



## ***THE NEW INDIA ASSURANCE CO. LTD.***

( Regd. & H.O.-87, M.G. Rd., Mumbai-400001.)

### ***SPECIAL CONTINGENCY INSURANCE POLICY FOR PORTABLE EQUIPMENTS***

Whereas The insured as stated in the schedule by a proposal and declaration which shall be the basis of this contract and is deemed to be incorporated herein has applied to THE NEW INDIA ASSURANCE CO LTD. called the company , for insurance hereinafter contained and has paid the premium as consideration of such insurance during the period of insurance as stated in the schedule or during any further period for which the Company may accept payment for renewal or extension of this policy.

#### **NOW THIS POLICY WITNESSETH**

that subject to the terms and conditions and exceptions contained herein or endorsed hereon ,the company will indemnify the insured against accidental loss or damage to the property mentioned in the schedule, whilst in the custody of the insured by (Ticked as applicable),

a) Fire, Lightening, Explosion / Implosion, Aircraft damage, Riot, Strike, Malicious damage, Storm, Cyclone , Typhoon, Tempest, Hurricane, Tornado, Flood, & Inundation, Impact damages, Subsidence & Landslide including rock slide damage, Bursting and/or Overflowing of Water Tanks, Apparatus & Pipes, Missile Testing Operations, Leakage from Automatic Sprinklers Installations, Bush fire ( as per STANDARD FIRE AND SPECIAL PERILS POLICY clause ).

b) Earthquake (Fire & Shock)

c) Burglary/house breaking i.e. Theft following actual violent forcible entry or exit into/from the premises and hold-up.

d) Theft

e) Accidental external damage to the property described in the schedule hereto belonging to the insured except whilst the property is on road or at work or being worked on in the

custody of insured's contractors / sub contractors/carriers.

f) Electrical & Mechanical Break-down

g) Cover also extends for the above perils whilst the property is in transit within the territorial / Municipal limits of \* \_\_\_\_\_  
\_\_\_\_\_(district / state / country) as personally accompanied baggage, accompanied by insured or his authorised employees.

h) (Any other peril/s to be specified with necessary authentication.)

**The Insured bear the first** \* Rs. \_\_\_\_\_ of each and every claim under this policy and further amount of Rs. \_\_\_\_\_ for claims arising out of \_\_\_\_\_ perils. Subject to the liability of the company for any one item of the insured property not exceeding in the aggregate in any one period of insurance, the sum-insured set against such item in the schedule attached, unless the sum-insured under such item is reinstated after occurrence of a claim for balance period.

### **GENERAL EXCEPTIONS**

1. Loss damage and/or liability caused by or arising from or in consequence, directly of :

a) War, Invasion, Act of Foreign Enemy, Hostilities or war like operations (Whether War be declared or not). Civil War; Rebellion, Revolution, Insurrection, Mutiny, Riot, Strike, lockout and Malicious Damage. Civil Commotion, Military or usurped Power, Martial Law, conspiracy confiscation, Commandeering, A group of malicious persons or persons acting on behalf of or in connection with any political Organisation. Requisition or Destruction or damage by order of any Government de jure or de facto or by any Public, Municipal or Local Authority.

b) Nuclear reaction, Nuclear radiation or Radioactive contamination from any source whatsoever

2. Accident, Loss damage and /or liability resulting from overload , experiments or tests requiring the imposition of abnormal conditions.

3. Gradually developing flaws, defects, cracks or partial fractures in any part not necessitating immediate stoppage, although at some future time repair or renewal of the parts affected may be necessary.

4. Deterioration of or wearing away or wearing out any part of

any machine caused by or naturally resulting from normal use or exposure.

5. Loss, damage and / or liability caused by or arising out of the willful act or willful neglect or gross negligence of the insured or his responsible representatives.

6. Liability assumed by the Insured by agreement unless such liability would have attached to the Insured notwithstanding such agreement.

7. Loss, damage and /or liability due to faults or defects existing at the time of commencement of this Insurance and known / unknown to the Insured or his responsible representative .

8. Loss of use of the Insured property or any other consequential loss incurred by the Insured or legal liability of any kind.

9. Any loss of or damage to X ray film or any electronic data storage media, data/records or similar non tangible items.

10. Breakage, cracking or scratching of crockery, glass cameras, binoculars, lenses, sculptures, curios. pictures, musical instruments, sports gear and similar articles of brittle or fragile nature, unless caused by fire or accident to the means of conveyance.

11. Any loss or damage arising through delay, detention or confiscation by customs or other authorities.

12. Loss or damage caused by electrical or mechanical breakdown or theft, unless covered specially.

13. Any loss or damage caused by Terrorism & Sabotage perils.

In any action, suit or other proceeding where the Company alleges that by reason of the provisions of the exceptions or exclusions above, any loss, destruction, damage or liability is not covered by this insurance, the burden of proving that such loss, destruction, damage or liability is covered shall be upon the insured.

### **SPECIAL EXCLUSIONS**

The Company shall not be liable for :-

1. The Excess, as stated in the Schedule, to be first borne by the insured out of each and every claim; where more than one item is damaged in one and same occurrence, the insured

shall not, however, be called upon to bear more than the highest Excess applicable to any one such item;

2. Loss or damage for which the manufacturer or supplier or repairer of the property is responsible either by law or contract.

3. Theft from an automobile except when the automobile is fully closed having at the time all doors windows and other openings securely locked and properly fastened.

4. Any loss or damage to articles / items of consumables in nature.

## **PROVISIONS**

### **1. SUM INSURED :**

It is the requirement of this Insurance that the Sum Insured shall be equal to the cost of the replacement of the property by property of the same kind and same capacity which shall mean its replacement cost including freight ,dues and customs duties, if any.

### **2. BASIS OF INDEMNITY :**

a) In cases where damage to an Insured Item can be repaired, the Company will pay expense necessarily and reasonably Incurred to restore the damaged machine to its former state of serviceability and customs duties if any provided such expenses have been included in the Sum Insured. Cost of parts as per manufacturers list price or the market value which ever is lower with deduction for value of any salvage will be taken into account. No deduction shall be made for depreciation in respect of parts except those with limited life. If the cost of repairs as detailed herein above equals or exceeds the actual value of the machinery Insured immediately before the occurrence of the damage the settlement shall be made on the basis provided for in (b) below.

b) In cases where an Insured Item is destroyed, the Company will pay the actual value of the item immediately before the occurrence of the loss plus customs duties if any provided such expense has been included in the sum insured, such actual value to be calculated by deducting proper

depreciation from the replacement value of the item. The salvage will be taken into account.

The cost of any alterations, improvements or overhauls shall not be recoverable under this Policy.

If the Sum Insured is less than the amount required to be insured as per Provision I herein above, the Company will pay only in such proportion as the Sum Insured bears to the amount required to be insured. Every item if more than one shall be subject to this condition separately.

The Company will make payments only after being satisfied, by production of the necessary bills and documents, that the repairs have been effected or replacements have taken place, as the case may be.

## WARRANTY

It is warranted that the maintenance agreement in force at the inception of this policy is maintained during the currency of this policy and no variation in terms of the agreement shall be made without the written consent of the company being obtained. For the purpose of this warranty the word 'Maintenance' shall mean the following,

- i) Safety check
- ii) Preventive maintenance
- iii) Rectification of loss or damage or fault arising from normal operation as well as from aging.

## CONDITIONS :

1. This policy and the attached Schedule (s) shall be read together as one contract and words and expressions to which specific meanings have been attached in any part of this Policy or of the attached Schedule(s) shall bear the same meaning wherever they may appear.

2. If a claim is in any respect fraudulent or if any false declarations is made or used in support thereof if any fraudulent means or devices are used by the Insured or any one acting on his behalf to obtain benefit under this Policy.

All benefit under this Policy shall be forfeited.

3. No admission, offer, promise, payment or indemnity shall be made or given by or on behalf of the Insured without the written consent of the Company who shall be entitled if they so desire to take over and conduct in the name of the insured the defense or settlement of any claim for indemnity or damage or otherwise and shall have full discretion in the conduct of any proceeding or in the settlement of any claim and the insured shall give all such information and assistance as the Company may require.

4. The due observance and fulfillment of the terms, provisions and conditions of and endorsement on this policy in so far as they relate to anything to be done or complied with by the insured and the truth of the statement and answers in the said proposal shall be conditions precedent to any liability of the Company to make any payment under this Policy.

5. Where any item insured hereunder consists of articles in pair or set, the Company's liability in respect thereof shall not exceed the value of any particular part or parts which may be lost or damaged without reference to any special value which such articles may have as part of such pair or set nor more than a proportionate part of the Insured value of the pair or set.

#### 5. OBLIGATIONS OF THE INSURED :

1. Every notice & communication to the Co. required for this policy shall be written to the office of the Co. through which the insurance is effected.

2. The Insured shall take all responsible steps to maintain the the insured property in efficient working order and to ensure that no item is habitually or intentionally overloaded. The Insured shall fully observe the manufacturer's instructions in force concerning the operation and maintenance of the equipment. The company officials shall have the right to inspect / examine any property insured hereunder and the insured shall provide the officials of the Company with all details and information necessary for the assessment of the risk. The Company shall provide the insured with a copy of the inspecting official's report, which shall however be treated as strictly

confidential both by the Insured and the Company.

3. In the event of any,

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

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

## 6. DUTIES FOLLOWING AN ACCIDENT :

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

- a) immediately notify the Company by telephone or telegram as well as in writing, giving an indication as to the nature and extent of loss or damage;
- b) take all reasonable steps within his power to minimise the extent of the loss or damage;
- c) Preserve the damaged or defective parts and make them available for inspection by an official or surveyor of the company;
- d) furnish all such information and documentary evidence as the the Company may require.
- e) immediately following a theft, notify the police authorities.

The company shall not be liable for any loss or damage of which no notice and completed claim form have been received by the Company within seven days of the occurrence. In all cases a representative of the Company shall have the opportunity of inspecting the damage before any alterations repairs or replacement are effected. Nothing contained herein shall prevent the Insured from taking such steps as are necessary for minimising the loss. The liability of the Company under this Policy in respect of any item or property sustaining damage, for which indemnity is provided, shall cease if the said item is kept in operation without being repaired to the satisfaction of the Company.

## OTHER INSURANCE

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

#### POSITION AFTER A CLAIM

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

#### TRANSFER OF INTEREST

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

#### TERMINATION OF INSURANCE

This insurance may be terminated at any time at the request of the Insured in which case the Company will retain the premium calculated at the 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 giving seven days' notice to the Insured, in which case the Company shall be liable to repay on demand a ratable proportion of the premium for the unexpired term from the date of the cancellation.

#### RECOVERY

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 required by the Company in enforcing any right



or remedies of obtaining relief or indemnity from parties (other than those insured under this policy) to which the Company shall be or would become entitled or subrogated upon their paying for or making good of any loss or damage under this policy, whether such acts and things shall be or become necessary or required before or after the Insured's indemnification by the Company.

#### ARBITRATION & DISCLAIMER

If any dispute or difference shall arise to the quantum to be paid under this policy, (liability being otherwise admitted) such difference shall independently of all other questions be referred to the decision of a sole Arbitrator, to be appointed in writing by the parties in difference; or if they cannot agree upon a single Arbitrator within 30 days of any party invoking arbitration the same shall be referred to a panel of three arbitrators, comprising of two arbitrators, one to be appointed by each of the parties to the dispute/difference and the third arbitrator to be appointed by such two arbitrators and arbitration shall be conducted under and in accordance with the provisions of the Arbitration and Conciliation Act 1996. It is clearly agreed and understood that no difference or dispute shall be referable to arbitration as herein before provided, if the Company has disputed or not accepted liability under or in respect of this policy.

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

It is also hereby further expressly agreed and declared that if the company shall disclaim liability to the Insured for any claim hereunder and such claim shall not, within twelve calendar months, from the date of such disclaimer have been made the subject matter of a suit in a court of law, then the claim shall for all purposes be deemed to have been abandoned and shall not thereafter be recoverable hereunder.

#### RENEWAL NOTICE

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