

Kshema Industrial All Risks Insurance Policy

Policy Wording

Operative Clause :

WHEREAS You, the Insured named in the Schedule chose this **Kshema Industrial All Risk Insurance Policy** and have applied to us, Kshema General Insurance Limited for insurance cover as stated in this Policy. You further provided us the information about yourself through written Proposal form or Digital Proposal form or on the platform of Kshema mobile Application or through Kshema Website or manually and based on your confirmation that the information submitted is correct and true and having received the premium paid by you, we promise to provide you insurance cover as stated in the Policy Schedule subject to the Terms, Conditions, Provisions, Exceptions and Exclusions set out in this Policy or as contained in any Annexures and/or Endorsement that may be issued thereunder.

Proposal Form, Policy wording, Policy schedule, Declarations and any Annexures/Endorsements thereto shall be considered as one document and any word or expression to which a specific meaning has been attached in any of them shall bear such meaning throughout this insurance policy unless specified otherwise.

Throughout this policy, the words "You", "Your", "Yourself", "Insured Person" refer to the named insured party shown in the policy schedule. The words "We", "Our", and "Us", "Insurer" and "Company" refer to Kshema General Insurance Limited.

SECTION I – MATERIAL DAMAGE

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

Provided that the liability of the Insurer in respect to any one loss or in the aggregate in any one period of insurance shall in no case exceed:

- I. as regards building, plants and machinery, furniture, fixture, fittings etc., the cost of replacement or reinstatement on the date of replacement or reinstatement subject to the maximum liability being restricted to the sum insured in respect of that category of the item under the Policy.
- II. as regards stocks, the market value of the same not exceeding the sum insured in respect of that category of item under the Policy.

EXCLUSIONS**A. EXCLUDED CAUSES**

1. This Policy does not cover damage to the property insured caused by:
 - a. i. Faulty or defective design, materials or workmanship, inherent vice, latent defect, gradual deterioration, deformation, or distortion or wear and tear.
ii. Interruption of the water supply, gas, electricity or fuel systems or failure of the effluent disposal systems to and from the premises.
Unless Damage by a cause not excluded in the Policy ensues and then the Company shall be liable only for such ensuing Damage.
 - b. i. Collapse or cracking of buildings
ii. Corrosion, rust, extremes or changes in temperature, dampness, dryness, wet or dry rot, fungus shrinkage, evaporation, loss of weight, pollution, contamination, change in colour, flavour, texture or finish, action of light vermin, insects, marring or scratching.
Unless such loss is caused directly by damage to the property insured or to premises containing such property by a cause not excluded in the Policy.
 - c. i. Larceny
ii. Acts of fraud or dishonesty
iii. Disappearance, unexplained or inventory shortage, misfiling or misplacing of information, shortage in supply or delivery of materials or shortage due to clerical or accounting error
 - d. i. Coastal or river erosion
ii. Normal settlement or bedding down of new structures
2. Damage caused by or arising from:
 - a. Any wilful act or wilful negligence on the part of the Insured or any person acting on his behalf.
 - b. Cessation of work, delay or loss of market, or any other consequential or indirect loss of any kind or description whatsoever.
3. Damage occasioned directly or indirectly by or through or in consequence of any of the following occurrences, namely:
 - a) War, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not) civil war.
 - b) Mutiny, civil commotion assuming the proportions of or amounting to a popular rising, military rising, insurrection, rebellion, revolution, military or usurped power.
4. i. Permanent or temporary dispossession resulting from nationalization commandeering or requisition by any lawfully constituted authority.
ii. Permanent or temporary dispossession of any building resulting from the unlawful occupation of such building by any person. Provided that the Company is not relieved of any liability to the Insured in respect of Damage to the property insured occurring before dispossession or during temporary dispossession which is otherwise insured by this Policy.
iii. The destruction of property by order of any public authority. In any action, suit or other proceeding where the Company alleges that by reason of the provisions of Exclusions A3) a) and b) above any loss destruction or damage is not covered by this insurance the burden of proving that such loss destruction or damage is covered shall be upon the Insured.
5. Damage directly or indirectly caused by or arising from or in consequence of or contributed to by: -
 - a. Nuclear weapons material

- b. Ionizing radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. Solely for the purpose of this Exclusion Combustion shall include any self-sustaining process of nuclear fission.

TERRORISM DAMAGE EXCLUSION WARRANTY

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

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

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

B. EXCLUDED PROPERTY

This Policy does not cover:

1. Money, cheques, stamps, bonds, credit cards, securities of any description, jewellery, precious stones, precious metals, bullion, furs, curiosities, rare books or works of art, unless specifically mentioned as insured by this Policy.
2. Unless specifically mentioned as insured by this Policy, goods held in trust or on commission, documents, manuscripts, business books, computer systems, records, patterns, models, moulds, plans, designs, explosives.
3. The Property listed below is excluded.
 - a) Vehicles licensed for road use (including accessories thereon), caravans, trailers, railway locomotives or rolling stock, watercraft, aircraft, spacecraft or the like
 - b) Property in transit, other than within the premises specified in the Schedule
 - c) Property or structures in course of demolition, construction, or erection and materials or supplies in connection therewith
 - d) Land (including top-soil, back-fill, drainage or culverts), driveways, pavements, roads, runways, railway lines, dams, reservoirs, canals, rigs, wells, pipelines, tunnels, bridges, docks, piers, jetties, excavations, wharves, mining property, underground offshore property unless specifically covered.
 - e) Livestock, growing crops or trees.
 - f) Property damaged as a result of its undergoing any process.
 - g) Property undergoing alteration repair testing installation or servicing, including materials and supplies thereof if directly attributable to the operations of work being performed thereon unless, Damage by a cause not otherwise excluded ensues and then, the Company will be liable only for such ensuing loss
 - h) Property more specifically insured.

- i) Property insured if removed to any building or place other than which it is herein stated to be insured, except machinery and equipment's temporarily removed for repairs, cleaning, renovation or other similar purpose for a period not exceeding 60 days.
- j) Damage to property which at the time of the happening of such damage is insured by or would, but for the existence of this Policy be insured by any marine policy or policies except in respect of any excess beyond the amount which would have been payable under the marine policy or policies, had this insurance not been effected.

DEDUCTIBLES

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

Warranted that during the currency of the Policy, the Insured shall not effect insurance in respect of the amount of the deductibles stated in the Schedule.

GENERAL CONDITIONS

1. This Policy shall be voidable in the event of misrepresentation, mis-description or non-disclosure of any material particular.
2. All insurances under this Policy shall cease on expiry of 7 days from the date of fall or displacement of any building or part thereof or of the whole or any part of any range of buildings or of any structure of which such building form's part.

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

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

3. Under any of the following circumstances, the insurance ceases to attach as regards the property affected, unless the Insured, before the occurrence of any loss or damage, obtains the sanction of the Company, signified by endorsement upon the Policy by or on behalf of the Company:
 - a) If the trade or manufacture carried on be altered, or if the nature of the occupation or other circumstances affecting the building insured or containing the insured property be changed in such a way as to increase the risk of loss or damage by insured perils.
 - b) If the building insured or containing the insured property becomes unoccupied and so remains for a period of more than 30 days.
 - c) If the interest in the property passes from the Insured otherwise than by will or operation of law.
4. This insurance may be terminated at any time at the request of the Insured, in which case the Company will retain the premium at customary short period rate for the time the Policy has been in force. This insurance may also, at any time be terminated at the option of the Company, on 15 days' notice to that effect being given to the Insured, in which case the

Company shall be liable to repay on demand a rateable proportion of the premium for the unexpired term from the date of the cancellation.

5. i. On the happening of any loss or damage the Insured shall forthwith give notice thereof to the Company and shall within 15 days after the loss or damage, or such further time as the Company may in writing allow in that behalf, deliver to the Company
 - a. A claim in writing for the loss or damage containing as particular an account as may be reasonably practicable of all the several articles or items or property damaged or destroyed, and of the amount of the loss or damage thereto respectively, having regard to their value at the time of the loss or damage not including profit of any kind.
 - b. Particulars of all other insurances, if any.

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

No claim under this Policy shall be payable unless the terms of this condition have been complied with.

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

6. On the happening of loss or damage to any of the property insured by this Policy, the Company may –
 - a. Enter and take and keep possession of the building or premises where the loss or damage has happened,
 - b. Take possession of or require to be delivered to it any property of the Insured in the building or on the premises at the time of the loss or damage,
 - c. Keep possession of any such property and examine, arrange, remove or otherwise deal with the same,
 - d. Sell any such property or dispose of the same for account of whom it may concern.

The powers conferred by this condition shall be exercisable by the Company at any time until notice in writing is given by the Insured that he makes no claim under the Policy, or if any claim is made, until such claim is finally determined or withdrawn, and the Company shall not by any act done in the exercise or purported exercise of

its powers hereunder, incur any liability to the Insured or diminish its rights to rely upon any of the conditions of this Policy in answer to any claim.

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

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

7. If the claim be in any respect fraudulent, or if any false declaration be made or used in support thereof or if any fraudulent means or devices are used by the Insured or any one acting on his behalf, to obtain any benefit under the Policy or if the loss or damage be occasioned by the willful act, or with the connivance of the Insured, all benefits under this Policy shall be forfeited.
8. If the Company at its option, reinstate or replace the property damaged or destroyed, or any part thereof, instead of paying the amount of the loss or damage, or join with any other company or insurer in so doing, the Company shall not be bound to reinstate exactly or completely but only as circumstances permit and in reasonably sufficient manner, and in no case, shall the Company be bound to expend more in reinstatement than it would have cost to reinstate such property as it was at the time of the occurrence of such loss or damage nor more than the sum insured by the Company thereon.

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

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

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

Each item of the Policy to which this condition applies shall be separately subject to the foregoing provision. Provided however that if the said Sum Insured in respect of such item(s) of the Schedule shall not be less than 85% (Eighty Five percent) of the value of the item(s) thereat, this condition shall be of no purpose and effect.

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

other person or persons covering the same property, this Company shall not be liable to pay or contribute more than its rateable proportion of such loss or damage.

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

12. ARBITRATION CLAUSE: The parties to the contract may mutually agree and enter into a separate Arbitration Agreement to settle any and all disputes in relation to this policy.

Arbitration shall be conducted under and in accordance with the provisions of the Arbitration and Conciliation Act, 1996.

13. Every notice and other communication to the Company required by these conditions must be written or printed.

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

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

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

15. Claim Clause/ Settlement of Claim:

- i. Claim Intimation: Connect with us via: Toll-free no: 18005723013, Email ID: customer.support@kshema.co.
- ii. File an FIR: In case of third-party property damage/bodily injury, fire etc. if applicable as per policy terms and conditions.
- iii. Surveyor Appointment: Your Claims Manager will contact you and appoint a licensed surveyor basis claim eligibility within 24 hours of reporting the claim.
- iv. Documents: submit documents to the assigned Surveyor.
List of documents which are necessary and relevant to the claim are as below:

- a. Claim bill / Claim Form duly filled up
- b. Photographs / Video of damaged property/item under claim
- c. Document/s in support of admissibility of the claim, for instance, Service Engineer's Report, Fire Brigade Report, etc.
- d. FIR / Final Police investigation report wherever applicable
- e. For items which are to be repaired or reinstated, repair/ replacement quotation, invoice and payment proofs for each and every item as claimed.
- f. For items which are under claim & not to be repaired or reinstated, documents substantiating the quantum & value of the items under claim
- g. Offer for retention of salvage, if any
- h. KYC / NEFT Details as per AML guidelines
- i. Invoice copy / Goods Receipt Note / Monetary Claim on carrier / Damage Certificate
- j. Any other document which may be specified by the surveyor post completion of initial survey
- v. Assessment Approval: Repair/Replacement details submitted in support of the claim will be assessed and approved by Claim manager/surveyor
- vi. Salvage: The amount that is assessed which the damaged asset will fetch in the open market (wherever applicable).

SPECIAL CONDITIONS TO SECTION I

1. Sums Insured

It is a requirement of this Insurance that the sums insured stated in this Schedule shall not be less than the cost of reinstatement as if such property (other than for stocks) were reinstated on the first day of the Period of Insurance which shall mean the cost of replacement of the insured items by new items in a condition equal to but not better or more extensive than its condition when new.

2. Basis of Loss Settlement:

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

2.1 Reinstatement or replacement shall mean:

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

2.2 Special Provisions

- I. The work of reinstatement (which may be carried out upon another site and in any manner suitable to the requirements of the Insured subject to the liability of the Company not being thereby increased) must be commenced and carried out within 12 months after the destruction or damage; otherwise, no payment beyond the amount

which would have been payable under the Policy if these Special Provisions had not been incorporated herein shall be made.

- II. Where any property is lost destroyed or damaged in part only the liability of the Company shall not exceed the sum representing the cost, which the Company could have been called upon to pay for reinstatement if such property had been wholly destroyed.
- III. Until the cost of reinstatement or replacement shall have been actually incurred, the amount payable under each of the items shall be calculated on the basis of the actual cash value of such items immediately before the loss destruction or damage with due allowance for depreciation for age, use and condition.

3. Debris Removal

This Policy covers the necessary expense for removal of debris of insured property from the described premises as a result of physical loss, destruction or damage insured against under this Policy. The Company's total liability for debris removal is limited to the amount entered in the Schedule.

SECTION II – BUSINESS INTERRUPTION

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

SPECIAL EXCLUSIONS TO SECTION II

1. This Policy does not cover loss resulting from interruption of or interference with the business directly or indirectly attributable to
 - 1.1 Any restrictions on reconstruction or operation imposed by any public authority
 - 1.2 The Insured's lack of sufficient capital for timely restoration or replacement of property lost, destroyed or damaged
 - 1.3 Loss of business due to causes such as suspension, lapse or cancellation of a lease, licence or order etc. which occurs after the date when the items lost, destroyed or damaged are again in operating condition and the business could have been resumed, if said lease, licence, order etc, had not lapsed or had not been suspended or cancelled.
 - 1.4 Damage to boilers, economizers, turbines or other vessels, machinery or apparatus, in which pressure is used or their contents resulting from their explosion or rupture.
 - 1.5 Electronic installations, computers and data processing equipment.
 - 1.6 Damage resulting from:
 - a. Deliberate erasure, loss, distortion or corruption of information on computer systems or other records programs or software.
 - b. Other erasure, loss, distortion or corruption of information on computer systems or other records, programs or software, unless resulting from fire, lightning, explosion, aircraft, impact by any road vehicle or animals, earthquake, hurricane, windstorm, flood, bursting, overflowing, discharging or leaking of water tanks apparatus or pipes in so far as it is not otherwise excluded unless caused by Damage to the machine or apparatus, in which the records are mounted.

1.7 Mechanical or electrical breakdown or derangement of machinery or equipment.

2. This Policy does not cover the deductible stated in the Schedule to be borne by the Insured.

BASIS OF INSURANCE

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

- a. In respect of Reduction in Turnover: The sum produced by applying the Rate of Gross Profit to the amount by which the Turnover during the Indemnity Period shall fall short of the Standard Turnover in consequence of the loss destruction or damage
- b. In respect of Increase in Cost of Working: the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the Reduction in Turnover, which but for that expenditure, would have taken place during the Indemnity Period in consequence of loss, destruction or damage, but not exceeding the sum produced by applying the Rate of Gross Profit to the amount of the reduction thereby avoided, less any sum saved during the Indemnity Period in respect of such of the charges and expenses of the business payable out of Gross Profit as may cease or be reduced, in consequence of loss, destruction or damage.

Provided that if the sum insured by this item be less than the sum produced by applying the Rate of Gross Profit to the Annual Turnover (or to a proportionately increased multiple thereof, where the Maximum Indemnity Period exceeds twelve months) the amount payable shall be proportionately reduced.

DEFINITIONS – Applicable to Section II

1. Gross Profit

The amount by which

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

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

2. Uninsured Working Expenses

The following variable expenses of the business are not covered by this Policy:

- a. Turnover and purchase taxes
- b. Purchases (less discounts received)
- c. Carriage, packing and freight.

3. Turnover

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

4. Indemnity Period

The period beginning with the occurrence of loss, destruction or damage and ending not later than the Maximum Indemnity Period thereafter, during which the results of the Business shall be affected in consequence thereof. Provided always that the Company is not liable for the amount equivalent to the Rate of Gross Profit applied to the Standard Turnover during the period of Time Exclusion of ____days as stated in the Schedule.

5. Rate of Gross Profit

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

6. Annual Turnover

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

6. Standard Turnover

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

PROVISIONS**Memo 1 – Benefits from Other Premises**

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

Memo 2 – Return of Premium

If the Insured declares at the latest nine months after the expiry of any Policy year that the Gross Profit earned during the accounting period of twelve months, most nearly concurrent with any Period of Insurance, was less than the sum insured thereon, a pro rata return of premium, not exceeding one third of the premium paid on such sum insured for such Period of Insurance shall be made in respect of difference.

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

Grievances Redressal Clause

If You have any query or grievance about any matter relating to the Policy, or Our decision on any matter, or the claim, You can address your grievance as follows:

1. For resolution of any query, You may contact the Policy issuing office by writing to Us at Kshema General Insurance Limited, Regd. Office:# 413, 4th Floor, My Home Tycoon, Kundan Bagh, Begumpet, Hyderabad, Telangana, India- 500016. or email Us at customer.support@kshema.co or through Kshema Application or call us at 1800 572 3013 (toll-free)
2. If You are not satisfied with the resolution provided, You may escalate to our E-mail grievance.cell@kshema.co or gro@kshema.co or call us at 1800 570 2998 (toll-free) or can write to us at Grievance Redressal Office, Kshema General Insurance Limited, Regd. Office:# 413, 4th Floor, My Home Tycoon, Kundan Bagh, Begumpet, Hyderabad, Telangana, India- 500016 or at the sub section "Grievance Redressal" on our website www.kshema.co.
3. If you are not satisfied with the resolution provided by us, you have the option to approach the Insurance Ombudsman for grievance redressal at <https://www.cioins.co.in>. Alternatively, you may also contact the Insurance Regulatory and Development Authority of India (IRDAI) through the Bima Bharosa Portal at <https://bimabharosa.irdai.gov.in> or via the IRDAI Grievance Call Centre (IGCC) at toll-free numbers 1800 4254 732 / 155255.

I. Insurance Ombudsman Offices in India:

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

S. No.	Location	Name of Ombudsman	Designation	Office of the Insurance Ombudsman,	Jurisdiction	Telephone No.	Email
1.	AHMEDABAD	Shri Collu Vikas Rao	Insurance Ombudsman	Jeevan Prakash Building, 6th floor, Tilak Marg, Relief Road, AHMEDABAD – 380 001.	Gujarat, Dadra & Nagar Haveli, Daman and Diu.	079 - 2550 1201/02	oio.ahmedabad@cioins.co.in
2.	BENGALURU	Ms Neerja Kapur	Insurance Ombudsman	Jeevan Soudha Building, PID No. 57-27-N-19 Ground Floor, 19/19, 24th Main Road, JP Nagar, 1st	Karnataka	080 - 2665 2048 / 2665 2049	oio.bengaluru@cioins.co.in

				Phase, Bengaluru – 560 078.			
3.	BHOPAL	Shri Ajay Kumar	Insurance Ombudsman	1st floor, "Jeevan Shikha", 60-B, Hoshangabad Road, Opp. Gayatri Mandir, Arera Hills Bhopal – 462 011.	Madhya Pradesh, Chhattisgarh	0755 - 2769 201 / 2769 202 / 2769 203	oio.bhopal@cioins.co.in
4.	BHUBANESWAR	Shri. Bimbadhar Pradhan	Insurance Ombudsman	62, Forest park, Bhubaneswar – 751 009.	Odisha	0674 - 2596 461 / 2596 455/2 5964 29/25 9600 3	oio.bhubaneswar@cioins.co.in
5.	CHANDIGARH	Ms Alka Jha	Insurance Ombudsman	Jeevan Deep Building SCO 20-27, Ground Floor Sector- 17 A, Chandigarh – 160 017.	Punjab, Haryana (excluding Gurugram, Faridabad, Sonapat and Bahadurgarh), Himachal Pradesh, Union Territories of Jammu & Kashmir, Ladakh & Chandigarh.	0172-2706 468	oio.chandigarh@cioins.co.in
6.	CHENNAI	Shri. K.Vinayak Rao	Insurance Ombudsman	Fatima Akhtar Court, 4th Floor, 453, Anna Salai, Teynampet, CHENNAI – 600 018.	Tamil Nadu, Puducherry Town and Karaikal (which are part of Puducherry).	044 - 2433 3668 / 2433 3678	oio.chennai@cioins.co.in

7.	DELHI	Ms Sunita Sharma	Insurance Ombudsman	2/2 A, Universal Insurance Building, Asaf Ali Road, New Delhi – 110 002.	Delhi & following Districts of Haryana - Gurugram, Faridabad, Sonapat & Bahadurgarh .	011 - 4601 3992/ 2321 3504/ 2323 2481	oio.delhi@cioins.co.in
8.	GUWAHATI	Shri. Ajay Kumar Sharma	Insurance Ombudsman	Jeevan Nivesh, 5th Floor, Nr. Panbazar over bridge, S.S. Road, Guwahati – 781001(ASSAM).	Assam, Meghalaya, Manipur, Mizoram, Arunachal Pradesh, Nagaland and Tripura.	0361 - 2632 204 / 2602 205 / 2631 307	oio.guwahati@cioins.co.in
9.	HYDERABAD	Ms G Shobha Reddy	Insurance Ombudsman	6-2-46, 1st floor, "Moin Court", Lane Opp. Saleem Function Palace, A. C. Guards, Lakdi-Ka-Pool, Hyderabad - 500 004.	Andhra Pradesh, Telangana, Yanam and part of Union Territory of Puducherry.	040 - 2331 2122 / 2337 6991 / 2337 6599 / 2332 8709 / 2332 5325	oio.hyderabad@cioins.co.in
10.	JAIPUR		Insurance Ombudsman	Jeevan Nidhi – II Bldg., Gr. Floor, Bhawani Singh	Rajasthan	0141 - 2740 363	oio.jaipur@cioins.co.in

		Shri Satyajee t Rajan		Marg, Jaipur - 302 005.			
11.	KOCHI	Shri Pradeep Kumar Jain	Insurance Ombudsman	10th Floor, Jeevan Prakash, LIC Building, Opp to Maharaja's College Ground, M.G. Road, Kochi - 682 011.	Kerala, Lakshadweep, Mahe-a part of Union Territory of Puducherry.	0484 - 2358 759	oio.ernakulam@coins.co.in
12.	KOLKATA	Ms Kiran Sahdev	Insurance Ombudsman	Hindustan Bldg. Annexe, 4th Floor, 4, C.R. Avenue, KOLKATA - 700 072.	West Bengal, Sikkim, Andaman & Nicobar Islands.	033 - 2212 4339 / 2212 4341	oio.kolkata@coins.co.in
13.	LUCKNOW	Shri. Atul Sahai	Insurance Ombudsman	6th Floor, Jeevan Bhawan, Phase-II, Nawal Kishore Road, Hazratganj, Lucknow - 226 001.	Districts of Uttar Pradesh: Lalitpur, Jhansi, Mahoba, Hamirpur, Banda, Chitrakoot, Allahabad, Mirzapur, Sonbhadra, Fatehpur, Pratapgarh, Jaunpur, Varanasi, Gazipur, Jalaun, Kanpur, Lucknow, Unnao, Sitapur, Lakhimpur, Bahraich,	0522 - 4002 082 / 3500 613	oio.lucknow@coins.co.in

					Barabanki, Raebareli, Sravasti, Gonda, Faizabad, Amethi, Kaushambi, Balrampur, Basti, Ambedkarna gar, Sultanpur, Maharajgang , Santkabirna gar, Azamgarh, Kushinagar, Gorkhpur, Deoria, Mau, Ghazipur, Chandauli, Ballia, Sidharathna gar.		
14.	MUMBAI	Ms Sarojini S Dikhale	Insurance Ombudsman	3rd Floor, Jeevan Seva Annexe, S. V. Road, Santacruz (W), Mumbai - 400 054.	Metropolitan Region excluding wards in Mumbai – i.e M/E, M/W, N , S and T covered under Office of Insurance Ombudsman Thane and areas of Navi Mumbai.	022 - 6903 8800/ 27/29 /31/3 2/33	oio.mumbai@ciojns.co.in
15.	NOIDA	Shri Bimbadhar Pradhan	Insurance Ombudsman	Bhagwan Sahai Palace, 4th Floor, Main Road, Naya Bans, Sector 15, Distt: Gautam Buddh Nagar, U.P- 201301.	State of Uttarakhand and the following Districts of Uttar Pradesh:	0120- 2514 252 / 2514 253	oio.noida@ciojns.co.in

					Agra, Aligarh, Bagpat, Bareilly, Bijnor, Budaun, Bulandshehar, Etah, Kannauj, Mainpuri, Mathura, Meerut, Moradabad, Muzaffarnagar, Oraiyya, Pilibhit, Etawah, Farrukhabad, Firozbad, Gautam Buddh nagar, Ghaziabad, Hardoi, Shahjahanpur, Hapur, Shamli, Rampur, Kashganj, Sambhal, Amroha, Hathras, Kanshiramnagar, Saharanpur.		
16.	PATNA	Ms Susmita Mukherjee	Insurance Ombudsman	2nd Floor, Lalit Bhawan, Bailey Road, Patna 800 001.	Bihar, Jharkhand.	0612- 2547 068	oio.patna@cioins.co.in
17.	PUNE	Shri Sunil Jain	Insurance Ombudsman	Jeevan Darshan Bldg., 3rd Floor, C.T.S. No's. 195 to 198, N.C. Kelkar Road, Narayan	State of Goa and State of Maharashtra excluding areas of Navi	020- 2447 1175	oio.pune@cioins.co.in

				Peth, Pune – 411 030.	Mumbai, Thane district, Palghar District, Raigad district & Mumbai Metropolitan Region		
18.	THANE	Shri Umesh Sinha	Insurance Ombudsman	2nd Floor, Jeevan Chintamani Building, Vasant Rao Naik Mahamarg, Thane (West)- 400604	Area of Navi Mumbai, Thane District, Raigad District, Palghar District and <u>wards of Mumbai</u> , M/East, M/West, N, S and T."	022-2081 2868/69	oio.thane@cioins.co.in

*Note: As the above ombudsmen contact details shall change from time to time, suggest the customer to refer the IRDAI website <https://irdai.gov.in/> for an updated list.

Kshema Industrial All Risk Insurance Policy

Tariff Clauses

Following clauses may be attached to the “Kshema Industrial All Risk Insurance Policy” by adjusting or providing additional Sum Insured where applicable: -

1. AGREED BANK CLAUSE:

It is hereby declared and agreed: -

- That upon any monies becoming payable under this policy the same shall be paid by the Company to the Bank and such part of any monies so paid as may relate to the interests of other parties insured hereunder shall be received by the Bank as Agents for such other parties.
- That the receipts of the Bank shall be complete discharge of the Company therefor and shall be binding on all parties insured hereunder. N.B: The Bank shall mean the first named Financial Institution/Bank named in the policy.
- That if and whenever any notice shall be required to be given or other communication shall be required to be made by the Company to the insured or any of them in any matter arising under or in connection with this policy, such notice or other communication shall be deemed to have been sufficiently given or made if given or made to the Bank.

- d) That any adjustment, settlement, compromise or reference to arbitration in connection with any dispute between the Company and the insured or any of them arising under or in connection with this policy if made by the Bank shall be valid and binding on all parties insured hereunder but not so as to impair the rights of the Bank to recover the full amount of any claim it may have on other parties insured hereunder. e. That this insurance so far only as it relates to the interest of the Bank therein shall not cease to attach to any of the insured property by reason of the operation of Condition (3) of Policy except where a breach of the condition has been committed by the Bank or its duly authorised agents or servants and this insurance shall not be invalidated by any act or omission on the part of any other party insured whereby the risk is increased or by anything being done to upon or in any building hereby insured or any building in which the goods insured under the policy are stored without the knowledge of the Bank provided always that the Bank shall notify the Company of any change of ownership or alteration or increase of hazards not permitted by this insurance as soon as the same shall come to its knowledge and shall on demand pay to the Company the necessary additional premium from the time when such increase of risk first took place f. It is further agreed that whenever the Company shall pay the Bank any sum in respect of loss or damage under this policy and shall claim that as to the Mortgagor or Owner no liability therefor existed, the Company shall become legally subrogated to all the rights of the Bank to the extent of such payment but not so as to impair the right of the Bank to recover the full amount of any claim it may have on such Mortgagor or Owner or any other party or parties insured hereunder or from any securities or funds available. NOTE :- In cases where the name of any Central Government or State Govt. owned and/or sponsored Industrial Financing or Rehabilitation Financing Corporation and/or Unit Trust of India or General Insurance Corporation of India and/or its subsidiaries or L.I.C. of India is included in the title of the Fire Policy as mortgagees, the above Agreed Bank Clause may be incorporated in the policy substituting the name of such institution in place of the word 'Bank' in the said clause.

2. ARCHITECTS', SURVEYORS' AND CONSULTING ENGINEERS' FEES CLAUSE:

It is hereby declared that the amount insured on building, machinery, accessories and equipment is understood to include Architects', Surveyors' and Consulting Engineers' Fees for Plans, Specifications, Tenders, Quantities and Service in connection with the superintendence of the reinstatement of the building, machinery, accessories and equipment Insured under this policy but it is understood that this does not include any costs in connection with the preparation of the Insured's claim or estimate of loss in the event of damage by Insured Perils and further that the amount payable in respect of Architects', Consulting Engineers' fees for service and superintendence of the reinstatement of the building, machinery, accessories and equipment insured shall not exceed on the amount paid for loss on the building, machinery, accessories and equipment insured by the policy.

3. DESIGNATION OF PROPERTY CLAUSE:

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

4. **ESCALATION CLAUSE:** In consideration of the payment of an additional premium amounting to 50% of the premium produced by applying the specified percentage to the

first of the annual premium as appropriate on the undernoted item(s) the Sum(s) Insured shall, during the period of insurance, be increased day by day by an amount representing 1/365th of the specified percentage increase per annum.

Item Number _____ Specified Percentage increase per annum _____

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

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

- i. the sums to be insured under each item above, but in the absence of such instructions the Sums Insured by the above items shall be those stated on the policy (as amended by any endorsement effective prior to the renewal date) to which shall be added the which have accrued under this Clause during the period of insurance up to that renewal date, and
- ii. the specified percentage increase(s) required for the period of insurance, but in the absence of instructions to the contrary prior to renewal date the existing percentage increase shall apply for the period of insurance from renewal. All the conditions of the policy in so far as they may be hereby expressly varied shall apply as if they had been incorporated herein.

5. OMISSION TO INSURE ADDITIONS, ALTERATIONS OR EXTENSIONS CLAUSE:

The Insurance by this Policy extends to cover Buildings and/or Machinery, Plant and other Contents as defined in Columns hereof which the insured may erect or acquire or for which they may become responsible: -

- a) at the within described premises
- b) for use as factories

i. The liability under this Extension shall not exceed in respect of

- (a) above, 5% of the Sum Insured by each item, in respect of
- (b) above, 5% of the Sum Insured by item No.

ii. The Insured shall notify the Insurer 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 insurers in respect of any Building, Machinery, Plant or other Contents while such property is otherwise insured. N.B.:

- I. An additional premium on the Sum Insured on Buildings and/or Machinery, Plant and other Contents as stated in the above clause should be collected in advance.
- II. All new additions to Buildings and/or Machinery and Plant not specifically insured/ included during the currency of the policy should be declared at the end of the year and suitable additional premium paid on pro-rata basis from the date of completion of the construction/erection of additions subject to adjustment against

the advance premium collected as stated in N.B. 1 above. If the insured fails to declare the value of such additions within 30 days after the expiry of the policy there shall be no refund of the advance premium collected.

- III. 'Other Contents' in the above clause shall mean 'Furniture and Fittings' and does not include 'Stocks'.

6. TEMPORARY REMOVAL OF STOCKS CLAUSE:

It is agreed that the stock insured hereby not exceeding 10% of the total sum insured of such stock is covered while temporarily removed to any other premises for purposes of fabrication or processing or finishing or other similar purposes. This extension does not apply to stock if and so far as it is otherwise insured.

The pro-rata condition of average should be applied to the limit of stocks temporarily removed as well as to the total sum insured of such stock under the policy.

7. SABOTAGE AND TERRORISM DAMAGE COVER ENDORSEMENT - MATERIAL DAMAGE AND LOSS OF PROFIT WITH EFFECT FROM 1st APRIL, 2021

INSURING CLAUSE

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

- i. Physical loss or physical damage occurring during the period of this Policy caused by an act of sabotage and/or terrorism to the location/s mentioned in the schedule, subject to the exclusions, limits and excess hereinafter contained,

For the purpose of this cover, an act of sabotage and / or terrorism means an act or series of acts, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), or unlawful associations, recognized under Unlawful Activities (Prevention) Amendment Act, 1967 (as amended from time to time) or any other related and applicable national or state legislation formulated to combat unlawful and terrorist activities in the nation for the time being in force, committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public or any section of the public in fear for such purposes.

For the purpose of this cover, an act of sabotage means a subversive act or series of such acts committed for political, religious or ideological purposes including the intention to influence any government and/or to put the public in fear for such purposes.

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

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

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

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

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

LOSSES EXCLUDED

(A) For Materials Damage

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

1. loss by seizure or legal or illegal occupation;
2. loss or damage caused by:
 - a. voluntary abandonment or vacation,
 - b. confiscation, commandeering, nationalisation, requisition, detention, embargo, quarantine, or any result of any order of public or government authority, which deprives the Insured of the use or value of its property;
3. loss or damage arising from acts of contraband or illegal transportation or illegal trade;
4. loss or damage directly or indirectly arising from or in consequence of the seepage and or discharge of pollutants or contaminants, which pollutants and contaminants shall include but not be limited to any solid, liquid, gaseous or thermal irritant, contaminant or toxic or hazardous substance or any substance the presence, existence or release of which endangers or threatens to endanger the health, safety or welfare of persons or the environment;
5. loss or damage arising directly or indirectly from or in consequence of chemical or biological emission, release, discharge, dispersal or escape or chemical or biological exposure of any kind;
6. loss or damage arising directly or indirectly from or in consequence of asbestos emission, release, discharge, dispersal or escape or asbestos exposure of any kind;

7. any fine, levy, duty, interest or penalty or cost or compensation/damages and/or other assessment which is incurred by the Insured or which is imposed by any court, government agency, public or civil authority or any other person;
8. loss or damage by electronic means including but not limited to computer hacking or the introduction of any form of computer virus or corrupting or unauthorised instructions or code or the use of any electromagnetic weapon. This exclusion shall not operate to exclude losses(which would otherwise be covered under this Policy) arising from the use of any computer, computer system or computer software programme or any other electronic system in the launch and/or guidance system and/or firing mechanism of any weapon or missile;
9. loss or damage caused by vandals or other persons acting maliciously or by way of protest or strikes, labour unrest, riots or civil commotion ;
10. loss or increased cost occasioned by any public or government or local or civil authority's enforcement of any ordinance or law regulating the reconstruction, repair or demolition of any property insured hereunder;
11. any consequential loss or damage, loss of use, delay or loss of markets, loss of income, depreciation, reduction in functionality, or increased cost of working;
12. loss or damage caused by factors including but not limited to cessation, fluctuation or variation in, or insufficiency of, water, gas or electricity supplies and telecommunications or any type of service;
13. loss or increased cost as a result of threat or hoax;
14. loss or damage caused by or arising out of burglary, house - breaking, looting, theft, larceny or any such attempt or any omission of any kind of any person (whether or not such act is committed in the course of a disturbance of public peace) in any action taken in respect of an act of sabotage and/or terrorism;
15. loss or damage caused by mysterious disappearance or unexplained loss;
16. loss or damage directly or indirectly caused by mould, mildew, fungus, spores or other micro-organism of any type, nature or description, including but not limited to any substance whose presence poses an actual or potential threat to human health;
17. total or partial cessation of work or the retardation or interruption or cessation of any processor operations or omissions of any kind;
18. Any loss due to fines or damages for breach of contract or penalties of whatever nature;
19. Any infidelity, fraudulent, dishonest or criminal act by any director, officer or trustee of the Insured whether acting alone or in collusion with others;
20. Any debt, insolvency or commercial failure, whether to provide bond or security or otherwise, or any other financial cause of any party or person whatsoever.
21. loss or damage caused by Civil Commotion, Insurrection, Revolution or Rebellion, Mutiny and/or Coup d'Etat and Civil War except as may be insured specifically under any Political Violence Extension to this cover ;
22. Third party liability howsoever arising except as may be insured specifically under any Third-Party Liability Extension to this cover.

(B) For Loss of Profit

This cover shall not indemnify:-

1. increase in loss resulting from interference at the insured premises, by terrorists or other persons, with rebuilding, repairing or replacing the property or with the resumption or continuation of operation;

2. increase in loss caused by the suspension, lapse, or cancellation of any lease, licence, contract, or order, unless such results directly from the insured interruption of business, and then the Company shall be liable for only such loss as affects the Insured's earnings during, and limited to, the period of indemnity covered under this Policy;
3. increase in loss caused by the enforcement of any ordinance or law regulating the use, reconstruction, repair or demolition of any property insured hereunder;
4. the Insured's lack of sufficient capital for timely restoration or replacement of property lost destroyed or damaged;
5. loss resulting from:
 - a) deliberate erasure, loss, distortion or corruption of information on computer systems or other records, programmes or software;
 - b) other erasure, loss, distortion or corruption of information on computer systems or other records, programmes or software unless caused by damage to the machine or apparatus in which the records are mounted;
6. loss resulting from alterations, additions, improvements, rectification of defects or faults or elimination of any deficiencies carried out after the physical loss;
7. loss of market or any other consequential loss.
8. loss as a result of physical or mental or bodily injury to any person.
9. loss arising from Contingent Business Interruption Extension of Business Interruption/Loss of Profit Section under this policy, comprising of Customers and Suppliers premises, Prevention of Access and Public Utilities.

LIMIT OF INDEMNITY

The limit of indemnity under this cover shall not exceed the Total Sum Insured for Material Damage and Loss of Profits given in the Policy Schedule or ₹ 20,000,000,000 per compound/location whichever is lower.

In respect of several locations being covered under a single policy on a floater basis, the maximum aggregate loss suffered for Material Damage and Loss of Profits from all the locations mentioned in the Policy schedule shall not exceed Total Sum Insured as mentioned in the Policy Schedule or ₹ 20,000,000,000/- whichever is lower.

In respect of several insurance policies within the same compound/location with one or different insurers, the maximum aggregate loss payable per compound/location by anyone or all insurers shall be ₹ 20,000,000,000 for Material Damage and Loss of Profits. If the actual aggregate loss suffered at one compound/location is more than ₹ 20,000,000,000 for Material damage and Loss of Profits, the amounts payable towards individual policies shall be reduced in proportion to the sum insured of the policies.

EXCESS

A. For material damage*

Shops & Residential Risks: 1% of the claim amount for each and every claim subject to Minimum of ₹ 10,000 and Maximum of ₹ 500,000

Non-Industrial Risks: 1% of the claim amount for each and every claim subject to Minimum of ₹ 25,000 and Maximum of ₹ 1,000,000

Industrial Risks: 5% of the claim amount for each and every claim subject to Minimum of ₹ 100,000 and Maximum of ₹ 25,00,000

*Whichever is applicable.

B. For Loss of Profit

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

ADD ON COVERS

It is further declared and agreed that the limit of indemnity including the claim on add on cover(s) shall not exceed total sum insured plus separate sublimit opted for add on cover(s) or ₹ 20,000,000,000 whichever is lower. In respect of several insurance policies with in the same compound /location, the maximum aggregate loss payable per compound/location by any one or all insurers shall be ₹ 20,000,000,000.

MID TERM COVER

In case the coverage under this endorsement is granted during the currency of the policy, no claims will be payable for loss or damage to property caused by an act of sabotage and/or terrorism occurring during the first 15 (fifteen) days from the date of granting such cover. There should be no known or recorded/reported losses from ground up including threats/hoaxes from date of inception of policy to the date of granting such cover.

SANCTION, LIMITATION AND EXCLUSION CLAUSE

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

CANCELLATION CLAUSE

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

If the cancellation is for any other purpose, refund of premium will only be allowed after charging short term scale rates.

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

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