

COMPREHENSIVE OPERATIONAL MEGA INSURANCE PACKAGE POLICY

SECTION – IA, AR (ALL RISKS OF PHYSICAL LOSS OR DAMAGE)

Insuring Clause:

In consideration of the payment by the Insured named in the Schedule hereto of the Premium mentioned therein, THE INSURER AGREES (subject to the Conditions, Provisos and Exclusions contained herein or endorsed or otherwise expressed hereon, which shall all be deemed to be conditions precedent to the right of the Insured to recover hereunder) TO INDEMNIFY the Insured in respect of

SUDDEN ACCIDENTAL PHYSICAL LOSS, DESTRUCTION OR DAMAGE TO THE PROPERTY DESCRIBED IN THE SCHEDULE HEREIN DIRECTLY AND WHOLLY ATTRIBUTABLE TO ANY CAUSE, EXCEPT AS HEREINAFTER PROVIDED, OCCURING DURING THE CURRENCY OF THE POLICY, REFERRED TO HEREIN AS 'DAMAGE'.

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

“Sudden” shall mean accidental and not reasonably foreseen and not a gradual occurrence.

1.1. EXCEPTED CAUSES:

- The deliberate and sustained operation of the Insured's plant, machinery, pipeline or other equipment in excess of the design margin over the nameplate capacities the specific and intentional instruction of the Insured except for the conditions permitted by the manufacturers.
- Withdrawal or go-slow of labour or cessation of work.

IT IS ALSO UNDERSTOOD AND AGREED THAT subject to the PROVISO below, this insurance does not cover:

- a) Wear and tear, gradual deterioration, gradually operating causes, rusting, corrosion, metal fatigue, oxidation, auto-oxidation, damp, change in temperature or humidity action of air or light or natural heating or drying (other than as provided under clause 1.3.8.).
- b) Fermentation, evaporation, loss of weight, contamination or change in quality (except where such is directly caused by an occurrence, which is not otherwise excluded).
- c) Failure, breakdown, malfunction, derangement, collapse or rupture of any mechanical or electrical or electronic machine apparatus or equipment whatsoever.
- d) Failure of supply of water, gas, electricity, fuel or power from outside sources but should any resultant loss or damage occur to the insured property due to any cause which is not otherwise excluded as per terms & conditions of the Policy, the same would be indemnifiable.
- e) Gradual subsidence and settlement, shrinkage or expansion or erosion of soil unless sudden accidental loss or damage covered under this Policy ensues and only such ensuing loss will be covered under this Policy

- f) Short-circuiting. Self-heating, leakage or surge of electrical current, over-loading or excessive power. However this exclusion will not be applicable to any damage caused by short-circuiting, self-heating, leakage or surge of electrical current, over-loading or excessive power that may occur due to a covered peril operating on a nearby insured property.
- g) Leakage or overflowing of the contents of any storage tank, vessel or other container or the flaring of products other than as provided under clause 1.3.4. However, blow down as a measure of damage containment is not excluded under this clause.
- h) Loss of data, data media and records, as well as its regeneration except as per Clause 3.13
- i) Clean-up costs other than as provided under Article 3.14.
- j) Seepage and/or pollution and/or contamination, direct or indirect, rising from any cause whatsoever.
- k) Infidelity of an employee.

Notwithstanding any provisions to the contrary within this Policy or any endorsement thereto it is agreed that this insurance excludes loss, damage, cost of expense of whatsoever nature directly or indirectly caused by resulting from or in connection with any act or terrorism regardless of any other cause or event contributing concurrently or any other sequence to the loss.

For the purpose of this endorsement an act of terrorism means an act, including but not limited to the use of force or violence and/ or the threat thereof, of any person or group (s) of person, whether acting alone or on behalf of or in connection with any organization(s) or governments(s), 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.

This endorsement also excludes loss, damage and cost of 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 any act of terrorism.

If the insurer allege that by reason of this exclusion, any loss, damage, cost of expense is not covered by this the burden of proving the contrary shall be upon the Insured.

In the event any portion of this endorsement is found to be invalid or unenforceable, the reminder shall remain in full force and effect.

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

1.2. EXCLUDED PROPERTY:

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

- i property in course of construction or erection or dismantling or undergoing testing or commissioning other than as provided elsewhere under this Section, however, this Exclusion shall not apply in respect of normal maintenance and testing. It is also understood that bringing up to operational condition from shutdown shall not be construed as testing;
- ii. road vehicles (other than motor vehicles and Plant and Machinery used exclusively on the Insured's premises), railway rolling stock, waterborne vessels or craft; but this exclusion shall not apply to the Insured's rolling stock and fire fighting vehicles whilst on the Insured's premises or within a radius of 5 kms. and 20 kms. respectively of the insured premises; subject to the condition that the Insured is

having insurable interest on such Plant & Machinery and the value of them being included in the PD Sum Insured.

- iii. land (including topsoil, backfill), runways, canals, dams, docks or tunnels,
- iv. goods or property in transit, other than:
 - a) land transits of plant and/or machinery for the purpose of maintenance and general running for operational use;
 - b) property in transit as provided under the Temporary Removal Extension;
 - c) inland transit within INDIA as provided under the Inland Transit Extension,
- v. Property which is insured by a more specific policy;
- vi. Underground property other than
 - a. pipelines along with contents
 - b. cabling
 - c. tanks along with contents
 - d. utilities and
 - e. related equipment;
- vii. Offshore property;
- viii. Property belonging to third parties unless specifically declared as insured hereunder or in the Insured's care custody and control and for which they are responsible;
- ix. Catalysts, lining, refractory and consumable materials but only whilst in the course of process, production, or manufacture, other than as provided under Article 1.3.6.
- x cash, bullion, coins, cheques, stamps, precious stones, jewellery, antiques, securities, Obligations of any kind, books of account, or other business books or records, computer records or data manuscripts, plans, drawings, patterns or models. However, this shall not be extended to/override the conditions as mentioned under Articles 3.13 and 3.18 of the Policy.

1.3. EXTENSIONS APPLICABLE TO SECTION IA, (AR):

1.3.1. CIVIL AUTHORITIES /PUBLIC AUTHORITIES / LOCAL AUTHORITIES CLAUSE:

This Section of the Policy includes such additional cost of reinstatement of the destroyed or damaged sections of the Property caused by a contingency insured against as may be incurred solely by reason of the necessity to comply with any Regulations, Bye-laws or Statutory Provisions relating to the reinstatement of Property provided that the amount recoverable under this extension shall not include:

- a) the cost of complying with any such Regulations, Bye-laws, or Statutory Provisions where destruction or damage occurs prior to inception of this Policy, or is not insured by this Policy, or where notice to comply has been served upon the Insured prior to the occurrence of any destruction or damage or in respect of any undamaged sections of the Property;
- b) any increased rates, taxes, duties, charges, levies or assessment as a result of complying with such Regulations, Bye-laws or Statutory Provisions the work of reinstatement must be commenced within 12 months of the date of occurrence of any loss or damage unless permitted by the insurer within the said 12 months, and may be carried out wholly or partially upon another site, provided that the liability of the Insurer is not increased thereby.

Limit for each and every loss hereunder: Rs.5.00 crs

1.3.2. FIRE FIGHTING EXPENSES:

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

the actual cost of materials used and/or damaged in extinguishing or controlling or attempting to extinguish or control any such fire;

the cost of all clothing and/or personal effects damaged and/or lost as a result of such fire and/or fighting, extinguishing or controlling or attempting to fight extinguish or control such fire unless more specifically insured elsewhere;

all other actual expenses (including wages and the like paid for fighting, extinguishing or controlling or attempting to fight extinguish or control such fire and/or localizing such fire).

All claims for personal injury are excluded.

Limit for each and every loss hereunder: Rs. 5.00 crs

1.3.3. PROPERTY NOT ON THE INSURED PREMISES (ONLY THE DECLARED / NAMED PREMISES) :

This policy extends to cover property (Machineries/Equipment's and Stocks) of the Insured and the value of such property being part of total sum insured under the policy which are kept outside the Insured premises anywhere in India (list of such locations to be provided with commencement of policy and as soon as any location is added) subject to a limit of Rs.10.00 Crs. at any one location.

The coverage will be available for Plant & Machinery for FLEXA perils only and all risk basis for stocks. Stock inside pipelines, outside Plant premises, will also be covered in case of named locations **as detailed under Annexure-II of the policy.**

It is understood and agreed that no waiver of subrogation will be given against third parties and insured will take all measures to safeguard interest.

Limit for each and every loss hereunder: Rs. 5.00 Crs at any one location eel for P & M and stock (premises to be declared/named).

1.3.4. LEAKAGE AND OVERFLOWING:

It is hereby agreed that notwithstanding anything contained herein to the contrary, that this Policy extends to cover the loss of stock caused by leakage and/or overflowing from any storage tank or vessel or pipelines subject to a limit of Rs. 50 crs each and every loss.

1.3.5. CONTAMINATION AND CO-MINGLING OF STOCKS& Stock in Process:

It is hereby agreed that notwithstanding anything contained herein to the contrary, that this Policy extends to cover loss or damage to stocks and Stock in Process as a result of contamination and/or co-mingling whilst in the Insured's care, custody or control, subject to a limit of Rs.20Crs each and every loss.

1.3.6. CATALYSTS, LINING REFRACTORY AND CONSUMABLE LIMITED COVERAGE CLAUSE:

Catalyst and consumable materials including lining and refractory in the course of process are covered **to Rs. 50.00 Crs EEL**. This extension also covers loss and / or damage of catalyst due to sudden poisoning / deactivation by a cause not excluded under the policy.

For the purpose of this policy the basis of settlement with respect to destruction of or damage to such refractory, lining, catalyst or consumable material as covered hereunder shall be limited to the actual cash value of such property, as defined under Basis of Indemnification (Stock and Catalyst) clause 1.4.2. Where available, the normal remaining life to the refractory lining, catalyst or consumable material shall be taken into consideration in determining the actual cash value (ACV). The ACV amount shall be calculated by taking

- i. The Expired Life EL in working hours of the catalyst at the time of occurrence and
- ii. The Normal Life Expectancy (NEL) in hours of the catalyst according to the latest specification issued by the manufacturer
- iii. And applying them in the relationship $(1-EL/NLE)$ to the total replacement costs of the catalyst

1.3.7. RIOT, STRIKE, MALICIOUS DAMAGE INCLUDING CIVIL COMMOTION:

It is hereby agreed that notwithstanding anything contained herein to the contrary, that this, Policy extends to cover loss of or visible damage or destruction by external violent means directly caused to the property insured but excluding those caused by,

- a. Total or partial cessation of work or the retardation or interruption or cessation of any process or omissions of any kind
- b. Permanent or temporary dispossession resulting from confiscation, commandeering, requisition or destruction by order of the Government or any lawfully constituted Authority
- c. Permanent or temporary disposition of any building or plant or unit or machinery resulting from the unlawful occupation by any person of such building or plant or unit or machinery or prevention of access of the same.
- d. Burglary, housebreaking, theft, larceny or any such attempt or omission of any kind of any person (whether or not such act is committed in the course of a disturbance of public peace) in any malicious act.

If the Insurer alleges that the loss/damage is not caused by any malicious act the burden of proving the contrary shall be upon the insured.

Limit for each and every loss and in the annual aggregate: **Actual**

1.3.8. SPONTANEOUS COMBUSTION CLAUSE

Policy may be extended to cover the above subject to following endorsement wordings:

"In consideration of the payment by the Insured to the Company of additional premium as included in total premium of the Company agrees notwithstanding what is stated in the printed exclusions of this policy to the contrary that the insurance of this policy shall extend to include loss or damage by 'fire' only of or to the property insured caused by its own fermentation, natural heating or spontaneous combustion."

Limit: INR 50 Crs Each and every Loss

1.4 CONDITIONS APPLICABLE TO SECTION IA (AR):

1.4.1. BASIS OF INDEMNIFICATION (ALL PROPERTY OTHER THAN STOCK AND CATALYST):

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

Reinstatement or Replacement shall mean:

Where Property is lost or destroyed, the rebuilding of any buildings or the replacement by similar property of any other Property, in either case in a condition equal to but not better or more extensive than its condition when new other than provision as per article no. 3.21 (technological improvement).

Where Property is damaged, the repair of the damage and the restoration of the damaged portion of the Property to a condition substantially the same as but not better or more extensive than its condition when new.

Where by reason of the above provisions, no payment is to be made for rebuilding or replacement or if the Insured elects not to rebuild or replace, the Insurer will pay to the Insured the actual value of the property at the time of the happening of its damage. Actual value means the cost which in the event of damage to any item or part of the property insured would be necessary to replace it with one of the same age and capacity and similar make and quality, inclusive of all materials, wages, freight, custom & other duties, dues etc. with due allowance for depreciation for age, use and condition.

Special Provisions:

- a) The work of replacement or reinstatement (which may be carried out upon the same or another site and in any manner suitable to the requirements of the Insured subject to the liability of the Company not being thereby increased) must be commenced within 12 months of the date of the destruction or damage or such further period as the company shall in writing allow, otherwise no payment beyond the amount which would have been payable on normal indemnity basis shall be made.
- b) Where Property is damaged or destroyed in part only, the liability of the company shall not exceed the sum representing the cost which the company would have been called upon to pay for reinstatement if such Property had been wholly destroyed.

- c) No payment beyond the amount which would have been payable under this Section of the Policy if this clause had not been incorporated therein shall be made if at the time of any destruction or damage such Property shall be covered by any other insurance effected by or on behalf of the Insured which is not upon the identical basis of reinstatement as stated in this Section of the Policy.
- d) If, as a result of the application of any of these Special Provisions, no payment is to be made beyond the amount which would have been payable under this Section of the Policy if this Clause had not been incorporated therein, the rights and liabilities of the Insured and the company in respect of the destruction or damage shall be subject to the Terms and Conditions of the Policy as if this clause had not been incorporated therein.
- e) It is a condition under this policy that at the time of every renewal the values of plant, machinery and assets should be adjusted by the insured to represent the new replacement value.
- f) If at the time of the reinstatement of the loss, the sum representing 85pct. of the cost which would have been incurred in the reinstatement if the whole property covered by such item had been destroyed exceeds the sum insured thereon at the commencement of any destruction or damage then the insured shall be considered as being his own insurer for the difference between the sum insured and the sum representing 85pct., of the cost of reinstatement of the whole of the property and shall bear a rateable proportion of the loss accordingly.
- g) It is further noted and agreed that in the event of physical loss or damage to the property insured Here under the insured, at their sole discretion, shall have the option to accept repair or replacement terms as offered by the Original Equipment Manufacturer (OEM) regardless of any other terms offered from other suppliers' manufacturers or fabricators. Provided always that the difference between the OEM quote and the lowest quote does not exceed 25% of the lowest quote and the quotes are based on the same technological specifications. As far as reasonable, the order for repairs / replacement can be placed with OEM on single quote basis for proprietary items / equipments.
- h) Where the repair or replacement of the damaged or lost Property Insured involves import into the country of the Insured property, the replacement value as aforesaid shall include applicable Customs Duties & other taxes.

However, these provisos shall exclude from its ambit the conditions as mentioned under article 3.21(Technological Improvement)

1.4.2. BASIS OF INDEMNIFICATION (STOCK AND CATALYST):

In the event of destruction of or loss of or damage to stock (other than catalyst whilst in process) covered hereunder by a contingency insured against, the amount payable under each of the items of the policy shall be calculated on the basis of the value of such property, including all applicable taxes and duties, immediately before the occurrence of the said contingency.

In case of finished goods, the basis of indemnity shall be market price.

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

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

In the event of destruction of or loss of or damage to catalyst whilst in process, the basis of indemnification shall be reinstatement value, which shall be determined on the basis of Replacement Cost to the insured, less salvage value.

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

1.4.3. Waiver of Underinsurance:

If the property hereby insured shall, at the commencement of any 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 the rateable proportion of the loss accordingly. Salvage is to be considered in the same proportion. Every item, if more than one, of the policy shall be separately subject to this condition. Above condition is waived off for underinsurance up to 15%.

1.4.4. 72 HOURS CLAUSE:

This clause shall cover all Perils caused by Act of God including but not limited to Tsunami, Tempest and Cyclones.

Flood:

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

Wind and / or Rainstorm -

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

Earthquake

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

SECTION-IB: MI (MACHINERY INSURANCE):

INSURING CLAUSE:

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

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

SUDDEN AND ACCIDENTAL BREAKDOWN, COLLAPSE OR RUPTURE (TO APPARATUS SUBJECT TO CENTRIFUGAL FORCE, INTERNAL PRESSURE) OF PROPERTY INSURED INCLUDING PHYSICAL EXPLOSION/IMPLOSION AS DESCRIBED IN THE SCHEDULE HERETO DIRECTLY AND WHOLLY ATTRIBUTABLE TO ANY CAUSE, EXCEPT AS HEREINAFTER PROVIDED, OCCURRING DURING THE CURRENCY OF THE POLICY.

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

PROVIDED that the due observance and fulfillment of the terms, conditions and endorsements so far as they relate to anything to be done or complied with by the Insured shall be conditions precedent to liability of the Insurer to make any payment under this Policy.

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

- i) defects in material, design construction, erection, or assembly or;
- ii) fortuitous working accidents such as vibration, maladjustment, loosening of parts, centrifugal force, abnormal stresses, defective or accidental lack of lubrication, water hammer, or local overheating, failure of or faults in protection devices or;
- iii) excessive voltage or current, failure of insulation, short circuits, open circuits or arcing or the effects of static electricity or;
- iv) Incompetence, negligent, malicious acts or lack of skill of employee or third parties or;
- v) Falling impact, collision or similar occurrences, obstruction or the entry of foreign bodies or;
- vi) over-pressure/under pressure (explosion/implosion)
- vii) Cracks found during turnaround in equipment such as turbines and other machinery which requires immediate repair.
- viii) any other cause not hereinafter excluded.

This Insurance applies whilst the Property Insured is working or at rest or during maintenance testing or being dismantled or moved for the purpose of cleaning, inspection, overhauling or being re-erected in another position within the location shown in the Schedule. However any overload testing is excluded.

2.1. EXCEPTIONS APPLICABLE TO SECTION IB(MI):

The company shall not be liable for:

- i) loss or damage caused by fire, lightning, extinguishing of fire, subsequent demolition, dismantling and clearance of debris, aircraft and other aerial devices or articles dropped there from, collapse of buildings, and theft;
- ii) a) wastage of material, wearing away or wearing out of any part of a machine caused by or resulting from ordinary usage, rust, boiler scale or other deposits, corrosion or deterioration due to chemical or atmospheric conditions or otherwise scratching of painted or polished surfaces; This exclusion will not apply to loss resulting from sudden accidental loss/damage not otherwise excluded.

b) slowly developing deformation, distortion, cracks, fractures, blisters, laminations, flaws or grooving or the making good of defective tube joints or other defective joints or seams unless such defects result in damage otherwise insured under the Policy;

- iii) loss or damage caused by the imposition of abnormal conditions directly or indirectly resulting from testing or willful overload beyond safe limits, or experiments except for conditions permitted by the manufacturers, or by judgment of a competent engineer it being understood that bringing up from shutdown shall not be construed as testing;
- iv) loss of use of any machine or consequential loss of any nature whatsoever; other than specific coverage available under Section BI (Business Interruption).
- v) loss or damage caused by earthquake, seaquake, tidal wave, subsidence, landslide, Rockfall, hurricane, typhoon, cyclone, volcanic eruption or other convulsion of nature, flood, inundation or escape of water from water-containing apparatus;
- vi. loss or damage caused by the willful neglect of the Insured or his representatives, which includes also abandonment of property. However, acts of malicious damage by employees and/or representatives of the Insured are covered;
- vii)a) loss of or damage to or loss of use of Property directly or indirectly caused by seepage or pollution;
b) the cost of removing, nullifying or cleaning-up, seeping, polluting or contaminating substances;
- viii) Loss or damage due to any faults or defects known to the Insured at the time this insurance was arranged and not disclosed to the company; or for which the manufacturer is responsible by contract.
- ix) Accidental damage indemnifiable under All risk section (Section I) of this policy;
- x) loss or damage to foundations and masonry, refractory linings exchangeable or replaceable parts and attachments such as flexible drives or tools used for cutting, drilling, grinding, polishing or similar purposes or moulds, patterns pulverising and crushing surfaces, screens and sieves, engravings on cylinders, ropes, chains, belts, elevator and conveyor bands, batteries, tyres, connecting wire and cables, flexible pipes, joining and packing material and all other parts not made of metal (except the insulation of electrical conductors), fuels, filter fillings, cooling media, lubricants, catalysts, chemicals or other operating media;. However, this exclusion will not be applicable when damage to these parts is part of a loss and/or damage to an insured machine by a cause not excluded. Further, this exclusion shall only refer to these parts and not to any resulting damage to the machinery insured under this section of the policy.
- xi) Loss of data, data media and records as well as its regeneration;
- xii) Lack of power, light, heat, steam or refrigeration unless the result of a sudden and unforeseen happening;
- xiii) loss or damage to vehicles licensed for road use and/or vessels, except construction and maintenance plant & machinery which are not licensed for road use.

Notwithstanding any provisions to the contrary within this Policy or any endorsement thereto it is agreed that this insurance excludes loss, damage, cost of expense of whatsoever nature directly or indirectly caused by resulting from or in connection with any act or terrorism regardless of any other cause or event contributing concurrently or any other sequence to the loss.

2.2. CONDITIONS APPLICABLE TO SECTION IB(MI):

2.2.1 SUM INSURED:

It is the requirement of this Section that the sum insured shall be equal to the cost of replacement of the insured property by new property of the same kind and of the same capacity which shall mean its replacement cost including freight and customs duties, if any, and erection costs

2.2.2. VALUATIONS AND ADJUSTMENT OF LOSSES:

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

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

Replacement Cost shall be determined as at the time of replacement of any claim for loss or damage under this Policy.

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

If at the time of the reinstatement of the loss, the sum representing 85 pct. of the cost which would have been incurred in the reinstatement if the whole property covered by such item had been destroyed exceeds the sum insured thereon at the commencement of any destruction or damage then the insured shall be considered as being his own insurer for the difference between the sum insured and the sum representing 85 pct., of the cost of reinstatement of the whole of the property and shall bear a ratable proportion of the loss accordingly.

It is further noted and agreed that in the event of physical loss or damage to the property insured hereunder the insured, at their sole discretion, shall have the option to accept repair or replacement terms as offered by the Original Equipment Manufacturer (OEM) regardless of any other terms offered from other suppliers manufacturers or fabricators. Provided always that the difference between the OEM quote and the lowest quote does not exceed 25% of the lowest quote and the quotes are based on the same technological specifications. As far as reasonable, the order for repairs / replacement can be placed with OEM on single quote basis for proprietary items /equipment.

Where for any reason, it is not possible or if the Insured elects not to rebuild or replace, the Insurer will pay to the Insured the Actual value of the property at the time of Loss. Actual value means the cost which in the event of damage to any item or part of the property insured would be necessary to replace it with one of the same age and capacity and similar make and quality, inclusive of all materials, wages, freight, custom & other duties, dues etc. with due allowance for depreciation for age , use and condition.

Where the repair or replacement of the damaged or lost Property Insured involves import into the country of the Insured property, the replacement value as aforesaid shall include actual Import Duty including, but not limited to applicable customs duties and other taxes.

2.2.3. RIGHT OF INSPECTION:

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

2.2.4.DUE DILIGENCE:

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

2.2.5. REPAIRS:

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

2.2.6. REMOVAL:

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

3. EXTENSIONS APPLICABLE TO SECTIONS IA& B (AR & MI):

3.1. EXPEDITING EXPENSES (INCLUDING AIR FREIGHT & EXPRESS FREIGHT):

In the event of loss hereunder the Insurer shall also pay, in addition to the indemnity otherwise provided, the reasonable extra cost of safeguarding, preserving, temporary repair and of expediting the repair of such damaged Property, including overtime and extra cost of expenses and other rapid means of transportation.

Limit: Rs.10 Crs each and every loss.

3.2. IMMEDIATE REPAIRS:

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

It is further noted and agreed that in the event of physical loss or damage to the property insured Here under, the insured, at their sole discretion, shall have the option to accept repair or replacement terms as offered by the Original Equipment Manufacturer (OEM) regardless of any other terms offered from other suppliers, manufacturers or fabricators. Provided always that the difference between the OEM quote and the lowest quote doesn't exceed 25% of the lowest quote and quotes are based on the same technological specifications. As far as reasonable, the order for repairs / replacement can be placed with OEM on single quote basis for proprietary items /equipment:-

Limit: Rs.5.00 Crs. Each and Every Loss

3.3. MINOR WORKS

It is understood and agreed that these Sections of the Policy automatically include minor alterations and/or construction and/or re-construction and/or additions and/or maintenance and/or testing and commissioning and/or modifications and/or any new project work carried out on any of the property insured under this policy or inside the premises of the insured, subject to a maximum contract value of Rs 5 crore any one Project & in Aggregate and being the value of the said Project at the commencement thereof. This includes inland transit of the consignment meant for execution of Minor Works subject to per consignment limit of Rs. 5 Crs.

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

At the option of the Insured the interest of contractors and or sub-contractors is hereby assumed for work being performed for the Insured including temporary structures, tools, equipment and materials incidental to such work.

This cover will also apply to loss or damage caused in the course of reinstating an otherwise insured Damage.

Any Consequential Loss, following a loss covered hereunder, is excluded. This does, however, not exclude consequential losses arising out of a material damage to existing property insured under the policy by a peril not excluded under the policy.

Limit in Aggregate: Rs. 5 Crs. AOP and in Aggregate. This includes related inland Transit of Consignment up to the limit Rs. 5.00 Crs.

3.4. INADVERTENT OMISSION:

The Insured having notified the Insurers of their intention to insure all Property in which they are interested and it being their belief that all such Property is insured, if hereinafter any such Property shall be found to have been inadvertently omitted, the Insurers will deem it to be insured within the terms of this Policy, up to a limit of Rs5crs each and every loss and Rs 5 Crs in aggregate

3.5. ARCHITECTS', SURVEYORS' & CONSULTING ENGINEERS' FEES (INCLUDING FOREIGN EXPERT VISIT EXPENSES):

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

Limit:Upto Rs.5.00 Crs., Each and Every Loss

3.6. CAPITAL ADDITIONS:

The insurance by this policy shall, subject to its terms and conditions, automatically extend to cover without payment of any additional premium:

- i. any newly acquired buildings, machinery and plant in so far as the same are not otherwise insured, and;
- ii. alterations, additions and improvements to buildings, machinery and plant during the current period of insurance at any of the premises hereby insured, provided that:
- iii. at any one location this cover shall not exceed 5 pct. of the PD sum insured on such property subject to a limit of max INR 5Cr.
- iv. the Insured undertake to give particulars of any such capital additions as early as possible.
- v. Additional Premium to be paid on pro-rata basis for Capital addition in excess of Rs.5Cr.

3.7. AUTOMATIC REINSTATEMENT OF SUM INSURED FOLLOWING A LOSS:

At all times during the period of insurance of this policy the insurance cover will be maintained to the full extent of the respective sum insured in consideration of which upon the settlement of any loss under this policy, pro-rata premium for the unexpired period from the date of such loss to the expiry of period of insurance for the amount of such loss shall be payable by the insured to the Company PROVIDED no reinstatement premium will be deducted from the net claim amount up to INR 5 crores

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, (beyond INR 5 crores) of pro rata premium to be calculated from the date of loss till expiry of the Policy.

3.8. TEMPORARY REMOVAL OF PROPERTY:

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

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

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

Limited to Rs 50 Crs. Each and every loss. Any transit outside India to be intimated to lead insurer immediately on dispatch.

3.9. EXPENSES TOWARDS LOSS PREVENTION / MINIMIZATION:

In case of actual or imminent loss or damage it shall be lawful and necessary for the Insured, their factors, servants or assigns to sue, labour and travel for, in or about the defense, safeguard and recovery of the property Insured hereunder, or any part thereof, without prejudice to this insurance, nor shall the acts of the Insured or the Insurer in recovering, saving and preserving the property insured in case of loss or

damage be considered a waiver or an acceptance of abandonment. The expense so incurred which include shut down and startup costs shall be borne by the Insurer up to a maximum of Rs 25 crs each and every loss.

3.10 DELIBERATE DAMAGE:

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

Limit: Rs.10.00 Crs. Each and every Loss

3.11. SHUT DOWN / START UP COSTS INCLUDING FAILED START UP:

It is hereby agreed and declared that this policy extends to cover Shut Down and Startup Costs, including the costs by way of loss/drainage/venting of hydrocarbon, chemicals, catalysts and cost of power and utilities such as electricity, water, steam, gas as well as feed stock, fuel or combustibles to reestablish the plant in the operational state it was at the time of damage necessarily and reasonably incurred by the Insured consequent upon a loss or damage at any location covered by this policy.

Limit: Rs 50 Crs. Each and Every Loss and In Aggregate

3.12. PLANS, DOCUMENTS & COMPUTER SYSTEMS RECORDS:

The coverage herein shall be extended to cover loss of data, data media and records, as well as its regeneration, up to a limit of Rs.5,00,00,000 /-- any one loss, subject to:

- i. the loss of data, data media and records having been caused by a damage covered under sections AR and MI
- ii. data / software back-up being kept in fireproof safe
- iii. The following special exclusions shall apply;
 - loss or damage for which the repair company or maintenance company is contractually liable.
 - any costs for standard adjustment, rectifying functional failures and maintenance of insured object unless necessary in connection with the repair of an insured loss
 - normal wear and tear of media.
 - erroneous programming, perforating, loading or printing.

3.13. REMOVAL OF DEBRIS INCLUDING FOREIGN DEBRIS & DEMOLITION INCLUDING CLEAN UP EXPENSES

It is further agreed that this Policy includes the cost and expenses of clearing debris, including the cost of cleanup, after loss, destruction or damage by a contingency insured hereunder including but not limited to

the costs and expenses actually incurred in the necessary dismantling, removal, demolition, shoring up or propping, clearance of drains, including the cost of removal of water consequent to flood and sewers temporary boarding up of the Property so destroyed or damaged including undamaged portions and the removal of debris (including the removal of contents whether damaged or undamaged) provided that:

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

Provided that this policy does not insure against the costs of decontamination or removal of water, soil or any other substance on or under the premises insured hereunder.

Limit: Rs10crs each and every loss

It is condition precedent to recovery under this extension that the insurer shall have paid or agreed to pay for direct loss or damage to the property insured hereunder unless such payment is precluded solely by the operation of any deductible.

3.14. OBSOLETE PARTS/EQUIPMENT

It is noted and agreed that in the event of spares currently insured hereunder and represented within the total sum insured under this Policy becoming obsolete following an indemnifiable loss to the unit and/ or units to which they belong, such spare parts shall also be deemed a constructive total loss provided always that such part cannot be used as spares for any other units, Insurers retain rights of salvage over such parts.

Limit: Rs 10 crs each and every loss

3.15. NEWLY ACQUIRED PROPERTY

The Policy will extend to cover the newly acquired property inside the insured premises, acquired after commencement of this policy and before the expiry of this policy subject to the condition that all such acquirement of property are intimated to Insurer in advance and payment of additional premium on pro-rata basis.

Limit: Up to Rs. 5 Crs is Free. Above that the additional pro-rata premium to be paid.

3.16 DAMAGE TO ELECTRIC LINES

The policy will extend to cover damage to electric lines and/or apparatus of BCPL inside and outside the premises of the insured, as annexed, subject to the condition that values of such electric lines and apparatus are included in the total sum insured

3.17 ARCHIVES (REINSTATMENT OF DATA)

Indemnity hereunder shall include reasonable costs incurred in the reconstruction of archives. Record, accounts documents, plans, computer programs and data, subject to back up copies/ records being kept in a safe and secure place.

Limit:Rs5.00Crs each and every loss

3.18 DECONTAMINATION AND POLLUTION CLEAN UP

Indemnity hereunder shall include reasonable costs incurred towards decontamination and pollution cleanup inside the Insured Premises only, subject to condition that such contamination and / or Pollution occurred inside the premises arising out of operation of any Peril otherwise covered under the policy, resulting into sudden and accidental damage to the insured property;

Limit :Rs. 5Crs. EEL and in aggregate

3.19 CRANES / FIRE BRIGADES

The Insurer shall indemnify the insured for loss or damage to Cranes or Fire Brigades, subject to the condition the value of such items are included in Sum Insured,

- whilst on the premises
- while on assignments as per mutual aid agreements and
- if requisitioned by public authorities

3.20 TECHNOLOGICAL IMPROVEMENT

Permission is granted to replace damaged equipment with a technologically superior replacement, if such replacement is capable of performing the same function as the damaged equipment. However the Insurer shall not be liable for more than the replacement cost/sum insured.

Limit :Rs 25.00 Crs each and every loss

3.21 LEAK SEARCH COSTS

The Insurer shall indemnify the insured in respect of reasonable leak search costs.

The costs for leak search shall include the costs incurred for:

- (a) hydrostatic testing, including the cost of all materials used including but not limited to leasing special apparatus and the cost of the operation and transport of such apparatus,
- (b) Earthwork in trenches necessary in the search for and repair of leaks, e.g. excavation, uncovering of the pipeline, backfilling.

However, such costs will be payable only following an identifiable loss.

Limit: Rs.5.00 Crore, each and every loss

3.22 TAX AND CUSTOMS DUTY CLAUSE

It is hereby declared and agreed that in case of loss under this policy the same allowance will be considered for taxes and customs duties and the like as the one declared in the related sum insured. Any cost incurred in excess of this amount shall be borne by the insured.

3.23 DESIGNATION OF PROPERTY CLAUSE

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

3.24 ESCALATION CLAUSE

The policy permits for automatic pro-rata increase in the sum insured in respect of capital assets @ 5% from the date of inception till expiry of the policy. The increase in the sum insured shall be 1/365th of the above-specified percentage for each day since inception up to the date of the loss.

This Clause shall not apply to stock of any description / kind whatsoever.

3.25 Additional Customs Duty

The insured shall be indemnified during the currency of this policy, towards Additional Customs Duty of Rs. 5.00 Crs which may be incurred by the insured over and above, subject to the condition that the customs duty amount have been taken into account in arriving at the sum insured of the affected item.

This Article shall override Article 3.22 (Tax & Customs Duty Clause), in events where the Insured has incurred additional Customs Duty, upto INR 5.00 Crs., subject to the condition that the customs duty amount have been taken into account in arriving at the Sum-Insured of the affected items.

3.26 Goods Held in Trust / Property under consignment, care, Custody & Control

It is hereby declared and agreed that this insurance shall cover all real and personal property of every kind and description belonging to the Insured and/or goods under consignment, held in trust or on lease or paid awaiting delivery for which the Insured may be held liable for loss or damage while in their care, custody or control.

Limit :Rs. 5.00 Crs. for each and every loss

3.27 INCREASED COST OF CONSTRUCTION & DEMOLISHING CLAUSE

Loss occasioned by the enforcement of any law(s) or ordinance(s) regulating the construction, repair or use of building(s) or structure(s) and in force at the time such loss occurs which requires the demolition of any portion of the building(s) or structure(s) insured under this policy which have not suffered damage from the same loss occurrence.

The cost incurred in actually rebuilding both the damaged and demolished portions of the building(s) OR Structures(s) with materials and in a manner to fully satisfy such ordinance(s) or law(s) or directives of statutory authorities.

The total liability under this clause shall not exceed actual expenditure incurred in demolishing the undamaged portion of the building(s) involved plus the lesser of the following:

- (a) The actual expenditure incurred not including the cost of land in rebuilding on another site, or
- (b) The cost of rebuilding on the same site.

Limit : Rs 10.00 Crs each and every loss

3.28 REPAIR AND REMOVAL COST INCLUDING DEWATERING BUT EXCLUDING FOREIGN DEBRIS

It is agreed that this Policy includes the cost and expenses towards Repair and Removal Cost of Insured Property including Dewatering cost but excludes Cost towards Removal of foreign Debris, after occurrence of loss, destruction or damage by insured peril provided that the insured shall give notice to the insurer their intention for claiming for such cost immediately after such occurrence of Loss.

Limit: Rs. 5 crs EEL.

3.29 SPOILAGE MATERIAL COVER FOR MACHINERY & STOCK

It is hereby agreed and declared that, notwithstanding anything contained to the contrary, this policy shall extend to cover loss or damage by Spoilage resulting from the retardation or interruption or cessation of any process or operation caused by any of the perils covered under this Policy, provided that liability for destruction of or damage to the property insured described in the schedule to this policy, or any part of such property, is first admitted by the Company.

Provided always that all the conditions (except in so far as they may be hereby expressly varied) shall apply as if they had been incorporated herein and that any reference therein to the loss or damage caused by insured perils shall be deemed to apply also to loss or damage caused by Spoilage which peril this insurance extends to include by virtue of this Endorsement.

Limit of indemnity: INR 30 Crores Each and Every Loss

3.30 Involuntary Betterment

Notwithstanding Condition of Reinstatement, In the event that new Property Insured of like kind and quality is not obtainable Property Insured which is as similar as possible to that which has sustained Damage and which is capable of performing the same function shall be deemed to be new Property Insured of like kind and quality and in no event shall this be considered as a betterment to the Insured. In the event of replacement with new Property Insured the Insurer will pay the cost of purchasing and installing technologically current Property Insured which is necessitated by incompatibility between new Property Insured installed to replace Property Insured which has sustained Damage and existing Property Insured which has not incurred Damage at the same or an interdependent location.

Provided always that:

1. Damage was directly caused to the Property Insured
2. The Insurer shall be liable only for the amount sufficient to enable the Insured to resume operations in substantially the same manner as before the Damage
3. The Insurer shall be liable for only the difference between
 - 3.1. the highest sales value of the existing Property Insured which has not incurred Damage at the same or interdependent location and
 - 3.2. The installed cost of the technologically current Property Insured

The liability of the Insurer shall not exceed the Limit of Liability stated in your Policy Schedule / Certificate of Insurance.

Limit of indemnity: INR 5 Crores Each and Every Loss

3.31 Unrepaired Damage

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon, that in the event of the Insured deciding not to replace or repair the damaged item covered under the Policy and decides to continue with the damaged item after incurring necessary expenditure for safe working of the damaged item, The Company shall indemnify the amount expended in making the item safe plus the reasonable repair cost which would have been incurred by the Insured had the Insured repaired the damage item or reasonable amount equivalent to reduced life of damaged item. The indemnity provided herein shall be subject to the limit of indemnity as specified in your Policy Schedule / Certificate of Insurance.

Limit of indemnity: INR 5 Crores Each and Every Loss

3.32 Landscaping Costs following Damage

It is hereby agreed and declared that notwithstanding anything to the contrary in this policy or in any of its conditions that the policy includes the reasonable cost of remaking, reconstituting, redesigning and purchasing as necessary in order to replace surrounding and internal landscape grounds and gardens following Damage.

Limit of indemnity: INR 50 Lacs Each and Every Loss

3.33 Destruction of Sound Property

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the policy and endorsed hereon, that the insurance by this policy extends to cover the cost of destruction and subsequent replacement of undamaged property or undamaged portions of the property, if such destruction is solely necessary in order to carry out repairs or reinstatement of the property insured by this policy and for which the company has admitted liability.

Provided that this shall not include any work necessary to undamaged property to comply with any act, regulation or by-law of any local or public authority.

For the purpose of this clause, "undamaged" shall mean not damaged physically and directly by any event or perils not otherwise excluded by this policy.

The indemnity provided herein shall be subject to the limit of indemnity as specified in the policy schedule.

Limit of indemnity: INR 5Cr Each and Every Loss

3.34 Sprinkler Upgrading Cost

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon, that in the event of damage to a sprinkler installation then this policy shall cover such additional costs for repair of such sprinkler installation such costs shall include inter alia the provision of any additional pipe work, pumps, tanks and the cost of associated building works. The damage to other property

caused by leakage of water from sprinkler installation is not covered under this extension and sub limit. The indemnity provided herein shall be subject to the limit of indemnity as specified in The Schedule.

Limit of indemnity: INR 5Cr Each and Every Loss

3.35 Leakage of Firefighting Equipment/Accidental of Gas Flooding System

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon, that the insurance under the Policy extends to include the loss or damage to property hereby insured caused by accidental discharge or leakage from firefighting equipment.

The indemnity provided herein shall be subject to the limit of indemnity as specified in The Schedule.

Limit of indemnity: INR 5Cr Each and Every Loss

3.36 Smoke Damage

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon, the insurance shall, subject to the Special Condition hereinafter contained, extend to include destruction of or damage to the property insured (by fire or otherwise) directly caused by - SMOKE due to a sudden, unusual and faulty operation of any heating or cooking unit, only when such unit is connected to a chimney by a smoke pipe or vent pipe, and while in or on the described premises but not SMOKE from fire-places or industrial apparatus. Provided always that all the conditions of the Policy (except in so far as they may be hereby expressly varied) shall apply as if they had been incorporated herein and for the purposes hereof any destruction or damage as aforesaid shall be deemed to be destruction or damage by fire.

Further warranted that this Insurance does not cover:-

- Destruction or damage directly or indirectly occasioned by or happening through or in consequence of War, Invasion, Act of Foreign Enemy, Hostilities (whether war be declared or not), Civil War, Rebellion, Revolution, Insurrection or Military or Usurped Power.
- Consequential loss or damage of any kind or description.

The indemnity provided herein shall be subject to the limit of indemnity as specified in The Schedule.

Limit of indemnity: Up to INR 5Cr Each and Every Loss

3.37 Green Clause:

Where following physical loss or damage insured by this policy, the insured elects to rebuild in a manner that aims to minimize potential harm to the environment utilizing the latest technology, in this regard, it will not be considered betterment to the Insured. Where the cost of rebuilding is increased as a result, the insurers will pay such additional cost.

3.38 Primary and Non-Contributory:

It is expressly agreed that this policy provides primary insurance cover and shall not be contributory to any other policy that may exist whether the other policy also covers the interest of the insured or not. Subject other wise to the terms and conditions of the Policy

3.39 Outbuilding Clause:

It is hereby agreed and declared that notwithstanding anything to the contrary in this policy or in any of its conditions it is understood to include walls, gates and fences, small outbuildings, extensions, annexes, exterior staircase and steel or iron frameworks in the said premises

3.40 Non-Invalidation Clause:

This insurance shall not be invalidated by any act or omission mis-description of occupancy or by any alteration where the risk of destruction or damage is increased unknown to or beyond the control of the Insured.

3.41 Non - Vitiating Clause:

It is understood however that any act, omission, statement or mis-statement on the part of any individual insured which may vitiate any claims or render this policy void shall have such effect only as to the rights and interests of that particular insured and shall not prejudice the rights and interest of any other insured under this policy

3.42 Pair and Set Clause:

In the event of Insured loss or damage to personal property, this Policy shall insure the resulting reduction in value of the remaining undamaged components or parts of products customarily sold as individual units or sold as pairs, sets, lots or in ranges. At the Insured's option, the Insured may collect the full value of the pair or set provided the Insured tenders the remaining article or articles of the pair or set to the Insurer

3.43 Further Damage to Stocks/Property

This Policy shall cover further loss or damage to stocks/property incurred during the Indemnity Period in consequence of loss or damage insured hereunder, subject to this policy being in force.

3.44 Hire purchase or lease agreements:

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

3.45 Margin clause:

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon, that no adjustment shall be made unless the values reported represent an increase of more than 5% (or unless otherwise more specifically mentioned in the Schedule) from the initial values reported. This is to include fluctuations, which may occur in the values of property under the Policy which are automatically held covered.

4. CONDITIONS APPLICABLE TO SECTIONS AR AND MI

4.1.1 Electronic Data Exclusion:

Notwithstanding any provision to the contrary within the policy or any endorsement thereto except what has been stated in sec.3.13, it is understood and agreed as follows:

- a. This policy does not ensure loss, damage, destruction, distortion, erasure, corruption or alteration of electronic data from any cause whatsoever (including but not limited to computer virus) or loss of use, reduction in functionality, cost, expense whatsoever nature resulting there from regardless of any other event or cause contributing concurrently or in any other sequence to the loss. Electronic data means facts, concepts and information converted to a form usable for communication, interpretation and processing by electronic and electromechanical data processing or electronically controlled equipment and includes programmes, software and other coded instructions for the processing and manipulation of data or the direction and manipulation of such equipment. Computer virus means a set of corrupting, harmful or otherwise unauthorized instruction or code including a set of maliciously introduced unauthorized instructions, or code programmatic or otherwise that propagate themselves through a computer system or network of whatsoever nature. Computer virus includes but is not limited Trojan Horses', 'Worms', Time or Logic bombs. However, in the event that a peril listed below results from any of the matters described in paragraph 'a' above, this policy, subject to all its terms, conditions and exclusions will cover physical damage occurring during the policy period to property insured by this policy directly caused by such listed perils. Listed Perils: Fire, Explosion.

4.1.2 Electronic Data Processing Media Valuation:

Notwithstanding any provision to the contrary within the policy or any endorsement thereto it is agreed and understood as follows:

Should electronic data processing media insured by this policy suffer physical loss or damage insured by this policy then the basis of valuation shall be the cost of the blank media plus the cost of copying the electronic data from backup or from originals of previous generation. These costs will not include research and engineering nor any cost of recreating, gathering or assembling such electronic data. If the media is not repaired, replaced or restored, the basis of valuation shall be the cost of the blank media. However, this policy does not insure any amount pertaining to the value of such electronic data to the assured or any other party, even if such electronic data cannot be recreated gathered or assembled.

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

i. SEEPAGE AND/OR POLLUTION AND/OR CONTAMINATION EXCLUSION

Notwithstanding any provision in the Policy to which this Endorsement is attached excluding clause 1.3.5 and 3.19, this Policy does not insure against loss, damage, costs or expenses in connection with any kind or description of seepage and/or pollution and/or contamination, direct or indirect, arising from any cause whatsoever.

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

However, if the insured property is the subject of direct physical loss or damage for which the Insurer has paid or agreed to pay or would have paid or admitted liability or been held liable for but for the application

of any deductible provision contained under Section A or B of this Policy, then this Policy (subject to its terms, conditions and limitations) insures against direct physical loss or damage to the property insured hereunder caused by resulting seepage and/or pollution and/or contamination.

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

ii. **AUTHORITIES EXCLUSION:** Notwithstanding any of the preceding of this Endorsement or any provision of the Policy to which this Endorsement is attached excluding clause 1.3.5, this Policy does not insure against loss, damage, costs, expenses, fines or penalties incurred or sustained by or imposed on the Insured at the order of any Government Agency, Court or other Authority arising from any cause whatsoever, other than as provided elsewhere under this Policy.

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

4.3 WORKMEN:

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

4.4. WAIVERS OF RECOURSE:

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

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

4.5. EXPIRATION:

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

4.6. LOSS PAYEE CLAUSE:

Loss payable to the Insured or order as directed by the Insured which shall include such party which has a vested interest in the subject matter insured hereunder at the time of loss or damage.

SECTION –II: BI (BUSINESS INTERRUPTION):

5.1. INSURING CLAUSE:

The Insurers agrees that if Property Insured under Section AR and/or MI be lost, destroyed or damaged by any of the contingencies insured there under (destruction or damage so caused being hereinafter termed "Damage") at any time during the Period of Insurance and the Business carried on by the Insured be in consequence thereof interrupted or interfered with, the Insurer will pay to the Insured the amount of actual sustained loss resulting from such interruption or interference in accordance with the provisions of this Policy.

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

Provided that if the Sum Insured by this item be less than the sum produced by applying the Rate of Gross Profit to the **Annual Turnover** immediately before the date of damage, (duly adjusted as provided for in the definition of Annual turnover appearing in item no 5.2.7) the amount payable shall be proportionately reduced.

Sum Insured under BI Section will include Gross Profit of BCPL and / or other affiliated, associated, controlled, allied or subsidiary companies as are now or may be constituted.

The sum insured under BI to be reviewed only at the end of the policy period.

5.1.1. GROSS PROFIT:

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

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

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

5.2. DEFINITIONS APPLICABLE TO THIS SECTION:

5.2.1. TURNOVER:

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

5.2.2. GROSS PROFIT:

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

5.2.3. SPECIFIED WORKING EXPENSES:

All expenses of the Insured's business which do not continue to be incurred or are reduced as a consequence of the damage as therein defined during the indemnity period. Such expenses shall mean expenses towards:-

- Raw Materials
- Variable portion of Cost of Utilities
- Variable portion of Repairs & maintenance
- Chemicals & Catalysts
- Packing Cost
- Other Variable expenses

5.2.4. INDEMNITY PERIOD:

The period beginning with the occurrence of the Damage and ending not later than 18 months thereafter during which the results of the Business shall be affected in consequence of the Damage.

5.2.5. RATE OF GROSS PROFIT:

The Rate of Gross Profit earned on the Turnover during the financial year immediately before the date of the damage to which such adjustments shall be made as may be necessary to provide for the trend of the Business and for variations in or other circumstances either before or after the incident or which would have affected the Business had the incident not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the incident would have been obtained during the relative period after the damage.

5.2.6. STANDARD TURNOVER :

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

5.2.7. ANNUAL TURNOVER:

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

5.2.8. SHORTAGE IN TURNOVER:

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

5.2.9 TIME EXCESS FOR BUSINESS INTERRUPTION LOSS

In any one occurrence of loss or damage, the Insurer shall not be liable for the amount obtained by multiplying the average daily value of Gross Profit sustained during the indemnity period by the number of days agreed upon as the time excess subject to Departmental clause.

5.3. EXTENSIONS APPLICABLE TO THIS SECTION:

5.3.1. PROFESSIONALFEES:

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

The Insurer will pay to the Insured the reasonable charges payable by the Insured to their professional accountants for producing such particulars or details or any other proofs, information or evidence as may be required by the Insurer under the terms of this Policy and reporting that such particulars or details are in accordance with the Insured's books of account or other business books or documents.

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

Limit of indemnity: INR 5 Crores EEL

5.3.2. PREVENTION OF ACCESS:

Coverage under this section shall extend to include loss or reduction resulting from cessation, interruption, interference or inhabitation to the business as consequence of physical destruction of or damage to property belonging to the Insured or property within a radius of 5 kms from the insured premises (inland only) which prevents or hinders the use of or access to the premises (Excluding Port Blockage);

The total liability under this section is limited to maximum of 4 weeks over and above the policy BI deductible.

Port blockage to be excluded.

5.3.3. CUSTOMERS, SUPPLIERS AND UTILITIES:

This Section is extended to cover the Insured's loss resulting from 'Damage' as herein defined occurring at the premises of any of the Insured's customers and/or suppliers, including suppliers of electricity, gas, water and steam as well as crude naphtha, CNG or in installations anywhere between Customers / Suppliers/ Utilities premises and the Insured's premises.

Limit of Liability:

- (i) Premises of Named Customers and Suppliers for a maximum limit of 20% of Limit of Indemnity (Business Interruption Sum Insured / Loss Limit). Coverage to be Restricted to FLEXA Perils for

- Overseas Customer / Suppliers, whereas coverage to be Restricted to FLEXA and AOG Perils for Domestic Customer / Suppliers.
- (ii) Premises of Un-named Customers and Suppliers Located in India for a maximum Limit of 10% of the Limit of Indemnity (Business Interruption Sum Insured / Loss Limit) and coverage restricted to FLEXA Perils only. No cover for unnamed Suppliers / Customers located overseas

Assets like pipelines, transmission and distribution lines, cables etc extending beyond the suppliers and/or customers and/or utilities premises are excluded from coverage.

Note: First Tier suppliers/customers will be those with whom the insured has entered into a written contract to procure or supply on the date of commencement of the policy or subsequently. Customers' customers or suppliers' suppliers are excluded from the scope of this extension.

Limit of Liability: as per Policy schedule

5.3.4. ACCUMULATED STOCKS:

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

5.3.5. ADDITIONAL INCREASE IN COST OF WORKING:

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

Limit: Rs.5 Crores EEL

5.3.6 AGGRAVATION CLAUSE

It is noted and agreed that the operation of the excluded perils shall not prejudice the right of the Insured to recover under this Policy of Insurance any further loss caused by aggravation of an originally covered loss within the period of Indemnity.

5.4. CONDITIONS APPLICABLE TO THIS SECTION:

5.4.1. ALTERNATIVE PREMISES:

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

5.4.2. PREMIUM ADJUSTMENT:

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

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

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

5.4.3 ALTERNATIVE SETTLEMENTS:

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

Provided that:

i only one such meaning shall be operative in connection with any one occurrence involving damage (as herein defined)

ii. If the meaning set out above be adopted, Condition 5.4.1. shall stand to read as follows:

If during the INDEMNITY PERIOD goods shall be manufactured other than at the premises for the benefit of the business either by the Insured or by others on the Insured's behalf, the sale value of the goods so manufactured shall be brought into account in arriving at the OUTPUT during the INDEMNITY PERIOD.

5.4.4 DEPARTMENTAL CLAUSE:

If the business be conducted in Departments, the independent trading results of, which are ascertainable, the provisions of clauses (i.) and (ii.) of Article 5.1.1 shall apply separately to each department affected by the damage.

5.4.5 DELAYED INDEMNITY PERIOD CLAUSE

In the event of an interruption to the business insured arising out of peril not excluded hereunder which commences and / or recommence at a date later of the loss or damage to the property insured hereunder which gives rise to such business interruption, insurer shall agree to extend the period during which indemnity is provided by this policy.

Provided always the insurers shall not be liable for more than the indemnity limits as stated in the schedule nor Maximum indemnity period as stated in schedule.

Under no circumstance shall insurers be liable for any loss under this policy if such interruption to the business insured commences later than 12 months after the date of the loss or damage to the property insured hereunder and which shall occur after the conclusion of the period commencing on the date of damage and ending not later than the date of conclusion of the maximum indemnity period and 12 months thereafter.

5.4.6. NEW BUSINESS CLAUSE

For the purpose of any claim arising from damage occurring before the completion of the first year's trading of the business at the premises, the terms "Rate of Gross Profit", Annual Output/ Turnover and "Standard Output/ Turnover" shall bear the following meanings and not as within stated:

RATE OF GROSS PROFIT – The rate of Gross Profit earned on the Output/ Turnover during the period between the date of the commencement of the business and the date of the damage.	}	To which such adjustments shall be made as may be necessary to provide for the trend of the business and for variations in or special circumstances affecting the business either before or after the damage or which would have affected, the business had the damage not occurred so that the figures thus adjusted
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ANNUAL OUTPUT/ TURNOVER – The	}	shall represent as nearly as may be reasonably
proportional equivalent for a period of twelve	}	practicable the results which but for the
months or the Output/ Turnover realized	}	damage would have been obtained during the
during the period between the	}	relative period after the damage.
commencement of the business and the date	}	
of the damage	}	
	}	
STANDARD OUTPUT/ TURNOVER – The	}	
proportional equivalent for a period equal to	}	
the indemnity period of the Output /Turnover	}	
realised during the period between the	}	
commencement of the business and the date	}	
of damage.	}	

5.4.7 INTERDEPENDENCY

This policy is extended to cover losses arising from business interruption sustained by the insured as a result of an Insured loss having been incurred at another insured location as specified in the schedule.

5.4.8 Overhaul/Maintenance/Shut Down

It is hereby declared and understood that during the business interruption period following a insured peril, the insured will be permitted to carry out overhauls and maintenance, provided the activities of overhaul and maintenance does not hamper or adversely affect the process of Repair /reinstatement of damaged property.

If overhaul & maintenance adversely affect the process of repair/reinstatement of damaged property, in that case the business interruption period will be appropriately adjusted.

5.4.9 Delay in Repair:

Subject to the terms, provisions, conditions and exclusions contained in the policy, the Insurer shall, within the maximum indemnity period, be liable for a period not exceeding four weeks for any loss of interest insured resulting from a delay in repair or replacement of lost or damaged property insured of foreign make, where such delay results from import or export restrictions, custom regulations, currency restrictions or any other regulations imposed by any government or public authority.

6: EXCLUSIONS APPLICABLE TO SECTION I (a),I(b) & II(VIZ. AR, MI & BI SECTIONS).

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

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

In any action, suit or other proceeding, where the Company alleges that by reason of the

- provisions of this Condition any loss or damage is not covered by this insurance, the burden of proving that such loss or damage is covered shall be upon the Insured.
- ii) Confiscation, requisition, sequestration, nationalization or similar act.
 - iii) Damage directly or indirectly caused by or arising from or in consequence of or contributed to by:
 - a) Nuclear weapons material;
 - b) Ionizing radiation's or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. Solely for the purpose of this Exclusion combustion shall include any self-sustaining process of nuclear
- iv) Sabotage & Terrorism**

Terrorism Exclusion Endorsement NMA 2921

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

This endorsement also excludes 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 any act of terrorism.

If the Insurers allege that by reason of this exclusion, any loss, damage, cost or expense is not covered by this insurance the burden of proving the contrary shall be upon the Insured.

In the event any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

v) Cyber Attack

Cyber Risk Exclusion Clause – NMA 2915

1 Electronic Data Exclusion

Notwithstanding any provision to the contrary within the Policy or any endorsement thereto, it is understood and agreed as follows:

I. This Policy does not insure loss, damage, destruction, distortion, erasure, corruption or alteration of ELECTRONIC DATA from any cause whatsoever (including but not limited to COMPUTER VIRUS) or loss of use, reduction in functionality, cost, expense of whatsoever nature resulting there from, regardless of any other cause or event contributing concurrently or in any other sequence to this loss.

ELECTRONIC DATA means facts, concepts and information converted to a form useable for communications, interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment and includes programmes, software and other coded instructions for the processing and manipulation of data or the direction and manipulation of such equipment.

COMPUTER VIRUS means a set of corrupting, harmful or otherwise unauthorized instructions or code including a set of maliciously introduced unauthorized instructions or code, programmatic or otherwise, that propagate themselves through a computer system or network of whatsoever nature. COMPUTER VIRUS includes but is not limited to "Trojan Horses", "worms" and "time or logic bombs".

II. However, in the event that a peril listed below results from any of the matters described in paragraph (a) above, this Policy subject to all its terms, conditions and exclusions, will cover physical

damage occurring during the Policy Period to property insured by this Policy directly caused by such listed peril

Listed Perils:

- i. Fire
- ii. Explosion

2. Electronic Data Processing Media Valuation

Notwithstanding any provision to the contrary within the Policy or any endorsement thereto, it is understood and agreed as follows:

Should electronic data processing media insured by this Policy suffer physical loss or damage insured by this Policy, then the basis of valuation shall be the cost of the blank media plus the costs of copying the ELECTRONIC DATA from back-up or from originals of a previous generation. These costs will not include research and engineering nor any costs of recreating, gathering or assembling such ELECTRONIC DATA. If the media is not repaired, replaced or restored, the basis of valuation shall be the cost of blank media. However, this Policy does not insure any amount pertaining to the value of such ELECTRONIC DATA to the Assured or any other party, even if such ELECTRONIC DATA cannot be recreated, gathered or assembled.

25/01/02

NMA 2915

vi) Electronic Date Recognition Clause

Electronic Date Recognition Clause EDRC (B)

Section 1

This insurance does not cover any loss, damage, cost, and claim or expense whether preventive, remedial or otherwise, directly or indirectly arising out of or relating to:

1.the calculation, comparison, differentiation, sequencing or processing of data involving the date change to the year 2000, or any other date change, including leap year calculations by any computer system, hardware, programme or software and/or any microchip, integrated circuit or similar device in computer equipment or non- computer equipment, whether the property of the insured or not; or

2.any change, alteration or modification involving the date change to the year 2000 or any other date change, including leap year calculations, to any such computer system, hardware, programme or software or any microchip, integrated circuit or similar device in computer equipment or non-computer equipment, whether the property of the insured or not

This clause applies regardless of any other clause or event that contributes concurrently or in any sequence to the loss, damage, cost, claim or expense

However, this section shall not apply in respect of physical damage occurring at the insured's premises arising out of the perils of fire, lightning, explosion, aircraft or vehicle impact, falling objects, windstorm, hail, tornado, hurricane, cyclone, riot, strike, civil commotion, vandalism, malicious mischief, earthquake, volcano, tsunami, freeze or weight of snow.

Section 2

Notwithstanding Section 1 above, this insurance does not cover any costs and expenses, whether preventive, remedial or otherwise, arising out of or relating to change, alteration or modification of any computer system, hardware, programme or software or any microchip, integrated circuit or similar device in computer or non-computer equipment, whether the property of the insured or not.

Section 3

The date change to the year 2000, or any other date change, including leap year calculations, shall not in itself be regarded as an event for the purposes of this insurance.

vii)WAR AND TERRORISM EXCLUSION ENDORSEMENT

Notwithstanding any provision to the contrary within this insurance or any endorsement thereto it is agreed that this insurance 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;

(1) war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power; or

(2) any act of terrorism.

For the purpose of this endorsement an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

This endorsement also excludes 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 (1) and/or (2) above.

If the insurers allege that by reason of this exclusion, any loss, damage, cost or expense is not covered by this insurance the burden of proving the contrary shall be upon the Insured.

In the event of any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

It is further agreed that this Insurance excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with the actual or threatened malicious use of pathogenic or poisonous biological or chemical materials regardless of any other cause or event contributing concurrently or in any other sequence thereto.

viii) Cyber Loss Limited Exclusion Clause LMA 5410

1 Notwithstanding any provision to the contrary within this insurance agreement or any endorsement thereto, this insurance 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 insurance agreement, this insurance 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, lightning, explosion, aircraft or vehicle impact, falling objects, windstorm, hail, tornado, cyclone, hurricane, earthquake, volcano, tsunamis, flood, freeze or weight of snow

Definitions

3 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.

4 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.

5 Time Element Loss means business interruption, contingent business interruption or any other consequential losses.

ix) Testing & Commissioning Clause

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

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

- a) Mechanical completion including testing
- b) Testing and commissioning
- c) Official acceptance by the insured following formal hand over certificate procedure. (It being understood that no equipment faults or punch list items affecting operation integrity of the plant are outstanding, unless otherwise agreed by Insurers). Testing to 100% of design capacity maintained by each separate unit in a stable and controlled manner for a continuous ongoing period of minimum 72 hours
- d) Fire suppression and detection systems are operational.

In the event that compliance with b, c, d will be deferred upon mechanical completion or testing, such alternative procedures which will be adopted prior to the attachment under the policy shall be agreed upon between the Insurer and the Insured on a case to case basis and the attachment of risk under the policy shall be subject to the approval of the Insurer.

Proviso: This exclusion does not apply to on-going maintenance/schedule turnaround. This exclusion also does not apply to revamp work subject, however, to the maximum contract value as declared within the Property in the course of construction Extension of the individual policies.

x) Terrorism Exclusion Clause for Contamination & Explosives

It is agreed that, regardless of any contributory causes, this insurance does not cover any loss, damage, cost or expense directly or indirectly arising out of

1. biological or chemical contamination
2. missiles, bombs, grenades, explosives due to any act of terrorism.

For the purpose of this endorsement an act of terrorism means an act, including but not limited to the use of force or violence and/or threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organization(s) or government(s), committed for political, religious, ideological, or ethnic purposes or reasons including the intention to influence any government and/or to put the public, or any section of the public, in fear.

For the purpose of (1) "Contamination" means the contamination, poisoning, or prevention and/or limitation of the use of objects due to the effects of chemical and/or biological substances.

If the Insurer alleges that by reason of this exclusion, any loss, damage, cost or expense is not covered by this insurance, the burden of proving the contrary shall be upon the Insured.

XI) Infectious/communicable disease exclusion clause

1. Notwithstanding any provision, clause or term of this [Insurance Contract] to the contrary, this [Insurance Contract] excludes any loss, cost, damage, liability, claim, fines, penalty or expense or any other amount of whatsoever nature, whether directly or indirectly and/or in whole or in part, related to,

caused by, contributed to by, resulting from, as a result of, as a consequence of, attributable to, arising out of, arising under, in connection with, or in any way involving (this includes all other terms commonly used and/or understood to reflect or describe nexus and/or connection from one thing to another whether direct or indirect):

1.1 a Communicable Disease and/or the fear or threat (whether actual or perceived) of a Communicable Disease and/or the actual or alleged transmission of a Communicable Disease regardless of any other cause or event contributing and/ or occurring concurrently or in any sequence thereto, and

1.2 a pandemic or epidemic, as declared by the World Health Organisation or any governmental authority.

2. As used herein, Communicable Disease means: any infectious, contagious or communicable substance or agent and/or any infectious, contagious or communicable disease which can be caused and/or transmitted by means of substance or agent where:

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

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

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

2.4 the disease, substance or agent is such:

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

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

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

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

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

3.2 change in consumer behaviour, or

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

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

5. It is clarified that (1) no other prior, concurrent or subsequent provision, clause, term or exception of this [Insurance Contract] (including (but not limited to) any prior, concurrent or subsequent endorsement and/or any provision, clause, term, buy back or exception that operates, or is intended to operate, to extend the coverage of, or protections provided by, this [Insurance Contract] by whatever name called like any coverage extension, additional coverage, global extension, exception to any exclusion); (2) no change in the law, clause or similar provision; (3) no follow the fortunes clause or similar provision; and/or (4) no change in the law or any regulation (to the extent permitted by applicable law), shall operate to provide any Insurance, coverage or protection under this [Insurance Contract] that would otherwise be excluded through the exclusion set forth in this Clause.

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

XII) Radioactive Exclusion

Unless specifically agreed for an insured loss involving nuclear material under determined circumstances, this insurance 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:

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

XIII) Pollution/Contamination Exclusion

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

XIV) Political Risks Exclusion Endorsement -

Notwithstanding any provision to the contrary within this insurance or any endorsement thereto it is agreed that this insurance 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:

- (1) 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; or
- (2) Strike, riot, looting, plundering, locked-out workers, persons taking part in labour disturbances, malicious persons (other than thieves); or
- (3) Any act of terrorism.

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

This endorsement also excludes 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 (1) and/or (2) and/or (3) above.

If the Insurer alleges that by reason of this exclusion, any loss, damage, cost or expense is not covered by this Insurance the burden of proving the contrary shall be upon the Insured.
In the event any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

XV) War and Civil War Exclusion Clause

Notwithstanding anything to the contrary contained herein this Policy does not cover Loss or Damage directly or indirectly occasioned by, happening through or in consequence of war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalisation or requisition or destruction of or damage to property by or under the order of any government or public or local authority.

N.M.A. 464

XVI) INSTITUTE RADIOACTIVE CONTAMINATION, CHEMICAL, BIOLOGICAL, BIOCHEMICAL AND ELECTROMAGNETIC WEAPONS EXCLUSION CLAUSE

This clause shall be paramount and shall override anything contained in this insurance inconsistent therewith. In no case shall this insurance cover loss damage liability or expense directly or indirectly caused by or contributed to by or arising from;

- i. ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel
- ii. the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof
- iii. any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
- iv. the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter. The exclusion in this sub-clause does not extend to radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored, or used for commercial, agricultural, medical, scientific or other similar peaceful purposes
- v. any chemical, biological, bio-chemical, or electromagnetic weapon.

XVII) MICRO ORGANISM EXCLUSION (MAP) CLAUSE

This policy does not insure any loss, damage, claim, cost, expense or other sum directly or indirectly arising out of or relating to:

- Mould, Mildew, Fungus, mushroom, spores or other micro – organism of any type, nature or description, including but not limited to any substance whose presence poses an actual or potential threat to human health.

This exclusion applies regardless whether there is

- i. Any physical loss or damage to the insured property
- ii. Any insured peril or cause, whether or not contributing concurrently or in any sequence
- iii. Any loss of use, occupancy or functionality
- iv. Any action required, including but not limited to repair, replacement, removal, cleanup, abatement, disposal, relocation or steps taken to address medical or legal concerns

7. CONDITIONS APPLICABLE TO SECTION I (a) , I(b) & II(VIZ. AR, MI & BI SECTIONS).

7.1. MISDESCRIPTION:

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

7.2. ERRORS AND OMISSIONS:

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

7.3. ALTERATIONS:

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

7.4. CONTRIBUTION:

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

7.5. CLAIMS:

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

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

The Insured shall at their own expense produce, procure and give to the Insurer all such further particulars, plans, specifications, books, vouchers, invoices, duplicates or copies thereof, documents, proofs and information with respect to the claim and the origin, cause and

circumstances under which the destruction or damage occurred, and any matter affecting the liability or the amount of the liability of the Insurer as may be reasonably required by or on behalf of the Insurer together, if required by the insurer, with a declaration on oath or in other legal form of the truth of the claim and of any matters connected therewith.

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

- iii. The Insured may, within a period of 24 months after the Insurer's rejection of a claim initiate action or proceeding against them for the recovery of any claim provided this is in accordance with the Law of the Republic of India.

7.6. DUE DILIGENCE:

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

7.7. REINSTATEMENT:

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

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

7.8. PUBLIC AUTHORITIES:

If, in any case, the Insurer shall be unable to reinstate or repair the property hereby insured, because of any municipal or other regulations in force affecting the alignment of streets, or the construction of buildings, or otherwise, the Insurer shall, in every such case, only be liable to pay such sum as would be requisite to reinstate or repair such property if the same could lawfully be reinstated to its former condition .Notwithstanding the foregoing this condition shall not be deemed to exclude cover granted by the Public Authorities Extension herein. In the event the Insured shall elect to receive monetary settlement per BASIS OF INDEMNIFICATION, this general condition shall not be applicable.

7.9. SUBROGATION:

The Insured shall, at the expense of the Insurer, do, and concur in doing, and permit to be done, all such acts and things as may be necessary or reasonably required by the Insurers for the purpose of enforcing any rights and remedies or of obtaining relief or indemnity from other parties to which the Insurers shall be or would become entitled or surrogated, upon its paying for or making good any loss or damage under this Policy, whether such acts and things shall be or become necessary or required before or after his indemnification by the Insurer.

7.10. DEDUCTIBLE:

If the cover in respect of the Property or any specified part of such Property is indicated in the Schedule as being subject to a Deductible, the Insured shall, in respect of each and every occurrence giving rise to a claim, first bear the full amount of such deductible stated in the Schedule and the Insurer's liability, after making all other adjustments to the claim presented by the Insured, shall be reduced accordingly.

In the event of a single indemnifiable loss or occurrence being insured under Section 1A and Section 1B only one deductible shall be applicable whichever is the lower. Also, deductibles are not applicable to clauses, which are offered on 'first loss basis'.

7.11 HIGHEST SINGLE DEDUCTIBLE

In the event of a single claim involving Material damage, Stock and Add-on-covers/Extensions under section AR and MI of the Policy in all locations mentioned in the schedule, the highest single deductible will be applied.

7.12. RECOVERIES:

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

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

7.13. NO CONTROL:

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

7.14. BANKRUPTCY:

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

7.15. INTERIM PAYMENTS:

All liabilities being accepted and agreement reached as to the Loss adjuster's report, the insurer will make interim payment of the claim amount as approved by the loss adjuster within 15 days of agreement to the Loss Adjuster's Report and / or Addendum Report / Clarification issued therein and also subject to reinsurers' approval.

7.16. BRANDS AND TRADEMARKS:

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

The Insured shall have full right to the possession of all goods involved in any loss under this policy and shall retain control of all damaged goods. The Insured, exercising reasonable discretion, shall be the sole judge as to whether the goods involved in any loss under this policy are fit for consumption and no goods so deemed by the Insured to be unfit for consumption shall be sold or otherwise disposed of except by the Insured or with the Insurer's consent but the Insured shall allow Insurers any salvage obtained on the sale or other disposition of such goods.

7.17. APPLICABLE LAW:

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

7.18. FRAUD:

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

7.19. ARBITRATION:

If any dispute or difference shall arise as to the quantum to be paid under the 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. The arbitrator appointed should be located in Kolkata.

It is clearly agreed and understood that no difference or dispute shall be referable to arbitration as herein before 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 award by such arbitrator/arbitrators of the amount of the loss or damage shall be first obtained.

7.20. CANCELLATION:

This insurance may be terminated at any time at the request of the Insured and may also be terminated at the option of the Insurers on 90 days' written notice to that effect being given to the Insured. In either case the premium due to the Insurer shall be calculated in ratable proportion to the time the policy has remained in force.

7.21. ORDER OF PREFERENCE:

It is noted and agreed that the following order of precedence applies: Hand-written overrides typed, which overrides printed.

7.22. CLAIMS CO-OPERATION CLAUSE:

In the event of any occurrence which might give rise to a claim under this policy the Insured shall notify the Insurer as soon as is reasonably practicable giving an indication as to the nature of circumstances and extent of loss or damage.

The insured shall take all steps within his power to minimize the extent of loss or damage preserve all the effected parts and make them available for inspection by the representative of the company/reinsurer/surveyor deputed by them and furnish with all information available in respect of such loss or losses.

In respect of loss or losses which may give rise to a claim , in excess of Rs 75 crores under this policy, both the Insurer and the reinsurer shall have the right to appoint adjusters assessors, surveyors and lawyers and to control all negotiation , adjustments and settlements in connection with such loss or losses the decision of anyone side of the company and the rein surer on the said appointment or control is invalid unless it achieves the prior written consent or authorization of the other

7.23 CLAIM PREPARATION CLAUSE:

This Policy shall pay expenses incurred by the Insured or by the Insured's Representatives including Auditors, Accountants including forensic accountants, Appraisers, Umpires, Lawyers, Consultants, Architects, Engineers or other such professionals in order to arrive at the loss payable under this policy in the event of a claim. The policy extends to cover the cost necessarily and reasonably incurred for acquiring the reports from original equipment manufacturers or from any other agencies at the request of the surveyor/insurer to substantiate a claim. This provision does not ensure expenses incurred for services of any public adjuster.

Limit: Limit of liability under this extension is Rs.5,00,00,000/- Each and every Loss.

Excess: Any Claim under this extension would be subject to an Excess of 2.5% of the Claim Amount of Claim Preparation Cost.

7.24 NOMINATED LOSS ADJUSTER CLAUSE/DEPUTATION OF SURVEYOR

It is hereby noted and agreed that in the event of a Loss, reported under the Policy, Surveyors / Loss Adjusters to be engaged, individually or jointly by the Insurer from the Panel of Surveyors / Loss Adjuster, mutually agreed between the Insured and Insurer, subject to the concurrence of Reinsurer.

7.25 SANCTIONS LIMITATION AND EXCLUSION CLAUSE : LMA 3100

No insurer shall be deemed to provide cover and no 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 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.

7.26 AGREED BANK CLAUSE

All policies in which a Bank/Financial Institution has interest shall be issued in the name of Bank/Financial Institution and owner or mortgagor and shall contain a suitable clause to protect their interest. A specimen copy of the Clause is given hereunder.

"` It is hereby declared and agreed: -

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

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

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

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

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

v. That this insurance so far only as it relates to the interest of the Bank therein shall not cease to attach to any of the insured property by reason of operation of condition 3 of the Policy except where a breach of the condition has been committed by the Bank or its duly authorised agents or servants and this insurance shall not be invalidated by any act or omission on the part of any other party insured hereunder whereby the risk is increased or by anything being done to upon or any building hereby insured or any building in which the goods insured under the policy are stored without the knowledge of the Bank provided always

that the Bank shall notify the Company of any change of ownership or alterations or increase of hazards not permitted by this insurance as soon as the same shall come to its knowledge and shall on demand pay to the Company necessary additional premium from the time when such increase of risks first took place and

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

N.B: In cases where the name of any Central Government or State Government owned and / or sponsored Industrial Financing or Rehabilitation Financing Corporations and /or Unit Trust of India or General Insurance Corporation of India and/or its subsidiaries or LIC of India/ any Financial Institution is included in the title of the Fire Policy as mortgagees, the above Agreed Bank Clause may be incorporated in the Policy substituting the name of such institution in place of the word 'Bank' in the said clause

7.27 COINSURANCE CLAUSE:

It is hereby declared and agreed that the Insurers named hereunder severally agreed each for the proportion set against its name.

(a) To pay or make good to the Insured the value of the property at the time of the happening of its loss or destruction or the amount of such damage thereto as provided for under the policy and /or

(b) To indemnify the Insured against liability at law for damage to property and /or injuries to persons as provided for under the policy. Provided always that

1. The liability of the Insurers shall in no case exceed in respect of each item of the sum expressed in the said schedule to be insured hereon or in the total sum Insured hereby or such other sum or sums as may be substituted thereof by endorsement.

2. The liability of each of the Insurers individually in respect of such loss or destruction or damage or indemnity shall be limited to the proportion set against its name or such other proportion as may be substituted thereof by endorsement.

It is understood, however, that the Insured shall have the right at all times during the currency of the policy to communicate only, with the leading or issuing office in all matters pertaining to this Insurance. It is also agreed that this Policy is governed by the memorandum of understanding on Coinsurance agreed by General Insurance Business Council.

7.27 On Account Payment of Claims:

All liabilities being accepted and agreement reached as to the Loss adjuster's report, the insurer will make interim payment of the claim amount of up to 80 % of the estimated assessed loss or actual cash value (as defined in the policy) immediately before the loss of the damaged property as approved by the loss adjuster whichever is lower within 15 days of agreement to the Loss Adjuster's Report and/or Addendum report/clarification issued therein and also subject to reinsurers' approval wherever required.

7.28 Additional Insured Clause:

Notwithstanding anything contained herein to the contrary in this policy, it is hereby declared and understood that any individual, firm, corporation, subsidiaries and/or its joint ventures for whom and with whom the Insured may be operating is hereby named as additional Insured in the Schedule when required by contract or as required. It is further understood and agreed that in the Event there is any violation of the terms and conditions of this insurance by one insured, it shall not affect the rights of the other Insureds including interests of mortgagees and notice of assignment in respect thereof. Nothing contained in this endorsement shall be deemed to increase the Sum Insured or increase the Limit of Indemnity stated in the Schedule.