

# FIRE ADD-ON COVERS (ADDITIONAL BENEFIT / PERIL)



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### 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 as respects the following:
- (1) All sums due to insured from their customers,
  - (2) Interest charges on any loan to offset such impaired collections pending repayment of those sums made non- collectible by loss or damage;
  - (3) Collection expense in excess of normal collection cost and made necessary because of loss of accounts receivable;
  - (4) Other expenses, when reasonably incurred by insured in reestablishing records of accounts receivable following loss in respect of this policy.

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:
- (1) 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 reestablishing 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.
  - (2) 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.

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

### Additional Custom Duty Clause

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon, that this section extends to indemnify the insured in respect of any additional / extra Import / Customs duties in excess of % of custom duty already included in the sum insured, incurred in the event of a claim for which indemnity is provided by this section of the policy or which would have been, but for an application of Insured's Retained Liability, indemnified.

The Indemnity for such Additional Custom Duty will stand reduced after occurrence of the claim unless reinstated by payment of an additional premium prescribed by The Company.

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

### Archives

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon, that the insurance under this Policy is extended to cover reasonable costs incurred in the reconstruction of archives, record account documents, plans, computer programs and data, subject to back up copies / records being maintained in a safe and secure place.

The Company shall, however, not be liable for any costs arising from false programming, punching, labeling or inserting, inadvertent canceling of information or discarding of data media, and from loss of information caused by magnetic fields.

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

### **Plan and Specification 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 indemnify the Insured in this respect of the cost of re-writing or re-drawing plans or specifications of the property insured under this Policy when such plans or specification are lost or damaged by any cause not excluded by this Policy and the insured needs to have them re-drawn or re-written.

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

### **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 as specified in The Schedule

### **Catalyst and Consumable (including lining and refractory) interest in process**

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon, that loss of or damage to catalysts and consumable materials including lining and refractory in the course of process are covered to a maximum limit as specified in the Schedule. This extension also covers loss and/or damage of catalysts due to its sudden poisoning /deactivation by a cause not excluded under the policy.

Basis of Indemnity – Actual Cash value (i.e. the residual value)

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

### **Civil Authorities 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 insure against increased cost of reconstruction occasioned by any Civil Authority's enforcement of any ordinance or law regulating the reconstruction, repair or demolition of any property insured hereunder following an indemnifiable loss.

Subject to the limit of sum insured, property which is insured under this policy of insurance is also covered against the risk of damage or destruction by civil authority during a conflagration and for the purpose of retarding the same provided that neither such conflagration nor such damage or destruction is caused or contributed to by war, invasion, revolution, rebellion, insurrection or warlike operations as more fully described in policy elsewhere.

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

### **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.

### **Plans, Documents and Computer Systems Records**

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 as well as its regeneration, 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 covered under Material Damage Section (All risk or Machinery Breakdown) of the policy.
2. Data / software backup being kept in fireproof safe.
3. 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, loading or printing.
  - e. Consequential loss of any kind

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

### **Contamination and Co-mingling of Stocks**

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon, that the insurance under the Policy shall extend to cover loss or damage to stocks as a result of accidental contamination and/or accidental co-mingling arising from a cause not otherwise excluded in the Policy, whilst in the Insured's care, custody or control.

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

### **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.

### **Minor Works**

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon, that this policy is extended to cover physical loss or damage to minor alterations and/ or construction and/ or re-construction and/ or additions and/ or maintenance and/ or modifications and/ or work which is 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 property which, at the time of the happening of such loss or damage, is insured, but for the existence of this policy, by any project insurance policy or policies.

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

### **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 upto 4 weeks and commissioning and with a Sum Insured of upto limit specified in the schedule any one project and in the aggregate for the policy period. At the option of the insured, the interests of the contractors and / or subcontractors 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:

- l. 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.

### **Cost of Re-writing Records Clause**

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon, the insurance hereby extends to indemnify the insured the cost, charges and expenses incurred in replacement or restoring documents but only for the value of the material and not for their value to the insured, which may have been destroyed, damaged or mislaid.

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, coupons, bank currency notes or other negotiable instruments shall be deemed to be excluded from this insurance.

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

### **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 500 meters 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.

### **Decontamination Expenses and Cost of Clean Up**

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon, that if insured property is contaminated as a direct result of physical loss or damage by a peril insured against under this Policy and there is in force at the time of such physical loss or damage any law or ordinance regulating contamination, including but not limited to the presence of pollution or hazardous material, then this Policy is extended to cover, 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 loss or damage.

The Company shall not be liable for the costs required for removing contaminated uninsured property nor the contaminant therein or thereon, whether or not the 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.

### **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 Personal Property of the insured sold by the Insured under a conditional sale or trust agreement or any installment 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.

### **Destruction of Sound Property**

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon, that the insurance by this Policy extends to cover the cost of destruction and subsequent replacement of undamaged property or undamaged portions of property, if such destruction is solely necessary in order to carry out repairs or reinstatement of the property insured by this Policy and for which The Company has admitted liability. Provided that this shall not include any work necessary to undamaged property to comply with any act, regulation or by-law of any local or Public Authority.

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

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

### **Errors and Omissions**

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 caused by a loss to property on the insured location which is not payable under this Policy because of an unintentional omission or error by the Insured, at the time of policy inception, in the description or inclusion of any property to declare the same as an insured property; but only to the extent The Company would have provided coverage had the unintentional omission or error not been made.

Insured must report any unintentional omission or error as soon as possible.

This coverage does not apply if there is coverage available under any of the provisions, endorsements, add-on covers of this Policy.

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

### **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.

### **Expediting Expenses**

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 loss insured hereunder The Company shall also pay, in addition to the indemnity otherwise provided, the reasonable extra cost of safeguarding, preserving, temporary repair and of expediting the repair of such damaged property, including overtime and extra cost of express and other rapid means of transportation.

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

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

### **Fire Fighting Expenses**

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 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 –

1. 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 wages and the like 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.

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

### **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.

### **Landscaping Cover**

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 damages to growing plants, shrubs, garden plots and lawns (including rock work and ornamentation and edging pertaining thereto) on locations insured by this Policy and damaged by the operation of any peril not excluded in the Policy. The policy shall reimburse cost of reinstatement of damaged property including expenses necessarily incurred in cleaning, clearing and/or repairing drains, gutters, sewers and the like surrounding and within Buildings.

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

### **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.

### **Properties under Consignment, Care, Custody and Control / Hire Purchase or Lease Agreement**

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon, that certain items of the Property may be the subject of hire purchase lease or other agreements and the interest of the other parties to these agreements is noted in this Insurance, provided the nature and extent of such interest is 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 indemnity provided herein shall be subject to the limit of indemnity as specified in The Schedule.

### **Inadvertent Omission**

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

the Insured having notified The Company of their intention to insure all property in which they are interested and it being their belief that all such property is insured, if hereinafter any such property shall be found to have been inadvertently omitted, The Company will deem it to be insured within the terms of the Policy, up to the limit of indemnity specified in the schedule, provided that such property is declared to The Company immediately upon discovery of omission. No refund of premium would be allowed under this cover.

### **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, provide 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.

### **Master Key Coverage**

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 indemnify the Insured for expenses incurred for the replacement or resetting of locks or keys and the increased cost of security required to protect property until the replacement or resetting of locks or keys has been completed, following burglary, robbery or mysterious disappearance of master keys.

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

### **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.

### **Leak Search and Finding Cost**

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon, that in addition to indemnifiable costs of repair or replacement The Company will indemnify the insured for the cost and expenses necessarily and reasonably incurred in locating and obtaining access to any part or parts of the Insured property in order to locate and repair leaks or other damages.

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

### **Leakage & Overflowing 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 the loss of stock caused by sudden and accidental leakage and/or overflowing from any storage tank or vessel, pipeline.

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

### **Leakage of Firefighting Equipment**

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



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

#### **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 premium shall be proportionately increased for the unexpired term of the Policy for the increase in values when such an adjustment becomes applicable.

#### **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.

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.

#### **Property of Employees and Visitors/Personal Effects**

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon, that this Policy covers direct physical loss of or damage in respect of the personal effects (except vehicles) owned by Insured, Insured's officers, partners, employee or of others in Insured's care, custody or control when at a premises described in the Schedule. The coverage does not apply to theft from any vehicle.

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

#### **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 where there results in the event of the loss 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.

#### **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.

#### **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.

#### **Property not on The Insured Premises / Offsite Premises**

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 property (Machineries /Equipment's and Stocks) of the insured temporarily stored in unspecified locations outside the insured premises subject to these properties being part of the declared Sum Insured. This cover is subject to Territorial scope as specified in the policy.

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

#### **Waiver of Underinsurance**

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon, that if in the event of loss or damage, it is found that the sum insured is less than the amount required to be insured, then the amount recoverable by the insured under this section shall be reduced in such proportion as the sum insured bears to the amount required to be insured. Provided, however, if the said sum insured in respect of such item(s) of the schedule shall not be less than 85% of the value of the item(s) thereat, this condition shall be of no purpose and effect.

#### **Precautionary Measures**

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon, that this Policy covers reasonable and necessary cost as incurred by the Insured, because of precautionary measures the Insured is obliged to take for the prevention of danger with regard to the public security, if insured property is destroyed or damaged by any perils hereby insured against.

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

#### **Preservation of Property**

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 insured against by this Policy, the expenses incurred by the Insured in taking reasonable and necessary actions for the temporary protection and preservation of property insured hereunder shall be added to the total physical loss or damage to such insured property, if any, otherwise recoverable under the Policy.

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

#### **Professional Fees**

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

the insurance by the policy shall include an amount in respect of Architects' surveyors' and consulting engineers and Legal and other fees necessarily incurred in the reinstatement of the property insured consequent upon its destruction or damage but not for preparing any claim.

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

#### **Protection and Preservation of Property /Imminent Damage Protection Clause**

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 and be subject to the applicable deductible without increase in the limit provisions contained in this Policy.

The expenses so incurred shall be borne by the Insured and The Company proportionally to the extent of their respective interests. The Company's portion of such expenses shall be limited to the extent that such expenses reduce loss which would otherwise be payable under this Policy.

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

#### **Public Authority 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 include such additional cost of the destroyed or damaged property hereby insured as may be incurred solely by reason of the necessity to comply with Building or other Regulations under or framed in pursuance of any Government Act or Bye-laws of any Municipal or Local Authority provided that

- 1) The amount recoverable under this extension shall not include
  - a) The cost incurred in complying with any of the aforesaid Regulations or Bye-laws
    - i. in respect of loss destruction or damage occurring prior to the granting of this extension
    - ii. in respect of loss destruction or damage not insured by the Policy
    - iii. under which notice has been served upon the Insured prior to the happening of the loss destruction or damage
    - iv. in respect of undamaged property or undamaged portions of the property
  - b) the additional cost that would have been required to make good the property lost damaged or destroyed to a condition equal to its condition when new had the necessity to comply with any of the aforesaid Regulations or Bye-Laws not arisen
  - c) the amount of any rate /tax /duty/ development or other charge or assessment arising out of capital appreciation which may be payable in respect of the property or by the owner thereof by reason of compliance with any of the aforesaid Regulations or Bye-laws.
- 2) The work of reinstatement must be commenced and carried out with reasonable dispatch and in any case must be completed within twelve months after the loss destruction or damage or within such further time as The Company may (during the said twelve months) in writing allow and may be carried out wholly or partially upon another site (if the aforesaid Regulations or Bye-laws necessitate) subject to the liability of The Company under this extension not being thereby increased.
- 3) If the liability of The Company under (any item of) the Policy apart from this extension shall be reduced by the application of any of the terms and conditions of the Policy then the liability of The Company under this extension (in respect of any such item) shall be reduced in like proportion.
- 4) Maximum indemnity provided herein shall be subject to the limit of indemnity as specified in The Schedule subject to the total amount recoverable under any item of the Policy not exceeding the sum insured thereby.
- 5) All the conditions of the Policy except insofar as they may be hereby expressly varied shall apply as if they had been incorporated herein.

#### **Shutdown / Startup Costs**

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon, that on the occurrence of an event which leads to a damage or loss covered under material damage section, this Policy of Insurance

covers actual loss sustained due to specified start-up / shut-down costs for power and utilities such as electricity, water, steam, gas as well as feedstock, fuels or combustibles to re-establish the plant in the operational state it was at the time of the damage in a normal start-up procedure and subject to the sublimit entered in The Schedule.

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

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

### **Sprinkler upgrading Costs**

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon, that in the event of damage to a sprinkler installations then this policy shall cover such additional costs for repair of such sprinkler installation such costs shall include inter alia the provision of any additional pipe work, pumps, tanks and the cost of associated building works. The damage to other property caused by leakage of water from sprinkler installation is not covered under this extension and sub limit.

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

### **Temporary Protection 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 the cost of temporary protection reasonably and necessarily incurred for the safety and protection of insured property following loss, damage or destruction, subject to the sublimit as specified in The Schedule.

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

### **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 sublimit 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.

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

### **Temporary Repair Costs**

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon, this policy is extended to cover the reasonable and necessary costs incurred to pay for the temporary repair of the damaged insured property and to expedite the permanent repair or replacement of such damaged property.

This additional coverage does not cover costs:

- I. Recoverable elsewhere in this policy; or
- II. Of permanent repair or replacement of damaged property
- III. leak search cost

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

### **Trace & Access**

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon, that in addition to indemnifiable costs of repair or replacement The Company will indemnify the Insured for the cost and expenses

necessarily and reasonably incurred in locating and obtaining access to any part or parts of the Insured property in order to locate and repair leaks or other damages.

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

### **Unrepaired Damage**

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

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

### **Valuable Papers and Records**

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 for the purpose of this Policy to Valuable Papers and Records at the premises described in the Schedule. Company will pay for the value, blank and Insured's necessary costs to research, replace or restore the information lost or damaged thereon, including those which exist on electronic or magnetic media that are Insured's property or the property of others in Insured's care, custody or control. This coverage does not apply to loss or damage to property that cannot be repaired or restored with like kind or quality. Company will pay no more than the limit of liability as stated in The Schedule. Only for the purpose of this endorsement, valuable papers and records is defined as follows:

**Valuable Papers and Records :** inscribed or printed or written documents and manuscripts or records, including abstracts, books, deeds, drawings, films, maps, mortgages, prints and tracings, computer programs, card index systems, files, tapes, discs, drums, cells and other magnetic recordings or storage media for electronic data processing; but Valuable Papers and Records does not mean money or securities.

### **Deliberate Damage**

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon, that this insurance covers physical loss of property insured or expenses incurred by the insured, directly caused by any act or order of any governmental authority acting under the powers vested in them to prevent or mitigate the damage or imminent damage or threat thereof, resulting directly from damage to the property insured, provided such act of governmental authority has not resulted from lack of due diligence by the insured to prevent or mitigate such hazard or threat, thereof and 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.

### **Removal of Debris**

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon, It is further agreed that this policy includes the cost and expenses of clearing debris, including the cost of cleanup, after loss, destruction or damage by a contingency insured hereunder including but not limited to the costs and expenses actually incurred in the necessary dismantling, removal, demolition, shoring up or propping, clearance of drains and sewers temporary boarding up of the property so destroyed or damaged including undamaged portions and the removal of debris (including the removal of contents whether damaged or undamaged) provided that:

- I. Such costs are not recoverable under any other policy of insurance.
- II. No liability is assumed for the expense of removal of any property or part thereof, the removal of which is solely required by any government law of public ordinance.

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

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

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

### 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 limit of indemnity as specified in The Schedule.

### Additional increased Cost of Working

It is hereby agreed and declared that notwithstanding anything contained herein to the contrary, 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.

### Customers, Suppliers and Fabricators Extension

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 Insured's loss of Gross Profit resulting from damage due to

- a) Fire, Lightning, Explosion and Aircraft Damage (FLEXA) and Act Of God (AOG) perils for direct & named onshore Indian suppliers, customers & fabricators: Limit % (as mentioned in the schedule) of BI sum insured each and every loss and in aggregate
- b) FLEXA perils for direct & named onshore foreign suppliers & customers & fabricators: Limit % (as mentioned in the schedule) of BI sum insured each and every loss and in aggregate
- c) FLEXA perils for direct & unnamed onshore Indian suppliers & customers & fabricators: Limit % (as mentioned in the schedule) of BI sum insured each and every loss and in aggregate

There is no cover for unnamed foreign suppliers & customers as well as offshore suppliers & customers of any kind.

Definition of "Direct" will be as mentioned below:

"Direct" shall mean any company having a direct contractual relationship with the insured(s) which materializes and manifests itself by / in the direct and actual physical supply, transfer or exchange of goods and/or utilities to the insured(s), without any involvement or value added by any third party supplier or customer resulting in the alteration, transformation or modification of the physical or chemical properties of the supply, goods or utilities before it is finally supplied, transferred or exchanged with the insured(s).

For the purposes of the meaning of Direct, this limitation does not apply to any third party logistic companies or transportation companies who supply or transfer such goods or utilities to the insured (s) and whose role is solely limited to only transport or logistical services. "Act Of God (AOG)", this shall mean the following type of event:

- a) Earthquake – Fire & Shock
- b) Landslide / Rockslide / Subsidence
- c) Flood / Inundation
- d) Storm / Tempest / Hurricane / Typhoon / Cyclone / Lightning or other atmospheric disturbances

It is hereby agreed and understood that suppliers named in the policy and endorsed thereon will only be considered for coverage and claims, if any and shall be subject to the sanctions clause inset under the policy.

### Prevention of access

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon, that coverage under business interruption section shall extend to include loss or reduction resulting from cessation, interruption, interference or inhabitation to the business as consequence of physical destruction of or damage to property belonging to the Insured

or property within a radius of 5 kms from the insured premises (inland only & excluding port blockage) which prevents or hinders the use of or access to the premises.

The total liability under this section is limited to maximum of 4 weeks over and above the policy BI deductible.  
The indemnity provided herein shall be subject to the limit of indemnity as specified in The Schedule.

### **Professional Accountants**

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon, that 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 for the purpose of investigating or verifying any claim hereunder may be produced by professional accountants if at the time they are regularly acting as such for The Insured and their report shall be prima facie evidence of the particulars and details to which such report relates.

The Company will pay to The Insured the reasonable charges payable by The Insured to their professional accountants for producing such particulars or details or any other proofs, information or evidence as may be required by The Company and reporting that such particulars or details are in accordance with The Insured's books of account or other business books or documents provided that the sum of the amount payable under this clause shall not exceed the limit stated in The Schedule and the amount otherwise payable under the Policy of Insurance shall in no case exceed the liability of The Company as stated.

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

### **Utility Extension**

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon, It is hereby agreed to cover Insured's loss resulting from interruption of or interference with the business carried out by the insured at the premises described within consequence of failure of electrical / gas / water supply at the terminal ends of the electrical service feeders / gas works / waterworks from which the insured obtained electric / gas / water supply at the said premises directly due to damage to property at an electricity station, Substation, or Public electrical supply undertaking from which the insured obtained electrical /gas / water supply shall deem to be loss resulting from damage to the property used by insured at the premises.

Provided, however, that The Company shall not be liable for any loss occasioned by the deliberate act of the Government, Municipal or Local Authority or Supply Authority

- i. Not performed for the sole purpose of safeguarding life or protecting any part of the supply undertaking's system
- ii. To withhold or restrict or ration supply not necessitated solely by Damage to the supply undertaking's generating or supply equipment by an insured peril.

Limit: % of BI sum Insured each and every loss and in aggregate as mentioned in the schedule.

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

### **Interdependency Cover**

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 another of the Insured locations/premises suffering a reduction in turnover or increase in cost of working 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 the business at the above said locations/premises be carried in departments and independent trading results of the same are ascertainable. All other terms, conditions, exclusions of the Policy remain unchanged.

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

### **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.

#### **Automatic Reinstatement Clause**

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon, that the basic sum insured under material damage section are always to remain at risk and shall not be reduced following loss or damage insured hereunder so long as the aggregate of the sums paid and/or payable does not exceed % of the sum insured as mentioned in the schedule.

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

#### **Theft/Burglary Inclusion Clause**

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon, that policy is extended to cover loss by theft or burglary during or after occurrence of a fire, notwithstanding anything stated to the contrary in the printed conditions of the policy.

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