

Digit Industrial All Risk Insurance Policy

Add-On Covers/Clauses/Endorsements

Below mentioned are the add-on covers available under Standard Fire and Special Perils Policy (Retail). The add-on(s) applicable to Your Policy are mentioned in Your Policy Schedule.

Sr. No.	Name of Product/Add-On	Product UIN
1.	Earthquake (Fire and Shock)	IRDAN158CP0004V01201920/A0089V01201920
2.	Involuntary Betterment/Technological Advancements/Obsolete Equipment Clause	IRDAN158CP0004V01201920/A0090V01201920
3.	Inadvertent Omission to Insure/Omission to Insure additions/Alteration or extensions	IRDAN158CP0004V01201920/A0091V01201920
4.	Professional Fees for Technicians, Accountants and Legal Services.	IRDAN158CP0004V01201920/A0092V01201920
5.	Preparation of Lost records/Computer Records, Valuable Papers & Records Clause/Cost of Re-writing records clause/Plans, Documents & Archives	IRDAN158CP0004V01201920/A0093V01201920
6.	Undamaged Parts Clause/Destruction of Sound Property	IRDAN158CP0004V01201920/A0094V01201920
7.	Cover for Employees' Personal Property and Personal effects	IRDAN158CP0004V01201920/A0095V01201920
8.	Minor Works Extension	IRDAN158CP0004V01201920/A0096V01201920
9.	Floater Clause	IRDAN158CP0004V01201920/A0097V01201920
10.	Declaration Clause	IRDAN158CP0004V01201920/A0098V01201920
11.	Capital Additions/Newly Acquired Property or Interest/New Acquisitions/Merger and Acquisition/New Location Cover	IRDAN158CP0004V01201920/A0099V01201920
12.	Brand/Trademarks	IRDAN158CP0004V01201920/A0100V01201920
13.	Expediting Costs	IRDAN158CP0004V01201920/A0101V01201920
14.	Start-Up/Shut-Down Cost	IRDAN158CP0004V01201920/A0102V01201920
15.	Immediate Repairs	IRDAN158CP0004V01201920/A0103V01201920
16.	Additional Customs Duty	IRDAN158CP0004V01201920/A0104V01201920
17.	Contamination and Co-mingling of stocks	IRDAN158CP0004V01201920/A0105V01201920
18.	Catalysts and Consumable interests in process	IRDAN158CP0004V01201920/A0106V01201920
19.	Protection and Preservation of Property/Precautionary Measures/Loss Minimization	IRDAN158CP0004V01201920/A0107V01201920
20.	Contract Works	IRDAN158CP0004V01201920/A0108V01201920
21.	Sue and Labour Charges	IRDAN158CP0004V01201920/A0109V01201920
22.	Prevention of Access (Applicable to Business Interruption Section)	IRDAN158CP0004V01201920/A0110V01201920
23.	Denial of Access (Applicable to Business Interruption Section)	IRDAN158CP0004V01201920/A0111V01201920
24.	Service Interruption Time Element (Extension to cover loss due to accidental failure of public electricity/ gas/ water supply)(Applicable to Business Interruption Section)	IRDAN158CP0004V01201920/A0112V01201920
25.	Growing Plants, Crops And Trees, Landscaping	IRDAN158CP0004V01201920/A0113V01201920
26.	Lawns, Plants, Shrubs or Trees	IRDAN158CP0004V01201920/A0114V01201920
27.	Decontamination and Cost of Clean Up Expenses/Industry's Seepage, Pollution And Contamination Clause	IRDAN158CP0004V01201920/A0115V01201920

28.	De watering Expenses	IRDAN158CP0004V01201920/A0116V01201920
29.	Additional Increased Cost of Working (Applicable to Business Interruption Section)	IRDAN158CP0004V01201920/A0117V01201920
30.	Property Outside the Insured Premises/ Property in Off-site Storage	IRDAN158CP0004V01201920/A0118V01201920
31.	Fire Extinguishing / Fighting Expenses	IRDAN158CP0004V01201920/A0119V01201920
32.	Goods held in trust	IRDAN158CP0004V01201920/A0120V01201920
33.	Automatic Reinstatement Clause	IRDAN158CP0004V01201920/A0121V01201920
34.	Building Ordinance/Civil or Local Authorities Clause, Demolition and Increased Cost of Construction	IRDAN158CP0004V01201920/A0122V01201920
35.	Cost of Demolition and Debris Removal	IRDAN158CP0004V01201920/A0123V01201920
36.	Supplier's Extension (Applicable to Business Interruption Section)	IRDAN158CP0004V01201920/A0124V01201920
37.	Customer's Extension (Applicable to Business Interruption Section)	IRDAN158CP0004V01201920/A0125V01201920
38.	Insured property stored at other situations (Applicable to Business Interruption Section)	IRDAN158CP0004V01201920/A0126V01201920
39.	Group Interdependency (Applicable to Business Interruption Section)	IRDAN158CP0004V01201920/A0127V01201920
40.	Interdependency Cover (Applicable to Business Interruption Section)	IRDAN158CP0004V01201920/A0128V01201920
41.	Key and lock clause	IRDAN158CP0004V01201920/A0129V01201920
42.	Accounts Receivable	IRDAN158CP0004V01201920/A0130V01201920
43.	Cost of Clearing Drains Clause	IRDAN158CP0004V01201920/A0131V01201920
44.	Cleaning up and Other Costs	IRDAN158CP0004V01201920/A0132V01201920
45.	Customer's Goods Clause	IRDAN158CP0004V01201920/A0133V01201920
46.	Property in Course of Construction/Erection	IRDAN158CP0004V01201920/A0134V01201920
47.	Land and Water Contaminant Cleanup, Removal and Disposal	IRDAN158CP0004V01201920/A0135V01201920
48.	Deferred Payments	IRDAN158CP0004V01201920/A0136V01201920
49.	Exhibition, Exposition, Fair or Trade Show	IRDAN158CP0004V01201920/A0137V01201920
50.	Fine Arts/Works of Art	IRDAN158CP0004V01201920/A0138V01201920
51.	Undamaged Foundations	IRDAN158CP0004V01201920/A0139V01201920
52.	Green Clause	IRDAN158CP0004V01201920/A0140V01201920
53.	Property under Care Custody and Control/Non Owned Assets	IRDAN158CP0004V01201920/A0141V01201920
54.	Inland Transit	IRDAN158CP0004V01201920/A0142V01201920
55.	Land Improvements	IRDAN158CP0004V01201920/A0143V01201920
56.	Margin Clause	IRDAN158CP0004V01201920/A0144V01201920
57.	Metered Water	IRDAN158CP0004V01201920/A0145V01201920
58.	Modification cost/Incompatibility expenses	IRDAN158CP0004V01201920/A0146V01201920
59.	Tenant's Liability	IRDAN158CP0004V01201920/A0147V01201920
60.	Obsolete Spare Parts	IRDAN158CP0004V01201920/A0148V01201920
61.	Sprinkler Up-Grading Costs	IRDAN158CP0004V01201920/A0149V01201920
62.	Unrepaired Damage	IRDAN158CP0004V01201920/A0150V01201920
63.	Deliberate Damage	IRDAN158CP0004V01201920/A0151V01201920
64.	Soft Costs – Course of Construction (Applicable to Business Interruption Section)	IRDAN158CP0004V01201920/A0152V01201920
65.	Minimum Demand Charges (Applicable to Business Interruption Section)	IRDAN158CP0004V01201920/A0153V01201920

66.	Export tax benefits (Applicable to Business Interruption Section)	IRDAN158CP0004V01201920/A0154V01201920
67.	Internal Decoration Fixtures and Fittings	IRDAN158CP0004V01201920/A0155V01201920
68.	Unnamed Locations	IRDAN158CP0004V01201920/A0157V01201920
69.	Waiver of Subrogation	IRDAN158CP0004V01201920/A0158V01201920
70.	Loss of Attraction (Applicable to Business Interruption Section)	IRDAN158CP0004V01201920/A0159V01201920
71.	Professional Accountants' and Auditors' Clause (Applicable to Business Interruption Section)	IRDAN158CP0004V01201920/A0160V01201920
72.	Molten Metal Spillage Clause	IRDAN158CP0004V01201920/A0161V01201920
73.	Accidental Damage Clause	IRDAN158CP0004V01201920/A0162V01201920
74.	Boiler & Machinery Clause	IRDAN158CP0004V01201920/A0163V01201920
75.	Electrical Appliance Clause	IRDAN158CP0004V01201920/A0164V01201920
76.	Pair and Set Clause	IRDAN158CP0004V01201920/A0165V01201920
77.	Non-Vitiation Clause	IRDAN158CP0004V01201920/A0166V01201920
78.	Spontaneous Combustion	IRDAN158CP0004V01201920/A0167V01201920
79.	Smoke Damage	IRDAN158CP0004V01201920/A0168V01201920
80.	House breaking clause	IRDAN158CP0004V01201920/A0169V01201920
81.	Temporary Removal of Property	IRDAN158CP0004V01201920/A0170V01201920
82.	Departmental Clause (Applicable to Business Interruption Section)	IRDAN158CP0004V01201920/A0171V01201920
83.	Accumulated Stock Clause (Applicable to Business Interruption Section)	IRDAN158CP0004V01201920/A0172V01201920
84.	Alternative Basis Clause (Applicable to Business Interruption Section)	IRDAN158CP0004V01201920/A0173V01201920
85.	Mould and Fungi Clause	IRDAN158CP0004V01201920/A0174V01201920
86.	Vehicle Load Clause	IRDAN158CP0004V01201920/A0175V01201920
87.	Primary and Non-Contributory	IRDAN158CP0004V01201920/A0176V01201920
88.	Broad Water Damage	IRDAN158CP0004V01201920/A0178V01201920

1. Earthquake (Fire and Shock)

Policy may be extended to cover the Earthquake (Fire and Shock) subject to following endorsement wordings:

If option to delete STFI peril is exercised

"In consideration of payment of additional premium, it is hereby agreed and declared that notwithstanding anything stated in the printed exclusions of this policy to the contrary, this Insurance is extended to cover loss or damage (including loss or damage by fire) to any of the property Insured by this policy occasioned by earthquake including Landslide / Rockslide resulting therefrom but excluding flood or overflow of the sea, lakes, reservoirs and rivers caused by Earthquake. Provided always that all the conditions of this policy shall apply (except in so far as they may be hereby expressly varied) and that any reference therein to loss or damage by fire shall be deemed to apply also to loss or damage directly caused by any of the perils which this insurance extends to include by virtue of this endorsement."

If option to delete STFI peril is not exercised

" In consideration of payment of additional premium, it is hereby agreed and declared that notwithstanding anything stated in the printed exclusions of this policy to the contrary, this Insurance is extended to cover loss or damage (including loss or damage by fire) to any of the property Insured by this policy occasioned by or through or in consequence of earthquake

including flood or overflow of the sea, lakes, reservoirs and rivers and/or Landslide / Rockslide resulting therefrom.

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

Special conditions

a. Excess clause

The Excess mentioned on the Policy Schedule.

b. Extension cover shall be granted only if the entire property in one complex / compound / location covered under the policy is extended to cover this risk and the Sum Insured for this extension is identical to the Sum Insured against the risk covered under main policy except for the value of the plinth and foundations of the building(s).

c. Onus of proof

In the event of the Insured making any claim for loss or damage under this policy he must (if so required by the Company) prove that the loss or damage was occasioned by or through or in consequence of earthquake.

2. Involuntary Betterment/Technological Advancements/Obsolete Equipment Clause

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 Indemnity stated in your Policy Schedule.

3. Inadvertent Omission to Insure/Omission to Insure additions/Alteration or extensions

In consideration of the payment of additional premium, this policy extends to cover inadvertent omissions, additions and/or alterations or extensions.

- i) The liability under this extension shall not to exceed ___% of the sum insured for equipments mentioned in the schedule.

- ii) The insured shall notify the company of each additional insurance as soon as it shall come to their knowledge and shall pay the appropriate additional premium thereon from the date of inception.
- iii) Following the advice of any additional insurance as aforesaid, cover by this extension shall be fully reinstated.
- iv) No liability shall attach to the company in respect any equipment while such equipment is otherwise insured.

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

Limit: ___% of the Sum Insured as mentioned in schedule

4. Professional Fees for Technicians, Accountants and Legal Services.

In consideration of the payment of additional premium, the policy is extended to include any amount in respect of Technicians, Accountants, Legal Services or other fees necessarily incurred by the Insured in the reinstatement of the Insured property consequent upon its loss, destruction or damage by a peril not excluded in the Policy but not for preparing any claim.

Limit: Up to per event and in aggregate as agreed and specified in Schedule

Deductible: ___% of the claim amount subject to min of Rs. _____ for each and every claim.

5. Preparation of Lost records/Computer Records, Valuable Papers & Records Clause/Cost of Re-writing records clause/Plans, Documents & Archives

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 loss of data, data media and records including plans, documents and archives as well as its restoring or regeneration or reconstruction, up to a limit as specified in the Schedule subject to following.

1. The loss of data, data media and records having been caused by damage not excluded under this policy.
2. We will indemnify the Insured for the Cost, Charges and Expenses incurred in restoring or regenerating or reconstructing the documents but only for the value of the material and not for their value to the Insured, which may have been destroyed, damaged, lost, or mislaid following a claim admissible under the policy. It is understood that the said documents may consist of deeds, views, agreements, maps, plans, records, books, letters, certificates and the like, but bearer bonds, stamps, coupons, bank or currency notes or other negotiable instruments shall be deemed to be excluded from this insurance.
3. Data / Software backup being kept in fireproof safe.
4. The following special exclusions will apply:
 - a) Loss or damage for which the Repair Company or Maintenance Company is contractually liable.
 - b) Any cost for standard adjustment, rectifying functional failures and maintenance of Insured object unless necessary in connection with the repair of an Insured loss.
 - c) Normal wear and tear of media

- d) Erroneous programming, perforating, inadvertent cancelling of information or discarding of data media, loss of information caused by magnetic fields, loading or printing.
- e) Consequential loss of any kind

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

6. Undamaged Parts Clause/Destruction of Sound Property

In consideration of the payment of additional premium, the policy stands extended to include replacement/ reinstatement of undamaged portions/parts of the insured property subject to condition that,

- a) Such replacement/reinstatement of undamaged portion/ part of the property is necessary as may be certified by Surveyor
- b) By such replacement of undamaged part, there is no technical improvement in performance, capacity or output
- c) Claim is payable only if there is an admissible claim under the main Policy

Sum Insured Limit: As specified in Schedule

7. Cover for Employees' Personal Property and Personal effects

The policy is extended to include the loss of or damage to Personal Property of employees for which the insured is responsible whilst at the insured premises provided that, the Insurers shall not be responsible for more than _____ Any One Accident and _____ in aggregate per occurrence.

Deductible: __% of the claim amount subject to min of Rs. _____ for each and every claim.

8. Minor Works Extension

On payment of additional premium, it is hereby declared and agreed that, notwithstanding anything to the contrary in this policy or in any of its conditions, this policy is extended to include loss or damage to minor alterations and/or construction and/or re-construction and/or addition and/or maintenance and/or modifications and/or work carried out on any of the property insured under this policy against insured perils.

Notwithstanding other terms and conditions herein, this extension to the policy shall only pay in excess of more specific insurance if any, arranged in respect of minor works. This extension does not cover any loss or damage, to the property which, at the time of happening of such loss or damage, is insured under any project insurance policy.

It is further agreed and declared that, the loss of earnings, loss by delay, loss of market or any other consequential or indirect loss whatsoever, shall not be payable under this extension or even under corresponding Business Interruption policy if any, taken by the insured unless specifically agreed to in writing by the Company.

It is hereby agreed that the upper limit of any minor works covered under this add-on shall not exceed Rs. _____

9. Floater Clause

In consideration of additional premium charged over and above the policy rate the Sum Insured in aggregate under the policy is available for any one, more, or all locations as specified in respect of movable property.

At all times during the Policy Period the insured should have a good internal audit and accounting procedure under which the total amount at risk and the locations can be established at any particular time if required.

The changes in the address of locations specifically declared at inception should be communicated

10. Declaration Clause

The following clause shall be attached to Declaration Policy(ies).

1. In consideration of the premium by this policy being provisional in that it is subject to adjustment on expiry of each period of insurance.

"The Insured agrees to declare to the Company in writing the value of his stocks (other than retail) less any amount insured by Policies other than declaration policies, in each separate building or non-communicating compartment or in the open on the following basis namely 1] average of the values at risk on each day of the month or 2] the highest value at risk during the month and to make such declaration(s) latest by the last day of the succeeding month. Such declaration(s) shall be signed by the Insured or by a responsible person authorised to sign on his behalf.

If other policies on declaration basis cover the stocks hereby insured, the declarations shall be made so as to apportion to each policy a share of the value of the stocks insured under such declaration policies, PRO RATA to the respective amounts named in the policies.

In the event of a declaration not being made latest by the last day of the succeeding month, then the insured shall be deemed to have declared the Sum Insured hereby as the value at risk.

On the expiry of each period of insurance the premium shall be calculated on the average Sum Insured namely, the total of the values declared or deemed to have been declared divided by the number of declarations deemed to have been made.

If the resultant premium is less than the provisional premium, the difference shall be repaid to the Insured, but such repayment shall not exceed 50% of the provisional premium. Further it is hereby agreed and understood that no reduction in sum insured shall be allowed during the period of the policy

2. The basis of value for declarations shall be the market value and any loss hereunder shall be settled on the basis of the Market Value immediately anterior to the loss.
3. If at the time of any loss, there be any subsisting insurance or insurances on other than a declaration basis, whether effected by the Insured or by any other person or persons, covering the stocks hereby insured, this policy shall apply only to the excess of the value of such stocks at the time of the loss over the Sum Insured by such other insurance or

insurances, and this Company shall not be liable to pay or contribute more than that proportion of such loss which such excess (or, if there be other declaration insurances covering the same stocks, a rateable proportion of such excess) but not exceeding the Sum Insured hereby, bears to the total value of the stocks.

4. If after the occurrence of a loss it is found that the amount of the last declaration previous to the loss is less than the amount that ought to have been declared, then the amount which would have been recoverable by the Insured shall be reduced in such proportion as the amount of the said last declaration bears to the amount that ought to have been declared.
5. Notwithstanding the occurrence of loss it is understood that the Sum Insured will be maintained at all times during the period of the policy and the Insured therefore undertakes to pay extra premium on the amount of any loss pro rata from the date of such loss to the expiry of the period of insurance, the premium being calculated at the rate applicable to the stocks destroyed and such extra premium shall not be taken into account in, and shall be distinct from, the final adjustment of premium.
6. In event of this policy being cancelled by the Insured during its period (whether stocks exist or not) the premium to be retained by the Company shall be the appropriate short period premium calculated on the average amount insured up to the date of cancellation, or 50% of the provisional premium whichever is greater. Notwithstanding the above, if the policy is cancelled by the insured after a loss has occurred, the premium to be retained by the company shall be the PRO RATA proportion of the premium calculated on the average amount insured up to the date of cancellation plus the PRO RATA proportion of the premium from the date of loss to the expiry of the period of insurance on the amount of loss paid, or 50% of the provisional premium whichever is greater.
7. The maximum liability of the Company shall not exceed the Sum Insured hereby and premium shall not be receivable on value in excess thereof. The Sum Insured may, however, be increased by prior agreement with the Company in which event the new Sum Insured and the date from which it is effective will be recorded on the policy by endorsement. In the event of an increase in the Sum Insured being agreed to, the Company shall charge on such increased sum an additional provisional premium on a basis proportionate to the unexpired period of the policy and upon expiry of each period of insurance the total provisional premium so paid shall be adjusted as provided for in Clause 1 above. If during the period of the policy, the rate for the class of risk to which the insurance applies is revised, and an increase in the Sum Insured under a Declaration Policy is agreed to, the Company shall charge on such increased sum an additional provisional premium on a basis proportionate to the unexpired period of policy, at the rate at which the insurance was originally effected and upon expiry of each period of insurance the total provisional premium so paid shall be adjusted as provided for in Clause 1 above.
8. If the stocks hereby insured shall at the time of loss be collectively of greater value than the Sum Insured thereon, then the Insured shall be considered as being his own insurer for the difference and shall bear a rateable proportion of the loss accordingly. Every item, if more than one, on stock shall be separately subject to this condition.

9. It is warranted that every other policy on a declaration basis covering the stocks insured hereby shall be identical in wording with this policy.

10. This insurance is subject in all respects to the printed conditions of the policy except in so far as they may be varied by the above conditions.

11. Capital Additions/Newly Acquired Property or Interest/New Acquisitions/Merger and Acquisition/New Location Cover

On payment of additional premium and subject to the sub-limit shown in the Schedule, this Policy is extended to include, in so far as the same are not otherwise insured:

- a) any newly acquired machinery and plant or newly constructed buildings, and
- b) alterations additions and improvements to buildings subsequent to a certificate of completion,
- c) alterations additions and improvements to machinery and plant, at the Insured locations, but not in respect of any appreciation in value during the current Period of Insurance,

Provided that:

The Insured undertakes to give particulars within 30 days of commencement of the Insurer's liability and to effect specific insurance before the expiry of the Period of Insurance and to pay an additional premium.

It is to be clearly understood that in the event of failure of payment of additional premium by insured within 30 days from inception of Insurer's liability under this clause, Insurers shall not be liable for loss or damage to such new additions or any consequential loss till the time of payment of additional premium as demanded by Insurer.

12. Brand/Trademarks

On payment of additional premium, it is hereby declared and agreed that 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 or unfit for consumption or sale in open market. However, in all such cases of retention of damage goods by the Insured, Insurers shall be free to deduct a reasonable value of salvage at their discretion.

13. Expediting Costs

On payment of additional premium, it is hereby declared and agreed that, this Policy covers the reasonable and necessary costs incurred to pay for the temporary repair of insured damage to insured property and to expedite the permanent repair or replacement of such damaged property.

This Additional Coverage does not cover costs:

- 1) recoverable elsewhere in this Policy;
or
- 2) of permanent repair or replacement of damaged property.

Insurers shall not be responsible for more than _____Any One Accident and _____in aggregate.

14. Start-Up/Shut-Down Cost

On payment of additional premium, it is hereby declared and agreed that, on the occurrence of an event which leads to a damage or loss covered under the base policy, this extension covers the cost necessary and reasonably incurred in start-up/shut-down for power and utilities such as electricity, water, steam, gas as well as feedstock, fuels or combustibles in a normal start-up procedure and subject to the sub-limit entered in the Schedule.

Start-up costs will not be recoverable under normal or emergency shut down operations.

15. Immediate Repairs

In consideration of the payment of additional premium and notwithstanding anything to the contrary in this policy or in any of its conditions, it is hereby agreed and declared that in the event of an admissible loss due to operation of an insured peril, 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 Company or their representatives 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 or in the operation of properties which may be necessary to their business/manufacturing.

It is also agreed and declared that the evidence of loss shall be photographed by the Insured and if any damaged items are replaced the same shall be preserved by the Insured for inspection by surveyors.

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 doesn't exceed 25% of the lowest quote and quotes are based on the same technological specifications.

The Company's Liability shall not exceed the Sum Insured mentioned in the Policy Schedule against this add on cover.

16. Additional Customs Duty

On payment of additional premium, it is hereby declared and agreed that the insured shall also be indemnified during the Policy Period, toward the additional Custom Duty as mentioned in the Policy Schedule which may be incurred by the insured over and above the custom Duty amount taken into account in arriving at the Sum Insured of the affected item.

17. Contamination and Co-mingling of stocks

On payment of additional premium, it is hereby agreed that notwithstanding anything contained herein to the contrary, that this Policy extends to cover loss or damage to stocks as

a result of contamination and/or co-mingling whilst in the Insured's care, custody or control, subject to a limit as specified in the Schedule.

18. Catalysts and Consumable interests in process

On payment of additional premium, it is hereby declared and agreed that, catalysts and consumable materials in the course of process are covered to a maximum limit as specified in the Policy Schedule. This extension also covers loss of catalysts due to its sudden poisoning /deactivation by a cause not excluded.

19. Protection and Preservation of Property/Precautionary Measures/Loss Minimization

On payment of additional premium, it is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon, that in case of actual or imminent physical loss or damage of the type insured against by this Policy, this Policy is extended to cover the expenses incurred by the Insured in taking reasonable and necessary actions for the temporary protection and preservation of property insured hereunder, which expenses shall be added to the physical loss or damage otherwise recoverable, if any, under the Policy.

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

20. Contract Works

On payment of additional premium, it is hereby declared and agreed that the Property insured extends to include the permanent works and temporary works erected or in the course of erection in performance of the Contract and the materials and all other property of whatsoever nature or description for incorporation therein but excluding contractors' plant, fines and penalties assumed under contract and losses more specifically insured.

Definition (applicable to the cover provided by this extension only):

Contract shall mean any Contract with the Insured as Employer for the extension or refurbishment of existing Buildings with a construction period not exceeding twelve months in duration within the Territorial Limits.

Temporary Work are 'parts of the works that allow or enable construction/ erection of, protect, support or provide access to, the permanent works and which might or might not remain in place at the completion of the works.

Permanent work means the permanent works to be constructed/ Erected and completed in accordance of contract.

21. Sue and Labour Charges

On payment of additional premium, it is hereby declared and agreed that in case of loss or damage, or imminent loss or damage, to the Contract Works insured hereunder due to a cause indemnifiable under the Policy, it shall be lawful and necessary for the Insured, their factors, servants and assigns, to sue, labour, and travel for in and about the defence safeguard and recovery of the Property Insured hereunder or any part thereof without prejudice to this insurance, to the charges whereof the Insurers shall contribute according to the rate and quantity of the loss amount indemnifiable hereunder by the Insurers or which would have been indemnifiable hereunder by the Insurers but for the actions of the Insured; nor shall

such acts of the Insured or Insurers in recovering saving and preserving Property Insured in case of loss or damage be considered a waiver or an acceptance of abandonment.

In the case of imminent loss or damage the Insured shall take such action as they consider prudent to prevent or reduce loss of or damage to the Contract Works and shall inform the Insurers as soon as practicable thereafter.

The liability of the Insurers under this Endorsement shall not exceed the Limit of Liability stated in the Policy Declarations and shall be subject to the Deductibles specified in the Policy Schedule.

Deductible: ___% of claim amount subject to min of Rs. _____ for each and every claim

22. Prevention of Access (Applicable to Business Interruption Section)

In consideration of the payment of the additional premium shown in the policy/the Endorsement, it is hereby agreed and declared that, subject to the conditions of the Policy, Coverage under this section shall extend to include loss or reduction resulting from cessation, interruption, interference or inhabitation to the business as consequence of: -

- i. Physical destruction of or damage to property belonging to the Insured or property within a radius as shown in Policy Schedule from the insured premises (inland only & excluding port blockage) which prevents or hinders the use of or access to the premises;

The total liability under this Clause is limited to maximum of 4 weeks over and above the policy Business Interruption deductible, unless specifically agreed otherwise and mentioned in the Policy Schedule.

23. Denial of Access (Applicable to Business Interruption Section)

In consideration of the payment of the additional premium shown in the policy/the Endorsement, it is hereby agreed and declared that, subject to the conditions of the Policy, it is understood and agreed that loss resulting from interruption of or interference with the Business carried on by the Insured following

- a) physical loss or damage to property in the Vicinity of the Premises which prevents or hinders the use of the Premises or access thereto, whether the Premises or Property Insured of the Insured therein shall be damaged or not,
- b) interference with the Business carried out by the Insured in consequence of the said Premises or property within the Vicinity of the said Premises containing or thought to contain a harmful device provided that the Police shall be informed immediately the Insured is aware of the presence or suspected presence of such harmful device,
- c) interference with the Business carried on by the Insured in consequence of action by the Police Authority following danger or disturbance in the Vicinity of the Premises, which prevents or hinders the use of the Premises or access thereto.

Provided that:

- i) for the purposes of this Extension Vicinity shall mean within a radius as shown in Policy Schedule of the Insured's Premises
- ii) the liability of the Company does not exceed the Limit of Liability stated in the Schedule in respect of any one event
- iii) the aggregate liability of the Company in respect of all events occurring during any one Period of Insurance does not exceed the Limit of Liability stated in the Schedule

- iv) the Maximum Indemnity Period shall mean three months unless specifically agreed otherwise and mentioned in the Policy Schedule, and
- v) there shall be no liability under the Extension for loss arising from any cause within the control of the Insured
- vi) there shall be no liability under the Extension for loss for the first 24 hours of any interference with the Business, unless this time limit is modified and mentioned in the Policy Schedule

24. Service Interruption Time Element (Extension to cover loss due to accidental failure of public electricity/ gas/ water supply) (Applicable to Business Interruption Section)

a) Failure of Electricity Supply :

By payment of additional premium this extension shall cover Loss of Business Interruption resulting from interruption of or interference with the business carried on by the insured at the premises due to failure of electric supply at the terminal ends of the electricity service feeders from which the insured obtain electric Supply at the said premises directly due to Damage to property at an Electricity Station or Substation of Public Electricity Supply Undertaking from where insured obtains electricity supply. This would be limited to maximum period of 60 days (17% of Business Interruption value) subject to a condition that interruption exceeds 24 hrs, unless specifically agreed otherwise and mentioned in the Policy Schedule.

Limit: Any One Accident Rs. _____

b) Failure of Gas Supply :

By payment of additional premium this extension shall cover Loss of Business Interruption resulting from interruption of or interference with the business carried on by the insured at the premises due to failure of Gas supply at the terminal ends of Gas Supply Undertaking / Compressor station from where the insured obtains Gas Supply at the said premises. This would be limited to maximum period of 60 days (17% of Business Interruption value) subject to a condition that interruption exceeds 24 hrs, unless specifically agreed otherwise and mentioned in the Policy Schedule.

Limit: Any One Accident Rs. _____

c) Failure of Water Supply :

By payment of additional premium this extension shall cover Loss of Business Interruption resulting from interruption of or interference with the business carried on by the insured at the premises due to failure of Water supply at the terminal ends of the Water Supply Undertaking / Pumping station from where the insured obtains Water Supply at the said premises. This would be limited to maximum period of 60 days (17% of Business Interruption value) subject to a condition that interruption exceeds 24 hrs, unless specifically agreed otherwise and mentioned in the Policy Schedule.

Limit: Any One Accident Rs. _____

In no case the aggregate limit for a, b and c above shall exceed the amount as shown in the Policy Schedule and any modifications in the terms and conditions mentioned above in agreement with the Insured are specifically mentioned in the Policy Schedule.

25. Growing Plants, Crops And Trees, Landscaping

Notwithstanding anything to the contrary, on payment of additional premium, it is hereby declared and agreed that this Policy is extended to cover the reasonable cost of remaking, reconstituting, redesigning and purchasing as necessary in order to replace surrounding and internal landscape grounds and gardens within the premises following an accidental physical loss, destruction or damage, provided always that the plants, crops and trees are being grown for non-commercial purposes.

The liability of the Insurer shall not exceed the Limit of Indemnity stated in your Policy Schedule.

26. Lawns, Plants, Shrubs or Trees

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon, that the Company will pay for direct physical loss of or damage, in respect of the Policy, to lawns, plants, shrubs or trees occurring at such premises as described in the Schedule. This coverage does not apply to improvements at a golf course unless specifically mentioned in the Schedule. This coverage does not apply to loss or damage caused by or resulting from: windstorm and hail; vehicle damage; weight of snow, ice or sleet; and water damage.

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

27. Decontamination and Cost of Clean Up Expenses/Industry's Seepage, Pollution And Contamination Clause

In consideration of the payment of additional premium, it is agreed and understood that, if the insured property is contaminated as a direct result of physical damage insured by this policy and there is in force at the time of loss any law or ordinance regulating contamination, including but not limited to the presence of pollution or hazardous material, then this policy covers as a direct result of enforcement of such law or ordinance, the increased cost of decontamination and/or removal of such contaminated insured property in a manner to satisfy such law or ordinance.

This additional coverage applies only to that part of insured property so contaminated as a direct result of insured physical damage. The company is not liable for the costs required for removing contaminated uninsured property nor the contaminant therein or thereon, whether or not contamination results from an insured event.

The Company shall not be liable under this Extension for more than the sub-limit as mentioned in the schedule in respect of any one Occurrence, which shall be part of and not in addition to the policy limit.

28. De watering Expenses

On payment of additional premium, it is hereby declared and agreed that the Policy covers costs and expenses necessarily and reasonably incurred for dewatering, including shafts and underground following an event which is not specifically excluded hereunder.

The liability of the Insurer shall not exceed the Limit stated in your Policy Schedule.

29. Additional Increased Cost of Working (Applicable to Business Interruption Section)

It is hereby agreed and declared that notwithstanding anything contained herein to the contrary and on the payment of additional premium, this policy extends to cover costs and expenses necessarily and reasonably incurred during the indemnity period in consequence of the 'Damage' and not otherwise payable under Loss of Gross Profit Provision (increase in cost of working) for the purposes of maintaining the business, it being understood that if any such costs under Loss of Gross Profit provisions (Reduction in turnover and Increase in cost of working) 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.

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

30. Property Outside the Insured Premises/ Property in Off-site Storage

On payment of additional premium, it is hereby declared and agreed that, this policy extends to cover property (Machineries / Equipments and Stocks) of the insured temporarily stored in unspecified locations outside the insured premises for a period of time, up to the limit at any one location for any one loss and the aggregate Limit, as specified in Policy Schedule, for the policy period subject to these properties being part of the declared Sum Insured.

31. Fire Extinguishing / Fighting Expenses

It is hereby agreed and declared that notwithstanding anything to the contrary in this policy or in any of its conditions that in the event of a fire or a series of fire 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 up to a Limit Any One Accident specified in Your Policy Schedule. We will pay:

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

All claims for personal injury are excluded.

- iv. The expenses incurred to recharge/refill any fire protection devices.

32. Goods held in trust

On payment of additional premium, it is hereby declared and agreed that certain items of the property may be 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 including other insurance to be disclosed in the event of loss, destruction or damage. These may also include all real and personal property of every kind and description belonging to the Insured or to others (including but not limited to goods under consignment, held in trust or on lease or paid for awaiting delivery) for which the Insured may be held liable for loss or damage while in their care, custody or control.

The liability of the Insurer shall not exceed the Limit stated in your Policy Schedule.

33. Automatic Reinstatement Clause

On payment of additional premium, it is hereby declared and agreed that subject to the Insurance Limits as stated in the Schedule in the event of any claim occurring under this Policy and in the absence of written notice by the Insured to the contrary, the insurance in respect of any Property Insured or Business Interruption arising is automatically reinstated as and from the date of the Damage.

34. Building Ordinance/Civil or Local Authorities Clause, Demolition and Increased Cost of Construction

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon, that

a) Company will pay for the additional increased costs incurred by the Insured, due to any repairs or reconstruction of a building consequent to a direct physical loss of or damage to such covered building (or structure) but not machinery and equipment, occurring at a premises described in the Schedule caused by an insured peril, resulting from the enforcement of any law or ordinance regulating the construction, demolition, repair, or use of such building (or structure). These additional increased costs are:

- i. The demolishing of undamaged parts of a building (or structure) including the cost of clearing the site;
- ii. The loss in value of the undamaged portion of a building (or structure) that bears to the value of the entire building (or structure) prior to loss or damage and subject to the same method of recovery which applies to the damaged portion of such building (or structure);
- iii. The repair, reconstruction or remodelling of damaged and undamaged portions of a building (or structure) whether or not demolition is required at the same described premises or at another site, and limited to the costs that would have been incurred in order to comply with the minimum requirements of the law or ordinance regulating the repair or reconstruction of the damaged building (or structure) at the same described premises. However, we shall not be liable for any increased cost of construction unless the damaged building (or structure) is actually rebuilt or replaced; and
- iv. Company will pay no more than the applicable sub-limit of this add-on cover.

The demolition of the undamaged building (or structure) as a result of enforcement of any law or ordinance regulating such demolition, will be considered a damaged building (or structure); the value of which is subject to the same method of recovery provided for a damaged building (or structure) and to the applicable limit of liability as per the schedule for that described premises.

b) Company will not pay for the following under this coverage:

- i. Any cost that is incurred as a result of enforcement of any law or ordinance regulating any form of contamination.
- ii. Any cost to install improvements or modifications to machinery or equipment, when either is required or performed to comply with the mandated work place safety and environmental regulations.

The indemnity provided herein shall be subject to the sub-limit and deductible as specified in the Policy Schedule.

35. Cost of Demolition and Debris Removal

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 demolition and/or removal of debris and/or any other expenses reasonably and necessarily incurred in connection with site clearing operations and/or salvaging including damage caused by such operations, dismantling, shoring up, propping, in the event of circumstances giving rise to loss or damage by any of the perils insured under this Policy.

The indemnity provided herein shall be subject to the limit of indemnity and deductible as specified in the Policy Schedule

36. Supplier's Extension (Applicable to Business Interruption Section)

In consideration of the payment of additional premium, it is hereby agreed and declared that subject to the conditions of the policy, Business Interruption loss as insured under section – II of base policy, resulting from interruption of/or interference with the business in consequence of damage, not resulting from an excluded peril under Section – I of the base policy, to property at the under noted "situation" shall be deemed to be loss resulting from damage to property used by the insured at the premises.

Provided that the liability under this memorandum in respect of any one location shall not exceed in respect of (each of) item(s) number(s) percent of the sum insured thereunder.

Suppliers' Premises

Where the extension relates to more than one supplier with differing limits, the proviso and "Situations" should be amended to read as follows:

"Provided that the liability under this memorandum in respect of any one location under (each of) item(s) No(s) _____ shall not exceed the percentage of the sum insured thereunder shown against each situation,

Supplier's Name	Situation of Premises	Selected percentage limit of Sum Insured

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

37. Customer's Extension (Applicable to Business Interruption Section)

In consideration of the payment of the additional premium shown in the policy/the Endorsement, it is hereby agreed and declared that, subject to the conditions of the Policy, Business Interruption loss as insured under section – II of base policy, resulting from interruption of or interference with the business in consequence of damage, not resulting from an excluded peril under Section – I of the base policy, to property at the undernoted situations, shall be deemed to be loss resulting from damage to property used by the Insured at the premises.

Provided that the liability under this memorandum in respect of any location shall not exceed in respect of (each of) item(s) No. (s) _____ percent of the sum insured thereunder.

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

Provided Again that the liability under this memorandum in respect of any one location under (each of) item(s) no(s) _____ shall not exceed the percentage of the sum insured thereunder shown against each situation.

Name of the Customer	Situation of Premises	Selected percentage limit of Sum Insured

38. Insured property stored at other situations (Applicable to Business Interruption Section)

In consideration of the payment of additional premium, it is hereby agreed and declared that subject to the conditions of the policy, Business Interruption loss as insured under section – II of base policy, resulting from interruption of/or interference with the business in consequence of damage, not resulting from an excluded peril under Section – I of the base policy, to property at the under noted situation shall be deemed to be loss resulting from damage to property used by the insured at the premises.

Provided that the liability under this memorandum in respect of any one location shall not exceed in respect of (each of) item(s) number(s) percent of the sum insured thereunder.

Note:

(a) Property of the Insured Stored

Where the extension relates solely to property of the insured, the words “property at the undernoted situation” and the heading “situations” should be deleted from the wording and the former replaced by “property of the insured while stored anywhere than at premises in the Insured’s occupation”.

(b) Suppliers’ Premises

Where the extension relates to more than one supplier with differing limits, the proviso and “Situations” should be amended to read as follows:

“Provided that the liability under this memorandum in respect of anyone location under (each of) item(s) No(s) _____ shall not exceed the percentage of the sum insured thereunder shown against each situation,

Supplier’s Name	Situation of Premises	Selected percentage limit of Sum Insured

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

(c) Premises where a Contract is being carried out:

The following should be inserted under 'SITUATIONS': 'Any location where the insured is carrying out work'.

(d) Professional Insured:

Applicable solely to items on the Gross Revenue/Fees of a business providing professional or similar service only.

39. Group Interdependency (Applicable to Business Interruption Section)

It is hereby agreed and declared that this policy shall indemnify for loss of Gross Profit caused by interruption / interference in business activity at any Insured Location resulting from interruption of or interference with the business activity at any of other Insured location forming part of the Insured's group of companies insured herein as a result of direct physical loss or physical damage by an Insured peril.

This Clause is subject otherwise to the terms, Conditions and Exclusions of the Policy.

The limit of indemnity under this extension shall be as defined under the policy.

40. Interdependency Cover (Applicable to Business Interruption Section)

It is hereby agreed and understood, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon, that if damage or destruction to any of the Insured's premises/ property should result in suffering a reduction in turnover or increase in cost of working of another Insured locations/premises which is dependent on the former Insured's premises/ property , then such loss is deemed to be covered by this Policy notwithstanding that no material damage was sustained by the latter premises/property provided that independent trading results for each production unit is separately ascertainable.

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

41. Key and lock clause

The insurance of each item extends to include all costs reasonably incurred in the repair or replacement of mechanical door locks following theft of keys from the premises of the Insured or off any authorized employee or following threat of or actual assault or violence to the Insured or any authorized employee.

The liability of the Insurer shall not exceed the Limit of Indemnity stated in the Schedule.

42. Accounts Receivable

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon, that

- a) The Company will pay for direct physical loss of or damage caused by an insured peril to Insured's records of accounts receivable in respect of the following:
 - i. All sums due to insured from their customers,
 - ii. Interest charges on any loan to offset such impaired collections pending repayment of those sums made non- collectible by loss or damage;
 - iii. Collection expense in excess of normal collection cost and made necessary because of loss of accounts receivable;
 - iv. Other expenses, when reasonably incurred by insured in re-establishing records of accounts receivable following loss in respect of this policy.

- v. For the purpose of this Policy, credit card charge records shall be deemed to represent sums due to Insured from customers, until the charge records are delivered to the credit card company.
- b) When there is proof that a loss of records of accounts receivable has occurred but Insured cannot accurately establish the total amount of accounts receivable outstanding as of the date of loss, the amount of recovery shall be computed as follows:
 - i. The monthly average of accounts receivable during the last available twelve (12) months, together with collection expenses in excess of normal collection costs and made necessary because of loss or damage, and reasonable expenses incurred in re-establishing records of accounts receivable following loss, shall be adjusted in accordance with the percentage increase or decrease in the twelve (12) months average of monthly gross revenues which may have occurred in the interim.
 - ii. The monthly amount of accounts receivable as established above shall be further adjusted in accordance with any demonstrable variance from the average for the particular month in which the loss occurred. Consideration will also be given to the normal fluctuations in the amount of accounts receivable within the fiscal month involved.
- c) Company will pay no more than the applicable sub-limit of insurance as specified in the schedule.

There shall be deducted from the total amounts of account receivable, however established, the amount of accounts evidenced by records not lost or damaged, or otherwise established or collected by Insured, and an amount to allow for probable bad debts which Insured normally would have been unable to collect and for the normal collection costs incurred due to accounts receivable.

43. Cost of Clearing Drains Clause

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon, that this Policy extends to cover any expense necessarily incurred by the Insured in the clearing of drains within the surrounding premises within distance mentioned in the Policy Schedule, of Insured premises as a consequence of property insured by this policy being destroyed or damaged by fire or by any other perils hereby insured against.

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

44. Cleaning up and Other Costs

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon, that this Policy extends to cover necessary and reasonable costs and expenses incurred by the Insured following physical loss or damage to the property hereby insured for the cleaning up or removing debris or decontaminating such damaged property or nearby property, all in so far as owned by the Insured or for which the Insured is responsible, adjoining land, roadways, rivers, canals or other waterways affected by an insured peril, and for the dismantling and/or demolishing, shoring up, or propping portions of the property insured destroyed or damaged and/or other expenses incurred in rendering the site suitable for immediate rebuilding or repair of the property damaged, including any expense incurred for the removal of undamaged property thereon including foundations if such removal should prove to be necessary in connection with the rebuilding or replacement aforesaid.

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

45. Customer's Goods Clause

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 goods belonging to the Insured's customers, purchased but not delivered or temporarily in the custody of the Insured for alteration, repair or renovation or other purposes at the Premises insured insofar as such goods are not otherwise insured under any other insurance policy.

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

46. Property in Course of Construction/Erection

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon, that this policy will provide automatic coverage for projects by way of alterations and/or constructions and /or re-construction and/or additions and /or maintenance and /or modifications and/or work carried out in insured premises property in course of construction / erection including testing up to 4 weeks (unless specifically agreed otherwise and mentioned in the Policy Schedule) and commissioning and up to the limit specified in the schedule for any one project and in the aggregate for the policy period. At the option of the insured, the interests of the 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.

The clause is subject to the following exclusions:

- i. Cost of making good faulty or defective workmanship, or such design, but this exclusion shall not apply to damage resulting from such faulty or defective workmanship, material construction or design.
- ii. Advance Loss of Profit
- iii. Any project with Sum Insured more than the limits mentioned above

Notwithstanding other terms and conditions herein, this extension of the policy shall only pay in excess or more specific insurance, if any, arranged in respect of such project work.

47. Land and Water Contaminant Cleanup, Removal and Disposal

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon, that this Policy extends to cover the reasonable and necessary cost for the cleanup, removal and disposal of Contaminant(s) or pollutants from uninsured property consisting of land, water or any other substance in or on land at the Insured Location if the release, discharge or dispersal of Contaminant(s) is a direct result of insured physical loss or damage to insured property.

This Policy does not cover the cost to cleanup, remove and dispose of Contaminant(s) or pollutants from such property:

- 1) at any location insured for Personal Property only.
- 2) at any property insured under AUTOMATIC COVERAGE or ERRORS AND OMISSIONS or Miscellaneous Unnamed Location coverage provided by this Policy.
- 3) when the Insured fails to give written notice of loss to The Company within 90 days after inception of the loss.

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

48. Deferred Payments

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon, that this Policy covers insured physical loss or damage to Property of the insured sold by the Insured under a conditional sale or trust agreement or any instalment or deferred payment plan and after such property has been delivered to the buyer. Coverage is limited to the unpaid balance for such property.

In the event of loss to property sold under deferred payment plans, the Insured will use all reasonable efforts, including legal action, if necessary, to effect collection of outstanding amounts due or to regain possession of the property.

There is no liability under this Policy for loss:

- 1) pertaining to products recalled including, but not limited to, the costs to recall, test or to advertise such recall by the Insured.
- 2) from theft or conversion by the buyer of the property after the buyer has taken possession of such property.
- 3) to the extent the buyer continues payments.
- 4) not within the TERRITORY of this policy.

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

49. Exhibition, Exposition, Fair or Trade Show

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon, that The Company will pay to the Insured for direct physical loss of or damage caused by a peril mentioned below to property insured situated on the premises of any exhibition, exposition, fair or trade show unless such property is otherwise more specifically insured. The scope of coverage will be within the Territorial scope of this policy.

Perils Covered – Insured Perils under the policy unless otherwise specifically mentioned in the Schedule.

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

50. Fine Arts/Works of Art

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon, that the Company will pay the Insured for direct physical loss of or damage to Fine Arts occurring at a premises described in the Schedule, caused by a peril not excluded under the Policy. This coverage does not apply to loss or damage caused by any repairing, restoring or retouching process. This coverage does not apply to breakage of bric-a-brac, glassware, marble, porcelain, statuary, and similar fragile property resulting from the article being dropped or knocked over whether intentional or accidental.

Basis of valuation for Fine Arts: On Fine Arts articles, the lesser of the reasonable and necessary cost to repair or restore such property to the physical condition that existed on the date of loss or the cost to replace the article or the value if stated on a schedule on file. If the Fine Arts articles cannot be replaced and an appraisal is not available, the valuation shall be market value based on prevailing conditions at the time of loss or damage.

Fine Art for the purpose of this endorsement is defined as mentioned in the Schedule.

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

51. Undamaged Foundations

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon, that the foundation of the property insured which prove to be unusable following the loss or damage as covered under the Policy at the insured premises shall be considered part of the property damaged.

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

52. Green Clause

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 additional costs necessarily and reasonably incurred with the Company's consent in rebuilding or repairing Buildings at the Premises in a manner that aims to reduce potential harm to the environment by improving energy efficiency following Damage as insured by this Section.

The Company will not indemnify under this Clause in respect of

1. the additional cost of complying with any Indian legislation, Act of Parliament, or byelaws of any public authority;
2. any additional costs for work already planned to be carried out prior to the Damage;
3. any Buildings or portions of Buildings which are unoccupied;
4. if the Insured elect not to rebuild or repair the Buildings.

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

53. Property under Care Custody and Control/Non Owned Assets

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 assets belonging to others (including but not limited to goods under consignment, held in trust or on lease or paid for awaiting delivery) for which the Insured may be held liable for loss or damage while in their care, custody or control at the Premises insured insofar as such assets are not otherwise insured under any other insurance policy.

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

54. Inland Transit

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 Plants & Machinery and spares hereby insured but excluding stock, finished goods and raw materials, whilst in transit within the territorial limits of India subject to

- Damage caused as a result of 'All Risks' as covered under the policy and forming part of the property insured, unless otherwise specified in the schedule,
- Provided that the insured property is suitably packed and/ or prepared for transit which shall also be deemed to include stowage
- Per transit limit – as mentioned in the Schedule
- Provided that it is not indemnifiable under a more specific policy
- Deductible – As mentioned in the schedule

Any consequential loss arising out of loss covered under this clause is excluded.

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

55. Land Improvements

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon, that the Company will pay for the additional cost of reclaiming, restoring or repairing land improvements as incurred by the Insured, resulting from direct physical loss of or damage to property insured under the Policy, occurring at premises described in the Schedule. Land improvements are any alteration to the natural condition of the land by grading, landscaping and additions to land such as pavements, roadways, or similar works. This coverage does not apply to land improvements at a golf course unless specifically mentioned in the Schedule.

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

56. 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 10% (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.

The additional premium shall be payable on pro-rata basis for the unexpired term of the policy, when the fluctuation is more than 10% (or the percentage specifically agreed and mentioned in the Schedule) of the initial values reported and mentioned in the Policy Schedule.

57. Metered Water

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon, that the insurance cover of each item covering machinery extends to include the costs for which the Insured is responsible in respect of loss of metered water provided that the Insured maintains a record of readings from the Water Authority meter at intervals of not more than 7 days, unless specifically agreed otherwise and mentioned in the Policy Schedule.

The amount payable in respect of any one location hereby insured is limited to such excess water charges demanded by the Water Authority and resulting from the accidental escape of water from pipes apparatus or tanks in consequence of loss or damage under the Policy.

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

58. Modification cost/Incompatibility expenses

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon, that the policy is extended to cover the cost or expense of

- (i) modification of equipment including computer and ancillary equipment (the equipment) being the damaged equipment or undamaged equipment.
- and

- (ii) the replacement, restoration or recompilation of computer records which results in the event of the loss due to incompatibility between the replacement equipment and the existing equipment and or the computer records.

Where a claim under (i) or (ii) above shall occur then the basis of settlement shall be whichever is the lesser of the two amounts to achieve compatibility in the event that the loss of the equipment insured by this Policy has resulted in undamaged Computer Records being unavoidably incompatible with the replaced equipment.

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

59. Tenant's Liability

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon, the indemnity provided by this insurance extends to include all sums for which the Insured having insurable interest derived out of the terms of the lease agreement shall become legally liable to pay following upon damage to property occupied by the Insured, consequent upon the Insured's occupation of any premises or building as a tenant

Provided that: -

1. Such liability arises out of the normal occupational activity of the Insured at the premises described in the Schedule to the Policy or as otherwise confirmed by The Company or endorsed thereon
2. There shall be no liability on behalf of The Company following any property or portion of property or premises being sub-let by the Insured insofar as such property is concerned
3. The Insured shall not breach any contractual agreement or obligation between any landlord or any other tenant of the premises or property as such breach may have any bearing on the interests of The Company.

In the event of any Landlord to the Insured having effected insurance on behalf of the Insured as tenant; or the Insured as tenant being entitled to indemnity or compensation from any other source then the provision of such compensation shall be combined with such insurance and shall be considered to be the 'initial indemnity' and any amount having been paid for by such combined 'initial indemnity' shall be deducted from the indemnity provided for by this Policy. If such an amount of 'initial indemnity' shall exceed the limit of indemnity as provided by this Policy then there shall be no payment of indemnity in terms of this clause.

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

60. Obsolete Spare Parts

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 spares currently insured hereunder and represented within the total Sum Insured under the Policy, becoming obsolete following an indemnifiable loss to the Plant & Machinery to which they belong, such spare parts shall also be deemed a constructive total loss provided always that such parts cannot be used as spares for any other units within the premises of the Insured. The Company shall retain salvage rights over such parts.

The indemnity provided herein shall be subject to the Sub-Limit as specified in The Schedule.

61. Sprinkler Up-Grading Costs

It is agreed that in the event of damage to a sprinkler installation which conforms to the latest rules on compliance of safety rules on Sprinkler Installations, if the Surveyor appointed by the Insurer recommends that the repaired or reinstated installation shall conform to the Loss Prevention Rules for Sprinkler Installations prevailing at the time of reinstatement then this Policy shall cover such additional costs. Such costs shall include inter alia the provision of any additional pipework, pumps, tanks and the cost of associated building works.

The Indemnity Limit is up to the amount specified in the Policy Schedule per event and in aggregate. Subject otherwise to the terms, exceptions and conditions of the policy.

62. 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 measure of indemnity in respect of claims for unrepaired damage shall be the reasonable depreciation in the market value of the item at the time this insurance terminates arising from such unrepaired damage, but not exceeding the reasonable cost of repairs which would have been incurred by the Insured had the Insured repaired the damaged item.

In no case shall the Insurer be liable for unrepaired damage item in the event of a subsequent total loss sustained during the Policy Period or any extension thereof.

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

63. Deliberate Damage

This Insurance covers physical loss of or damage to the 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 damage or imminent damage or threat thereof (Example: Pollution Hazard), 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 to any other physical damage.

Consequential losses are however excluded.

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

64. Soft Costs – Course of Construction (Applicable to Business Interruption Section)

It is hereby agreed and understood, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon, that this Policy covers the actual loss sustained incurred by the Insured of Soft Costs during the Indemnity Period arising out of the delay of completion of buildings and additions under construction directly resulting from physical loss or damage of the type insured to insured property under construction at an insured location.

References and Application. The following term(s) wherever used in this Add-On Cover means:

Soft Costs shall mean: Expenses over and above normal expenses at locations undergoing renovation or in the course of construction limited to the following:

- Construction loan fees - the additional cost incurred to rearrange loans necessary for the completion of construction, repairs or reconstruction including; the cost to arrange

refinancing, accounting work necessary to restructure financing, legal work necessary to prepare new documents, charges by the lenders for the extension or renewal of loans necessary.

- Commitment fees, leasing and marketing expenses - The cost of returning any commitment fees received from prospective tenant(s) or purchaser(s), the cost of re-leasing and marketing due to loss of tenant(s) or purchaser(s).
- Additional fees - for architects, engineers, consultants, attorneys and accountants needed for the completion of construction, repairs or reconstruction.
- Carrying costs - property taxes, building permits, additional interest on loans, realty taxes and insurance premiums.

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

65. Minimum Demand Charges (Applicable to Business Interruption Section)

It is hereby agreed and understood, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon, that the insurance by this Policy is extended to include the minimum demand charges imposed by any named supplier of electricity, water, gas or utility services to which the Insured has contracted and which cost has been incurred by the Insured following upon the loss as insured under this Policy and provided that such expenditure is not more specifically insured by the Policy as a Standing charge or Fixed cost within the definition of Gross Profit or any other definition used in the terms of the policy wording.

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

66. Export tax benefits (Applicable to Business Interruption Section)

It is hereby agreed and understood, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon, that the insurance by this Policy extends to include the loss of tax benefits, derived solely from the export of any product which is manufactured, stored or contained at the premises of the Insured following upon loss as insured which results in the interruption of or interference with the business.

Provided that such benefits are directly attributed to export tax benefits and which may be adjusted by any Tax allowance or Tax concession which was provided for by Statute or any other recognized authority to which the Insured could have had benefit after the date of loss but because of the loss the Insured could not benefit from such allowance or concession.

If during the period of time from the date of loss to the expiry of the Indemnity Period any Statute or concession was passed or allowed for which the Insured could have but did not benefit as a result of the loss; then such amount of loss shall be considered as loss in terms of the provisions of this clause.

The sum insured in terms of the provisions of this clause shall be independently determined and shall be a 'first loss' amount and shall be the maximum amount payable in the event of loss as insured.

The indemnity in terms of the provisions of this clause is not subject to condition of average. The indemnity provided herein shall be subject to the limit of indemnity as specified in the Schedule.

67. Internal Decoration Fixtures and Fittings

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 insured partial loss or damage to internal decoration, fixtures and fittings which follows a consistent design theme throughout the property affected, this policy shall insure the replacement of the entire internal decoration, fixtures and fittings design, including that portion of the internal decoration which did not suffer insured loss or damage, provided the repair or replacement of the damaged portion of the internal decoration, fixtures and fittings is impossible due to the inability of the Insured to source the authentic materials necessary to complete such repair or replacement. The indemnity provided herein shall be subject to the limit of indemnity as specified in the Schedule.

68. Unnamed Locations

It is hereby understood and agreed that, subject otherwise to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, and subject to the Insured having paid the agreed additional premium, the policy extends to cover the property insured while at fixed unspecified locations not included in the location(s) specified in the Schedule, up to the limit at any one location for any one loss and the aggregate Limit as specified in Policy Schedule. Coverage under this extension shall not apply to property contained within any vehicle or other conveyance, or property while in transit and shall be limited to locations within India Only.

69. Waiver of Subrogation

It is hereby agreed and declared that notwithstanding anything to the contrary in this policy or in any of its conditions that in the event of the claim arising under this policy, the Company agrees to waive any rights remedies or relief to which they might become entitled by subrogation against specific parties.

70. Loss of Attraction (Applicable to Business Interruption Section)

In consideration of payment additional premium as demanded by the Insurers it is hereby agreed to pay the actual loss of Revenue sustained by the Insured during the Indemnity period resulting from an interruption of or interference with the Business caused by physical loss or damage to a Property(ies) of tourist attraction located within 5 Kms (or the Kms specifically agreed and mentioned in the Schedule) from Insured's premises by an Insured peril.

Property of Tourist attraction shall mean Transportation hubs, Iconic or historic buildings open to the public, National monuments, Museums, Stadium, Sports and entertainment venues, Shopping malls, Theme parks, Religious centres or major places of worship etc.

Important conditions:

1. Coverage under this extension shall exclude loss resulting from interruption of or interference with the Business caused by denial of access to place of tourist attraction by any cause whatsoever.
2. The Liability under this extension shall be limited to an Indemnity period of 60 days (or the days specifically agreed and mentioned in the Schedule).

71. Professional Accountants' and Auditors' Clause (Applicable to Business Interruption Section)

This clause is limited to the reasonable charges payable by the Insured to their Professional Accountants and/or Auditors for producing and certifying any particulars or details contained in the Insured's books of account or other business books or documents or such other proofs, information or evidence as may be required by the Company under the terms of General Condition 5 of this Policy. Any particulars or details contained in the Insured's books of account or other business books or documents which may be required by the Company under General Condition 5 of this Policy for the purpose of investigating or verifying any claim hereunder may be produced and certified by the Insured's Auditors, and their certificate shall be prima facie evidence of the particulars and details to which such certificates relate.

72. Molten Metal Spillage Clause

Material Damage Wording

It is hereby agreed and declared that, subject to the conditions of the Policy, the policy extends to cover physical loss or damage to property excluding cost of molten material serving business operations that arises without the occurrence of fire as a result of the spillage or leakage of glowing molten material from container or lines.

Physical loss or damage shall not include damage to containers, unless such damage is caused by spilled glowing molten material acting from the outside.

Business Interruption Wording

It is hereby agreed and declared that, subject to the conditions of the Policy, the policy extends to cover losses consequent to the physical loss or damage to property excluding cost of molten material serving business operations that arises without the occurrence of fire as a result of the spillage or leakage of glowing molten material from container or lines.

Physical loss or damage shall not include damage to containers, unless such damage is caused by spilled glowing molten material acting from the outside.

The indemnity provided herein shall be subject to limit for each and every loss (Material Damage + Business Interruption) and the aggregate loss limit is as mentioned in the Policy Schedule

73. Accidental Damage Clause

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, the policy extends to indemnify the Insured against loss, destruction of or damage to the insured property (excluding fragile items such as glass) caused by accidental external damage, excluding damages caused by or in consequence of:

- a) Mechanical or electrical breakdown or derangement of machinery or equipment
- b) The freezing solidification or inadvertent escape of molten material
- c) Damage due to impact by rail/road vehicle or animal belonging to or owned by the insured or any occupier of the Premises or his employees.
- d) Damage resulting from over load experiments or tests requiring the imposition of abnormal conditions.
- e) Damage due to wear and tear, rust, corrosion, erosion, cavitation, boiler scale, incrustation, deterioration, settling, gradual cracking, gradually developing deformation

or distortion, gradual deterioration due to atmospheric conditions or due to such other causes.

- f) Property Insured in transit other than within the premises specified in the Schedule
- g) Plant machinery or equipment during installation removal or reciting (including dismantling re-erection stripping down and assembly) if directly attributable to such operations
- h) Property Insured undergoing manufacture alteration, repair, testing, installation or servicing including materials and supplies thereof if directly attributable to the operations or work being performed thereon unless damage by a cause not otherwise excluded ensues and then company will be liable only for such ensuing loss
- i) Collapse either full or partial
- j) Any other cause specifically excluded hereunder

Provided that the liability of the Company shall in no case exceed in respect of each item the sum expressed in the said Schedule to be insured thereon or in the whole the limit of Indemnity hereby or such other sum or sums as may be substituted therefore by memorandum hereon or attached hereto signed by or on behalf of the Company.

74. Boiler & Machinery Clause

INSURING AGREEMENT

Subject to all the provisions stated herein and in the policy of which this endorsement is a part, not in conflict herewith, the Company shall be liable for:

- a. direct physical loss to property of the Insured and to property of others in the care, custody or control of the Insured.
- b. the loss and expense resulting from the necessary interruption of business, all as resulting from an Accident to an Object.

When used in this endorsement, the following definitions shall apply:

"Object" shall mean any boiler, fired or unfired pressure vessel, refrigerating or air conditioning system, piping and its accessory equipment, and any mechanical or electrical machine or apparatus used for the generation, transmission or utilization of mechanical or electrical power.

"Accident" shall mean a sudden and accidental breakdown of an Object or a part thereof which manifests itself at the time of its occurrence by physical damage that necessitates repair or replacement of the Object or part thereof.

CONDITIONS

With respect to Objects insured by the provisions of this endorsement, the following conditions shall apply:

a. Inspection

The Company shall be permitted but not obligated to inspect, at all reasonable times, any Object. Neither the Company's right to make inspections nor the making thereof nor any report thereon shall constitute an undertaking, on behalf of or for the benefit of the Insured or others, to determine or warrant that the Object is safe or healthful.

b. Suspension

Upon the discovery of a dangerous condition with respect to any Object, any representative of the Company may immediately suspend the insurance with respect to an Accident to said Object by written notice mailed or delivered to the Insured at the address of the Insured, or at the location of the Object. Insurance so suspended may be

reinstated by the Company, but only by an endorsement issued to form a part of this policy. The Insured will be allowed the unearned portion of the premium paid for the suspended insurance, pro rata, for the period of suspension.

EXCLUSIONS

The following losses are not insured under this endorsement:

1. Breakdown of any structure or foundation (other than a bedplate of a machine) supporting an Object or any part thereof, not caused by an Accident to the Object;
2. Breakdown of any boiler setting, insulating or refractory material not caused by an Accident to the Object;
3. Breakdown of well casings, penstocks or draft tubes;
4. Breakdown of Objects manufactured or held by the Insured for sale to others;
5. Breakdown of catalyst not caused by an Accident to the Object containing such catalyst or any other insured objects;
6. Breakdown of any oven, stove or furnace;
7. Breakdown of any sewer piping, any underground gas piping, any piping forming a part of a sprinkler system or any water piping other than:
 - a. feed water piping between any boiler and its feed pumps or injectors
 - b. boiler condensate return piping, or
 - c. water piping forming a part of a refrigerating or air conditioning system used for cooling, humidifying or space heating purposes
8. Breakdown of an Object until such time as said Object has been installed and completely tested on the premises of the Insured. For the purposes of this insurance, "completely tested" shall mean that said Object has operated on the Insured's premises in the capacity for which it was designed as part of the Insured's normal production process or processes. Notwithstanding the above, coverage under this endorsement shall apply to any newly installed Object having a fair market value of amount mentioned in the Policy Schedule or less and to any spare or replacement Object or parts therefor;
9. An Accident to any Object while it is being maintained or altered if said Accident is a direct result of said maintenance or alterations. However, if an Accident otherwise insured hereunder subsequently ensues, then the Company shall be liable for such Accident. Any opening, closing or transporting of an Object shall not be considered a part of any maintenance or alterations.

75. Electrical Appliance Clause

It is hereby agreed and declared that notwithstanding anything contained to the contrary in the policy or in any conditions, the insurance under the policy shall extend to cover the loss, destruction or damage to any electrical machine, apparatus, fixtures or fittings arising from or occasioned by over running, excessive pressure, short circuiting, arcing, self-heating or leakage of electricity from whatever cause (lightening included)

Provided always that all conditions (except in so far as they may be hereby expressly varied) shall apply as if they had been incorporated herein for this extension clause.

76. Pair and Set Clause

In the event of insured loss or damage to Insured 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 options, 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.

77. Non-Vitiation Clause

The various parties comprising the insured operate as separate and distinct entities, the rights of each of these parties in all respects shall (non-withstanding anything contained or implied herein to the contrary), be treated as though each of the parties had separate policies for their respective rights and interests and indemnities of any of the parties who are not guilty of any act, omission, statement, fraud, misrepresentation, non-disclosure, breach of condition/warranty 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.

Nothing contained in this Endorsement shall be deemed to increase the Sum(s) Insured or Limit of Indemnity stated in the Policy Schedule, subject otherwise to the terms, exclusions, conditions and limitations of this Policy.

78. Spontaneous Combustion

Policy may be extended to cover the Spontaneous Combustion subject to following endorsement wordings.

“Company agrees notwithstanding what is stated in the printed exclusions of this policy to the contrary that the insurance by this Policy is extended to include loss or damage by fire only of or to the property insured caused by its own fermentation, natural heating or spontaneous combustion.”

79. 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.

80. House breaking clause

It is hereby agreed and declared that notwithstanding anything contained to the contrary in the Policy, the insurance under this policy shall stand to cover loss or damage to insured

premises including contents (whilst contained in the insured premises and declared in the policy as specifically required or otherwise) described in the schedule, by the housebreaking and theft following housebreaking (as described in Indian Penal Code, 1860 as amended from time to time) with felonious entry.

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 as under this extension clause.

Provided further that in premises used for commerce, trade or incidental purposes

1. Daily records of the amount of cash (specifically insured under the policy) contained in the duly locked strong room shall be maintained & such records shall be deposited in a secure place of the premises other than safe or strong room
2. The key to the safe or strong room shall not be left on the premise out of the business hours or in the vicinity of safe or strong room.

Special Exclusions

This extension does not cover the loss:

1. Where any inmate or insured's family member or business staff involved as principle or accessory.
2. Loss of cash from the locked safe or locked strong room following the use of original key or duplicate key unless such keys are obtained by threat or violence.
3. Keys while in insured premises left uninhabited by day and night for seven or more consecutive days and nights
4. Theft following operation of any other peril is excluded from scope of cover.

81. Temporary Removal of 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 Insured's property excluding Stock, Finished Goods and Raw Materials against the perils covered under this Policy whilst temporarily removed for cleaning, renovation, repair and other similar purposes, within the geographical limits specified in the Schedule.

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 and in no case the sub-limit shown in the Schedule.

The 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.

82. Departmental Clause (Applicable to Business Interruption Section)

If the Business be conducted in departments, the independent trading results of which are ascertainable, the provision of Clause (a) and (b) mentioned under the heading "Basis of Insurance" of Section II - Business Interruption shall apply separately to each department affected by the Damage except that if the Sum Insured by the said item be less than the aggregate of the sum produced by applying the Rate of Gross Profit for each department of the Business (whether affected by the Damage or not), to the relative Annual Turnover thereof, the amount payable shall be proportionately reduced.

83. Accumulated Stock Clause (Applicable to Business Interruption Section)

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

84. Alternative Basis Clause (Applicable to Business Interruption Section)

It is agreed and declared that, whenever found necessary, the term "Output" may be substituted for the term "Turnover" and for the purpose of this policy "Output" shall mean the sale value of goods manufactured by the "Insured" in the course of the business at the premises,

Provided that:

- a. Only one such meaning shall be operative in connection with any one occurrence involving damage (as within defined)
- b. If the meaning set out above be used, memo no. 1 shall be altered to read as follows:

Memo 1: 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.

85. Mould and Fungi Clause

A. This policy only insures damage to property insured, by mould, mildew, fungus or spores when directly caused by damage to property insured during the Policy Period by causes not excluded under this Policy.

This coverage is subject to all limitations of the policy and in addition to the following specific limitation:

1. The insured must report to the insurer the existence and cost of the damage by mould, mildew, fungus or spores as soon as practicable, but no later than the time mentioned in the Policy Schedule, after the peril not excluded under the Policy has first caused damage to such insured property during the Policy Period. This Add-On does not insure any damage by mould, mildew, fungus or spores first reported to the insurer after the time period mentioned above.

This Add-On Cover is subject to the Sub-Limit and Deductible as mentioned in the Policy Schedule.

86. Vehicle Load Clause

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 any of the insured's vehicles being left loaded overnight where the goods are already sold but not yet delivered whilst in or on the premises described in the Schedule hereto the Company will indemnify the insured in respect of such load in the event of loss or damage by any of the perils Insured against by this Policy. The indemnity provided herein shall be subject to the sub-limit of indemnity as specified in the Schedule.

87. 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 otherwise to the terms and conditions of the Policy.

88. Broad Water Damage

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

1. Accidental discharge, leakage, or overflow of water or steam from plumbing, septic tanks and cylinders, stand pipes for fire hose, industrial and domestic appliances, refrigerating system, air-conditioning system and rain (or snow) admitted through defective roof, headers spouting or by open or defective windows, show windows, picture windows, doors, transoms, ventilators or skylights;
2. Breakage of/or leakage from street water supply, mains or fire hydrants.

PROVIDED THAT:

- a) The Insured undertakes to exercise all ordinary and reasonable precautions for the maintenance and safety of the property;
- b) All conditions of this Policy shall apply (except insofar as they maybe hereby expressly varied) and that any reference therein to loss or damage by fire shall be deemed to apply to loss or damage as aforesaid.

The liability of the Company under this endorsement shall in no case exceed the Sum Insured on each item of the Policy or the Limit as stated in the Policy Schedule.