must not sell, give away or dispose of any damaged items of any property,
  - ii. You must not wash or clean, or remove any damaged item or debris, except for any urgent necessity, and
  - iii. You must not carry out repairs unless such repairs are urgent and You cannot contact Us.

## 3. Immediate notice to authorities

- a. As soon as any loss or damage occurs to the Insured Property, You must give immediate report to appropriate legal authorities. For example, You must report to the fire brigade of the local authority and the police if there is damage by fire/ explosion / implosion or lightning. In case of subsidence /landslide/rockslide, You must inform the District Administration. In the event of impact damage of any kind or Riot Strikes, Malicious acts and acts of terrorism, You must inform the police. If there is a theft within 7 (seven) days following an Insured Event, You must inform the police
- b. We may but not necessarily, waive this condition if We are satisfied that by reason of extreme hardship it was not possible for You or any other person on Your behalf to give such report.

## 4. Submit claim

- i.
  - a. You must submit Your claim in Our claim form at the earliest opportunity, but within 30 days from the date You first notice the loss or damage. The claim form is available in any of Our branches, and on Our web-site.
  - b. You must state in Your claim the details of any other insurance policy that covers the damage or loss for which You have filed Your claim, whether You have purchased such other insurance, or someone else has purchased it for You.
- ii. We shall not be liable for any loss or damage after the expiry of 12 months from the happening of the loss or damage unless the claim is the subject of pending action or arbitration. If We disclaim liability for a claim You have made and if the claim is not made a subject matter of a suit in a court of law within a period of 12 months from the date of disclaimer, the claim shall not be recoverable hereunder.

## 5. Establish loss

You must prove that the Insured Event has occurred, and the extent of loss or physical damage You have suffered with full details,

- i. You must support Your claim for Insured Property with plans, specification books, vouchers, invoices pertaining to costs incurred by You for reconstruction/replacement/repairs.
- ii. You must allow Us, Our officers, surveyors or representatives to inspect the Insured Property, and to take measurements, samples, damaged items or parts, and photographs that are relevant.
- iii. You must give Us authority to see the relevant records and get information about the Event and Your loss from the police or any other authority.
- iv. You must give Us when We request any additional information that We require for verifying Your claim.

## 6. Fraudulent claim

If You, or anyone on Your behalf, make a false or fraudulent claim, or support a claim with any false or fraudulent statement or documents:

- i. We will not pay the claim,
- ii. We can cancel the Policy: in such a case, You will lose all benefits under this Policy and premium that You have paid, and
- iii. We can also inform the police, and start legal proceedings against You.

**7. Other insurance**

- i If You have any other policy with Us or any other Insurance Company (taken by You or by anyone else for You) covering in whole or in part any claim that You have made under this Policy, You have a right to ask for settlement of Your claim under any of these policies.
- i If You choose to claim under this Policy from Us, We will settle Your claim within the limits and the terms and conditions of this Policy.
- i After We pay the amount under Your claim, We have the right to ask for contribution from the Insurers that have given You the other policies.
- iv We will ensure that Our actions do not impose any liability on You.

**8. Our rights relating to Insured Property**

- i We must investigate/survey that Your claim is covered by this Policy. For this purpose, We will give You notice and request Your cooperation as follows:
  - a We and Our representatives will visit Your premises, inspect the Insured Property
  - b We will ask You to give to Us any items of the Contents of Your premises for the purposes examination, testing, or any other investigation,
  - c We will dispose of or deal with or sell any item of the Contents of Your Premises for which loss We have paid completely.
- i We will ensure that Our actions will not impose any liability on You.

**9. Recovery action by Us**

- i When We accept and pay Your claim under the Policy, We can start legal proceedings to recover the amount or property from the third party who has caused the loss or damage to Your Insured Property. You must give authority to Us to take such action and exercise this right effectively, when We request You, whether before or after making payment of Your claim. You must give all information, cooperation, assistance and help for this purpose. You must not do anything which will prejudice Our right.
- i Any amount We recover from such person will be applied first to the costs of the legal proceedings and recovery, then to the claim amount We have paid or must pay to You. We will pay You any balance.
- i You can start legal proceedings against any person who has caused the loss or damage only with Our prior consent, and on conditions that We will impose. You must not compromise or settle any claim against such person without Our consent. If You recover any amount from such person, You must return to Us the amount We have paid for Your claim. We can take over the conduct of legal proceedings that You have started and continue the proceedings in Your name.

**Clause H. Changes to covers**

1. You can choose to make changes to the covers of this Policy, for example, take additional cover, or increase or reduce any Sum Insured. You must make a proposal or request for any change. It will be effective only after We have accepted Your proposal, and You have paid the additional premium where applicable.
2. This Policy (including the Policy Schedule, the proposal, declarations and the Endorsements) consists of the entire contract between You and Us.

**Clause I. Other details**

**1. Designation of Insured Property**

For the purpose of determining under which item any Property is insured, We agree to accept the designation under which such Property appears in Your books of account.

**2. Notices**

- i We will send any notice, letter or communication in writing to You at Your address mentioned in the Policy Schedule, and to Your email address that You have registered with Us.
- i You will send any notice, letter, intimation or communication in writing to Us at the branch office where You purchased the Policy. You can also send it at the address mentioned in the Policy Schedule. You shall not send any notice etc. to the insurance agent, broker or any other entity. They are not authorised to receive notices etc. on Our behalf.

## SECTION 2 – FIRE LOSS OF PROFIT COVER

*(This Section is applicable if covered in the Schedule)*

### COVERAGE:

The Company agrees (subject to the Special Conditions and Exclusions contained herein or endorsed or otherwise expressed hereon and also to the Conditions and Exclusions contained in the Fire Insurance Cover (Section 1) covering the interest of the insured in the property at the premises) that if any building or other property or any part thereof used by the Insured at the premises for the purpose of the Business, be destroyed or damaged by the perils covered under the fire policy, (Destruction of damage so caused being hereafter termed Damage), and the Business carried on by the Insured at the Premises be in consequence thereof interrupted or interfered with, then the company will pay to the insured in respect of each item in the schedule hereto the amount of loss resulting from such interruption or interference in accordance with the provisions contained therein:

### Provided that

1. Such Damage is caused at any time after payment of the premium during the period of insurance named in the Schedule or of any subsequent period in respect of which the insured shall have paid and the Company shall have accepted the premium required for the renewal of the policy.
2. At the time of the happening of the Damage there shall be in force a Fire Policy covering the interest of the insured in the property at the premises against such Damage and that payment shall have been made or liability admitted thereunder. However, the Proviso shall not apply where payment is not made under Fire Policy, solely due to operation of a proviso in fire policy excluding liability for losses below a specified amount.
3. The liability of the Company shall in no case exceed in respect of each item the sum expressed in the said Schedule to be insured thereon or in the whole the total sum insured hereby or such other sum or sums as may hereafter be substituted therefor by memorandum duly signed by or on behalf of the Company.

### CONDITIONS:

1. The insurance by this Policy shall cease if:
  - a) The business be wound up or carried on by a Liquidator or Receiver or permanently discontinued  
or
  - b) the insured's interest ceases otherwise than by death  
or
  - c) any alteration be made either in the business or in the premises or property therein whereby the risk of Damage is increased, at any time after the commencement of this insurance, unless its continuance be admitted by memorandum signed by or on behalf of the Company.
2. Notice shall be given to the Company of alteration in existing blocks, addition of new blocks and/or premises and/or deletion of existing blocks and/or premises during the currency of the Policy to enable the company to determine whether the basis rate of the Policy undergoes a change as a result of such inclusions/exclusions and to effect necessary adjustments in the premium under this Policy.
3. On the happening of any Damage in consequence of which a claim is or may be made under this Policy, the insured shall
  - a) forthwith give notice thereof to the Company,
  - b) with due diligence do and concur in doing and permit to be done all things which may be reasonably practicable to minimise or check any interruption of or interference with the business or to avoid or diminish the loss.
  - c) not later than thirty days after the expiry of the period of Indemnity or within such further time as the Company may in writing allow, at his own expense deliver to the Company in writing a statement setting forth particulars of his claim together with details of all other insurances (if any) covering the damage or any part of it or consequential loss of any kind resulting therefrom.
  - d) at his own expense produce or procure and give to the Company such books of account and other business books, vouchers, invoices, balance sheets and other documents, proofs, information, explanation and other evidence as may

reasonably be required by or on behalf of the Company for the purpose of investigating or verifying the claim together with a declaration on oath or in other legal form of the Truth of the claim and of any matters connected therewith.

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

4. In no case whatsoever shall the Company be liable in respect of any claim under this Policy after the expiration of:
  - a) One year from the end of the period of indemnity or if later,
  - b) Three months from the date on which payment shall have been made or liability admitted by the Insurers covering the Damage giving rise to the said claim, unless the claim is the subject of pending action or Arbitration.
5. 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 insured to the company. The additional premium referred above shall be deducted from the net claim amount payable under the Policy. This continuous cover to the full extent will be available 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.

### SECTION 3 – BURGLARY AND HOUSEBREAKING COVER

*(This Section is applicable if covered in the Schedule)*

#### COVERAGE:

The Company agrees (Subject to the terms, conditions and exclusions contained herein or endorsed or otherwise expressed hereon) to indemnify the Insured against any loss or damage occurring at any time during the Period of Insurance stated in the Schedule,

- to the property described in the Schedule by Burglary and/or Robbery and/or Housebreaking or Hold-up;
- to the premises described in the Schedule following upon or occasioned by an actual forcible and violent entry of or exit from the premises or any attempt there at by the person or persons committing or attempting to commit such theft;

In case of a claim admissible under this Section, the Company will also pay reasonable expenses necessarily incurred in connection with any additional benefits provided within this Section of the Policy subject to the limits mentioned in the Schedule.

Provided always that the liability of the Company shall in no case exceed the Sum Insured (or First loss limit if opted) stated in the Schedule under this Section.

#### DEFINITIONS:

**Burglary** – "Burglary" means any theft following upon actual forcible and violent entry of and/or exit from the premises and includes housebreaking and Robbery..

**Hold-up** – "Hold-up" means when the Insured or its personnel is/are threatened by any weapon and there exists a possibility of actual physical threat to the person of the Insured or its personnel.

#### EXCLUSIONS:

The Company shall not be liable under this Section in respect of following:

1. Excess or Deductible as mentioned in the Schedule under this section.
2. Loss or damage by fire or explosion however caused.
3. Loss or damage directly or indirectly caused by earthquake, flood, storm, cyclone, volcanic eruption, typhoon hurricane, tornado or other convulsions of nature or atmospheric disturbances.
4. Loss or damage directly or indirectly caused riot, strike, malicious damage unless specifically covered under this section in the Schedule.
5. Loss occasioned by theft not involving actual forcible and violent entry of and/or exit from the premises unless specifically covered under this section in the Schedule
6. Loss, destruction or damage to bullion or unset precious stones, any curios or works of art for an amount exceeding Rs. 10,000/-, goods held in trust or on commission, manuscripts, plans, drawings, securities, obligations or documents of any kind, stamps, coins



or paper money, cheques, books of accounts or other business books, computer systems records, explosives unless otherwise specifically covered under this section of the Policy Schedule.

7. Loss, destruction or damage to Motor Vehicles or trailers (including their accessories) registered or licensed to travel on a public road, Watercraft, aircraft, locomotives, including their accessories.
8. Losses in respect of mysterious disappearance, unexplained loss, loss or shortage disclosed on taking inventory.
9. Loss or damage to property in yards, gardens, open spaces unless the property contained within such spaces is specifically insured by the Policy.
10. Any loss or damage caused willfully by you or your employees, or any loss or damage in which you or any person acting on your behalf is or is alleged to be involved or implicated.
11. Any consequential damage or losses, whether of a financial or property nature or by reason of personal injury, and any legal liability of the Insured.

#### CONDITIONS:

1. It is a condition precedent to the Company's liability hereunder that the Insured shall:
  - a) immediately and in any event within 15 days of the happening of any insured event giving rise to or likely to give rise to any claim under this Policy give written notice to the Company.
  - b) take all reasonable steps to minimize the quantum of any claim that may be made and/or any further loss that might arise
  - c) immediately and in any event within 24 hours lodge a complaint with the police detailing the items lost in respect of which the Insured intends to submit a claim.
  - d) expeditiously provide the Company and its representatives and appointees with all the information, assistance and documentation that they might reasonably require.
  - e) take all reasonable steps to identify the perpetrators of the Robbery and/or Burglary and discover and recover any Contents lost.
2. Unless otherwise specified in the Schedule under this Section, Sum Insured must represent market value of the property insured which means the actual cost of the property lost or damaged at the time of loss (excluding profit of any kind) taking into consideration the wear and tear and depreciation for usage .
3. It is a condition precedent to the Company's liability that the Insured shall take all ordinary and reasonable precautions for the safety of the property insured, and shall as far as possible make use of locks, fastenings and other means of securing premises safeguard the property, also ensuring that outside of normal business hours all means of entry to or exit from the premises or any safe or strong room in the premises have been properly secured.
4. The Insured shall keep books of account, and in relation to any merchandise, stock-in-trade or property of a similar nature, the Insured shall keep a record of all business purchases, sales and deliveries in and out of the premises.
5. Immediately upon the happening of any Loss or damage under this section of the policy, the total sum insured and the sum insured of the affected category of assets, shall be reduced by the loss/damage amount and such reduced sum insured shall be the limit of the Company's liability in respect of any further loss or damage occurring during the current period of insurance unless the Company consents, upon payment of additional premium, to reinstate the full sum insured.
6. 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 of 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 period of more than 30 days [Not applicable for dwellings]
  - c) If the interest in the property passes from the insured otherwise than by will or operation of law.
7. **First Loss Basis:** If the coverage is on first Loss Basis, the Company's maximum liability will be restricted to the First Loss Limit or First Loss Sum Insured mentioned in the Schedule.
8. If the property hereby insured shall at the time of any loss or damage be collectively of greater value than the Sum Insured shown in the Schedule then the Insured shall be considered as being his own insurer for the difference, and shall bear a ratable proportion of the loss or damage accordingly. Every item, if more than one, in the Policy, shall be separately subject to this condition.

9. 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 calendar months from the date of the disclaimer have been made the subject matter of a suit in a court of law then the claim shall for all purposes be deemed to have been abandoned and shall not thereafter be recoverable hereunder.

#### **SECTION 4 – MACHINERY BREAKDOWN COVER**

*(This Section is applicable if covered in the **Schedule**)*

##### **COVERAGE:**

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 to any insured property specified in the attached schedule(s) whilst in the premises therein mentioned necessitating its immediate repair or replacement. This Policy shall apply to the insured items 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 premises, or during subsequent re-erection. The liability of the Company for any one item of the insured property shall not exceed in the aggregate in any one period of Insurance the Sum Insured set against such in the attached schedule(s), unless the Sum Insured under such item is reinstated after occurrence of a claim for balance period.

##### **EXCLUSIONS:**

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 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.
2. 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.
3. Accident, Loss, damage/and/or liability resulting from over load experiments or tests requiring the imposition of abnormal conditions.
4. 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.
5. Deterioration of or wearing away or wearing out any part of any machine caused by or naturally resulting from normal use or exposure.
6. Loss, damage and/or liability caused by or arising out of the willful act to willful neglect or gross negligence of the insured or his responsible representatives.
7. Liability assumed by the insured by agreement unless such liability would have attached to the insured notwithstanding such agreement.
8. 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.
9. Loss of use of the Insured's plant or property of any other consequential loss incurred by the Insured.
10. Loss, damage/and/or liability due to explosions in Chemical Recovery Boilers, other than pressure explosions for e.g. smelt, chemical, ignition, Explosions etc.

##### **SPECIAL EXCLUSIONS**

1. The Excess, 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 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 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 UNDER THIS SECTION –

### 1. Sum Insured –

It is the requirement of this Insurance that the Sum Insured shall be equal to the cost of replacement of the insured property 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.

### 2. Basis of Indemnity –

- a) In cases where damage to an insured item can be repaired, the Company will pay expense 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 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.

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.

- b) In cases where an insured item is destroyed, the Company will pay the actual value of the item 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 item. The Company will also pay any normal charges for the dismantling of the machinery 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 for boxes necessary for the execution of a repair not being available the Company shall not be liable for cost of making any such drawing patterns or 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.

If the Sum Insured is less than the amount required to be insured as per Provision 1 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 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'.

### 3. Inspection of Turbines and Turbo-generators –

All Mechanical and Electrical parts of any steam turbine, gas turbine or generator upto 30,000 KW shall be inspected and overhauled thoroughly under the supervision of Maker's representatives, in a completely opened up state at least every two years: for turbines or generators exceeding 30,000 KW such inspection and overhaul shall take place after **32,000** hours of operation or every **four years**. The cost of inspection and overhauling shall be borne by the Insured and a copy of the Report issued by the Maker's representative on such inspection and overhauling shall be furnished to the Company immediately after the work has been carried out.

The Insured shall arrange for these regular inspections in such a way as to enable the company's representative to be present at the inspection at their own expenses. The Company shall be notified at least seven days in advance of the commencement of any overhauling necessary according to expert opinion.

If the insured fails to comply with the requirements of his condition, the Company shall be free from all liability for loss or damage caused by any circumstances, whatsoever.

The insured may apply for an extension of the period between any two regular inspections, and such extension may be considered if in the opinion of the Company the risk is not aggravated thereby.

#### **4. Obligations of the Insured –**

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 over loaded. The Insured shall fully observe the manufacturer's instructions for operating, inspection and overhaul, as well as government, statutory municipal and all other binding regulations in force concerning the operation and maintenance of the insured plant and machinery;

The Company's Officials shall at all reasonable times have the right to inspect and examine 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.

In the event of any -

- Material change in the original risk;
- Alteration, modification or addition to insured item
- Departure from prescribed operating conditions, whereby the risk or loss or damage increases
- Changes in the Insured's Interest (such as discontinuation or liquidation of the business or being placed in receivership)

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

#### **5. Duties following an Accident –**

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

- immediately notify the Company by telephone or telegram as well as in writing, giving an indication as to the nature and extent of loss or damage;
- take all reasonable steps within his power to minimise the extent of the loss or damage;
- preserve the damaged or defective parts and make them available for inspection by an official or surveyor of the Company.
- 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 no notice and completed claim form have been received by the Company within 14 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 that 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 repairs or replacement 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 this Policy in respect of any item of property sustaining damage, for which indemnity is provided, shall cease if the said item is kept in operation without being repaired to the satisfaction of the Company.

#### **6. Other Insurance –**

If at the time any claim arises under this Policy there is any other insurance covering the same loss damage or liability the Company shall not be liable to pay or contribute more than its rateable proportion of such loss damage or liability.

#### **7. Position after a Claim –**

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

As from the day of loss the Sum Insured for the remainder of the period of insurance is reduced by the amount of the compensation. To prevent under insurance during the remainder of the current period of insurance the amount insured must be reinstated. The premium will be calculated pro-rata from the day repaired item is again put to work. For subsequent period of insurance the original indemnity and premium are again in force unless circumstances justify an alteration.

#### **8. Transfer of Interest –**

The insurance granted by this policy shall cease to attach to any items described in the Schedule the interest in which shall pass from the Insured otherwise than by will or operation of law. Unless the consent of the Company for the continuance of the Insurance shall be obtained and signified by endorsement hereon.

#### **SECTION 5 – ELECTRONIC EQUIPMENT COVER**

*(This Section is applicable if covered in the Schedule)*

#### **COVERAGE:**

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 Policy shall apply to the Insured items, as provided in Section 5(I), (II), (III) herein below, 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 or during subsequent re-erection.

The liability of the Company for any one item of the Insured property 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.

#### **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. Willful act or willful negligence of the Insured or his representative.
2. Cessation of work whether total or partial.
3. Derangement of the Insured property not accompanied by damage otherwise covered by this policy.
4. Loss of or damage to the property covered under this policy 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 allege 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.

#### **CONDITIONS:**

The Insured shall at his own expense take all reasonable precautions and comply with all reasonable recommendations of the company to prevent loss, damage or liability and comply with statutory requirements and manufacturers recommendations.

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.

The Insured shall immediately notify the Company by Telegram and 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 to ensure safe operation of the Insured items and the scope of cover and/or premium shall, if necessary, be adjusted accordingly.

No material alteration shall be made or admitted by the Insured whereby the risk is increased unless the continuance of the Insurance be confirmed in writing by the Company.

#### **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 in writing giving an indication as to the nature and extent of loss or damage;
- b) take all steps within his power to minimise the extent of the loss or damage;
- c) preserve the parts affected and make them available for inspection by a representative or Surveyor of the Company;
- d) furnish all such information and documentary evidence as the Company may require;
- e) inform the police authorities in case of loss or damage due to theft or burglary .

The Company shall not in any case be liable for loss, damage or liability of which no notice has been received by the Company within 14 days of its occurrence.

Upon notification being given to the Company under this condition, the Insured may carry out the repair or replacement of any minor damage not exceeding Rs.5, 000/- provided that the carrying out of such repairs without prejudice to any question of liability of the Company and that any damaged part requiring replacement is kept for inspection by the Company, but in all other cases a representative shall have the opportunity of inspecting the loss or damage before any repairs or alterations are effected.

The liability of the Company under this Policy in respect of any item sustaining damage shall cease if said item is kept in operation after a claim without being repaired in the satisfaction of the Company or if temporary repairs are carried out without the Company's consent.

#### **OTHER INSURANCE**

If at the time any claim arises under this Policy there be any other Insurance covering the same loss, damage or liability the Company shall not be liable to pay or contribute more than their rateable proportion of any claim for such loss, damage or liability.

#### **SECTION 5 - I (EQUIPMENTS)**

All Electronic equipments like Computers, Medical, Biomedical, Micro- processors; Audio/Visual equipments including the value of Systems Software may be covered under Electronic Equipment Section unless otherwise excluded in the Schedule. 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 policy. Further portable Electronic Equipments like notebook, laptop, mobile phones computer, sonography equipment are also excluded under Electronic Equipment Section.

#### **SECTION 5 – I – SCOPE OF COVER:**

The Company hereby agrees with the insured (subject to the exclusions & conditions contained herein or endorsed hereon) that if at any time during the period of Insurance stated in the schedule or during any subsequent period for which the insured pays and the Company may accept the premium for the renewal of this Policy, the items 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) upto 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 TO SECTION 5 - I (EQUIPMENTS)**

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 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 insured items;
5. Any costs incurred in connection with the maintenance of the insured items, 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 insured items 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.
11. 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 insured items.

## **PROVISIONS APPLYING TO SECTION 5 - I (EQUIPMENTS)**

### **Sum Insured –**

It is a requirement of this insurance that the Sum Insured shall be equal to the cost of replacement of the insured property 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 equipment insured under this section shall include the value of 'System Software'.

### **Basis of Indemnity –**

- a) In cases where damage to an insured item can be repaired the Company will 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 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 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 machinery insured immediately before the occurrence of the damage, the settlement shall be made on the basis provided for in (b) below.
- b) In cases where an insured item is destroyed, the Company will pay the actual value of the item 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 item. The Company will also pay any normal charges for the dismantling of the machinery destroyed, but the salvage will be taken into account.
- c) 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.
- d) 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.
- e) The cost of any alterations, improvements or overhauls shall not be recoverable under this policy.
- f) 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.
- g) In cases where the Insured item is subjected to total loss and meanwhile it becomes obsolete, all costs necessary to replace the lost or damaged insured item with a follow-up model (similar type) of similar structure/ configuration (of similar quality) i.e. low, average or high capacity – will be reimbursed.
- h) If the sum insured is less than the amount required to be insured as per Provision - 1 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.
- i) 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 equipment 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 -

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

## **SECTION 5 – II (EXTERNAL DATA MEDIA)**

### **SECTION 5 – II – SCOPE OF COVER:**

The Company hereby agrees with the Insured that if the external data media entered in the Schedule inclusive of the information stored thereon, which can be directly processed in EDP (Electronic Data Processing) systems, shall suffer any material damage caused by peril covered under **SECTION 5 - I (EQUIPMENTS)** of this Policy, the Company will indemnify the Insured as hereinafter provided in respect of such loss or damage up to an amount not exceeding in any one year of insurance in respect of each of the data media specified in the Schedule the sum set opposite thereto and not exceeding in all the total sum insured hereby, provided always that such loss or damage occurs during

the period of Insurance stated in the Schedule or during any subsequent period for which the Insured pays and the Company may accept the premium for the renewal of this Policy. This cover applies while the insured data media are kept on the Premises. Coverage against restoration of data under Section II only to be granted if backup system is available.

#### **EXCLUSIONS TO SECTION 5 – II (EXTERNAL DATA MEDIA)**

The Company shall, however, not be liable for -

1. The excess stated in the Schedule to be borne by the Insured in any one occurrence;
2. Any costs arising from false programming, punching, labeling or inserting, inadvertent canceling of information or discarding of data media, and from loss of information caused by magnetic fields;
3. Consequential loss of any kind or description whatsoever.

#### **PROVISIONS APPLYING TO SECTION 5 – II (EXTERNAL DATA MEDIA)**

##### **Sum Insured –**

It is a requirement of this Insurance that the sum insured shall be the amount required for restoring the insured external data media by replacing lost or damaged data media by new material and reproducing lost information.

##### **Basis of Indemnity –**

The Company will indemnify any expenses that can be proved to have been incurred by the Insured within a period of 12 months as from the date of the occurrence strictly for the purpose of restoring the insured external data media to a condition equivalent to that existing prior to the occurrence and necessary for permitting data processing operations to be continued in the normal manner.

If it is not necessary to reproduce lost data or information, or if such reproduction is not effected within 12 months after the occurrence, the Company shall only be liable to indemnify the expenses incurred for replacing the lost or damaged data media themselves by new material.

As from the date of an indemnifiable occurrence the sum insured shall be reduced for the remaining period of insurance by the amount of indemnity paid, unless the sum insured is reinstated.

#### **SECTION 5 – III (INCREASED COST OF WORKING)**

##### **SECTION 5 – III – SCOPE OF COVER:**

Notwithstanding Special Exclusion (i) under **SECTION 5 - I (EQUIPMENTS)** of this Policy the Company hereby agrees to indemnify the Insured upto but not exceeding the limits of Indemnity stated in the Schedule for all additional costs which the Insured shall incur to ensure continued data processing on substitute equipment if such costs arise as an unavoidable consequence of an indemnifiable loss or damage during the period of insurance to property insured under the Material Damage Section of this Policy.

#### **EXCLUSIONS TO SECTION 5 – III (INCREASED COST OF WORKING)**

The Company shall not be liable for -

1. Costs incurred for use of substitute equipment during the Time Excess stated in the Schedule,
2. Costs for replacement of data media, data and regeneration of data,
3. Costs arising out of circumstances, which are not connected with the insured material damage. In particular the Company shall not be liable for additional costs arising out of -
  - a. bodily injuries,
  - b. orders or measures imposed by any public authority,
  - c. expansion and improvements of the equipments,
  - d. Lack of funds causing delay in repairs or replacement of damaged equipments,
4. Any other consequential loss such as loss of market or interest.

#### **PROVISIONS APPLYING TO SECTION 5 – III (INCREASED COST OF WORKING):**

##### **Memo 1 Indemnity Period –**

The Indemnity Period shall commence with putting into use the substitute equipment's. The insured shall bear that proportion of each claim, which corresponds to the Time Excess agreed.

##### **Memo 2 Sum Insured –**

The 'indemnity limit per hour' and 'total sum insured' stated in the schedule shall be declared by the insured. The total sum insured shall represent the aggregate limit of indemnity payable for all events occurring during the period of insurance.



The Company will also reimburse the insured for personnel expenses and costs for transportation of materials following an event giving rise to a claim under this Section of the Policy provided separate sums therefore have been entered in the Schedule.

As from the date of an indemnifiable occurrence the sum insured shall be reduced for the remaining period of insurance by an amount of indemnity paid unless - reinstated by payment of an additional premium prescribed by the Company.

### **Memo 3 Loss Settlement –**

The Company shall indemnify those costs and expenses, which can be proved to have been incurred during the indemnity, period to maintain data processing operations to their previous extent, that are additional to those which would have been incurred during the same period if no insured event had occurred.

The total indemnity per event shall not exceed an amount equal to the agreed 'indemnity limit per hour' or the 'actual hourly rate payable for the use of substitute equipments, whichever is less multiplied by the number of working hours stated as 'Indemnity Period' in the schedule or by the actual number of working hours for which the substitute equipment is put into use, whichever shall be less.

However, if it is found, following an interruption, that the limit selected 'per hour' is less than the amount actually incurred per hour for use of substitute equipment, the Company shall be liable to indemnify the insured in the same proportion as the limit selected 'per hour' bears to the amount actually incurred per hour.

Provided always that –

- a) The interruptions shorter than the Time Excess stated in the schedule shall be excluded from the scope of this Policy and
- b) In respect of interruptions longer than the Time Excess the insured shall bear that proportion of each claim which corresponds to the Time Excess.

## **SECTION 6 – BOILER AND PRESSURE PLANT COVER**

*(This Section is applicable if covered in the **Schedule**)*

### **COVERAGE:**

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. 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.

### **EXCLUSIONS:**

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. Accident loss damage and/or liability resulting from overload experiments or tests requiring the imposition of abnormal conditions.
3. 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.
4. 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.

5. 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).
6. 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.
7. 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.
8. Liability assumed by the Insured by agreement unless such Liability would have attached to the Insured notwithstanding such agreement.
9. 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.
10. Loss of use of the Insured's plant or property or any other consequential loss incurred by the Insured.
11. 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, economisers and super heaters.
6. **'Chemical Explosion'** shall mean an explosion arising out of chemical reaction in any plant.

#### **CONDITIONS:**

1. 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.
2. 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.

3. 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.
4. 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.

#### **PROVISIONS UNDER THIS SECTION –**

##### **1. Sum Insured –**

If the Boiler Pressure Plant covered under Item No. 1 of the 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.

##### **2. 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'.

##### **3. Obligations of the Insured-**

- a) The insured shall take all reasonable steps to maintain the insured property in efficient working order and 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.

#### 4. 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 minimise 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 14 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.

#### 5. Other Insurance -

If at the time any claim arises under this Policy there is any other insurance covering the same loss, damage or liability, the Company shall not be liable to pay or contribute more than its rateable proportion of such loss, damage or liability.

#### 6. Position after a Claim -

- a) The insured shall not be entitled to abandon any property to the Company whether taken possession of by the Company or not.
- b) As from the day of the loss than Sum Insured for the remainder of the period of insurance is reduced by the amount of the compensation. To prevent under Insurance during the remainder or the current period of insurance the amount insured must be reinstated. The premium will be calculated pro rata from the day repaired item is again put to work. For subsequent periods of insurance the original indemnity and premium are again in force unless circumstances justify an alteration.

#### 7. Transfer of Interest –

The Insurance granted by this Policy shall cease to attach to any items described in the Schedule the interest in which shall pass from the Insured otherwise than by will or operation of law unless the consent of the Company for the continuance of the insurance shall be obtained and signified by endorsement hereon.

### SECTION 7 – MONEY / CASH COVER

*(This Section is applicable if covered in the Schedule)*

#### COVERAGE:

The Company agrees (Subject to the terms, conditions and exclusions contained herein or endorsed or otherwise expressed hereon) to indemnify the Insured against loss of money belonging to the Insured

- in transit, by the Insured or Insured's authorized employee(s), occasioned by Robbery, Theft or any other fortuitous cause, within the territorial limits specified in the Schedule
- by Burglary, Housebreaking, Robbery or Hold-up, whilst money is retained at Insured's premises, in safe(s) or strong room, more particularly described in the Schedule.

In case of a claim admissible under this Section, the Company will also pay reasonable expenses necessarily incurred in connection with any additional benefits provided within this Section of the Policy subject to the limits mentioned in the Schedule.

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Provided always that the liability of the Company for any one loss shall in no case exceed the amount specified in the Schedule under this Section.

**DEFINITIONS:**

**Money** – Money shall mean and include Cash, Coins, Bank Draft, Currency Notes (excluding foreign currency unless specified otherwise in the Schedule), Cheques, Traveller's Cheque, Postal Order, Money Order, Pay Order, Current Postage Stamp, Unused Postage and Revenue Stamps, Credit Card Vouchers.

**Bank** – Bank shall mean and include Bank of every description as incorporated or set up in accordance with the laws prevailing in India, 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

**Employee** – Employee shall mean permanent employees of the Insured authorized to carry the cash belonging to the Insured.

**Burglary** – "Burglary" means any theft following upon actual forcible and violent entry of and/or exit from the premises and includes housebreaking.

**Hold-up** – "Hold-up" means when the Insured or its personnel is/are threatened by any weapon and there exists a possibility of actual physical threat to the person of the Insured or its personnel.

**Safe** – "Safe" means a strong cabinet within the Insured Premises designed for the safe and secure storage of valuable items, and access to which is restricted

**Strong Room** – "Strong Room" means a room within the Insured Premises designed for the secure storage of Money and access to which is restricted.

**EXCLUSIONS:**

The Company shall not be liable under this Section in respect of following:

1. Excess or Deductible as mentioned in the Schedule under this section.
2. Loss of Money entrusted to any person other than the Insured or a designated employee 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 of Money collected by designated permanent employee/s of the Insured whilst in transit to the Insured's' premises or bank in their personal custody for more than 72 hours unless specifically declared and accepted by the Company.
5. Loss of money from safe or strong-room following use of the key to the safe or strong-room or any duplicate thereof / access code to the safe or strong room belonging to the Insured, unless this has been obtained by threat or by assault or violence or any threat thereof.
6. Loss arising out of or resulting directly or indirectly from the wire transfer of money to or from any person or entity or from internet related fraud or counterfeit money.
7. Loss or damage directly or indirectly occasioned by or which arises out of or in connection with riot, strike, and malicious damage unless specifically covered under this section of the policy schedule.
8. Loss occurring on the Insured's premises mentioned in the Schedule, after business hours, unless the Money is in a locked safe or strong room or properly secured and fixed locker.
9. Loss of or damage whilst Money being carried under contract of affreightment unless specifically covered under this section of the policy schedule.
10. Loss or damage to Soiled, torn or damaged money.
11. Loss of or damage to Money whilst unattended or from an unattended vehicle.
12. Loss of or damage to Money in transit by post or courier services.
13. Loss or damage due to the use of counterfeit Money.
14. Loss or damage to money arising on account of shortage due to error or omission.
15. Any consequential damage or losses, whether of a financial or property nature or by reason of personal injury, and any legal liability of the Insured.

**CONDITIONS:**

1. It is a condition precedent to the Company's liability hereunder that the Insured shall:
  - a) immediately and in any event within 15 days of the happening of any insured event giving rise to or likely to give rise to any claim under this Policy give written notice to the Company.
  - b) take all reasonable steps to minimize the quantum of any claim that may be made and/or any further loss that might arise

- c) immediately and in any event within 24 hours lodge a complaint with the police detailing the money lost in respect of which the Insured intends to submit a claim.
  - d) expeditiously provide the Company and its representatives and appointees with all the information, assistance and documentation that they might reasonably require.
  - e) take all reasonable steps to identify the perpetrators of the Robbery and/or Burglary and discover and recover any money lost
2. 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 calendar months from the date of the disclaimer have been made the subject matter of a suit in a court of law then the claim shall for all purposes be deemed to have been abandoned and shall not thereafter be recoverable hereunder.
  3. **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 documentary evidence in support of a claim under this Section. The keys of the safe or strong room shall not be left on the premises out of business hours unless the premises are occupied by the Insured or any authorized employee of the Insured in which case such keys if left on the premises shall be deposited in a secure place not in the vicinity of the safe or strong room or the place containing the Money.
  4. **RIGHTS OF RECOVERY:** The Company shall be entitled in the name of the Insured to have the absolute conduct and control of all or any proceedings that it considers necessary for the purpose of tracing and recovering money lost or of securing reimbursement in respect of money lost and the Insured shall at the Company's expense furnish all such assistance as may reasonably be required by the Company in connection with such proceedings and in the event of any or all of the money being recovered, it shall be imperative upon the Insured to refund to the Company such a proportion of the sum allowed by way of compensation as the amount recovered bears to the total amount lost.

## SECTION 8 – FIDELITY COVER

*(This Section is applicable if covered in the Schedule)*

### COVERAGE:

The Company agrees (Subject to the terms, conditions and exclusions contained herein or endorsed or otherwise expressed hereon) to indemnify the Insured against any direct financial 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 twelve calendar month of such death, dismissal or retirement whichever of these events shall first happen.

### Provided always that –

1. The liability of the Company shall not exceed
  - a) in respect of any Employee the amount of guarantee stated against his/her name or against the relevant category of Employee in the Schedule as Per Employee limit.
  - b) in respect of more than one Employee acting in collusion, the maximum amount stated for Any One Occurrence defined as one loss or a series of losses arising out of one or more acts of Fraud or Dishonesty committed by one or more such Employees during the Period of Insurance, and
  - c) in respect of all claims during the same Period of Insurance under this policy, the total amount of guarantee stated herein as the Annual Aggregate Limit of Indemnity. The Annual Aggregate Limit of Indemnity is defined as the maximum liability of the Company in respect of all losses from all occurrences during the Period of Insurance.
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 sum insured hereunder or the sum insured 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.

**DEFINITIONS:**

**Insured** – shall mean any person, partnership firm or any body of persons whether incorporated or not with whom an employee who is included in the schedule attached hereto has a contract of service.

**Employee** – shall mean any person (other than a person whose employment is of a causal nature and/or under a contract for any service, who is employed otherwise than for the purpose of the Insured's trade or business) who has entered into a contract of employment with Insured whether such contract of employment is expressed or implied, oral or in writing. Employee shall not include any person with a proprietary or partnership interest of any nature in the Business of the Insured.

**Direct Financial Loss** – shall mean the loss of monies and or stock belonging to the Insured proved to have been criminally misappropriated and disposed of by the Employee excluding any consequential loss of any kind.

**Fraud** – shall mean obtaining an advantage by the perpetrator of the fraud, through unfair or wrongfully means. Frauds may result in financial loss or other losses like loss of trade secrets. Under the insurance policy, only the direct financial loss to the employer on account of fraud of the employee is covered.

**EXCLUSIONS:**

The Company shall not be liable under this Section in respect of following:

1. Excess or Deductible as mentioned in the Schedule under this section.
2. Any consequential damage or losses, whether of a financial or property nature or by reason of personal injury, and any legal liability of the Insured.
3. Any loss arising outside the jurisdiction of India.
4. Any loss resulting directly or indirectly from trading in securities, whether in your name and whether in a genuine or fictitious account.
5. Any loss due to any fact or matter or circumstance of which the **Insured** was, or ought reasonably to have been, aware at the commencement of the **Policy Period**.
6. The Company shall not be liable for any unexplained losses or shortages discovered at stock taking nor any further loss in respect of the Employee concerned upon or after the discovery of a default committed by such Employee.
7. Any consequential losses of any kind, be they by way of loss of profit, any loss not reflected in the **Insured's** books of account, loss of opportunity, business interruption, market loss, loss of gain or potential income or gain which should have accrued to the **Insured** (including but not limited to interest and dividends), or otherwise.
8. Any loss arising by usage of ATM, charge and credit cards and internet initiated or operated fraud or the wire transfer of monies to or from any natural person or entity.

**CONDITIONS:**

1. It is a condition precedent to the Company's liability hereunder that the Insured shall:
  - a) immediately and in any event within 15 days of the happening of any insured event giving rise to or likely to give rise to any claim under this Policy give written notice to the Company.
  - b) take all reasonable steps to minimize the quantum of any claim that may be made and/or any further loss that might arise
  - c) immediately and in any event within 24 hours lodge a complaint with the police detailing the loss in respect of which the Insured intends to submit a claim.
  - d) expeditiously provide the Company and its representatives and appointees with all the information, assistance and documentation that they might reasonably require.
  - e) take all reasonable steps to identify the perpetrators and discover and recover any such loss
2. No persons other than Employees shall be covered under this Policy unless and until a person's name or a category of employees has been specifically covered under the schedule.
3. No amount shall be payable under this Policy in respect of any Employee by reason of any act committed after knowledge of any act of fraud or dishonesty on the part of the Employee or reasonable cause for suspicion thereof or any improper conduct shall have come to the Insured or of any representative of the Insured to whom is entrusted the duty of superintendence over any of the Employee.
4. 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.

5. The Insured shall, if and when required by the Company, but at the expense of the Company, use all diligence in prosecuting the Employee(s) for conviction for any act which such Employee shall have committed and in consequence of which a claim will have to be made under this policy and shall at the Company's expense give all information and assistance to enable the Company to use for and obtain reimbursement by 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 or by the estate of such Employee.
6. In case of coverage on named basis for the purpose of identifying employee in all cases of change of name whether by marriage or otherwise, due notice thereof in writing shall be given by the Insured to the Company.
7. For the purposes of this policy, all references to "Sum insured" shall mean and refer to the amount of guarantee, and vice versa.
8. If the Insured is or shall hereafter be guaranteed by any other person, society or company or holds 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.
9. If a loss is sustained by you as a result of the fraudulent or dishonest conduct of a named Employee and/or persons comprising a category of Employees and other employees, then our liability shall stand reduced in the same proportion as the number of named Employees and/or categories of Employees bears to the number of employees involved in causing the said loss
10. In the event of the non-renewal or cancellation of this **Policy**, the **Company** shall (subject to the **Policy** terms, conditions, and exclusions) accept losses arising during the **Policy Period** and first discovered within 90 days of the date of cancellation or expiry of the **Policy Period**, as the case may be. This clause will have no effect in the case of continuous renewal of the **Policy**.
11. The insurance provided by this **Policy** shall be deemed cancelled in respect of any **Employee**:
  - a) immediately upon the discovery by the **Insured** of any dishonest or fraudulent act, error or omission on the part of such **Employee**; no cover shall be available hereunder in respect of any loss sustained in consequence of any fraudulent or dishonest act, error or omission occurring after the date of the discovery of (or of reasonable cause for suspicion of) the same on the part of the **Employee** concerned;
  - b) immediately upon the **Company** and/or the **Insured** giving written notice of the same.

## SECTION 9 – ALL RISK COVER

*(This Section is applicable if covered in the **Schedule**)*

### COVERAGE:

The Company agrees (Subject to the terms, conditions and exclusions contained herein or endorsed or otherwise expressed hereon) to indemnify the Insured against accidental loss of, destruction of or damage caused to the property described in the Schedule under this section and belonging to the Insured anywhere within Territorial Limits and period of insurance specified in the Schedule.

In case of a claim admissible under this Section, the Company will also pay reasonable expenses necessarily incurred in connection with any additional benefits provided within this Section of the Policy subject to the limits mentioned in the Schedule.

Provided always that the liability of the Company shall in no case exceed the Sum Insured stated in the Schedule under this Section.

### EXCLUSIONS:

The Company shall not be liable under this Section in respect of following:

1. Excess or Deductible as mentioned in the Schedule under this section.
2. Loss or damage caused by any process of cleaning, dyeing or bleaching, restoring, repairing or renovation or deterioration arising from wear and tear, ageing, discoloration, defect, rust, oxidation, warping, shrinkage, corrosion, erosion, metal fatigue, aridity, humidity, exposure to light or extremes of temperature, moth, vermin, insects or mildew, inherent vice or any other gradually operating cause.
3. Loss of or damage due to breakage, cracking or scratching of crockery, glass, cameras, binoculars, lenses, sculptures, curios, pictures, musical instruments, sports gear and similar articles of brittle and fragile nature, unless caused by fire or accident to the means of conveyance.
4. Loss or damage caused by mechanical or electrical derangement/breakdown of any article unless caused by accidental external means or unless specifically covered under this section in the Schedule.
5. Loss or damage caused by overwinding and denting or internal damage of watches and clocks.
6. Loss of damage caused by manufacturing defects for which the manufacturer is responsible either by law or under contract.
7. Loss or damage to money, securities, manuscripts, deeds, bonds, bills of exchange, promissory notes, stock or share certificates, stamps and travel tickets or travelers' cheques, business books or documents.



8. Loss or damage to jewellery, watches, furs, precious metals, precious stones, gold or silver ornaments or any other valuables, unless specifically covered under this section in the Schedule.
9. Any unexplained and/or mysterious disappearance of the Property insured.
10. Loss or damage due to theft from any car except car of fully enclosed saloon type having at the time all the doors, windows and other openings securely locked and properly fastened.
11. Any loss or damage caused willfully by you or your employees, or any loss or damage in which you or any person acting on your behalf is or is alleged to be involved or implicated.
12. Any loss or damage arising through delay, detention or confiscation by Customs or other authorities.
13. Loss of or damage to property whilst being conveyed by any carrier under contract of affreightment.
14. Any consequential damage or losses, whether of a financial or property nature or by reason of personal injury, and any legal liability of the Insured.

**CONDITIONS:**

1. It is a condition precedent to the Company's liability hereunder that the Insured shall:
  - a) immediately and in any event within 15 days of the happening of any insured event giving rise to or likely to give rise to any claim under this Policy give written notice to the Company.
  - b) take all reasonable steps to minimize the quantum of any claim that may be made and/or any further loss that might arise
  - c) immediately and in any event within 24 hours lodge a complaint with the police detailing the items lost in respect of which the Insured intends to submit a claim.
  - d) expeditiously provide the Company and its representatives and appointees with all the information, assistance and documentation that they might reasonably require.
  - e) take all reasonable steps to identify the perpetrators of the loss and discover and recover any Contents lost
  - f) Upon the happening of any event giving rise or likely to give rise to a claim under this Policy, the Insured must also notify within the time limitations prescribed by the contract of services /carriage or regulations and seek full recovery of the loss or damage from the railways, steamship company, airline, hotel proprietors or the authority in whose care the Insured Item was at the time of the happening of any loss or damage.
2. Unless otherwise specified in the Schedule under this Section, Sum Insured must represent market value of the property insured which means current replacement value of the item as new at the time of loss or damage less due allowance for betterment, wear & tear and obsolescence, for the use of the machine/goods/item.
3. Unless otherwise specified in the Schedule under this Section, the basis of indemnification will be on Market Value.
  - a) Where any item insured hereunder consists of articles being a pair or set, the Company's liability in respect of any particular part or parts of such pair or set which may be lost or damaged shall not exceed either the value of the particular part or parts without reference to any special value which such article or articles may have as part of such pair or set or the proportionate part of the sum insured of the pair or set.  
Single article limit – Unless specifically and separately stated, the Company's liability in respect of each article or pairs or sets of articles shall not exceed 10% of the Total Sum Insured under this Policy.
4. 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 calendar months from the date of the disclaimer have been made the subject matter of a suit in a court of law then the claim shall for all purposes be deemed to have been abandoned and shall not thereafter be recoverable hereunder.
5. The Company may reinstate, repair or replace the property lost or damaged, as the case may be, instead of paying the amount of loss or damage.
6. If the property hereby insured shall at the time of any loss or damage be collectively of greater value than the Sum Insured thereon, then the Insured shall be considered as being his own insurer for the difference and shall bear a rateable proportion of the loss or damage accordingly. Every item, if more than one, shall be separately subject to this Condition.
7. In case of Partial Loss claims 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. 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. In case of total loss for any one article, the coverage for the said item will automatically cease and you will not be allowed refund of premium for the remainder of the policy period.

## SECTION 10 – PLATE GLASS COVER

*(This Section is applicable if covered in the Schedule)*

### COVERAGE:

The Company agrees (Subject to the terms, conditions and exclusions contained herein or endorsed or otherwise expressed hereon) to indemnify the Insured against accidental physical loss, destruction or damage to Plate Glass as specified in the Schedule, occurring in the premises during the Policy Period by any cause not excluded under this Section.

In case of a claim admissible under this Section, the Company will also pay reasonable expenses necessarily incurred in connection with any additional benefits provided within this Section of the Policy subject to the limits mentioned in the Schedule.

Provided always that the liability of the Company shall in no case exceed the Sum Insured stated in the Schedule under this Section.

### DEFINITIONS:

**Plate Glass** – Plate Glass means completely and securely fixed flat glass within the Insured premises (including plate glass of display/show windows of the premises) and described in the schedule excluding its glazing and/or lettering and/or ornamentation and/or any surface treatment or surfacing unless specifically described and declared for insurance in the Schedule.

**Frames and framework** – Frames and framework mean a structure the immediate purpose of which is the enclosure or support of plate glass.

**Sanitary Fittings** – Sanitary fittings means fixed wash basins, pedestals, sinks, lavatory pans and cistern contained in the insured premises.

**Reinstatement Value** – Reinstatement value means the cost of replacing or reinstating Glass of the same kind or type but not superior to or more expensive than Glass when insured.

### EXCLUSIONS:

The Company shall not be liable under this Section in respect of following:

1. Excess or Deductible as mentioned in the Schedule under this section.
2. Loss or damage directly or indirectly occasioned by or arising from any consequence of fire, explosion, gas, heat.
3. Loss or damage directly or indirectly occasioned by earthquake, volcanic eruption, flood, storm, tempest, typhoon, hurricane, tornado, cyclone or other similar convulsions of nature and atmospheric disturbance unless specifically covered under this Section in the Schedule.
4. Loss or damage directly or indirectly occasioned by Riot, Strike, and Malicious Damage unless specifically covered under this Section in the Schedule.
5. Any loss, damage or legal liability directly or indirectly caused by pressure waves caused by aircraft and other flying objects travelling at or above the speed of sound.
6. Loss or damage by wear and tear, depreciation, insects, vermin's, moth, fungus, corrosion, rust, atmospheric or climatic conditions ingress of water, gradually operating cause, process or cleaning, dyeing, repair, alteration or restoration.
7. Loss or damage arising during removal, alterations and/or repairs on or about the premises where the glass is located.
8. Disfiguration or scratching or damage of glass, sanitary fittings other than the fracture extending through the entire thickness of glass, sanitary fittings.
9. Breakage of glass, sanitary fittings which are not completely and securely fixed
10. Any loss or damage to cracked, scratched, or imperfect Plate Glass.
11. Any loss or damage caused willfully by you or your employees, or any loss or damage in which you or any person acting on your behalf is or is alleged to be involved or implicated.
12. Loss or damage due to any:
  - a) Order of a publicly constituted authority;
  - b) The costs incurred for compliance with the laws, by-laws, ordinances, rules, regulations, orders or notices issued by any public authority and affecting the repair or replacement of plate glass following an insured event.

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

13. Any consequential damage or losses, whether of a financial or property nature or by reason of personal injury, and any legal liability of the Insured.

**CONDITIONS:**

1. It is a condition precedent to the Company's liability hereunder that the Insured shall:
  - a) immediately and in any event within 15 days of the happening of any insured event giving rise to or likely to give rise to any claim under this Policy give written notice to the Company.
  - b) take all reasonable steps to minimize the quantum of any claim that may be made and/or any further loss that might arise
  - c) expeditiously provide the Company and its representatives and appointees with all the information, assistance and documentation that they might reasonably require.
2. The Company will not be liable for any mis-description of the Glass insured and unless otherwise specified under this section in the Schedule, all Glass insured shall be considered plain and of ordinary glazing quality and without embossing, silvering, lettering, bending or ornamental work of any kind. Further that the Company shall not be responsible for breakage of any lettering mentioned in the Schedule unless such breakage is caused by breakage of Glass to which it is affixed.
3. All the glass described by this Policy is insured only so long as it is fixed. If there be any alteration of the premises, or in the tenancy sub-tenancy occupancy of, or business carried on in the buildings containing the Glass described in this policy, or if the premises should become uninhabitable or disused, then and in every such case the same must be immediately notified to the Company and if the risk is increased the Company shall have the option of charging a suitable extra premium or of refusing to continue the Insurance cover.
4. Unless otherwise specified in the Schedule under this Section, Sum Insured must represent Reinstatement value of Plate Glass / Sanitary fitting. Reinstatement value means the cost of replacing or reinstating Glass of the same kind or type but not superior to or more expensive than Glass when insured.
5. 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 calendar months from the date of the disclaimer have been made the subject matter of a suit in a court of law then the claim shall for all purposes be deemed to have been abandoned and shall not thereafter be recoverable hereunder.
6. The Company may 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(s) in so doing, but 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.
7. If at the time of any Damage, the Plate Glass (inclusive of, if insured, any lettering or ornamentation and /or any surface treatment or surfacing thereon) hereby insured be collectively of greater value than the Sum Insured thereon then the Insured shall be considered as being his own insurer for the difference and shall bear a rateable proportion of the loss accordingly. Every item if more than one of the Policy shall be separately subject to this Condition.
8. In case of claims 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. 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.

**SECTION 11 – NEON SIGN/GLOW SIGN COVER**

*(This Section is applicable if covered in the Schedule)*

**COVERAGE:**

The Company agrees (Subject to the terms, conditions and exclusions contained herein or endorsed or otherwise expressed hereon) to indemnify the Insured against accidental physical loss, destruction or damage to Neon Sign / Glow Sign as specified in the Schedule, occurring in the premises during the Policy Period by any cause not excluded under this Section.

In case of a claim admissible under this Section, the Company will also pay reasonable expenses necessarily incurred in connection with any additional benefits provided within this Section of the Policy subject to the limits mentioned in the Schedule.

Provided always that the liability of the Company shall in no case exceed the Sum Insured stated in the Schedule under this Section.

**EXCLUSIONS:**

The Company shall not be liable under this Section in respect of following:

1. Excess or Deductible as mentioned in the Schedule under this section.
2. Loss or damage by wear and tear, depreciation, insects, vermin's, moth, fungus, corrosion, rust, atmospheric or climatic conditions ingress of water, gradually operating cause, process or cleaning, dyeing, repair, alteration or restoration.
3. The fusing or burning out of any Bulbs and/or Tubes arising from short circuiting or arcing or any other mechanical/electrical breakdown failures or faults.
4. Breakage of lettering unless the same is accompanied by the loss, destruction or damage to the signage.
5. Breakage of a sign not completely or securely fixed.
6. Loss or damage for which manufacturer or supplier is responsible.
7. Any loss or damage caused willfully by you or your employees, or any loss or damage in which you or any person acting on your behalf is or is alleged to be involved or implicated.
8. Loss or damage due to any:
  - a) Order of a publicly constituted authority;
  - b) The costs incurred for compliance with the laws, by-laws, ordinances, rules, regulations, orders or notices issued by any public authority and affecting the repair or replacement of neon sign/glow sign following an insured event.

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

9. Any consequential damage or losses, whether of a financial or property nature or by reason of personal injury, and any legal liability of the Insured.

**CONDITIONS:**

1. It is a condition precedent to the Company's liability hereunder that the Insured shall:
  - a) immediately and in any event within 15 days of the happening of any insured event giving rise to or likely to give rise to any claim under this Policy give written notice to the Company.
  - b) take all reasonable steps to minimize the quantum of any claim that may be made and/or any further loss that might arise
  - c) expeditiously provide the Company and its representatives and appointees with all the information, assistance and documentation that they might reasonably require.
2. Unless otherwise specified in the Schedule under this Section, Sum Insured must represent Reinstatement value of Neon Signs/Glow Signs. Reinstatement value means the cost of replacing or reinstating Property of the same kind or type but not superior to or more expensive than Property when insured.
3. Unless otherwise specified in the Schedule under this Section, the basis of indemnification will be on Reinstatement Value.
4. 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 calendar months from the date of the disclaimer have been made the subject matter of a suit in a court of law then the claim shall for all purposes be deemed to have been abandoned and shall not thereafter be recoverable hereunder.
5. The Company may 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(s) in so doing, but 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.
6. If at the time of any Damage, the Neon Sign/Glow Sign hereby insured be collectively of greater value than the Sum Insured thereon then the Insured shall be considered as being his own insurer for the difference and shall bear a rateable proportion of the loss accordingly. Every item if more than one of the Policy shall be separately subject to this Condition.
7. In case of claims 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. 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.

## SECTION 12 – BAGGAGE COVER

*(This Section is applicable if covered in the Schedule)*

### COVERAGE:

The Company agrees (Subject to the terms, conditions and exclusions contained herein or endorsed or otherwise expressed hereon) to indemnify the Insured against accidental loss of, destruction of or damage caused to personal baggage accompanying the Insured and for which the Insured is responsible whilst travelling anywhere within Territorial Limits and period of insurance specified in the Schedule.

In case of a claim admissible under this Section, the Company will also pay reasonable expenses necessarily incurred in connection with any additional benefits provided within this Section of the Policy subject to the limits mentioned in the Schedule.

Provided always that the liability of the Company shall in no case exceed the Sum Insured or Limit of Liability stated in the Schedule under this Section.

### DEFINITIONS:

**Insured** – Insured shall mean the Insured or member(s) of his family and employees or directors or partners of the Insured as named in the Schedule.

**Baggage** – Baggage shall mean personal effects belonging to and being carried by the Insured during a journey or for which such person is officially responsible excluding –

- Any items sold by the Insured in the course of his business (other than samples).
- Cell phones, music players, laptops, handheld computing or email devices, camera of any type or any other sophisticated electronic equipment (unless specifically covered in the Schedule under this section)

**Journey** – Journey shall mean any trip undertaken for the purpose of business or recreation outside the city, town or municipal limits of the place where the business or residence is situated.

**Routine Travel** – Any travel undertaken by the Insured on regular basis during a course of business or official duties and would include travelling to and from residencies place within city limits and would not include outstation travels.

### EXCLUSIONS:

The Company shall not be liable under this Section in respect of following:

1. Excess or Deductible as mentioned in the Schedule under this section.
2. Any loss or damage occurring during routine travels.
3. Loss of or damage to articles which did not form part of the baggage when the journey commenced unless specifically declared and accepted by the Company.
4. Loss or damage caused by any process of cleaning, dyeing or bleaching, restoring, repairing or renovation or deterioration arising from wear and tear, ageing, discoloration, defect, rust, oxidation, warping, shrinkage, corrosion, erosion, metal fatigue, aridity, humidity, exposure to light or extremes of temperature, moth, vermin, insects or mildew, inherent vice or any other gradually operating cause.
5. Loss of or damage due to breakage, cracking or scratching of crockery, glass, cameras, binoculars, lenses, sculptures, curios, pictures, musical instruments, sports gear and similar articles of brittle and fragile nature, unless caused by fire or accident to the means of conveyance.
6. Loss or damage caused by mechanical or electrical derangement/breakdown of any article unless caused by accidental external means or unless specifically covered under this section in the Schedule.
7. Loss or damage caused by overwinding and denting or internal damage of watches and clocks.
8. Loss of damage caused by manufacturing defects for which the manufacturer is responsible either by law or under contract.
9. Loss or damage to money, securities, manuscripts, deeds, bonds, bills of exchange, promissory notes, stock or share certificates, stamps and travel tickets or travelers' cheques, business books or documents.
10. Loss or damage to jewellery, watches, furs, precious metals, precious stones, gold or silver ornaments or any other valuables unless specifically covered under this section in the Schedule.
11. Loss or damage to loose articles such as Sticks, Umbrellas, Sun Shades, Fans, Deck Chairs, Undamaged article(s) being part of a pair or set, Property in use during the Travel or articles whilst being worn on the Insured's person or carried about.
12. Any unexplained and/or mysterious disappearance of the Property insured.
13. Loss or damage to articles of consumable and of perishable nature.

14. Loss, destruction or damage caused by or arising from the leakage, spilling or exuding of liquids, oils or material of a like nature of articles of dangerous or damaging nature.
15. Loss or damage due to theft from any car except car of fully enclosed saloon type having at the time all the doors, windows and other openings securely locked and properly fastened.
16. Any loss or damage caused willfully by you or your employees, or any loss or damage in which you or any person acting on your behalf is or is alleged to be involved or implicated.
17. Any loss or damage arising through delay, detention or confiscation by Customs or other authorities.
18. Loss of or damage to property whilst being conveyed by any carrier under contract of affreightment.
19. Any consequential damage or losses, whether of a financial or property nature or by reason of personal injury, and any legal liability of the Insured.

**CONDITIONS:**

1. It is a condition precedent to the Company's liability hereunder that the Insured shall:
  - a) immediately and in any event within 15 days of the happening of any insured event giving rise to or likely to give rise to any claim under this Policy give written notice to the Company.
  - b) take all reasonable steps to minimize the quantum of any claim that may be made and/or any further loss that might arise
  - c) immediately and in any event within 24 hours lodge a complaint with the police detailing the items lost in respect of which the Insured intends to submit a claim.
  - d) expeditiously provide the Company and its representatives and appointees with all the information, assistance and documentation that they might reasonably require.
  - e) take all reasonable steps to identify the perpetrators of the loss and discover and recover any Contents lost
  - f) Upon the happening of any event giving rise or likely to give rise to a claim under this Policy, the Insured must also notify within the time limitations prescribed by the contract of services /carriage or regulations and seek full recovery of the loss or damage from the railways, steamship company, airline, hotel proprietors or the authority in whose care the Insured Item was at the time of the happening of any loss or damage.
2. Unless otherwise specified in the Schedule under this Section, Sum Insured must represent market value of the property insured which means current replacement value of the item as new at the time of loss or damage less due allowance for betterment, wear & tear and obsolescence, for the use of the machine/goods/item.
3. Unless otherwise specified in the Schedule under this Section, the basis of indemnification will be on Market Value.
  - a) Where any item insured hereunder consists of articles being a pair or set, the Company's liability in respect of any particular part or parts of such pair or set which may be lost or damaged shall not exceed either the value of the particular part or parts without reference to any special value which such article or articles may have as part of such pair or set or the proportionate part of the sum insured of the pair or set.
  - b) Single article limit – Unless specifically and separately stated, the Company's liability in respect of each article or pairs or sets of articles shall not exceed 10% of the Total Sum Insured under this Policy.
4. 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 calendar months from the date of the disclaimer have been made the subject matter of a suit in a court of law then the claim shall for all purposes be deemed to have been abandoned and shall not thereafter be recoverable hereunder.
5. The Company may reinstate, repair or replace the property lost or damaged, as the case may be, instead of paying the amount of loss or damage.
6. If the property hereby insured shall at the time of any loss or damage be collectively of greater value than the Sum Insured thereon, then the Insured shall be considered as being his own insurer for the difference and shall bear a rateable proportion of the loss or damage accordingly. Every item, if more than one, shall be separately subject to this Condition.
7. In case of Partial Loss claims 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. 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. In case of total loss for any one article, the coverage for the said item will automatically cease and you will not be allowed refund of premium for the remainder of the policy period.

## SECTION 13 – PUBLIC LIABILITY COVER

(This Section is applicable if covered in the **Schedule**)

### 1. COVERAGE:

The Company agrees (Subject to the terms, conditions and exclusions contained herein or endorsed or otherwise expressed hereon) to indemnify the Insured against their legal liability (other than liability under the Public Liability Insurance Act, 1991 or any other Statute that may come into force after the issue of this policy) to pay compensation including Claimant's costs, fees and expenses anywhere in India, in accordance with Indian Law.

In case of a claim admissible under this Section, the Company will also pay reasonable expenses necessarily incurred in connection with any additional benefits provided within this Section of the Policy subject to the limits mentioned in the Schedule.

### 2. 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 in accordance with the Operative Clause 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:-

- a) Pollution howsoever caused unless specifically covered
- b) Any product.

For the purpose of determining the indemnity granted

- a) 'Injury' means death, bodily injury, illness or disease of or to any person,
- b) 'Damage' means actual and/or physical damage to tangible property;
- c) 'Pollution' means pollution or contamination by solids, liquids, gaseous or thermal irritants, contaminants, smoke, vapour, soot, fumes, acids, alkalis, radioactive and/or nuclear material, chemical or waste materials (including but not limited to any material to be recycled, reconditioned or reclaimed) or otherwise of the atmosphere, water, soil, land or other tangible property;
- d) 'Product' means any tangible property after it has left the possession, 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.
- e) 'Policy Period' means the period commencing from effective date and hour as shown in the Policy Schedule and terminating at midnight on the expiry date as shown in the Policy Schedule.
- f) 'Period of Insurance' means the period commencing from the retroactive date and terminating on the expiry date as shown in the Policy Schedule.
- g) '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.
- h) 'Premises' means the place or places named in the Schedule from which the Insured's Business is conducted, and shall be deemed to include pipelines running outside the premises for discharge of treated effluents at a disposal point situated within a distance one kilometre from the Premises.
- i) 'Retroactive Date' is the date when the risk is first incepted under a Claims Made Policy and thereafter renewed without break in the period of insurance cover.
- j) 'Claim' means the receipt by the Insured of any written or verbal notice of demand for compensation or rectification made by or on behalf of a third party against the Insured, any/or any suit, claim, petition, writ, statement of claim, claim form, summons, application or other originating legal or arbitral process, cross-claim, counterclaim or third or similar party notice served upon the Insured.

### 3. NOTIFICATION EXTENSION CLAUSE & EXTENDED CLAIM REPORTING CLAUSE

**(A) NOTIFICATION EXTENSION CLAUSE:** Should the Insured notify the Company during the Policy Period in accordance with General Condition 9.1 of any specific event or circumstance which the Company accepts may give rise to a claim or claims which form the subject of indemnity by this policy, then the acceptance of such notification means that the Company will deal with such claim or claims as if they had first been made against the Insured during the Policy period. The extension under this Clause will be subject to the maximum time limit laid down under the Indian Limitation Act in force from time to time.

**(B) EXTENDED CLAIM REPORTING CLAUSE:** In the event of non-renewal or cancellation of this Policy either by the Company or by the Insured, the Company will allow a time limit not exceeding 90 days from the date of expiry or cancellation of the policy provided no

insurance is in force during this extended reporting period for the same interest, for notification of claims for accidents which had taken place during the period of insurance but could not be made during the policy period, provided, however, all claims made during the extended reporting period shall be handled as if they were made on the last day of the expiring Policy period and are subject to the limits of indemnity and the terms, conditions and exceptions of the policy.

**4. INDEMNITY TO OTHERS:** The indemnity granted extends to;

1. officials of the Insured in their business capacity arising out of the performance of their business or in their private capacity arising out of their temporary engagement of the Insured's employees;
2. The Officers, Committees and members of the Insured's canteen, social, sports, medical, fire fighting and welfare organizations in their respective capacities as such;
3. the personal representatives of the estate of any person who would otherwise be indemnified by this Policy but only in respect of liability incurred by such person.

Provided always that all such persons or parties shall observe, fulfill and be subject to the terms, conditions and exclusions of this Policy as though they were the Insured.

**5. CROSS LIABILITIES:**

Each person or party indemnified is separately indemnified in respect of claims made against any of them by any other person or party (other than the named Insured) subject to Company's total liability not exceeding the limits of indemnity stated in the Schedule of the Policy.

**6. DEFENCE COSTS:**

The Company will pay all costs, fees and expenses incurred with their prior consent in the investigation, defence or settlement of any Claim made against the Insured and the costs of representation at any inquest, inquiry or other proceedings in respect of matters which have a direct relevance to any claim made or which might be made against the Insured, provided such claim or claims are the subject of indemnity by the Policy whether liability ultimately attaches to the policy or not. Such costs, fees and expenses are called 'Defence Costs'.

**7. INDEMNITY LIMITS:**

Company's total liability to pay compensation, Claimant's costs, fees and expenses and defence costs shall not exceed the Indemnity limit stated in the Schedule. Indemnity Limit applies to any one claim or series of claims arising from one originating cause. Indemnity Limit shall represent the total amount of Company's Liability during the Policy Period.

**7.1 CLAIMS SERIES CLAUSES:** For the purpose of this policy where a series of and/or several bodily injuries and/or property damages are attributable directly or indirectly to the same cause, all such bodily injuries and/or property damages shall be added together and all such bodily injuries and/or property damages shall be treated as one claim and such claim shall be deemed to have been made at the point in time when the first of the claims was made in writing. There shall, however, be no coverage for claims made arising from one specific cause which are made later than 3 years after the first claim of the series.

**7.2 COMPULSORY EXCESS:** The Insured shall bear a Compulsory Excess the amount or percentage of the limit of indemnity per any one accident as stated in the Policy Schedule. This Compulsory Excess shall be applicable to both (a) death/bodily injury and (b) property damage, inclusive of defence costs arising out of any one accident. The Company's Liability shall attach for the claim in excess of such Compulsory Excess (and Voluntary Excess, if any, opted by the Insured).

**8. EXCLUSIONS**

This Policy does not cover liability

1. assumed by the Insured by agreement and which would not have attached in the absence of such agreement.
2. arising out of earthquake, earth-tremor, volcanic eruption, flood, storm, tempest, typhoon, hurricane, tornado, cyclone or other similar convulsions of nature and atmospheric disturbance.
3. arising out of deliberate, wilful or intentional non-compliance of any statutory provision.
4. arising out of Insured's consequential loss of any kind, be they by way of loss of profit, loss of opportunity, business interruption, market loss or otherwise, or claims arising out of loss of a pure financial nature such as loss of goodwill.
5. 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;



6. arising out of infringement of plans, copy-right, patent, trade name, trade mark or registered design;
7. arising out of fines, penalties, punitive or exemplary damages or any other damages resulting from the multiplication of compensatory damages.

This Policy does not cover liability for claims arising out of;

8. the ownership, possession or use by or on behalf of the Insured of any motor vehicle or trailer for which compulsory insurance is required by legislation other than the following:
  - a) claims caused by the use of any tool or plant forming part of or attached to or used in connection with any motor vehicle or trailer;
  - b) claims arising beyond the limits of any carriageway or thoroughfare caused by the loading or unloading of any motor vehicle or trailer;
  - c) claims for damage to any bridge, weighbridge, road or anything beneath caused by the weight of any motor vehicle or trailer or of the load carried therein;
  - d) claims arising out of any motor vehicle or trailer temporarily in the Insured's custody or control for the purpose of parking.
9. transportation of materials and/or hazardous/dangerous substances outside Insured's premises unless specifically covered.
10. the ownership, possession or use by or on behalf of the Insured of any aircraft, spacecraft, watercraft or hovercraft.
11. for 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) premises (or the contents thereof) temporarily occupied by the Insured for work thereon or other property temporarily in the Insured's possession for work thereon (but no indemnity is granted for damage to that part of the property on which the Insured is working and which arises out of such work).
  - b) employees' and visitors' clothing and personal effects.
  - c) premises tenanted by the Insured to the extent that the Insured would be held legally liable in the absence of any specific agreement.
12. injury and/or damage occurring prior to the Retroactive Date stated in the Schedule.  
Provided always that in the event of any injury or damage arising from continuous or continual inhalation, ingestion or application of any substance following the covered accident and where the Insured and Company cannot agree when the injury or damage occurred, then
  - a) injury shall be deemed to have occurred when the claimant first consulted a qualified medical practitioner in respect of such injury;
  - b) damage shall be deemed to have occurred when it first became evident to the claimant even if the cause was unknown.
13. the deliberate, conscious or intentional disregard of the Insured's technical or administrative management of the need to take all reasonable steps to prevent claims.
14. injury to any person under a contract of employment or apprenticeship with the Insured, or the Insured's contractors and sub-contractors, when such Injury arises out of the execution of such contract.
15. any accident(s) in respect of which Relief would be under the Public Liability Insurance Act 1991, any amendment that may come into force after the issue of this policy, or any other Statute or law which attaches liability on a no fault basis.
16. liability more specifically insured elsewhere.
17. any claim made where the circumstances that exist are materially different to the circumstances represented by the Insured in the proposal.
18. any claim made, threatened or intimated against the Insured prior to the Policy Period.
19. any claim directly or indirectly arising out of, or in any way involving any fact or circumstances of which written notice has been given, or ought reasonably to have been given, under any previous policy (whether insured by the Company or not); or of which the Insured first become aware prior to the Period of Insurance and which the Insured knew or ought reasonably to have known had the potential to give rise to a claim.
20. liability in respect of loss or damage to property:
  - a) belonging to the Insured
  - b) being that part of any property on which the Insured or any servant or agent of the Insured is or has been working if that loss or damage results directly from such work
21. Liability in respect of injury or damage caused by or in conjunction with the bursting of any steam boiler or other pressure vessel designed to operate under steam belonging to or under the control of the Insured.

22. liability in respect of or arising from damage to any land or property or building caused by vibration or by the removal or weakening of support
23. liability in respect of injury or damage caused by or in connection with or arising from accident to any vessel or craft in consequence of the condition or unsuitability of any berth dock or mooring.
24. claims arising out of or in connection with:-
  - a) Pollution howsoever caused unless specifically covered
  - b) Any product.

#### 9. CONDITIONS:

1. The Insured shall give written notice to the Company as soon as reasonably practicable of any claim made against the Insured (or any specific event or circumstance that may give rise to a claim being made against the Insured) and which forms the subject of indemnity under this policy and shall give all such additional information as the Company may require. Every claim, writ, summons or process and all documents relating to the event shall be forwarded to the Company immediately they are received by the Insured.
2. No admission, offer, promise or payment shall be made or given by or on behalf of the Insured without the written consent of the Company.
3. The Company will have the right, but in no case the obligation, to take over and conduct in the name of the insured the defence of any claim and will have full discretion in the conduct of any proceedings and in the settlement of any claim and having taken over the defence of any claim may relinquish the same. All amounts expended by the Company in the defence settlement or payment of any claim will reduce the limits of indemnity specified in the Schedule of the Policy.

In the event the Company, in its sole discretion, chooses to exercise its right pursuant to this condition, no action taken by the Company in the exercise of such right will serve to modify or expand in any manner, the Company's liability or obligations under this policy beyond what the Company's liability or obligations would have been had it not exercised its rights under this condition.

4. The Insured shall give all such information and assistance as the Company may reasonably require.
5. The Insured shall give notice as soon as reasonably practicable of any fact, event or circumstance which materially changes the information supplied to the Company at the time when this policy was effected, and the Company may amend the terms of this Policy according to the materiality of such change.
6. The Company may at any time pay to the Insured in connection with any claim or series of claims under this Policy to which an Indemnity Limit applies the amount of such Limit (after deduction of any sums already paid) or any lesser amount for which such claims can be settled and upon such payment being made the Company shall relinquish the conduct and control of and be under no further liability in connection with such claims.
7. The Insured shall keep accurate records of annual turnover which term shall include all leviable duties and at the time of renewal of Insurances declare such details as the Company may require. The Company shall at all reasonable time have free access to inspect such records.

If the insured expects any increase in the turnover during the policy period, such increase shall be immediately notified to the company and the additional premium payable thereof, however the final premium is to be regulated by the final turnover pertaining to the Policy Period as borne out by the accurate record of the annual turnover to be maintained as above. Within one month from the expiry of each Policy Period, the Insured shall furnish the Company with the correct turnover recorded as aforesaid, pertaining to the previous Policy Period, based on which the Company shall arrive at the final premium, by further payment to the Company or a refund to the Insured as the case may be, but in no case shall the refund of premium be more than 25% of the premium stated in the Schedule.

8. If at the time of happening of any event resulting into a liability under this Policy, there be any other Public Liability Insurance or Insurances effected by the Insured or by any other person covering the same liability, then the Company shall not be liable to pay or contribute more than its rateable proportion of such liability.

This Policy does not cover liability which at the time of happening of any event resulting into such liability, be insured by or would, but for the existence of this policy, be insured by, any other Policy (but not a Public Liability Policy) or Policies, except in respect of any excess beyond the amount which could have been payable under such Policy/Policies, had this Insurance not been effected.

9. In the event of liability arising under the policy or the payment of claim under the policy, the Limit of Indemnity per any one year under the Policy shall get reduced by the extent of quantum of liability to be paid or actual payment of such claim. Under no circumstances, it shall be permissible to reinstate the limit of indemnity to the original level, even on payment of extra premiums.
10. It is also hereby further expressly agreed and declared that if the Company shall disclaim liability to the Insured for any claim hereunder and such claim shall not within 12 calendar months from the date of such 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.

11. The Company shall not be liable to make any payment under this Policy in respect of any claim if such claim shall be in any manner fraudulent or supported by any statement or device whether by Insured or by any person on behalf of the Insured and/or if the insurance has been continued in consequence of any material mis-statement or the non-disclosure of any material information by or on behalf of the Insured.
12. No claim shall be payable under this policy unless the cause of action arises in India and the liability to pay claim is established against the insured in an Indian court. It is further agreed and understood that only Indian Law shall be applicable to any such action.
13. The Insured shall at all times exercise reasonable care in the selection and employment of competent employees and likewise in seeing that the plant used in his business is in good order and fit for work required of it and will keep the ways works machinery and plant property fenced and guarded and otherwise in good order and fit for the work to be done and will have all necessary light lit at dusk and will use all necessary and proper precautions for the safety of the general public and shall comply with all statutory requirements and with all bye-laws and regulations imposed by any public authority.

#### 14. Subrogation

In the event of any payment under this Policy, the Company shall be subrogated to all of the Insured's rights of recovery to the extent of such payments against any person or organization and the Insured shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights and ensure that nothing is done to prejudice such rights and provide the Insurers with whatever reasonable co-operation and assistance they might require.

However, it is specifically agreed that the Insurer will not exercise its rights of subrogation against any employee of the Insured unless the aforesaid payment has been caused by or contributed to in any way by the fraud, dishonesty or malicious intent of any such employee.

In the event of any recovery being made, it is specifically understood that the recovered funds shall be applied in the following order:

- a) the Company shall be reimbursed to the extent of any payment it has made under this Policy.
- b) the Company shall be reimbursed for the actual costs and expenses it has incurred in pursuing the recovery.
- c) the Insured shall be entitled to reimbursement in respect of its losses only after the payment of 17a. and 17b. and only to the extent of any recovered funds that might remain.

#### 15. Excess Insurance – Liability under Public Liability Insurance Act 1991

With respect to liability arising under the Public Liability Act 1991, this insurance shall be excess insurance over any other valid and collectible Insurance and/or Statutory or self-administered fund available to the Insured.

### GENERAL EXCLUSIONS – APPLICABLE TO ALL SECTIONS

Save as expressly stated to the contrary, and in addition to the Exclusions stated for any individual Section, no cover is available hereunder and no payment will be made by the Company for any claim directly or indirectly caused by, based on, arising out of or howsoever attributable to any of the following:

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

#### 1. War Risks Exclusion

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

War, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war. Permanent or temporary dispossession resulting from confiscation, commandeering, requisition or destruction of or damage to property by order of the government de jure or de facto or by any public authority. Mutiny, civil commotion assuming the proportions of or amounting to a popular rising, tribal rising, military rising, insurrection, rebellion, revolution, military or usurped power, martial law or state of siege or any of the events or causes which determine the proclamation or maintenance of martial law or state of siege.

## **2. Radioactive Exclusion**

This Policy does not cover loss, damage, cost or expense of whatsoever nature directly or indirectly caused, resulting from or in connection with nuclear energy or radioactivity of any kind including but not limited to any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss:

1. ionizing radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel
2. the radioactive, toxic, explosive or other hazardous or contamination properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof
3. any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.
4. the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter.
5. any chemical, biological, bio-chemical or electromagnetic weapon.

## **3. Pollution/Contamination Exclusion**

This Policy excludes any loss arising from Pollution or Contamination except (unless otherwise excluded) destruction of or damage to the property insured caused by:

1. pollution or contamination which itself results from a perils insured against
2. any peril insured against which itself results from a pollution or contamination

This Policy also excludes any liability in connection with disposed or dumped waste materials or substances.

## **4. Total Asbestos Exclusion**

This Policy shall not apply to, and does not cover, any actual or alleged liability whatsoever for any claim or claims in respect of loss or losses directly or indirectly caused by, arising out of, resulting from, in consequence of, in any way involving, or to the extent contributed to by, the hazardous nature of asbestos or any materials containing asbestos in whatever form or quantity.

## **5. Terrorism Damage Exclusion**

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

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

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

## **6. Information Technology Clarification Agreement Clause**

Property damage covered under this Policy shall mean physical damage to the substance of property.

Physical damage to the substance of property shall not include damage to data or software, in particular any detrimental change in data, software or computer programs that is caused by a deletion, a corruption or a deformation of the original structure

Consequently the following are excluded from this Policy -

1. Loss of or damage to data or software, particular any detrimental change in data, software or computer programs that is caused by deletion, a corruption or a deformation of the original structure, and any business interruption losses resulting from such a loss or damage. Notwithstanding this exclusion, loss of or damage to data or software, which is the direct consequence of insured physical damage to the substance of property, shall be covered.
2. Loss or damage resulting from an impairment in the function, availability, range of use or accessibility of data, software or computer programs, and any business interruption losses resulting from such loss or damage.

### 7. Transmission and Distribution Line Exclusion

Unless otherwise specifically mentioned in any Section of this Policy, This Policy does not cover any loss of, destruction of or damage to any kinds of above or below ground conductors (e.g. transmission and distribution lines) including wires, cables, poles, scaffolding, pylons and masts or any property forming a part thereof or connected therewith and including substations and transformer stations unless such conductors for which the insured carries the risk are located no further than 1,500 feet from an insured plant of the insured.

This exclusion also applies to any consequential losses, time element losses or business interruption losses resulting therefrom including but not limited to increased cost of working.

This exclusion includes but is not limited to conductors for the transmission or distribution of electrical energy, telephone or telegraphic signals, and all communication signals whether audio or visual.

### 8. Sanction Limitation and Exclusion 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.

### 9. Cyber Loss Limited Exclusion Clause

1. Notwithstanding any provision to the contrary within this reinsurance agreement or any endorsement thereto, this reinsurance agreement excludes all loss, damage, liability, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with:
  - 1.1 any loss of, alteration of, or damage to or a reduction in the functionality, availability or operation of a Computer System, unless subject to the provisions of paragraph 2;
  - 1.2 any loss of use, reduction in functionality, repair, replacement, restoration or reproduction of any Data, including any amount pertaining to the value of such Data.
2. Subject to the other terms, conditions and exclusions contained in this reinsurance agreement, this reinsurance agreement will cover physical damage to property insured under the original policies and any Time Element Loss directly resulting therefrom where such physical damage is directly occasioned by any of the following perils:
  - Fire
  - Explosion

#### Definitions

- Computer System means any computer, hardware, software, communications system, electronic device (including, but not limited to, smart phone, laptop, tablet, wearable device), server, cloud or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, data storage device, networking equipment or back up facility.
- Data means information, facts, concepts, code or any other information of any kind that is recorded or transmitted in a form to be used, accessed, processed, transmitted or stored by a Computer System.
- Time Element Loss means business interruption, contingent business interruption or any other consequential losses.

## GENERAL CONDITIONS – APPLICABLE TO ALL SECTIONS

### DUE OBSERVANCE OF TERMS AND CONDITIONS:

The due observance and fulfillment of the terms, conditions, provisions, warranties and endorsement of this Policy in so far as they relate to anything to be done or complied with by the Insured and/or, where applicable, the Insured Person(s), and the truth of the statement and answers in the said proposal shall be conditions precedent to any liability of the Company to make any payment under this Policy.

### DUTY OF DISCLOSURE:

This Policy shall be voidable in the event of Mis-representation, Mis-description or Non-disclosure of any material particular.

### ONUS OF PROOF:

If any action, suit or other proceedings where we allege that by reason of the above provisions any loss is not covered by this Insurance, the burden of proving that such loss is covered shall be upon you.

Magma HDI General Insurance Co. Ltd. | [www.magmahdi.com](http://www.magmahdi.com) | E-mail: [customer@magmahdi.com](mailto:customer@magmahdi.com) | Toll Free: 1800 266 3202 | Registered Office: Development House, 24 Park Street, Kolkata - 700016. | CIN: U66000WB2009PLC136327 | IRDAI Reg. No. 149 | Business Protect Policy (Laghu Udyam) UIN - IRDAN149CP0001V01202122 | Trade logos displayed above belong to Poonawalla Fincorp Limited (Formerly known as Magma Fincorp Limited) and HDI Global SE and are being used by Magma HDI General Insurance Company Limited, under license.

**CANCELLATION/TERMINATION:**

This insurance may be terminated at any time at the request of the Insured, in which case the Company will retain the premium at customary short period rate for the time the policy has been in force. This insurance may also at any time be terminated at the option of the Company, on 15 days' notice to that effect being given to the Insured by means of registered letter from the Company to the Insured's last known address, in which case the Company shall be liable to repay on demand a rateable proportion of the premium for the unexpired term from the date of the cancellation. However, in case of Misrepresentation, Fraud, Non-disclosure of material fact or Non-cooperation by the Insured, the Company reserves the right to cancel the Policy and is not obliged to refund the premium already paid under the policy.

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

**REASONABLE CARE:**

The **Insured** shall:

- a) Take all reasonable steps to safeguard the Property Insured against any insured event;
- b) Take all reasonable steps to prevent a claim from arising under this Policy;

**CLAIMS PROCEDURE**

It is a condition precedent to the Company's liability hereunder that the Insured shall

1. give written notice to the company as per the conditions mentioned under respective sections of the policy wordings
2. take all reasonable steps to minimize the quantum of any claim that may be made and/or any further loss that might arise
3. expeditiously provide the Company and its representatives and appointees with all the information, assistance and documentation that they might reasonably require
4. Comply with any other specific conditions mentioned under respective sections of the policy

**RIGHT TO INSPECT**

If required by the Company, an agent/representative of the Company including a loss assessor or a Surveyor appointed in that behalf shall in case of any loss or any circumstances that have given rise to the claim to the Insured be permitted at all reasonable times to examine into the circumstances of such loss. The Insured shall on being required so to do by the Company produce all books of accounts, receipts, documents relating to or containing entries relating to the loss or such circumstance in his possession and furnish copies of or extracts from such of them as may be required by the Company so far as they relate to such claims or will in any way assist the Company to ascertain the correctness thereof or the liability of the Company under the policy.

**FRAUD / FRAUDULENT CLAIMS:**

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 the policy or if the loss or damage be occasioned by the willful act, or with the connivance of the Insured, all benefits under this policy shall be forfeited.

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.

**CONTRIBUTION:**

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.

**SUBROGATION/RECOURSE:**

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 (other than those insured under this Policy) 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.

**ARBITRATION:**

If any dispute or difference shall arise as to the quantum to be paid under this policy (liability being otherwise admitted) such difference shall independently of all other questions be referred to the decision of a sole arbitrator to be appointed in writing by the parties to or if they cannot agree upon a single arbitrator within 30 days of any party invoking arbitration, the same shall be referred to a panel of three arbitrators, comprising of two arbitrators, one to be appointed by each of the parties to the dispute/difference and the third arbitrator to be appointed by such two arbitrators and arbitration shall be conducted under and in accordance with the provisions of the Arbitration and Conciliation Act, 1996 (with applicable amendments, modifications and statutory re-enactments, if any)

It is clearly agreed and understood that no difference or dispute shall be referable to arbitration as hereinbefore provided, if the Company has disputed or not accepted liability under or in respect of this policy.

It is hereby expressly stipulated and declared that it shall be a condition precedent to any right of action or suit upon this policy that the award by such arbitrator/ arbitrators of the amount of the loss or damage shall be first obtained.

**NOTICE:**

Every notice and other communication to the Company required by provisions and conditions under this Policy must be written or printed.

1. Any and all notices and declarations for the attention of the Company shall be submitted in writing and shall be delivered to the address specified in the Schedule.
2. Any and all notices and declarations for the attention of the Insured shall be posted to the Insured's address stated in the Schedule.

**GOVERNING LAW & JURISDICTION:**

The construction, interpretation and meaning of the provisions of this **Policy** shall be determined in accordance with Indian law and subject to the exclusive jurisdiction of the courts of India. The section headings of this **Policy** are included for descriptive purposes only and do not form part of this **Policy** for the purpose of its construction or interpretation.

**TERRITORIAL LIMITS:**

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, unless otherwise specified in any section of this policy.

**RENEWAL NOTICE:**

The Company shall not be bound to issue any renewal notice nor shall be bound to accept the renewal premium thereunder.

**POLICY DISPUTES:**

Any dispute concerning the interpretation of the terms, conditions, limitations and/or exclusions contained herein is understood and agreed to by both the Insured and the Company to be subject to Indian Law. Each party agrees to submit to the exclusive jurisdiction of the High Court of Mumbai and to comply with all requirements necessary to give such Court the jurisdiction. All matters arising hereunder shall be determined in accordance with the law and practice of such Court.

**TRANSFER OF INTEREST:**

The Company shall in no case be bound to accept notice of any transfer of interest arising hereunder and nothing herein contained shall give any right against the Company to any person other than the Insured except to a transferee approved by the Company.

**CUSTOMER SERVICE:**

If at any time the Insured requires any clarification or assistance, the Insured may contact the offices of the Company at the address specified, during normal business hours.

**Registered Office:**

Development House, 24 Park Street, Kolkata – 700 016

Website: [www.magmahdi.com](http://www.magmahdi.com) | Toll Free No. 1800-266-3202 | IRDAI Registered No. 149, dated 22nd May 2012 | CIN: U66000WB2009PLC136327

**GRIEVANCE REDRESSAL PROCEDURE:**

At the outset, we thank you for choosing Magma HDI General Insurance Co. Ltd. as your insurance provider and hope we are able to meet and exceed your expectations. We also hope that the policy delivered to you is in line with your proposal for insurance. We want to reiterate that providing top class customer service is our motto and we are committed to deliver the same. In case you have any queries/ requests/ clarifications, you can get in touch with our nearest branch or your insurance agent for the same. We request you to quote your policy number in all your communications to us.

In case, you remain dissatisfied with our response, we have a defined grievance handling procedure as below:

The Grievance Redressed Cell of the Company looks into complaints from policyholders. Insured may approach the person nominated as 'Grievance Redressed Officer' with the details of their grievance:

Please write to us at [customercare@magma-hdi.co.in](mailto:customercare@magma-hdi.co.in), or at the following address:

**Customer Service Officer**

Magma HDI General Insurance Co Ltd  
Equinox Business Park  
Unit No. 18 & 2B, 2<sup>nd</sup> Floor, Tower 3, LBS Marg, Kurla (West), Mumbai-400070

An acknowledgement will be sent from the Grievance Redressed Cell within 3 days of receipt of any complaint. Every complaint will be registered, numbered, internally assigned, investigated and the Company's response notified within 15 days of receipt of complaint.

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

Further, the Insured may approach the nearest Insurance Ombudsman for redressal of the grievance, if he / she remains dissatisfied with the resolution provided by The Company. List of Ombudsman offices with contact details are attached for ready reference. You may approach the office of Insurance Ombudsman once the stipulated period of 30 days from date of filing the complaint is over. For updated status, please refer to websites [www.irdai.gov.in](http://www.irdai.gov.in) or <https://www.cioins.co.in/>

Office of the Ombudsman	Contact Details	Jurisdiction
<b>AHMEDABAD</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: <a href="mailto:bimalokpal.ahmedabad@cioins.co.in">bimalokpal.ahmedabad@cioins.co.in</a>	Gujarat and Union Territories of Dadra & Nagar Haveli, Daman and Diu.
<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: <a href="mailto:bimalokpal.bengaluru@cioins.co.in">bimalokpal.bengaluru@cioins.co.in</a>	Karnataka



<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 Email: bimalokpal.bhopal@cioins.co.in	Madhya Pradesh and Chhattisgarh.
<b>BHUBANESHWAR</b>	Office of the Insurance Ombudsman, 62, Forest Park, Bhubneshwar - 751 009. Tel.: 0674 - 2596461 / 2596455 Email: bimalokpal.bhubaneswar@cioins.co.in	Odisha
<b>CHANDIGARH</b>	Office of the Insurance Ombudsman, S.C.O. No. 101, 102 & 103, 2nd Floor, Batra Building, Sector 17 - D, Chandigarh - 160 017. Tel.: 0172 - 2706196 / 2706468 Email: bimalokpal.chandigarh@cioins.co.in	Punjab, Haryana (excluding Gurugram, Faridabad, Sonapat and Bahadurgarh), Himachal Pradesh, Union Territories of Jammu & Kashmir, Ladakh & Chandigarh
<b>CHENNAI</b>	Office of the Insurance Ombudsman, Fatima Akhtar Court, 4th Floor, 453, Anna Salai, Teynampet, CHENNAI - 600 018. Tel.: 044 - 24333668 / 24335284 Email: bimalokpal.chennai@cioins.co.in	Tamil Nadu, Puducherry Town and Karaikal (which are part of Puducherry)
<b>DELHI</b>	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	Delhi & following Districts of Haryana - Gurugram, Faridabad, Sonapat & Bahadurgarh
<b>GUWAHATI</b>	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	Assam, Meghalaya, Manipur, Mizoram, Arunachal Pradesh, Nagaland and Tripura.
<b>HYDERABAD</b>	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 - 67504123 / 23312122 Email: bimalokpal.hyderabad@cioins.co.in	Andhra Pradesh, Telangana, Yanam and part of Union Territory of Puducherry
<b>JAIPUR</b>	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	Rajasthan
<b>ERNAKULAM</b>	Office of the Insurance Ombudsman, 2nd Floor, Pulinat Bldg., Opp. Cochin Shipyard, M. G. Road, Ernakulam - 682 015. Tel.: 0484 - 2358759 / 2359338 Email: bimalokpal.ernakulam@cioins.co.in	Kerala, Lakshadweep, Mahe-a part of Union Territory of Puducherry
<b>KOLKATA</b>	Office of the Insurance Ombudsman, Hindustan Bldg. Annexe, 4th Floor, 4, C.R. Avenue, KOLKATA - 700 072. Tel.: 033 - 22124339 / 22124340 Email: bimalokpal.kolkata@cioins.co.in	West Bengal, Sikkim and Union Territories of Andaman and Nicobar Islands.

<b>LUCKNOW</b>	Office of the Insurance Ombudsman, 6th Floor, Jeevan Bhawan, Phase-II, Nawal Kishore Road, Hazratganj, Lucknow - 226 001. Tel.: 0522 - 2231330 / 2231331 Email: bimalokpal.lucknow@cioins.co.in	Districts of Uttar Pradesh : Lalitpur, 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
<b>MUMBAI</b>	Office of the Insurance Ombudsman, 3rd Floor, Jeevan Seva Annexe, S. V. Road, Santacruz (W), Mumbai - 400 054. Tel.: 022 - 69038821/23/24/25/26/27/28/28/29/30/31 Email: bimalokpal.mumbai@cioins.co.in	Goa, Mumbai Metropolitan Region (excluding Navi Mumbai & Thane)
<b>NOIDA</b>	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	State of Uttarakhand and the following Districts of Uttar Pradesh: Agra, Aligarh, Bagpat, Bareilly, Bijnor, Budaun, Bulandshehar, Etah, Kannauj, Mainpuri, Mathura, Meerut, Moradabad, Muzaffarnagar, Oraiyya, Pilibhit, Etawah, Farrukhabad, Firozbad, Gautam Buddh nagar, Ghaziabad, Hardoi, Shahjahanpur, Hapur, Shamli, Rampur, Kashganj, Sambhal, Amroha, Hathras, Kanshiramnagar, Saharanpur
<b>PATNA</b>	Office of the Insurance Ombudsman, 2nd Floor, Lalit Bhawan, Bailey Road, Patna 800 001. Tel.: 0612-2547068 Email: bimalokpal.patna@cioins.co.in	Bihar, Jharkhand
<b>PUNE</b>	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	Maharashtra, Areas of Navi Mumbai and Thane (excluding Mumbai Metropolitan Region)