

Section I

General Rules and Regulation

These rules and regulations are applicable to all sections of this Tariff.

1. POLICY

- a) Only Standard Fire and Special Perils Policy (hereinafter referred to as Policy) with the permitted "Add-on" covers (as appearing under Section VIII) if any, can be issued.

Note:- Unless otherwise specifically provided for, this tariff is applicable to land-based properties only.

- b) The wordings of the policy shall be as shown in Section II of the Tariff.
- c) Policy(ies) should be read together with proposal form(s), schedule, specification, endorsements, warranties and clauses as one contract.
- d) Policy(ies) covering Buildings and/or contents shall show blockwise separate amounts on (i) Building (ii) Machinery and accessories (iii) Stock and Stock-in-Process and (iv) Furniture and other contents.
- e) It is permissible to exclude Storm, Tempest, Flood and Inundation group of perils (hereinafter referred to as STFI) and/or Riot, Strike, Malicious and Terrorism Damage perils (hereinafter referred to as RSMTD) at inception of the Policy only by deleting the relevant perils from the Policy. The deletion shall apply for the entire property in one complex/compound/location covering the entire interest of the Insured under one or more policy(ies) without any option for selection. Reduction in premium rates for such deletion(s) may be allowed as shown under the relevant sections of the Tariff. When these perils are deleted from the scope of the policy, the general exclusions shall include these perils.
- f) Any risk, which has not been provided for in the Tariff, shall be referred to the Committee for rating. Provisional rate of Rs. 2.50 per mille shall be charged in such cases for covering the risks under Standard Fire and Special Perils Policy. No discounts and/or agency commission shall be allowed on this rate. For add-on covers, additional rates provided in section VIII shall be charged
- g) Rates shown under this tariff are minimum rates. Insurers may charge rates higher than those given under the tariff.

2. VALUED POLICY(IES)

Valued Policy(ies) can be issued only for properties whose Market Value cannot be ascertained e.g Curios, Works of Art, Manuscripts, Obsolete machinery and the like subject to the valuation certificate being submitted and found acceptable by the insurers.

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3. LONG TERM POLICIES

Policies for a period exceeding 12 months shall not be issued except for "Dwellings".

4. MID-TERM COVER

Generally, it is not permissible to grant mid-term cover for STFI and/or RSMTD perils. The following provisions shall apply, where such covers are granted mid-term:

- a) Insurers must receive specific advice from the insured accompanied by payment of the required additional premium in cash or by draft. This additional premium shall not be adjusted against existing Cash deposits or debited to Bank guarantee.
- b) Mid-term cover shall be granted for the entire property at one complex /compound/location covering the entire interest of the Insured under one or more policy(ies). Insured shall not have any option for selection.
- c) Cover shall commence 15 days after the receipt of the premium.
- d) The premium rates as under shall be charged on short period scale (as per Rule 8) on full sum insured at one complex/compound/location covering the entire interest of the insured for the balance period i.e. upto the expiry of the policy.

MID-TERM INCLUSION OF	SECTION III	SECTION VI		SECTION IV, V AND VII
		MATERIALS IN GODOWN	MATERIALS IN OPEN	
STFI	0.20% ₀	0.35% ₀	2.00% ₀	0.35% ₀
RSMTD	0.15% ₀	0.15% ₀	0.15% ₀	0.15% ₀

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5. PAYMENT OF PREMIUM

Premium shall be paid in full and shall not be accepted in instalments or by deferred payments in any form.

N.B:- It is not permissible to split sum insured of the same property under various policies for different periods of insurance to derive advantage of deferred instalments for payment of premium. Notwithstanding the above, different policies may be issued for stocks where circumstances necessitate issuance of such policies.

6. MINIMUM PREMIUM

Minimum premium shall be Rs.100/- per policy except for risks ratable under Section III and 'Tiny Sector Industries' under Section IV where the minimum premium shall be Rs. 50/ per policy.

7. PARTIAL INSURANCE

It is not permissible

a) to issue a policy covering only certain portions of a building. Notwithstanding this, the plinth and foundations or only the foundation of a building may be excluded.

b) to issue a policy covering only specified machinery (except Boilers), parts of machine or accessories thereof housed in the same block/ building.

N.B. Where portions of a building and/or machinery therein are under different ownership, it is permissible for each owner to insure separately but to the full extent of his interest on the building and/or machinery therein. In such cases, the Insured's interest shall be clearly defined in the policy.

8. RATES FOR SHORT PERIOD INSURANCE

Policies for a period of less than 12 months shall be issued at the rates set out hereunder:

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For a period not exceeding	15 days	10% of the Annual rate
-do-	1 month	15% of the Annual rate
-do-	2 months	30% of the Annual rate
-do-	3 months	40% of the Annual rate
-do-	4 months	50% of the Annual rate
-do-	5 months	60% of the Annual rate
-do-	6 months	70% of the Annual rate
-do-	7 months	75% of the Annual rate
-do-	8 months	80% of the Annual rate
-do-	9 months	85% of the Annual rate
For a period exceeding	9 months	The full Annual rate
N.B.: Extension of short period policy(ies) shall not be permitted..		

9. **LOADING FOR "KUTCHA" CONSTRUCTION**

Building(s) having walls and/or roofs of wooden planks/thatched leaves and/or grass/hay of any kind/bamboo/plastic cloth/asphalt cloth/canvas/tarpaulin and the like shall be treated as 'Kutchha' construction for rating.

An additional rate of Rs.4.00% shall be charged for such building(s) and/ or contents thereof.

Note:-Temporary sheds (attached to buildings) erected during the monsoon solely for the purpose of monsoon protection are permitted without loading provided such sheds are not used for storage purpose.

10. **RULES FOR CANCELLATIONS**

For Cancellation of insurance policy.

10.1 . At the option of the insured:-

10.1.1 . Retention of premium shall be at Short Period Scale for the period the policy has been in force, subject to the retention of minimum premium by the Insurer.

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- 10.1.2 During the currency, if a policy is replaced with the same insurer by a new annual one covering the identical property, refund of premium may be allowed on pro-rata basis at the original rates for the sum insured replaced.
- 10.1.3
- 10.1.4 For the sum insured not replaced, refund must be calculated after charging premium at short period scale on such sum for the time the insurance has been in force subject to retention of the minimum premium by the insurer.
- In case of short period policies, premium shall be retained at the applicable short period scale.
- N.B.:- In case a policy is cancelled on account of a Government Order or on completion of a "Building in course of construction" or where Buildings are demolished, pro-rata refund of premium may be allowed.
- 10.2 At the option of the insurer:-
- Refund of premium shall be on pro-rata basis for the unexpired term.
- 11. MID-TERM REVISION IN SUM INSURED :**
- Mid-term revision in sum insured shall be allowed as follows:
- Increase in sum insured : On pro-rata basis
Decrease in sum insured : On short-period scale
- 12. ESCALATION CLAUSE :**
- It will be in order for Insurers to allow automatic regular increase in the Sum Insured throughout the period of the policy in return for an additional premium to be paid in advance. The terms and conditions for this extension shall be as follows
- a) The selected percentage increase shall not exceed 25% of the Sum Insured.
 - b) The additional premium, payable in advance, will be at 50% of the full rate, to be charged on the selected percentage increase.

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- c) The Sum Insured at any point of time would be assessed after application of the Escalation Clause.
- d) Escalation Clause will apply to policies covering Building, Machinery and Accessories only and will not apply to policies covering stock.
- e) Escalation Clause will apply to all policies and is not restricted to policies issued on reinstatement value basis.
- f) Pro-rata condition of Average will continue to apply as usual.
- g) The automatic increase operates from the date of inception upto the date of operation of any of the Insured Perils.

Note:- For endorsement wording , see, Clause F, Annexure A.

13. FLOATER POLICY

Floater Policy (ies) can be issued for stocks at various locations under one Sum Insured (The Standard Floater Clause I, Annexure A shall be attached to such policies).

Note: Unspecified locations shall not be allowed.

Rating: The rate shall be the highest rate applicable to insured's stocks at any location with a loading of 10 %.

N.B.1: In case Stocks in a process block are covered under the Floater Policy and the rate for the process block is higher than the storage rate, the process rate plus 10% loading shall apply.

N.B.2: Presence of " Kutcha" construction may be ignored.

N.B.3: If stocks situated within godowns/process blocks in the same compound are covered under floater policy, no floater extra is chargeable.

14. DECLARATION POLICIES

To take care of frequent fluctuations in stocks/stock values, Declaration Policy(ies) can

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be granted subject to the following conditions (Standard Declaration Clause J, Annexure A shall be attached to such policies):

- a) The minimum sum insured shall be Rs 1 crore in one or more locations and the sum insured shall not be less than Rs. 25 lakhs in atleast one of these locations. It is necessary that the declared values should approximate to this figure at sometime during the policy year.
- b) Monthly declarations based on a) the average of the values at risk on each day of the month or b) the highest value at risk during the month shall be submitted by the Insured latest by the last day of the succeeding month. If declarations are not received within the specified period, the full sum insured under the policy shall be deemed to have been declared.
- c) Reduction in sum insured shall not be allowed under any circumstances.
- d) Refund of premium on adjustment based on the declarations/ cancellations shall not exceed 50% of the total premium.
- e) The basis of value for declaration shall be the Market Value anterior to the loss.
- f) It is not permissible to issue declaration policy in respect of
 - i. Insurance required for a short period.
 - ii. Stocks undergoing process.
 - iii. Stocks at Railway sidings
- g) If after occurrence of any loss it is found that the amount of last declaration previous to the loss is less than the amount that ought to have been declared, then the amount which would have been recoverable by the insured shall be reduced in such proportion as the amount of said last declaration bears to the amount that ought to have been declared.

15. FLOATER DECLARATION POLICIES

Floater Declaration policy(ies) can be issued subject to a minimum sum insured of Rs 2 crores and compliance with the Rules for Floater and Declaration Policies respectively except that the minimum retention shall be 80% of the annual premium. (Standard Floater Clause I and Declaration Clause J , Annexure A shall be attached to such policies):

16. CLAIMS EXPERIENCE DISCOUNT / LOADING

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Risks having sum insured (on buildings and contents of all blocks in one compound of one complex in one location) above Rs.50 Crores rateable under Sections IV, V, VI & VII of this tariff shall attract claims experience discounts/loadings based on the incurred claims experience of all the policies covering the Insured's interest for the preceding 36 months excluding the expiring policy period. (If there is any break in insurance, available 36 months experience shall be taken into account) as per the table given below.

Incurring claim ratio for the preceding 36 months excluding the expiring policy period	Discount (%)	Loading (%) *
Upto 5 %	15	--
Above 5% & upto 10%	10	--
Above 10% & upto 15%	5	--
Above 15% & upto 30%	--	--
Above 30% & upto 40%	--	2.5
Above 40% & upto 55%	--	5
Above 55% & up to 75%	--	10
Above 75% & up to 100%	--	15
Above 100%	--	To be referred to TAC

* On renewal of business either by an existing insurer or by a new insurer, a provisional loading of 15% must be charged in all cases where certified details of claims experience by respective insurers are not available. This loading shall be adjusted subsequently on receipt of the exact claims experience.

17. FIRE EXTINGUISHING APPLIANCES DISCOUNT

The discounts as per the scale given below may be granted by the Insurers to detached or segregated (as per the Committees Building Regulations) blocks of the risks protected by Fire Extinguishing Appliances rateable under Sections III, IV, V, VI and VII of the Tariff [except for Floater and/or Floater Declaration Policy(ies)] subject to the following:

- a) System is erected and tested as per the relevant Regulations of the TAC and a certificate from LPA or TAC accredited Professional(s) /Professional

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agency(ies) confirming the efficacy of the system and its full compliance with the Committee's rules is submitted by the Insured.

Note: Professional(s) / Professional Agency (ies) designing and/or installing the system themselves shall get the system certified by third parties.

b) The installation is maintained in an efficient working order at all times and an Annual Maintenance Contract (AMC) with an external agency is in force.

Note:- Any agency other than the one involved in the installation of the system or a third party having upto date knowledge of maintenance of fire fighting equipment can be approached for AMC.

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	Type of installation	Discount (%)
a)	Hand Appliances & Trailer Pumps/ Fire Engines	2.5
b)	Hand Appliances & Hydrant System	5
c)	Hand Appliances & independent Sprinkler / Fixed Water Spray System	7.5
d)	Hand Appliances + Hydrant System & independent Sprinkler/ Fixed Water Spray System	10

N.B.:1 Absence of Hand Appliances for Storage risks will not prejudice the applicable discounts
N.B.:2 The discounts are not cumulative

18. RATING OF RISKS IN MULTIPLE OCCUPANCY INDUSTRIAL ESTATE

Risks in Multiple Occupancy Industrial Estate shall be rated 'Per se'. If the entire building of the Industrial Estate is insured under one sum insured, a rate of Rs. 1.80% shall be chargeable to 'building'.

19. SILENT RISK

Risks rateable under Sections IV and V are allowed silent rates as per the following table.

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Factories where no manufacturing / storage activities are carried out continuously for 30 days or more.	Retention of the premium shall be based on the appropriate storage rate or silent risk rate of Re.1.00%o whichever is higher.
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The silent rates are not applicable if a risk goes silent following a loss under the policy.

Note:- Risks becoming silent shall not be entitled to any discounts.

20.

Voluntary Deductibles

On receipt of application from the insured, Insurer may consider suitable discounts for voluntary deductibles as per the scale shown in the table below. The discounts are applicable under the Standard Fire and Special Perils Policy as well as for the add-on covers.

Note: The Insurer shall attach to the policy(ies) a suitable clause in case the insured opts for the deductible and discount in the premium as shown in the table.

For endorsement wording see Clause K, Annexure A.

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Table of discounts for Voluntary Deductible		
Deductible Amount		Discount (%)
<i>AOG Perils</i> 5% of Claim amount subject to minimum of Rs.	<i>Other perils</i> In Rs. lakhs	
<i>10 lakhs</i>	<i>5</i>	<i>2</i>
<i>20 lakhs</i>	<i>10</i>	<i>4</i>
<i>30 lakhs</i>	<i>15</i>	<i>6</i>
<i>60 lakhs</i>	<i>30</i>	<i>8</i>
<i>100 lakhs</i>	<i>50</i>	<i>10</i>
<i>> 100 lakhs</i>	<i>> 50</i>	<i>To be referred to TAC</i>

21.	<p>COMPUTATION OF RATE</p> <p>The following sequence shall be adopted for computation of the rate :-</p> <ol style="list-style-type: none"> 1. Basic Rate 2. 5% Reduction for Sprinklered blocks if applicable (for risks rateable under Sections III ,IV, V and VI). 3. Reduction in rates for deletion of STFI and/or RSMTD perils, if opted out. 4. Tariff extra for `Kutchha' Construction, if applicable (to be applied on 1-2-3) 5. Discount/loading for claims experience (to be applied on 1-2-3-/+4) 6. Discount for FEA on protected blocks (to be applied on 1-2-3-/+4) 7. Discount for voluntary deductible shall be applicable on the total premium calculated on the basis of final rate worked out as above .
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IN CONSIDERATION OF the Insured named in the Schedule hereto having paid to the Insurance Company Limited (hereinafter called the Company) the full premium mentioned in the said schedule, THE COMPANY AGREES, (Subject to the Conditions and Exclusions contained herein or endorsed or otherwise expressed hereon) that if after payment of the premium the Property insured described in the said Schedule or any part of such Property be destroyed or damaged by any of the perils specified hereunder during the period of insurance named in the said schedule or of any subsequent period in respect of which the Insured shall have paid and the Company shall have accepted the premium required for the renewal of the policy, the Company shall pay to the Insured the value of the Property at the time of the happening of its destruction or the amount of such damage or at its option reinstate or replace such property or any part thereof

Fire

Excluding destruction or damage caused to the property insured by

- a) i) its own fermentation ,natural heating or spontaneous combustion.
ii) its undergoing any heating or drying process.
- b) burning of property insured by order of any Public Authority.

Lightning

Explosion/Implosion

Excluding loss, destruction of or damage

- a) to boilers (other than domestic boilers), economizers or other vessels, machinery or apparatus(in which steam is generated) or their contents resulting from their own explosion/implosion,
- b) caused by centrifugal forces.

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IV Aircraft Damage

Loss, Destruction or damage caused by Aircraft, other aerial or space devices and articles dropped therefrom excluding those caused by pressure waves.

Riot, Strike, Malicious and Terrorism Damage

Loss of or visible physical damage or destruction by external violent means directly caused to the property insured but excluding those caused by

- a) total or partial cessation of work or the retardation or interruption or cessation of any process or operations or omissions of any kind.
- b) Permanent or temporary dispossession resulting from confiscation, commandeering, requisition or destruction by order of the Government or any lawfully constituted Authority.
- c) Permanent or temporary dispossession of any building or plant or unit or machinery resulting from the unlawful occupation by any person of such building or plant or unit or machinery or prevention of access to the same.
- d) Burglary, housebreaking, 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 malicious act.

Storm, Cyclone, Typhoon, Tempest, Hurricane, Tornado, Flood and Inundation

Loss, destruction or damage directly caused by Storm, Cyclone, Typhoon, Tempest, Hurricane, Tornado, Flood or Inundation excluding those resulting from earthquake, Volcanic eruption or other convulsions of nature. (Wherever earthquake cover is given as an "add on cover" the words "excluding those resulting from earthquake volcanic eruption or other convulsions of nature" shall stand deleted.

Impact Damage

Loss of or visible physical damage or destruction caused to the property insured due to impact by any Rail/ Road vehicle or animal by direct contact not belonging to or owned by

- b) the Insured or any occupier of the premises or
- c) their employees while acting in the course of their employment.

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Subsidence and Landslide including Rock slide

Loss, destruction or damage directly caused by Subsidence of part of the site on which the property stands or Land slide/Rock slide excluding:

- b) the normal cracking, settlement or bedding down of new structures
- c) the settlement or movement of made up ground
- d) coastal or river erosion
- e) defective design or workmanship or use of defective materials
- f) demolition, construction, structural alterations or repair of any property or groundworks or excavations.

Bursting and/or overflowing of Water Tanks, Apparatus and Pipes

Missile Testing operations

Leakage from Automatic Sprinkler Installations

Excluding loss, destruction or damage caused by

- b) Repairs or alterations to the buildings or premises
- c) Repairs, Removal or Extension of the Sprinkler Installation
- d) Defects in construction known to the Insured.

Bush Fire

Excluding loss, destruction or damage caused by Forest Fire.

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

(A) GENERAL EXCLUSIONS

This Policy does not cover (not applicable to policies covering dwellings)

- a) b) The first 5% of each and every claim subject to a minimum of Rs.10,000 in respect of each and every loss arising out of "Act of God perils" such as

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Lightning,STFI, Subsidence,Landslide and Rock slide covered under the policy

- c) The first Rs.10,000 for each and every loss arising out of other perils in respect of which the Insured is indemnified by this policy
The Excess shall apply per event per insured.

Loss, destruction or damage caused by war, invasion, act of foreign enemy hostilities or war like operations (whether war be declared or not), civil war, mutiny, civil commotion assuming the proportions of or amounting to a popular rising, military rising, rebellion, revolution, insurrection or military or usurped power.

Loss, destruction or damage directly or indirectly caused to the property insured by

- a) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
b) the radio active toxic, explosives or other hazardous properties of any explosive nuclear assembly or nuclear component thereof

Loss, destruction or damage caused to the insured property by pollution or contamination excluding

- b) pollution or contamination which itself results from a peril hereby insured against.
c) any peril hereby insured against which itself results from pollution or contamination

Loss, destruction or damage to bullion or unset precious stones, any curios or works of art for an amount exceeding Rs. 10000/-, manuscripts, plans, drawings, securities, obligations or documents of any kind, stamps, coins or paper money, cheques, books of accounts or other business books, computer systems records, explosives unless otherwise expressly stated in the policy.

Loss, destruction or damage to the stocks in Cold Storage premises caused by change of temperature.

Loss, destruction or damage to any electrical machine, apparatus, fixture, or fitting arising from or occasioned by over-running, excessive pressure, short circuiting, arcing, self heating or leakage of electricity from whatever cause (lightning included) provided that this exclusion shall apply only to the particular electrical machine, apparatus, fixture or fitting so affected and not to other machines, apparatus, fixtures or fittings which may be destroyed or damaged by fire so set up.

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Expenses necessarily incurred on (i) Architects, Surveyors and Consulting Engineer's Fees and (ii) Debris Removal by the Insured following a loss, destruction or damage to the Property insured by an insured peril in excess of 3% and 1% of the claim amount respectively.

Loss of earnings, loss by delay, loss of market or other consequential or indirect loss or damage of any kind or description whatsoever.

Loss, or damage by spoilage resulting from the retardation or interruption or cessation of any process or operation caused by operation of any of the perils covered.

Loss by theft during or after the occurrence of any insured peril except as provided under Riot, Strike, Malicious and Terrorism Damage cover.

Any Loss or damage occasioned by or through or in consequence directly or indirectly due to earthquake, Volcanic eruption or other convulsions of nature.

Loss or damage to property insured if removed to any building or place other than in which it is herein stated to be insured, except machinery and equipment temporarily removed for repairs, cleaning, renovation or other similar purposes for a period not exceeding 60 days.

(C) GENERAL CONDITIONS

1. THIS POLICY shall be voidable in the event of mis-representation, mis-description or non-disclosure of any material particular.

2. All insurances under this policy shall cease on expiry of seven 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 forms part.

PROVIDED such a fall or displacement is not caused by insured perils, loss or damage which is covered by this policy or 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.

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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 of 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.
- c) If the building insured or containing the insured property becomes unoccupied and so remains for a period of more than 30 days.
- d) If the interest in the property passes from the insured otherwise than by will or operation of law.

4. This insurance does not cover any loss or damage to property which, at the time of the happening of such loss or 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.

5. 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.

6.(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 loss and the circumstances under which the loss or damage occurred, and any matter touching

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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 a declaration on oath or in other legal form of the truth of the claim and of any matters connected therewith.

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

(ii) In no case whatsoever shall the Company be liable for any loss or damage after the expiry 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 calendar months from the date of the 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.

7. On the happening of loss or damage to any of the property insured by this policy, the Company may

- b) enter and take and keep possession of the building or premises where the loss or damage has happened.
- c) 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.
- d) keep possession of any such property and examine, sort, arrange, remove or otherwise deal with the same.
- e) 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.

8. 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

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the Insured, all benefits under this policy shall be forfeited.

9. 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(s) 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, measurements, 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.

10. If the property hereby insured shall at the breaking out of any fire or at the commencement of any destruction of or damage to the property by any other peril hereby insured against be collectively of greater value than the sum insured thereon, then the Insured shall be considered as being his own insurer for the difference and shall bear a rateable proportion of the loss accordingly. Every item, if more than one, of the policy shall be separately subject to this condition.

11. 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.

12. 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.

13. If any dispute or difference shall arise as to the quantum to be paid under this policy (liability being

Section II

STANDARD FIRE AND SPECIAL PERILS POLICY

otherwise admitted) such difference shall independently of all other questions be referred to the decision of a sole arbitrator to be appointed in writing by the parties to or if they cannot agree upon a single arbitrator within 30 days of any party invoking arbitration, the same shall be referred to a panel of three arbitrators, comprising of two arbitrators, one to be appointed by each of the parties to the dispute/difference and the third arbitrator to be appointed by such two arbitrators and arbitration shall be conducted under and in accordance with the provisions of the Arbitration and Conciliation Act, 1996.

It is clearly agreed and understood that no difference or dispute shall be referable to arbitration as hereinbefore provided, if the Company has disputed or not accepted liability under or in respect of this policy.

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

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

15. 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. This continuous cover to the full extent will be available notwithstanding any previous loss for which the company may have paid hereunder and irrespective of the fact whether the additional premium as mentioned above has been actually paid or not following such loss. The intention of this condition is to ensure continuity of the cover to the insured subject only to the right of the company for deduction from the claim amount, when settled, 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.

Section III
DWELLINGS, OFFICES, HOTELS, SHOPS ETC.

RULES

- 1 The 'Buildings' and 'Contents' of risks rateable under this Section shall be rated 'per se'.
- 2 Stocks belonging to the insured stored in the open area adjacent to the insured's premises are held covered.
- 3 Incidental operations such as grinding of lenses in optical frame shops, polishing and/or varnishing in furniture shops, occasional repairs etc. are permitted.
- 4 For seasonal storage of crackers during the currency of the policy in 'Shops dealing in goods otherwise not provided', a loading of 10% shall be charged on the rates applicable to 'contents'.
- 5 The presence of hazardous goods (as per list attached) not exceeding 5% of the total value of the stock may be ignored.
- 6 The reduction in premium rates for deletion of STFI and /or RSMTD perils at the inception of the policy shall be as under:

STFI	Re.0.15%o
RSMTD	Re.0.10%o

Section III
DWELLINGS, OFFICES, HOTELS, SHOPS ETC.

7 Long Term Policy For Dwellings:-

Long Term Policies shall be issued based on either of the following 2 methods subject to the conditions below to house/flat owners only:

- a) The policy shall be issued for a minimum period of 3 years.
- b) No refund shall be allowed for mid-term cancellation of such policies.
- c) Mid-term inclusion of perils shall not be allowed.
- d) Premium for entire policy period shall be collected in advance.

Method A:

Premium shall be charged in full without any discount. However sum insured under the policy shall be deemed to have increased by 10% of the original sum insured at the end of every 12 months period.

OR

Method B:

There shall not be any automatic increase in sum insured as in method A. However appropriate discounts shall be allowable on applicable gross premium as per table below:

Duration of Policy	Premium to be Charged
3 years policy	3 years premium in advance less 15% discount
4 years policy	4 years premium in advance less 20% discount
5 years policy	5 years premium in advance less 25% discount
6 years policy	6 years premium in advance less 30% discount
7 years policy	7 years premium in advance less 35% discount
8 years policy	8 years premium in advance less 40% discount

Section III
DWELLINGS, OFFICES, HOTELS, SHOPS ETC.

9 years policy	9 years premium in advance less 45% discount
Policy for 10 years and above	Entire premium in advance less 50% discount.

N.B. Mid-term increase in sum insured shall be allowed on pro rata basis for the balance period.

Rating schedule

Risk code	Rate code	Description	Building rate Per mille	Contents rate Per mille
1	01	Dwellings, Places of worships, Libraries, Museums, Schools, Colleges, Hospitals including X-ray and other Diagnostic clinics, Office premises, Meeting Rooms, Auditoriums, Planetarium, Mess Houses, Clubs, Marriage Halls, Showrooms and display centres where goods are kept for display and no sales are carried out, Educational and Research Institutes imparting training in various crafts, Lodging/Boarding Houses, Cycle Shed and Dish Antenna, Indoor stadiums.	0.50	0.50
2	02	Cafes, Restaurants, Hotels, Confectioner & Sweet meat sellers	1.80	1.80
3	021	Shops dealing in goods otherwise not provided for including Laundries, Battery Charging Service Stations, Dry Cleaning, Amusement parks, Hoarding, Neon signs and Sports Galleries, Outdoor stadiums.	1.80	2.80
4	022	Shops dealing in hazardous goods as per the	1.80	3.80

Section III
DWELLINGS, OFFICES, HOTELS, SHOPS ETC.

		list below and Arms & Ammunition dealers, Motor Vehicle showroom including sales and service, Petrol / Diesel Kiosks		
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Note:1 Pump houses, garages, compound walls and ancillary equipments and / or other utilities at the above occupancies shall carry the respective occupancy rate.

Note:2 Detached/Segregated block(s) within a risk which are protected by automatic sprinkler installation with its own independent pumping arrangements, etc. as per the Committee's rules for sprinkler installation shall be allowed 5% reduction on the basic rate(s).

LIST OF HAZARDOUS GOODS

1. Celluloid Goods
2. Coir Loose
3. Crackers and Fire Works
4. Explosives of any kind
5. Hay/Straw
6. Hemp

Section III
DWELLINGS, OFFICES, HOTELS, SHOPS ETC.

7. Jute Loose
8. Matches
9. Methylated Spirit
10. Nitro-Cellulose Plastics
11. Oils/Ether/Industrial Solvents and other inflammable liquids flashing liquids flashing at and below 32⁰ C (Closed Cup test)
12. Paints with inflammable base having Flash point below 32⁰ C (Closed Cup test) Other than in sealed tins or drums
13. Varnishes having Flash point below 32⁰ C (Closed Cup Test) other than in sealed tins or drums
14. Disinfectant liquids and liquid insecticides—other than in sealed tins or drums
15. Vegetable fibres of any kind including Rayon Fibre

Section IV INDUSTRIAL/MANUFACTURING RISKS

SCOPE

Rates provided in this section are for the entire insured property in the same industrial compound i.e. all process areas, storage areas, offices, utilities, miscellaneous blocks, pipelines, roads, compound wall, cables, street light etc.

In cases where more than one product is manufactured in the same block, the highest rate applicable shall be charged overall

If two or more factories are situated in the same compound or independent products are manufactured in the same compound the manufacturing blocks shall be rateable 'per se' if located detached.. Auxiliaries/miscellaneous blocks/utilities and godowns / tankfarms, pipelines, roads,,compound wall etc. in such cases shall carry highest rate of all such manufacturing blocks.

Rules:

- 1 Operations incidental to the main process shall be rated at par with the main process if such operations are carried out inside the main process blocks.
- 2 Dwelling houses located inside the factory compound may be rated " per se"
- 3 In case of any clarification, insurers may refer the matter to the Committee after charging a provisional rate as per General Rule 1 (f), Section I.

Note 1: Detached/Segregated block(s) within a risk which are protected by automatic sprinkler installation with its own independent pumping arrangements, etc. as per the Committee's rules for sprinkler installation shall be allowed 5% reduction on the basic rate(s).

Note 2. The reduction in premium rates for deletion of STFI and /or RSMTD perils at the inception of the policy shall be as under:

STFI	Re.0.25%o
RSMTD	Re.0.10%o

Section IV
INDUSTRIAL/MANUFACTURING RISKS

Risk code	Rate code	Description of risk	Rate (Rs. per mille)
001	07	Abrasive Manufacturing	2.00
002	05	Aerated Water Factories	1.50
003	05	Aerial Ropeway including trolley stations	1.50
004	07	Agarbatti manufacturing	2.00
005	11	Aircraft Hangers	3.00
006	05	Airport Terminal Buildings (including all facilities like Cafes, Shops etc) N.B: Airport Cargo complex shall be rated under Section VI	1.50
007	18	Aluminium/ Magnesium Powder Plants	5.50
008	05	Aluminium ,Zinc,Copper Factories	1.50
009	07	Areca nut and/or Betelnut factories	2.00
010	05	Asbestos Steam Packing and lagging manufacturing	1.50
011	07	Atta and Cereal Grinding (excluding Dal Mills)	2.00
012	12	Audio/Video Cassette Manufacturing	3.50
013	05	Automobile Manufacturing	1.50
014	05	Bakeries	1.50

Section IV
INDUSTRIAL/MANUFACTURING RISKS

Risk code	Rate code	Description of risk	Rate (Rs. per mille)
015	15	Basket Weavers and Cane Furniture Makers	4.50
016	08	Battery Manufacturing	2.25
017	11	Beedi Factories	3.00
018	05	Biscuit Factories	1.50
019	14	Bitumenised Paper and / or Hessian Cloth Manufacturing including Tar Felt Manufacturing.	4.00
020	09	Book Binders, Envelope and Paper Bag Manufacturing.	2.50
021	07	Breweries	2.00
022	03	Brickworks (including refractories and fire bricks)	1.00
023	05	Bridges - Concrete/Steel	1.50
024	07	Bridges-Wooden	2.00
025	03	Building In course of construction	1.00
026	09	Cable Manufacturing	2.50
027	11	Camphor Manufacturing	3.00
028	11	Candle Works	3.00

Section IV
INDUSTRIAL/MANUFACTURING RISKS

Risk code	Rate code	Description of risk	Rate (Rs. per mille)
029	05	Canning Factories	1.50
030	05	Capsule Manufacturing	1.50
031	10	Carbon paper / Typewriter Ribbon Manufacturing	2.75
032	07	Cardamom Factories	2.00
033	08	Cardboard Box Manufacturing	2.25
034	15	Carpenters, Wood wool Manufacturing, Furniture Manufacturing and other wood worker shops (excluding saw mill)	4.50
035	09	Carpet and Drugget Manufacturing (Cotton/jute/wool)	2.50
036	12	Carpet and Drugget Manufacturing (Others)	3.50
037	11	Cashew nut Factories	3.00
038	07	Cattle feed Mill	2.00
039	24	Celluloid Goods Manufacturing	15.00
040	05	Cement / asbestos/concrete products Manufacturing	1.50
041	07	Cement Factories	2.00
042	05	Ceramic Factories and Crockery and Stoneware pipe Manufacturing/Clay Works.	1.50
043	11	Chemical Manufacturing(Using materials with Flash Point below 32°C), Bulk Drug Manufacturing	3.00
044	08	Chemical Manufacturing(others), Pharmaceuticals, Toiletry products	2.25

Section IV
INDUSTRIAL/MANUFACTURING RISKS

Risk code	Rate code	Description of risk	Rate (Rs. per mille)
045	10	Cigar and Cigarette Manufacturing	2.75
046	12	Cigarette Filter Manufacturing (Using Solvents with Flash Point below 32°C)	3.50
047	10	Cigarette Filter Manufacturing (Others)	2.75
048	11	Cinema Film Production Studios	3.00
049	07	Cinematography Film Editing, Laboratory and Sound recording rooms where Film processing is carried out	2.00
050	05	Cinematography Film Editing, Laboratory and Sound recording rooms without Film processing.	1.50
051	09	Cinema Theatres	2.50
052	22	Circus, Touring Drama Troupes and Touring Cinema Theatres	10.50
053	05	Cloth Processing units situated outside the compound of Textile mills	1.75
054	18	Coal/Coke/Charcoal ball & briquettes Manufacturing	5.50
055	09	Coal Processing Plants	2.50
056	07	Coffee Curing, Roasting / Grinding	2.00
057	12	Coir Factories	3.50
058	12	Collieries - underground Machinery and pit head gear	3.50
059	05	Condensed Milk Factories, Milk Pasturising Plants and Dairies	1.50
Risk code	Rate code	Description of risk	Rate (Rs. per mille)
060	05	Confectionery Manufacturing	1.50

Section IV
INDUSTRIAL/MANUFACTURING RISKS

061	13	Contractors Plant and Machinery At one location only	3.75
	15	Anywhere in India (at specified locations)	4.50
062	12	Cork Products Manufacturing	3.50
063	22	Cotton Gin and Press Houses	10.50
064	15	Cotton Seed cleaning / Delinting Factory	4.50
065	05	Dehydration Factories	1.50
066	09	Detergent Manufacturing with Sulphonation Plant	2.50
067	08	Detergent Manufacturing (Others)	2.25
068	09	Distilleries	2.50
069	15	Duplicating/stencil paper Manufacturing	4.50
070		Electric Generation Stations	
	04	Hydro Power stations	1.25
	05	Others	1.50
071	07	Electric Lamp /T.V. Picture Tube Manufacturing	2.00
072	08	Electronic Goods Manufacturing /Assembly	2.25
073	04	Electronic Software Parks	1.25
Risk code	Rate code	Description of risk	Rate (Rs. per mille)
074	07	Enamel-ware factories	2.00

Section IV
INDUSTRIAL/MANUFACTURING RISKS

075	04	Engineering Workshop - - Structural Steel fabricators, Sheet Metal fabricators, Hot/Cold Rolling, Pipe Extruding, Stamping, Pressing, Forging Mills, Metal smelting, Foundries, Galvanising works, Metal Extraction, Ore processing (other than Aluminium, Copper, Zinc)	1.25
076	06	Engineering Workshop (Others), Clock/Watch Manufacturing , Motor Vehicle Garages	1.75
077	22	Exhibitions, Fetes, Mandaps.	10.50
078	18	Explosives / Blasting Factories	5.50
079	08	Fertiliser Manufacturing (other than those rateable under Petrochemical Tariff)	2.25
080	12	Filter and wax paper Manufacturing	3.50
081	18	Fireworks Manufacturing	5.50
082	08	Flax / Hemp Mills	2.00
083	12	Flour Mills	3.50
084	15	Foamed Plastics Manufacturing and / or converting plants	4.50
085	15	Foam Rubber Manufacturing	4.50
086	15	French Polish Manufacturing	4.50
087	05	Fruit and vegetable drying/dehydrating factories	1.50
Risk code	Rate code	Description of risk	Rate (Rs. per mille)
088	05	Fruit products and Condiment Factories (including fruit pulp making)	1.50
089	07	Garment Makers, Topee, Hats and the like makers	2.00

Section IV
INDUSTRIAL/MANUFACTURING RISKS

090	07	Ghee Factories including vegetable Ghee mfg.	2.00
091	09	Glass Fibre Manufacturing	2.50
092	10	Glass wool Manufacturing	2.75
093	07	Glass Manufacturing	2.00
094	07	Gold thread factories / Gilding factories	2.00
095	05	Granite Factories using inflammable solvents	1.50
096	03	Granite Factories (Others)	1.00
097	09	Graphite electrode Manufacturing	2.50
098	09	Grain/seeds disintegrating/crushing/ Decorticating factories/ Dal mills.	2.50
099	09	Grease / Wax Manufacturing	2.50
100	05	Green Houses/ Algae/ Spirulina and the like	1.50
101	07	Gum/Glue/Gelatine Manufacturing	2.00
102	07	Gypsum board manufacturer	2.00
Risk code	Rate code	Description of risk	Rate (Rs. per mille)
103	08	Hoisery,lace, Embroidery/Thread factories	2.25
104	05	Ice candy and Ice cream Manufacturing	1.50
105	05	Ice factories	1.50
106	11	Incandescent Gas mantle Manufacturing	3.00
107	07	Industrial Diamonds Manufacturing	2.00
108	11	Industrial Gas Manufacturing	3.00
109	09	Ink (excluding printing ink) Manufacturing	2.50
110	05	Jaggery Manufacturing	1.50
111	15	Jute Mills	4.50
112	12	Katha Manufacturing	3.50
113	07	Khandsari Sugar Manufacturing	2.00
114	09	Lac or Shellac Factories	2.50

Section IV
INDUSTRIAL/MANUFACTURING RISKS

Risk code	Rate code	Description of risk	Rate (Rs. per mille)
115	12	Leather Cloth Factories	3.50
116	07	Leather Goods Manufacturing (incl. boot/shoe)	2.00
117	05	Lime Kiln	1.50
118	09	Lithographic presses	2.50
119	15	Liquified Gas Bottling Plants	4.50
120	07	Malt Extraction Plants	2.00
121	04	Man-made Fibre Manufacturing (using Cellulose)	1.25
122	05	Man-made Fibre Manufacturing Plant (Others)	1.50
123	07	Manure Blending works	2.00
124	18	Match Factories	5.50
125	15	Mattress and Pillow making	4.50
126	07	Metallizing works (involving metals only)	2.00
127	11	Metallising Works (others)	3.00
128	09	Metal/Tin printers	2.50
129	07	Mica Products Manufacturing	2.00
130	07	Mineral Oil blending and processing	2.00
131	05	Mosaic Factories	1.50
132	05	Mushroom Growing Premises (Excluding Crops)	1.50
133	24	Nitro Cellulose Manufacturing	15.00
134	11	Non-woven fabric Manufacturing	3.00
135	13	Oil Extraction	3.75
136	09	Oil Distillation Plants (essential)	2.50
137	07	Oil Mills refining (Veg/Animal)	2.00

Section IV
INDUSTRIAL/MANUFACTURING RISKS

138	07	Oil Mills (Vegetable)	2.00
139	12	Oil and Leather Cloth Factories	3.50
140	07	Paint factories (Water based)	2.00
141	13	Paint (others) & Varnish Factories	3.75
142	15	Paints - Nitrocellulose based	4.50
143	09	Pan Masala making	2.50
144	08	Paper and Cardboard Mills (including Lamination)	2.25
145	08	Particle Board Manufacturing	2.25
146	14	Pencil Manufacturing	4.00
147	08	Petroleum Coke Calcination	2.25
Risk code	Rate code	Description of risk	Rate (Rs. per mille)
148	12	Plastic Goods Manufacturing (excluding Foam Plastics)	3.50
149	18	Plywood / Wood veneering Factories/ Laminating Factories	5.50
150	05	Polyester Film Manufacturing / BOPP Film Manufacturing	1.50
151	07	Port Premises including jetties and equipment thereon And other port facilities Note 1:- Storage areas within the port premises shall be charged open storage rates under section VI and/or under section VII as applicable. Note 2:- No reduction in rates shall be allowed for opting out STFI perils.	2.00
152	05	Poultry Farms (Excluding birds therein)	1.50
153	22	Presses for coir fibres/waste/Grass/fodder/boosa/Jute	10.50
154	15	Presses for coir yarn / cotton/senna leaves	4.50

Section IV
INDUSTRIAL/MANUFACTURING RISKS

Risk code	Rate code	Description of risk	Rate (Rs. per mille)
155	12	Presses for carpets, rugs and tobacco	3.50
156	10	Presses for hides and skins	2.75
157	12	Printing Ink Manufacturing / Roller composition factories	3.50
158	09	Printing Press	2.50
159	05	Pulverising Plants(Metals and non-hazardous goods)	1.50
160	11	Pulverizing Plants (Others)	3.00
161	11	Rice Mills	3.00
162	06	Rice Polishing Units	1.75
163	09	Rope works (Plastic), Assembling of Plastic Goods such as Toys and the like	2.50
164	05	Rope Works (others)	1.50
165	11	Rubber Factories	3.00
166	12	Rubber Goods Mfg with Spreading	3.50
167	09	Rubber Goods Manufacturing without spreading	2.50
168	03	Salt crushing Factories and Refineries	1.00
169	18	Saw Mills (including Timber Merchants premises where sawing is done).	5.50
170	07	Sea Food / Meat Processing	2.00
171	06	Silk Mills / Spun Silk Mills	1.75
172	12	Snuff Manufacturing	3.50
173	08	Soap Manufacturing	2.25
174	09	Sponge Iron Plants	2.50

Section IV
INDUSTRIAL/MANUFACTURING RISKS

Risk code	Rate code	Description of risk	Rate (Rs. per mille)
175	11	Spray Painting, Powder coating	3.00
176	05	Stables (excluding animals)	1.50
177	07	Starch Factories	2.00
178	03	Stone quarries	1.00
179	07	Sugar Candy Manufacturing	2.00
180	05	Sugar factories	1.50
181	15	Surgical Cotton Manufacturing	4.50
182	05	Sweetmeat Manufacturing	1.50
183	05	Tanneries	1.50
184	07	Tapioca factories	2.00
185	14	Tarpaulin and canvas proofing factories	4.00
186	08	Tea blending/packing factories	2.25
187	09	Tea Factories	2.50
188	05	Telephone Exchanges	1.50
Risk code	Rate code	Description of risk	Rate (Rs. per mille)

Section IV
INDUSTRIAL/MANUFACTURING RISKS

189	08 07	Textile Mills Spinning mills Composite mills (Composite Mills are those where activities from Blow Room to Cloth processing are involved)	2.25 2.00
190	05	Tile & Pottery works	1.50
191	03	Tiny sector Industries with values at risk not exceeding Rs 10 lakhs	1.00
192	05	Tissue Culture Premises (Excluding Crops)	1.50
193	12	Tobacco Curing / Redrying Factories	3.50
194	12	Tobacco grinding/ crushing Manufacturing	3.50
195	20	Turpentine and rosin distilleries	6.50
196	08	Tyres and Tubes Manufacturing	2.25
197	11	Tyre Retreading and Resoling factories	3.00
198	07	Umbrella Assembly factories	2.00
199	09	Velvet Cloth Manufacturing	2.50
200	05	Vermicelli factories	1.50
201	05	Weigh Bridges	1.50
202	06	Weaving Mills	1.75
Risk code	Rate code	Description of risk	Rate (Rs. per mille)
203	22	Wheat Threshers	10.50
204	07	Wood seasoning/treatment/ impregnation	2.00
205	09	Wool cleaning and pressing factories	2.50
206	07	Woollen Mills	2.00
207	05	Yarn Processing	1.75
208	07	Zip fasteners Manufacturing	2.00

Section V
UTILITIES LOCATED OUTSIDE THE COMPOUNDS OF
INDUSTRIAL/MANUFACTURING RISKS

RULE

The reduction in premium rates for deletion of STFI and /or RSMTD perils at the inception of the policy shall be as under:

Re 0.25%o

Re. 0.10%o

Detached/Segregated block(s) within a risk which are protected by automatic sprinkler installation with its own independent pumping arrangements etc. as per the Committee's rules for sprinkler installation shall be allowed 5% reduction on the basic rate(s).

RATING SCHEDULE

Risk code	Rate code	Description of Risk	Rate (Rs. per mille)
5	08	Analytical / Quality Control Laboratories	2.25
6	05	Boiler House	1.50
7	03	Dam	1.00
8	05	Effluent /Sewage Treatment Plant	1.50
9	05	Electric Sub-Station	1.50
10	05	Electric Transmission / Distribution Lines	1.50
11	03	Pipe lines (carrying water only)	1.00
12	04	Pipe lines (others)	1.25

Section V
UTILITIES LOCATED OUTSIDE THE COMPOUNDS OF
INDUSTRIAL/MANUFACTURING RISKS

13	05	Pump House (Water)	1.50
14	09	Pump House (Others)	2.50
15	11	Railway tracks	3.00
16	07	Roads	2.00
17	03	Water Treatment Plant	1.00
18	05	Wireless Transmitting Stations	1.50

Section VI
STORAGE RISKS OUTSIDE THE COMPOUNDS OF
INDUSTRIAL/MANUFACTURING RISKS

RULES:

1. Rates shown in this section shall apply to Buildings/Areas used for storage of materials
2. Operations such as packing/selecting/assorting/mending/stitching/battery charging and like which do not materially alter the nature of risk are allowed to be carried out in premises.
3. The presence of hazardous goods of higher category (as per Committee's list of hazardous goods booklet) not exceeding 5% of the total value of the stocks may be ignored.
4. Utilities and miscellaneous blocks shall be rated at Re. 1.00 per mille.
5. The reduction in premium rates for deletion of STFI and /or RSMTD perils at the inception of the policy shall be as under:

	Materials in Godown	Materials in Open
STFI	Rs.0.25%o	Rs.1.50%o
RSMTD	Rs.0.10%o	Rs.0.10%o

1. Incidental open storages upto 2% of sum insured on stock can be allowed when the risk is rated under materials stored in godowns.
2. Detached/Segregated block(s) within a risk which are protected by automatic sprinkler installation with its own independent pumping arrangements, etc. as per the Committee's rules for sprinkler installation shall be allowed 5% reduction on the basic rate(s).

Section VI
STORAGE RISKS OUTSIDE THE COMPOUNDS OF
INDUSTRIAL/MANUFACTURING RISKS

Risk code	Description of Risk	Materials Stored in			
		Godowns And Silos		Open	
		Rate Code	Rate (Rs. per mille)	Rate Code	Rate (Rs. per mille)
18	Storage of Non-hazardous goods subject to warranty that hazardous goods of Category I, II, III , Coir waste, Coir fibre and Caddies are not stored therein.	03	1.00	09	2.50
19	Storage of Category I hazardous Goods subject to warranty that goods listed in Category II, III, Coir waste, Coir fibre and Caddies are not stored therein.	09	2.50	19	6.00
20	Storage of hazardous Goods listed in Category II subject to warranty that goods listed in Category III, Coir waste, Coir fibre and Caddies are not stored therein.	15	4.50	21	8.50
21	Storage of hazardous Goods listed in Category III subject to warranty that Coir waste, Coir fibre and , Caddies are not stored therein.	18	5.50	22	10.50
22	Transporter's godowns & Godowns of clearing and forwarding agents.	18	5.50	22	10.50
23	Storage of Coir Waste ,Coir Fibre, Caddies	23	12.00	25	17.00
24	Cold Storage premises	09	2.50	--	--

Section VI
STORAGE RISKS OUTSIDE THE COMPOUNDS OF
INDUSTRIAL/MANUFACTURING RISKS

LIST OF HAZARDOUS MATERIALS AND GOODS AND CATEGORISATION THEREOF (PLEASE REFER COMMITTEE'S PUBLICATION "LIST OF HAZARDOUS GOODS")	
MODE OF CLASSIFICATION	
Hazardous Materials not included in the list may be classified depending on the properties indicated below :	
Category I	<ol style="list-style-type: none">1. Solids which are moderately or slightly combustible2. Flammable liquids having flash points above 65⁰ C.3. Inert and non-combustible gases.4. Highly toxic materials.5. Waste of non-hazardous materials.
Category II	<ol style="list-style-type: none">1. Pyrotechnic materials.2. Flammable liquids having flash point above 32⁰ C upto 65⁰ C.3. Moderate Oxidising Agents and Oxygen.4. Materials which evolve combustible gases in contact with water.5. Waste of Category I materials.
Category III	<ol style="list-style-type: none">1. Explosives.2. Materials which are self ignitable.3. Flammable liquids having flash point upto 32⁰ C.4. Strong Oxidising Agents.5. Combustible gases.6. Waste of Category II & III materials.

Section VII

**TANK FARMS/GAS HOLDERS OUTSIDE THE COMPOUNDS OF
INDUSTRIAL/MANUFACTURING RISKS**

RULE

The reduction in premium rates for deletion of STFI and /or RSMTD perils at the inception of the policy shall be as under:			
Risk Code	Rate Code	Description of Risk	Rate (Rs. per mille)
23	17	Gas Holders/ Bullets/spheres and storages for liquified gases except for Nitrogen, Carbon dioxide and inert gases	5.00
24	07	Gas Holders/ Vessels for Nitrogen, Carbon dioxide and inert gases	2.00
25	12	Tanks containing liquids flashing at 32 ⁰ C and below	3.50
26	07	Tanks (others)	2.00

NB:- 1. All tanks located in the same dyke shall carry the highest rate applicable overall.

NB:- 2. Utilities and Miscellaneous Blocks shall be rated at Re. 1.00%o

NB:- 3. Associated properties such as Pumping Stations, Compressor House, Blower House etc. shall be rated at par with the rate applicable to respective Gas Holders/ Bullets /SpheresVessels/Tanks.

ADD ON COVERS

Standard Fire and Special Perils Policy (Policy) can be extended to include the following 'Add on' covers :

1. Architects, Surveyors and Consulting Engineers Fees (in excess of 3% claim amount)
2. Removal of Debris (in excess of 1% claim amount)
3. (A) Deterioration of Stocks in Cold Storage premises due to accidental power failure consequent to damage at the premises of Power Station due to an insured peril

(B) Deterioration of stocks in cold storage premises due to change in temperature arising out of loss or damage to the cold storage machinery(ies) in the Insured's premises due to operation of insured peril
4. Forest Fire
5. Impact Damage due to Insured's own Rail/Road Vehicles, Fork lifts, Cranes, Stackers and the like and articles dropped therefrom
6. Spontaneous Combustion
7. Omission to Insure additions, alterations or extensions
8. Earthquake (Fire and Shock)
9. Spoilage Material Damage Cover
10. Leakage And Contamination Cover
11. Temporary Removal of Stocks Clause
12. Loss Of Rent clause
13. Insurance Of Additional Expenses of Rent For An Alternative Accommodation
14. **Start** up Expenses

ADD ON COVERS

Rates to be charged for such add-on covers shall be as under:

Sl. No	Add-On Cover	Rates applicable	Value on which premium has to be charged
1.	Architects, Surveyors and Consulting Engineers Fees (in excess of 3% claim amount)	Policy Rate	Specified sum insured not exceeding 7.5% of claim amount
2.	Removal of Debris (in excess of 1% claim amount)	Policy Rate	Specified sum insured upto maximum 10% of sum insured
3.	(A) Deterioration of Stocks in Cold Storage premises due to accidental power failure consequent to damage at the premises of Power Station due to an insured peril	25% of Policy Rate	Sum insured of stocks
	(B) Deterioration of stocks in cold storage premises due to change in temperature arising out of loss or damage to the cold storage machinery(ies) in the Insured's premises due to operation of insured peril.	Policy Rate	Sum insured of stocks
4.	Forest Fire	Minimum Rs. 5 per mille	Specified sum insured
5.	Impact Damage due to Insured's own Rail/Road Vehicles, Fork lifts, Cranes, Stackers and the like and articles dropped therefrom.	5% of Policy Rate	Policy Sum insured
6.	Spontaneous Combustion Category I goods Category II goods Category III goods Category IV goods	Rs.0.25%o Rs.0.50%o Rs.0.75%o Rs.1.00%o	Sum insured of relative commodity

ADD ON COVERS

7.	Omission to Insure additions, alteration or extensions	Policy Rate	5% of sum insured of BMA
8.	Earthquake (Fire and Shock) Zone I Zone II Zone III Zone IV Note :- Dwelling, offices, hotels, shops etc rateable under Section III of the tariff can be covered by charging a uniform rate of Re 0.10%0 regardless of the zones	Rs.1.00%0 Rs.0.50%0 Rs.0.20%0 Rs.0.10%0	Policy sum Insured
9.	Spoilage Material Damage Cover	Stocks in specified blocks 5 times the Policy Rate Machinery, Containers & Equipments in specified blocks 2.5 times the Policy Rate	Value of stocks in specified blocks M/A value in specified blocks.
10.	Leakage And Contamination Cover Where the tanks are within the Insured's own premises Where the tanks are located elsewhere	Leakage Cover only Rs.5%0 Rs.6%0	Leakage & Contamination Rs.10%0 Rs.12%0 Specified sum insured
11.	Temporary Removal of Stocks Clause	10% of policy Rate	Policy sum insured
12.	Loss Of Rent clause	Policy Rate	Specified sum insured
13.	Insurance Of Additional Expenses of Rent For An Alternative Accommodation	Policy Rate	Specified sum insured

ADD ON COVERS

14.	Start up Expenses	Policy Rate	Specified sum insured
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Note:-1 Mid-term inclusion of the Add-On Covers is permissible subject to the provisions under Rules 4a, 4b and 4c of Mid-term cover, General Rules and Regulations, Section I. Annual premium shall be charged for such mid-term inclusions. Also no refund of premium shall be made on the add-on covers being cancelled mid-term unless the Policy is cancelled simultaneously or replaced by a fresh insurance including add-on covers for an identical or increased amount.

Note:- 2 Policy Rate means either Policy Rate in case of specific industries or Average rate in case of multiple products manufacturing industries.

CLASSIFICATION OF EARTHQUAKE ZONES - DISTRICT WISE

STATE/UNION TERRITORY	ZONE	DISTRICTS
ANDAMAN & NICOBAR ISLANDS	I	Entire Union Territory
ANDHRA PRADESH	III	West Godavari, Krishna, Khammam, Warangal, Karimnagar, Anantapur.
	IV	Chitoor, Nellore, Cuddapah, Kurnool Mahboobnagar, Ranga Reddy, Medak, Nizamabad, Adilabad, Nalgonda, Prakasam, East Godavari, Visakhapatnam, Guntur, Vizianagarm, Srikakulam, Hyderabad and Yanam (Pondicherry)
ARUNCHAL PRADESH	I	Entire State
ASSAM	I	Entire State
BIHAR	I	Sitamarhi, Madhubani, Darbhanga, Saharsa.
	II	Purnia, Champaran (East), Champaran (West), Katihar, Bighusarai, Samastipur, Muzaffarpur, Gopalganj, Siwan, Saran, Vaishali, Nalanda, Patna, Monghyr,

ADD ON COVERS

	III	Bhagalpur. Santhal pragana, Bhojpur, Rohtas, Gaya, Aurangabad, Nawda, Hazaribagh, Palamau, Giridih, Dhanbad.
	IV	Ranchi, Singhbhum.
CHANDIGARH	II	Entire Union Territory.
DELHI	II	Entire State
GOA	III	Entire State
GUJARAT	I	Katch
	II	Jamnagar.
	III	Rajkot, Surendernagar, Mehsana, Banaskantha, Sabarkantha, Panchmahal, Baroda, Kheda, Ahmedabad, Bhavnagar, Amreli, Junagadh, Bharuch, Surat, Valsad, Dang (Ahwa), Gandhinagar, Union Territories-of Diu, Daman, Dadra and Nagar Haveli.
HARYANA	II	Ambala, Sonapat, Rohtak, Karnal, Gurgaon, Faridabad, Panipat, Rewari, Yamunanagar.
	III	Kurukshetra, Jind, Hissar, Bhiwani, Mahendragarh, Kaithal
	IV	Sirsa.
HIMACHAL PRADESH	I	Chamba, Kullu, Kangra, Una, Hamirpur, Mandi, Bilaspur.
	II	Lahul and Spiti, Kinnaur, Shimla, Solan, Sirmaur.
JAMMU & KASHMIR	I	Baramula, Srinagar,
	II	Gilgit, Chilas, Gilgit Wazarat, Muzaffarabad, Punch, Anantnag, Mirapur, Riasi, Udampur, Jammu, Kathua, Leh, Tribal Territory.
KARNATAKA	III	Dakshin Kannad.
	IV	Belgaum, Bijapur, Bidar, Gulbarga, Raichur, Bellary, Dharwad, Shimoga, Chitradurga, Chikmagalur, Tumkur, Hassan, Bangalore, Kolar, Kodagu, Mandya, Mysore, Uttar Kannad.
KERALA	III	Entire State and Mahe (Pondichery)
LAKSHADWEEP	IV	Entire Union Territory.

ADD ON COVERS

MADHYA PRADESH	III	West Nimar, East Nimar, Betul, Chhindwara, Hoshangabad, Raisen, Narsimhapur, Jabalpur, Shahdul, Sidhi, Surguja, Raigarh.
	IV	Balaghat, Bastar (Jagdalpur), Bhind, Bhopal, Bilaspur, Chhatarpur, Damoh, Datia, Dewas, Dhar, Durg, Guna, Gwalior, Indore, Jhabua, Mandsaur, Mandla, Morena, Panna, Raipur, Rajgarh, Sagar, Satna, Sehore, Shajapur, Shivpuri, Tikamgarh, Ujjain, Vidisha, Rajnandgaon, Ratlam, Rewa, Seoni.
MAHARASHTRA	I	Ratnagiri, Satara.
	III	Sindhudurg, Kolhapur, Pune, Nasik, Chandrapur, Thane, Raigad, Dhule, Greater Bombay.
	IV	Sangli, Solapur, Osmanabad, Latur, Bid, Ahmadnagar, Nanded, Parbani, Jalna, Aurangabad, Akola, Yavatmal, Amravati, Wardha, Nagpur, Bhandara, Gadchiroli, Buldana, Jalgaon.
MANIPUR	I	Entire State.
MEGHALAYA	I	Entire State.
MIZORAM	I	Entire State.
NAGALAND	I	Entire State.
ORISSA	III	Cuttack, Dhenkanal, Sambalpur.
	IV	Puri, Koraput, Kalahandi, Bolangir, Balasore, Keonjhar, Mayjurbhganj, Baudhkhondmals, Ganjam, Sundargarh.
PONDICHERRY	IV	Entire Union Territory.
PUNJAB	II	Gurdaspur, Hoshiarpur, Amritsar, Fatehgarh Sahib, Kapurthala, Jalandhar, Ludhiana, Rupnagar.
	III	Ferozepur, Faridkot, Patiala, Mansa, Sangrur, Bhatinda.
RAJASTHAN	III	Jaisalmer, Alwar, Bharatpur, Barmer, Jalor, Sirohi.
	IV	Ganganagar, Churu, Jhunjhunu, Jodhpur, Nagaur, Sikar, Jaipur, Daulpur, Sawai Madhopur, Tonk, Ajmer, Pali, Bhilwara, Bundi, Kota, Udaipur, Chittaurgarh, Jahlawar, Banswara, Dungarpur, Bikaner.

ADD ON COVERS

SIKKIM	II	Entire State.
TAMILNADU	III	Nilgiri, Coimbatore, Kanyakumari, Tirunelveli.
	IV	Chengalpattu, North-Arcot, Tiruvannamalai, South Arcot, Dharampuri, Salem, Periyar, Trichirapalli, Thanjavur, Nagapattinam, Pudukottai, Dindigul, Madurai, Kamarajar, Pasumpon, Muthuramalinga Thevar, Ramanathapuram, Chidambaranar, Madras.
TRIPURA	I	Entire State.
UTTAR PRADESH	I	Chamoli, Almora, Pithoragarh.
	II	Uttarkashi, Tehri Garhwal, Dehradun, Garhwal, Saharanpur, Muzaffarnagar, Bijnor, Nainital, Moradabad, Meerut, Ghaziabad, Rampur, Pilibhit, Bulandshahr, Kheri, Bahraich, Gonda, Basti, Gorakhpur, Deoria.
	III	Bareilly, Badaun, Shahjehanpur, Aligarh, Mathura, Ethah, Hardoi, Sitapur, Agra, Mainpuri, Farukkabad, Unnao, Lucknow, Barabanki, Rae Bareilly, Sultanpur, Faizabad, Azamgarh, Ballia, Pratapgarh, Jaunpur, Ghazipur, Varanasi, Mirzapur.
	IV	Etawah, Kanpur, Jalaun, Jhansi, Hamirpur, Banda, Fatehpur, Allahabad, Lalitpur.
WEST BENGAL	I	Cooch Bihar.
	II	Darjeeling, West Dinajpur, Jalpaiguri, Calcutta, 24 Parganas, Maldah.
	III	Murshidabad, Birbhum, Bardhaman, Hoogli, Howrah, Nadia, Bankura,
	IV	Midnapore. Purulia

ADD ON COVERS

Classification of materials according to the severity of the spontaneous combustion properties is as shown below. In case a particular material is not listed under any of the following categories, reference shall be made to the Committee for a ruling.

Category I (Low or Non-Existent)

Name of Materials

- | | |
|--|--|
| 1. Acetone | 26. Ethyl Glycol |
| 2. Acids (except stearic Acid) | 27. Film Lacquer |
| 3. Amyl Acetate | 28. Films (Safety and Non-safety) |
| 4. Aniline | 29. Fireworks of all kinds and/or colour matches |
| 5. Bagasse | 30. Grains and /or Seeds |
| 6. Bamboo Stocks | 31. Groundnut Oil |
| 7. Betel Nuts | 32. Groundnut (Shelled) |
| 8. Beedi Leaves & Beedies | 33. Hides |
| 9. Bitumen | 34. Ixtle |
| 10. Black Pepper | 35. Jaggery in bags and/or loose |
| 11. Carbitol | 36. Jute – twine |
| 12. Cardamom | 37. Jute in bales and/or loose |
| 13. Castor Oil | 38. Kappas (unginned cotton) |
| 14. Caustic Soda | 39. Kerosene oil |
| 15. Celluloid Tubes | 40. Lamp Black |
| 16. Chillies | 41. Lanoline |
| 17. Chrome yellow & Bronze Blue | 42. Lard Oil (Pure) |
| 18. Clean Cotton (Loose and/or in bales
Including clean Cotton Waste) | 43. Linseed |
| 19. Coconut Oil | 44. Mahul Leaves |

ADD ON COVERS

- | | |
|---|--|
| 20. Copra, Copra Seed, Copra Meal | 45. Mahuva flowers |
| 21. Cotton Seed | 46. Matches |
| 22. Cryslyic Acid | 47. Metal Turnings |
| 23. Diesel Oil, Engine Oil and Grease | 48. Methanol in drums |
| 24. Dry Coconuts | 49. Molasses |
| 25. Dry Ginger | 50. Mustard Oil (Black), Mustard seed
And other oil seeds |
| 51. Napthanic Acid | 69. Scrap Leather |
| 52. Neat food oil | 70. Sisal |
| 53. Nitro benzol (Nitrobenzene) | 71. Snuff |
| 54. Nitro Cellulose (in drums or barrels) | 72. Spent earth with or without carbon |
| 55. Oleic Acid | 73. Spices |
| 56. Olive Oil (Pure) | 74. Spirits |
| 57. Palm Oil | 75. Staple Fibre |
| 58. Petrol | 76. Sugar |
| 59. Petroleum Productcs | 77. Sulphur |
| 60. Phenol | 78. Tallow |
| 61. Plastic Goods | 79. Tobacco-Loose and/or in bags |
| 62. Powdered eggs | 80. Tapioca chips |
| 63. Powdered Milk | 81. Turpentine |
| 64. Polysizer (Sizing Material) | 82. Turmeric |
| 65. Pulses | 83. Wall board |
| 66. Rangolite (Sodium Formaldehyde
Sulphoxylate) | 84. Wood pulp |
| 67. Saw Dust | 85. Wool (excluding wool waste) |
| 68. Scrap Film (Nitrate) | 86. Xylene |

Category II (Moderate) Name of the Materials

- | | |
|------------------------------|-----------------------------------|
| 1. Bone Oil | 26. Manuers except Fish Manure |
| 2. Cardboards | 27. Metal Powders |
| 3. Cocoa Bean Shell | 28. Mowra Flowers |
| 4. Copra Cake | 29. Oil Cake-Loose and/or in bags |
| 5. Corn Oil (Maize Oil) | 30. Olive Oil (Impure) |
| 6. Cotton Seed Expeller | 31. Paints containing drying Oil |
| 7. Cotton Seed de-oiled cake | 32. Paint scrapings |
| 8. Cotton Seed oil | 33. Pine Oil |
| 9. Craft paper | 34. Red Oik |
| 10. Expelled Groundnut Cake | 35. Rice Bran and Rice Husk |

ADD ON COVERS

11. Feeds –Various	36. Rice Konda
12. Fertilizers, Organic or Containing Nitrates and mixture thereof	37. Rice Straw
13. Foam Rubber Goods	38. Roofing Relt and Papers
14. Groundnut (de-oiled Cakes)	39. Scrap Rubber and / or Buffing
15. Hay and Grass	40. Soap Powder & Chips
16. Hydrogen Peroxide	41. Solvent Extraction
17. Hydrosulphite or Hydrosulphate of soda or Sodium Hydrosulphate or Sodium Hydrosulphite	42. Soyabean Oil
18. Iron Pyrites	43. Tarpaulin
19. Karadi Cake	44. Tung Oil.
20. Karadi (de-oiled Cake)	45. Urea
21. Karadi Oil	46. Waste Paper
22. Lime, Unflaked (Calcium Oxide)	47. Whale Oil
23. Liquid Ammonia	48. Wheat Husk
24. Lubricants excluding Petroleum Products	49. Wool Waste and Paper Waste
25. Maize (Corn) Oil	50. Zinc Dust

Category III (Variable)

Name of the Materials

1. Chemicals (Category I, II, III not specified otherwise)	10. Oily Cotton
2. Coaltar	11. Paints and Varnish excluding Synthetic Enamel
3. Colours	12. Perilla Oil
4. Dyes and/or Chemicals	14. Rags
5. Filter Cloth (Used)	15. Super Phosphate
6. Fire Wood	16. Synthetic Resins
7. Gunnies or Bardan	17. Sodium Nitrate
8. Manhaden Oil	18. Yellow Phosphorus
9. Monomers for Polymerisation	19. Stearic Acid

Category IV (High)

Name of the Materials

1. Alfalfa Meal	12. Oiled Clothings
2. Cod Liver Oil	13. Oiled Fabrics
3. Corn Meal Feeds	14. Oiled Rags

ADD ON COVERS

- | | |
|--|---|
| 4. Empire cloth | 15. Oiled Silk |
| 5. Fish Meal | 16. Groundnut (Red Skin) |
| 6. Fish Oil | 17. Synthetic Enamels |
| 7. Fish Manure | 18. Tungnut Meals |
| 8. Fish Scrap | 19. Varnished Fabrics |
| 9. Lard Oil (Commercial or Animal
10 Oils)
Linseed Oil | 20. Waste of all kinds (Except wool and paper waste)
including Oily and/or greasy waste. |
| 11. Nitro Cellulose Lacquers | 21. Sponge Iron |

Policy Endorsement Wordings:

-
1. Architects, Surveyors and Consulting Engineers Fees (in excess of 3% of the claim amount)

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

“It is hereby declared and understood that the expenses incurred towards Architects, Surveyors and Consulting Engineers fees for plans, specification tenders, quantities and services in connection with the superintendence of the reinstatement for the Building, Machinery, Accessories and equipment insured under this policy upto 7.5% of the adjusted loss is covered, but it is understood that this does not include any cost in connection with the preparation of the Insured’s claim or estimate of loss in the event of damage by insured perils”.

2. Removal of Debris (in excess of 1% of the claim amount)

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

It is permissible to cover cost necessarily incurred by an insured in the removal of debris from the premises of the insured, dismantling, demolishing, shoring up or propping of Insured property following destruction or damage by Insured Peril by incorporating the following clause :

“On costs and expenses necessarily incurred by the insured

ADD ON COVERS

- (a) In the removal of debris from the premises of the Insured;
- (b) dismantling or demolishing;
- (c) shoring up or propping;

of the portion or portions of the property insured by (Items..... of) this policy destroyed or damaged by perils hereby insured against but not exceeding in the aggregate Rs.”

Note: 1. (b)& (c) above should be deleted when neither Building nor Machinery are covered.

Note: 2. The cover may be given by separate item in the policy for an amount not exceeding 10% of the total Sum Insured.

- 3. (A) Deterioration of Stocks in Cold Storage premises due to accidental power failure consequent to damage at the premises of Power Station due to an insured peril

Policy covering stocks in cold storage premises may be extended to cover the above subject to following endorsement wordings:

“In consideration of the payment of additional premium of Rs. _____ it is hereby agreed and declared that notwithstanding anything to the contrary in this policy or in any of its conditions, this policy covers destruction of or damage to the property hereby insured caused by change of temperature in consequence of failure of electric supply at the terminal ends of electric service feeders from which the Insured obtains electric supply directly due to damage caused by any peril insured against under this policy to property at insured premises or any Electric Station or Sub-Station of Public Electric Supply undertaking from which the Insured obtains electric supply.

Provided 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 not performed for the sole purpose of safeguarding life or protecting any part of the supply undertaking's systems or by the exercise by any such authority of its power 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.

Provided further that the Company shall not be liable for any loss unless the duration of each such failure exceeds 24 hours.

Subject otherwise to the terms, exceptions, conditions and limitations of this Policy.”

In any action, suit or other proceedings where the company alleges that by reason of the provisions of this condition any loss or damage is not covered by this insurance, the burden of proving that this loss or damage is covered shall be upon the Insured.

ADD ON COVERS

3. (B) Deterioration of stocks in cold storage premises due to change in temperature arising out of loss or damage to the cold storage machinery(ies) in the Insured's premises due to operation of insured peril.

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

- * "In consideration of the payment of additional premium of Rs. _____ it is hereby agreed and declared that notwithstanding anything to the contrary in this policy or in any of its conditions this policy covers destruction of or damage to the property hereby insured caused by change of temperature in consequence of failure of electric supply following damage to Insured's property due to insured peril(s).

Provided further that the Company shall not be liable for any loss unless the duration of each such failure exceeds 24 hours.

Subject otherwise to the terms, extensions, conditions and limitations of this Policy".

In any action, suit or other proceedings where the company alleges that by reason of the provisions of this condition any loss or damage is not covered by this insurance, the burden of proving that this loss or damage is covered shall be upon the Insured.

4. Forest Fire

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

" In consideration of the payment of additional premium the insurance under item of the policy shall extend to include loss of or damage to the property insured directly caused by burning, whether accidental or otherwise, of forest, bush and jungles and the clearing of lands by Fire."

Note 1 : Where loss experience for previous 5 years excluding the expiring policy period is less than 30%, a 50% discount on the rate may be considered.

Note 2 : Where loss experience is above 60%, the rate shall be adjusted in such a way that the loss experience for policy period worked out as given in Note 1 above be adjusted to 60% subject to a maximum rate of Rs.15%o .

5. Impact Damage due to Insured's own Rail/Road Vehicles, Fork lifts, Cranes, Stackers and the like
-

ADD ON COVERS

and articles dropped therefrom.

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

“In consideration of an additional premium of Rs. _____, it is hereby agreed and declared that the policy is extended to cover loss and/or damage caused due to impact by direct contact to Insured’s property caused by Insured’s own Rail/Road Vehicles, Fork lifts, cranes, stackers and the like and articles dropped therefrom.”

6. Spontaneous Combustion

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

“In consideration of the payment by the Insured to the Company of additional premium of Rs. _____ the Company agrees notwithstanding what is stated in the printed exclusions of this policy to the contrary that the insurance by (items) of this policy shall extend to include loss or damage by fire only of or to the property insured caused by its own fermentation, natural heating or spontaneous combustion.”

N.B.:The expression ‘by fire only’ in the endorsement above must not be omitted under any circumstances.

7. Omission to Insure additions, alterations or extensions

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

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

ADD ON COVERS

- 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.
 - 1) No liability shall attach to the insurers in respect of any Building, Machinery, Plant or other Contents while such property is otherwise insured. 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 may be suitably adjusted.

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

- 2) 'Other Contents' in the above clause shall mean 'Furniture and Fittings' and does not include 'Stocks'.
 - 3) This clause should be incorporated at the time of issuing the policy.
-

ADD ON COVERS

8. Earthquake (Fire and Shock)

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

If option to delete STFI peril is exercised

“ In consideration of the payment by the Insured to the Company of the sum of _____ additional premium, it is hereby agreed and declared that notwithstanding anything stated in the printed exclusions of this policy to the contrary, this Insurance is extended to cover loss or damage (including loss or damage by fire) to any of the property Insured by this policy occasioned by earthquake including Landslide / Rockslide resulting therefrom but excluding flood or overflow of the sea, lakes, reservoirs and rivers caused by Earthquake.

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

If option to delete STFI peril is not exercised

“ In consideration of the payment by the Insured to the Company of the sum of _____ additional premium, it is hereby agreed and declared that notwithstanding anything stated in the printed exclusions of this policy to the contrary, this Insurance is extended to cover loss or damage (including loss or damage by fire) to any of the property Insured by this policy occasioned by or through or in consequence of earthquake including flood or overflow of the sea, lakes, reservoirs and rivers and/or Landslide / Rockslide resulting therefrom.

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

Special conditions

1) Excess clause

5% of each and every claim subject to a minimum of Rs.10,000/.

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

3) Onus of proof

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

a) The cover may be granted for non-manufacturing premises only.

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c) The period of Indemnity may be limited to the period during which the original premises remain untenable as a result of an Insured Peril. Maximum indemnity period not to exceed 3 (three) years.

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d) The additional expense recoverable under the policy may be additional rent actually paid i.e. the difference between the new and the original rent only.

e) Certificate from the Local Municipal Authority or an Architect to the effect that premises in question are untenable will be accepted as adequate proof of the fact that the premises, in fact, have become untenable.

f) Insurance should be granted against Fire, Riot, Strike, Malicious and Terrorist Damage and Earthquake (Fire & Shock) and other Extraneous Perils. Cover against Riot, Strike, Malicious and Terrorist Damage should be granted only if it involves actual physical damage to the building. The cover does not intend to pay, if for instance, the insured's entry is barred by strikers, demonstrators and similar occurrences.

g) The cover may be limited to buildings other than those of "Kutchha" construction.

h) The area for alternative accommodation may be equivalent to the area presently occupied. However, no restriction will apply in respect of locality for the alternative accommodation, so long as the alternative accommodation is taken in the same city of town.

i) Cover may be permitted to the tenant as also to the Owner-Occupant. Further, in respect of the Owner-Occupant, the alternative accommodation may be limited to the area presently under his occupation.

j) For the Owner-Occupant, since he will not be paying any rent based on the area occupied by him (in comparison with the actual rent being paid by the tenant in the same building or similar buildings in the same locality) the standard rent based on the rateable values fixed by Municipal/Revenue Authorities for tax purposes may be treated as the original rent for the purpose of this insurance.

k) It will be compulsory for

- i. the Owner-Occupant to insure both building and contents.
- ii. the tenant to insure the contents of the premises for which he is seeking this extension

Endorsement wording for insurance of rent for alternative accommodation Tenant or Owner-Occupant

It is hereby declared that in the event of the premises described in the policy and occupied by the insured, hereinafter referred to as 'PREMISES' being destroyed or damaged by any Insured Peril as to become unfit for occupation and the insured in consequence taking up alternative accommodation, the Company shall, subject to special conditions set out herein, indemnify the insured against the additional rent (as explained herein) which the insured is called upon to bear for the period beginning from the date of operation of any of the Insured Perils until the 'PREMISES' is rendered fit for occupation such period not exceeding such reasonable time as is

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9. SPOILAGE MATERIAL DAMAGE COVER

Policy may be extended to include spoilage risk subject to the following conditions:-

The cover shall extend to material damage, i.e.

- (i) Loss of stock in process; and
- (ii) Damage to machinery, containers and equipment (including cost of removal of debris and cleaning) and shall be provided by a separate item of the SFSP Policy subject to the Conditions that the perils causing the spoilage should be the same as those covered under the Policy.

The following endorsement wording shall be used.

“In consideration of the payment of an additional premium of Rs. _____ it is hereby agreed and declared that, notwithstanding anything contained to the contrary, in the within written Policy, the insurance under Item No..... of this policy shall extend to cover loss or damage by Spoilage resulting from the retardation or interruption or cessation of any process or operation caused by any of the perils covered under this Policy, provided that liability for destruction of or damage to the property insured described in the schedule to this policy, or any part of such property, is first admitted by the Company.

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

SPECIAL CONDITIONS

For the purpose of this Endorsement but no otherwise, the following special conditions shall apply :

Average : If the property hereby insured against spoilage shall, at the time of occurrence of any loss or damage, be collectively of greater value than the sum insured on machinery, containers, equipment and stocks in the specified blocks, then the Insured shall be considered as being his own insurer for the difference and shall bear

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rateable proportion of the loss accordingly. Every item, if more than one, of the Policy shall be separately subject to this condition.

PROVIDED THAT it is hereby further expressly agreed and declared that the liability of the Company shall in no case under this endorsement and the Policy exceed the sum insured by item Nos. _____ of this Policy.

Sum to be Insured:

The cover must be for all stocks and machinery, container and equipment in specified blocks, specified sums being declared for each block and must be made subject to 'Average'.

10. **LEAKAGE AND CONTAMINATION COVER**

SCOPE

Policy may be extended to include the risks of (a) accidental leakage and contamination or (b) accidental leakage.

The extension will apply to oils and chemicals only. It will not apply to any other commodity.

ENDORSEMENTS

It shall be obligatory to use one of the following endorsement wordings:

(A) WHERE LEAKAGE AND CONTAMINATION COVER IS GRANTED :

"In consideration of the payment of an additional premium of Rs..... it is hereby agreed and declared that the Insurance under this policy shall, subject to terms, conditions and exclusions of this **policy and also subject to terms, conditions and exclusions hereinafter contained, extend to include the physical loss of oil/chemical by leakage from its container by accidental means and all accidental contaminations by contact with foreign matter.**"

PROVIDED always that this policy does not cover:

- a) Loss by Contamination through Improper Handling or Controls by Insured's own Employees;
- b) ***Loss resulting from loss of use, loss of earnings, delay or loss of markets or other consequential or indirect loss or damage of any kind or description whatsoever;***
- c) ***Loss resulting from any kind of infidelity or dishonesty on the part of the Insured or any of their employees, inventory shortage, mysterious disappearance or unexplained loss;***

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- d) Loss by burglary or theft or any attempt thereat;
- e) Loss resulting from processing or faulty workmanship;
- f) ***Loss resulting from shrinkage, evaporation, loss of weight unless caused by a peril not otherwise excluded;***
- g) Any legal and/or contractual liability arising from any cause whatsoever; and
- d. Consequential Loss of any nature.

(B) WHERE LEAKAGE COVER ALONE IS GRANTED :

“In consideration of the payment of an additional premium of Rs..... it is hereby agreed and declared that the Insurance under this policy shall, subject to terms, conditions and exclusions of this Policy and also subject to terms, conditions and exclusions hereinafter contained, extend to include the physical loss of oil/chemical by leakage from its container by accidental means.

PROVIDED always that this policy does not cover :

- a) loss resulting from loss of use, loss of earnings, delay or loss of markets or other consequential or indirect loss or damage of any kind or description whatsoever;
- b) loss resulting from any kind of infidelity or dishonesty on the part of the Insured or any of their employees, inventory shortage, mysterious disappearance or unexplained loss;
- c) loss by burglary or theft or any attempt thereat;
- d) loss resulting from processing or faulty workmanship;
- e) loss resulting from shrinkage, evaporation, loss of weight unless caused by a peril not otherwise excluded;
- f) any legal and/or contractual liability arising from any cause whatsoever; and
- g) Consequential Loss of any nature.

SPECIAL CONDITIONS : (Applicable to A and B)

- i) The cover under this endorsement shall attach only on or after the receipt of the insured subject matter in land tanks as described in the policy and subject to lodgment with the company by Insured of a certificate obtained by them at their own expense from a competent approved and independent agency/surveyor as to the purity and quality of the subject matter herein insured.
- iv) Before the commencement of pumping and/or decanting operations, the Insured shall arrange at their own expense sampling and quality / purity certification by competent, approved and independent agency / surveyor for such distinct lot, batch or tank load ex-ocean vessel of insured subject matter and

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shall pump/decant only such material as is pure and without contaminants.

- v) The insured shall at their own expense arrange inspection and certification from competent approved and independent agency/surveyor as to the cleanliness and fitness of the pipe lines, pumping equipment and the receiving land tanks to carry and/or receive the insured subject matter, prior to the commencement of pumping, decanting, receiving and/or storage operations. Such certification as mentioned above should, inter alia, confirm that the pumping, carrying and storage equipment facilities and tanks are free from impurities, contaminants and/or residue or left-overs from previous use of equipment, facilities or storage tanks. As concerning the receiving land tanks an initial certificate of fitness to receive and store the insured material shall be deemed to satisfy the above condition in so far as such tanks are concerned. However, a fresh certification as mentioned above would be required in the event of the said tanks being empty and fresh stocks are subsequently pumped/decanted in during the currency of this insurance.
- iv) In case of loss to property insured hereunder, the basis of adjustment shall be the market value at the time and place of loss.
- vi) It is understood and agreed that all loss or damage to property occurring during any one period of seventy-two consecutive hours during the currency of this policy directly caused by earthquake shock shall be deemed to have been caused by single earthquake and therefore to constitute one loss for the purpose of this policy, the Insured shall select a time from which any such period shall commence but no two such selected periods shall overlap.
- vi) All salvage recoveries and payments recovered or received subsequent to a loss settlement under this policy shall be applied as if recovered or received prior to the said settlement and all necessary adjustment shall be made by the parties hereto.
- vii) If any breach of a clause or condition in this contract or policy of insurance shall occur prior to a loss under this Policy, such breach shall not void the policy nor avail the company to avoid the liability unless such breach shall exist at the time of such a loss under this contract or policy, it being understood that such breach of a clause or condition is applicable only to the specific property to which the condition or clause has reference and in respect of which such breach occurred.
- ix) Each claim for loss or damage shall be adjusted separately and each claim is subject to an excess of 1% on each tank with a minimum of Rs. 60,000/- each loss.
- ix) **If the property hereby insured shall at the time of the operation of a peril insured**

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hereunder, be collectively of greater value than the sum insured thereof, then the insured shall be considered as being his own insurer for the difference and shall bear a rateable proportion of the loss accordingly. Every item, if more than one, of the policy shall be separately subject to this condition

NOTE : SPECIAL CONDITIONS (i), (ii) AND (iii) ARE NOT APPLICABLE WHERE LEAKAGE COVER ALONE IS GRANTED.

11.

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.

12.

LOSS OF RENT CLAUSE

POLICY may be extended to cover the above subject to following :

Where loss of rent caused by Insured Perils is covered, the following Rent Clause should be inserted in the Policy:-

“ The insurance on rent applies only if (any of) the said building(s) or any part thereof is unfit for occupation in consequence of its destruction or damage by the perils insured against and then the amount payable shall not exceed such portion of the sum insured on Rent as the period necessary for reinstatement bears to the term of the Rent Insured”.

13.

INSURANCE OF ADDITIONAL EXPENSES OF RENT FOR AN ALTERNATIVE ACCOMMODATION

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

Additional expenses of rent for an alternative accommodation in respect of non-manufacturing risks may be covered on the following basis :

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- l) The cover may be granted for non-manufacturing premises only.
- m) The cover may be granted under the Policy and not under Consequential Loss (Fire) Policy.
- n) The period of Indemnity may be limited to the period during which the original premises remain untenable as a result of occurrence of perils insured against. Maximum indemnity period not to exceed 3 (three) years.
- o) The additional expense recoverable under the policy may be additional rent actually paid i.e. the difference between the new and the original rent only.**
- p) Certificate from the Local Municipal Authority or an Architect to the effect that premises in question are untenable will be accepted as adequate proof of the fact that the premises, in fact, have become untenable.
- q) Insurance should be granted against Fire, Riot, Strike, Malicious and Terrorist Damage and Earthquake (Fire & Shock) and other Extraneous Perils. Cover against Riot, Strike, Malicious and Terrorist Damage should be granted only if it involves actual physical damage to the building. The cover does not intend to pay, if for instance, the insured's entry is barred by strikers, demonstrators and similar occurrences.
- r) The cover may be limited to buildings other than those of "Kutch" construction.
- s) The area for alternative accommodation may be equivalent to the area presently occupied. However, no restriction will apply in respect of locality for the alternative accommodation, so long as the alternative accommodation is taken in the same city of town.
- t) Cover may be permitted to the tenant as also to the Owner-Occupant. Further, in respect of the Owner-Occupant, the alternative accommodation may be limited to the area presently under his occupation.
- u) For the Owner-Occupant, since he will not be paying any rent based on the area occupied by him (in comparison with the actual rent being paid by the tenant in the same building or similar buildings in the same locality) the standard rent based on the rateable values fixed by Municipal/Revenue Authorities for tax purposes may be treated as the original rent for the purpose of this insurance.
- v) It will be compulsory for
- iii. the Owner-Occupant to insure both building and contents.

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- iv. the tenant to insure the contents of the premises for which he is seeking this extension

Endorsement wording for insurance of rent for alternative accommodation Tenant or Owner-Occupant

It is hereby declared that in the event of the premises described in the policy and occupied by the insured, hereinafter referred to as 'PREMISES' being destroyed or damaged by any Insured Peril as to become unfit for occupation and the insured in consequence taking up alternative accommodation, the Company shall, subject to special conditions set out herein, indemnify the insured against the additional rent (as explained herein) which the insured is called upon to bear for the period beginning from the date of operation of any of the Insured Perils until the 'PREMISES' is rendered fit for occupation such period not exceeding such reasonable time as is required to restore the premises with due diligence to a condition fit for occupation or the maximum indemnity period of months whichever is earlier.

Provided that the liability of the Company shall not exceed Rs. the sum insured hereby.

Provided further that if the sum produced by applying the monthly additional rent, borne by the insured for the alternative accommodation to the maximum indemnity period is more than the Sum Insured hereby, the liability of the Company shall be proportionately reduced.

SPECIAL CONDITIONS :

2. This insurance shall apply subject to the condition that the PREMISES occupied by the insured, whether as owner or tenant, forms part of a building not being "Kutchra" Construction.

2. If the area of alternative accommodation taken by the insured is more than the area of the PREMISES occupied by the insured, the additional rent borne by the insured for the purpose of this insurance shall be deemed to be that proportion of the additional rent actually borne by the insured as the area of the PREMISES which was in the insured's occupation bears to the area of the alternative accommodation taken by the insured. The insured shall be at liberty to take alternative accommodation in any locality so long as it is within the Municipal limit of the city or town in which the PREMISES is situated.

EXPLANATION

Additional Rent : If the insured is the Owner-Occupant, the additional rent borne by him is arrived at after deducting the standard rent of the premises from the actual rent paid for the alternative accommodation. The standard rent shall be based on the ratable values fixed by the Municipal/Revenue authorities for tax purposes.

If the insured is a tenant only and for safeguarding his legal tenancy rights is obliged to pay rent for the

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premises even during the period when it is not fit for occupation, the additional rent borne by him is the actual rent for the alternative accommodation.

If the insured is a tenant and is not obliged to pay rent for the premises during the period when it is not fit for occupation, the additional rent borne by him is the actual rent paid for alternative accommodation taken less the rent which he was paying for the premises immediately prior to the same being damaged or destroyed by Insured Perils and rendered unfit for occupation

14. **Start up Expenses**

Policy may be extended subject to the following endorsement wordings:

“It is hereby agreed and declared that this policy extends to cover start-up costs necessarily and reasonably incurred by the insured consequent upon a loss or damage covered by this policy.”

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CLAUSES

The following clauses shall be attached to the policy wherever they are required .

A AGREED BANK CLAUSE

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

"It is hereby declared and agreed:-

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

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

- iii. That if and whenever any notice shall be required to be given or other communication shall be required to be made by the Company to the insured or any of them in any manner arising under or in connection with this policy such notice or other communication shall be deemed to have been sufficiently given or made if given or made to the Bank.
- iv. That any adjustment, settlement, compromise or reference to arbitration in connection with any dispute between the Company and the insured or any of them arising under or in connection with this policy if made by the Bank shall be valid and binding on all parties insured hereunder but not so as to impair rights of the Bank to recover the full amount of any claim it may have on other parties insured hereunder.
- v. That this insurance so far only as it relates to the interest of the Bank therein shall not cease to attach to any of the insured property by reason of operation of condition 3 of the Policy except where a breach of the condition has been committed by the Bank or its duly authorised agents or servants and this insurance shall not be invalidated by any act or omission on the part of any other party insured hereunder whereby the risk is increased or by anything being done to upon or any building hereby insured or any building in which the goods insured under the policy are stored without the knowledge of the Bank provided always

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

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

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

B) CONTRACT PRICE INSURANCE CLAUSE

In the case of insurance of imported goods only (and not for goods of local manufacture) which are sold under a contract which is cancelled either wholly or to the extent of loss or damage, it is permissible to issue a policy on the basis of Contract Price and the following clause shall be inserted in the Policy.

"It is hereby agreed and declared that in respect only of goods sold but not delivered for which the insured is responsible and with regard to which under the conditions of sale, the sale contract is by reason of the perils covered under the Policy, cancelled either wholly or to the extent of the loss or damage, the liability of the company shall be based on the contract price and for the purpose of average the value of all goods to which the clause would in the event of loss or damage be applicable shall be ascertained on the same basis."

C) 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.

D) REINSTATEMENT VALUE POLICIES

Reinstatement value insurance may be granted on Buildings, Machinery Furniture, Fixture and

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Fittings only subject to the incorporation of the following memorandum in the policy:

"It is hereby declared and agreed that in the event of the property insured under (Item Nos.....of) within the policy being destroyed or damaged, the basis upon which the amount payable under (each of the said items of) the policy is to be calculated shall be cost of replacing or reinstating on the same site or any other site with property of the same kind or type but not superior to or more extensive than the insured property when new as on date of the loss, subject to the following Special Provisions and subject also to the terms and conditions of the policy except in so far as the same may be varied hereby."

Special Provisions

1. The work of replacement or 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 with reasonable dispatch and in any case must be completed within 12 months after the destruction or damage or within such further time as the Company may in writing allow, otherwise no payment beyond the amount which would have been payable under the policy if this memorandum had not been incorporated therein shall be made.
1. Until expenditure has been incurred by the Insured in replacing or reinstating the property destroyed or damaged the Company shall not be liable for any payment in excess of the amount which would have been payable under the policy if this memorandum had not been incorporated therein.
2. If at the time of replacement or reinstatement the sum representing the cost which would have been incurred in replacement or reinstatement if the whole of the property covered had been destroyed, exceeds the Sum Insured thereon or at the commencement of any destruction or damage to such property by any of the perils insured against by the policy, then the insured shall be considered as being his own insurer for the excess and shall bear a rateable proportion of the loss accordingly. Each item of the policy (if more than one) to which this memorandum applies shall be separately subject to the foregoing provision.
3. This Memorandum shall be without force or effect if
 - a) the Insured fails to intimate to the Company within 6 months from the date of destruction or damage or such further time as the Company may in writing allow his intention to replace or reinstate the property destroyed or damaged.
 - (b) the Insured is unable or unwilling to replace or reinstate the property destroyed or

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damaged on the same or another site.

E) **LOCAL AUTHORITIES CLAUSE**

Reinstatement Value Policy may be extended to cover additional cost of reinstatement solely by reason of the necessity to comply with the regulations of local authority by incorporating the following clause in the policy.

"The insurance by this policy extends to include such additional cost of reinstatement of the destroyed or damaged property hereby insured as may be incurred solely by reason of the necessity to comply with the Building or other Regulations under or framed in pursuance of any act of Parliament or with 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 destruction or damage occurring prior to the granting of this extension,

ii) in respect of destruction or damage not insured by the policy,

iii) under which notice has been served upon the insured prior to the happening of the destruction of damage,

iv) in respect of undamaged property or undamaged portions of property other than foundations (unless foundations are specifically excluded from the insurance by this policy) of that portion of the property destroyed or damaged,

b) the additional cost that would have been required to make good the property damaged or destroyed to a condition equal to its condition when new had the necessity to comply with any of the aforesaid Regulations of 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 destruction or damage or within such further time as the Insurers 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 so necessitate) subject to the liability of the Insurer under this extension not being

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thereby increased.

- 3) If the liability of the insurer 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 Insurers under this extension (in respect of any such item) shall be reduced in like proportion.
- 4) The total amount recoverable under any item of the policy shall not exceed the sum insured thereby.
- 5) 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."
- 6) No additional premium shall be charged for inclusion of this clause in this policy.

F) **ESCALATION CLAUSE**

The following Clause shall be used :

“In consideration of the payment of an additional premium amounting to 50% of the premium produced by applying the specified percentage to the first or the annual premium as appropriate on the under noted items(s) the Sum(s) Insured thereby shall, during the period of insurance, be increased each day by an amount representing 1/365th of the specified percentage increase per annum.

Item Number	Specified percentage increase per annum
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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

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any endorsement effective prior to the aforesaid renewal date) to which shall be added the increases which have accrued under this Clause during the period of insurance upto that renewal date, and

- (ii) the specified percentage increase(s) required for the forthcoming 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.”

G) ARCHITECTS, SURVEYORS AND CONSULTING ENGINEER’S FEES (upto 3% of the claim amount)

The following Clause shall be used :

“It is hereby declared and understood that the expenses incurred towards Architects, Surveyors and Consulting Engineers fees for plans, specification tenders, quantities and services in connection with the superintendence of the reinstatement for the Building, Machinery, Accessories and equipment insured under this policy is covered upto 3% of the adjusted loss, 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”.

H) REMOVAL OF DEBRIS CLAUSE (upto 1% of the claim amount)

The following Clause shall be used :

“It is hereby declared and agreed that the expenses incurred upto 1% of the claim amount is included in the sum insured on:

- (a) Removal of debris from the premises of the Insured;
- (b) dismantling or demolishing;
- (c) shoring up or propping.”

Note : (b) & (c) above should be deleted when neither Building nor Machinery are covered.

I) FLOATER CLAUSE

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The following clause shall be attached for floater policy(ies) :

“In consideration of Floater Extra charged over and above the policy rate the S.I. in aggregate under the policy is available for any one, more, or all locations as specified in respect of movable property.

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

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

J) DECLARATION CLAUSE

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

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

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

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

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

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

If the resultant premium is less than the provisional premium, the difference shall be repaid to the Insured but such repayment shall not exceed 50% of the provisional premium.

Further it is hereby agreed and understood that no reduction in sum insured shall be allowed during the currency of the policy

2) The basis of value for declarations shall be the market value and any loss hereunder shall be settled on the basis of the Market Value immediately anterior to the loss.

3) If at the time of any loss, there be any subsisting insurance or insurances on other than a declaration basis, whether effected by the Insured or by any other person or persons, covering the stocks hereby insured, this policy shall apply only to the excess of the value of such stocks at the time of the loss over the Sum Insured by such other insurance or insurances, and this Company shall not be liable to pay or contribute more than that proportion of such loss which such excess (or, if there be other declaration insurances covering the same stocks, a rateable proportion of such excess) but not exceeding the Sum Insured hereby, bears to the total value of the stocks.

4) If after the occurrence of a loss it is found that the amount of the last declaration previous to the loss is less than the amount that ought to have been declared, then the amount which would have been recoverable by the Insured shall be reduced in such proportion as the amount of the said last declaration bears to the amount that ought to have been declared.

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- 5) Notwithstanding the occurrence of loss it is understood that the Sum Insured will be maintained at all times during the currency of the policy and the Insured therefore undertakes to pay extra premium on the amount of any loss pro rata from the date of such loss to the expiry of the period of insurance, the premium being calculated at the rate applicable to the stocks destroyed and such extra premium shall not be taken into account in, and shall be distinct from, the final adjustment of premium.
- 6) In event of this policy being cancelled by the Insured during its currency (whether stocks exist or not) the premium to be retained by the Company shall be the appropriate short period premium calculated on the average amount insured upto the date of cancellation, or 50% of the provisional premium whichever is greater. Notwithstanding the above, if the policy is cancelled by the insured after a loss has occurred, the premium to be retained by the company shall be the PRO RATA proportion of the premium calculated on the average amount insured upto the date of cancellation plus the PRO RATA proportion of the premium from the date of loss to the expiry of the period of insurance on the amount of loss paid, or 50% of the provisional premium whichever is greater.
- 7) The maximum liability of the Company shall not exceed the Sum Insured hereby and premium shall not be receivable on value in excess thereof. The Sum Insured may, however, be increased by prior agreement with the Company in which event the new Sum Insured and the date from which it is effective will be recorded on the policy by endorsement. In the event of an increase in the Sum Insured being agreed to, the Company shall charge on such increased sum an additional provisional premium on a basis proportionate to the unexpired period of the policy and upon expiry of each period of insurance the total provisional premium so paid shall be adjusted as provided for in Clause 1 above. If during the currency of the policy, the rate for the class of risk to which the insurance applies is revised, and an increase in the Sum Insured under a Declaration Policy is agreed to, the Company shall charge on such increased sum an additional provisional premium on a basis proportionate to the unexpired period of policy, at the rate at which the insurance was originally effected and upon expiry of each period of

ANNEXURE - A

insurance the total provisional premium so paid shall be adjusted as provided for in Clause 1 above.

8) If the stocks hereby insured shall at the time of loss be collectively of greater value than the Sum Insured thereon, then the Insured shall be considered as being his own insurer for the difference and shall bear a rateable proportion of the loss accordingly. Every item, if more than one, on stock shall be separately subject to this condition.

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

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

K) **VOLUNTARY DEDUCTIBLE CLAUSE**

The following clause shall be attached to the policy(ies) in case the insured accepts the deductible and the discount therefor:

“It is hereby declared and agreed that the insured having opted a voluntary deductible of
Rs.----- out of net amount of each and every admissible claim under the fire policy(ies) covering the said premises, the company has allowed a discount of ----
% on the final premium payable for the policies and Add on Covers.

It is further agreed that the above voluntary deductible opted shall be in addition to compulsory exclusion stipulated under “General exclusions” attached to the policy(ies) and/or for add-on covers.”

ANNEXURE - B

PROPOSAL FOR STANDARD FIRE & SPECIAL PERILS POLICY

**Acceptance of this proposal is subject to the rules & regulations of
All India Fire Tariff**

(The property proposed for insurance is not covered until the
proposal is accepted and premium paid)

Divisional office address & code

Development Officer's Name & Code

Agents Name & Code

DETAILS ABOUT PROPOSER

1) Name Of Proposer

2) Address Of Proposer including their phone, fax No. and e-mail
address

3) Business Of Proposer

4) Paid up Capital of the firm

5) Policy to be Issued in favour of
(list out all the parties who have insurable interest) including the
financial institutions.

6) Location of risk to be covered - full postal address with pincode

7) Period of Insurance

From
To

ANNEXURE - B

8) Would you like to delete any of following covers from the basic cover?

- | | |
|---|----------|
| a. Flood, Cyclone, group of perils | Yes / No |
| b. Riot, Strike & Malicious damage, Terrorism | Yes / No |
-

9) Would you like to cover Plinth & Foundation along with your buildings Yes / No

10) Add-On Covers Required

Architects consulting & Engineers Fees (in excess of 3% claim amount)	Yes/no
Debris Removal (in excess of 1% claim amount)	Yes/no

ANNEXURE - B

Deterioration of Stocks in cold storage premises on account of

- | | |
|--|--------|
| a) Accidental power failures due to damage at power station due to an insured peril; | Yes/no |
| b) Deterioration of stocks in cold storage premises due to change in temperature arising out of loss or damage to the cold storage machinery(ies) in the Insured's premises due to operation of insured peril. | Yes/no |

Forest Fire	Yes/no
Impact damage due to insured's own Rail/Road vehicles etc:	Yes/no
Spontaneous Combustion	Yes/no
Omission to Insure additions etc.	Yes/no
Earthquake(fire and shock)	Yes/no
Spoilage material cover	Yes/no
Leakage and contamination cover	Yes/no
Temporary removal of stocks	Yes/no
Loss of rent	Yes/no
Additional expenses of rent for an alternate accommodation	Yes/no
Start-up expenses	Yes/no

11) Whether you have insured the same property with any other Insurance Company with the same type of coverage. (Give details)

12) Whether Insurance was declined by any other Company or imposed any Special Conditions (Give details)

13) Premium / Claim details for the past 36 months excluding the expiring policy period	Premium	Claims
---	---------	--------

DETAILS ABOUT BUSINESS COVERED AT THE INSURED LOCATION

14) The Insured property is

ANNEXURE - B

Residence,Office,Shops,Hotels etc	Yes / No
Industrial/Manufacturing risks	Yes/No
Storages outside industrial risks	Yes / No
Tanks / Gas Holders outside Industrial Manufacturing risks	Yes / No
Utilities located outside Industrial Manufacturing risks	Yes / No

15) If used as Shop please declare whether the goods handled are as per the following list.
If yes, whether the stock value will exceed 5% of shops value

1.Celluloid goods, 2.Coir Loose, 3.Crackers & Fire Works, 4.Explosives of any kind, 5.Hay/Straw, 6.Hemp, 7.Jute Loose, 8.Matches, 9.Methylated Spirit, 10.Nitro-Cellulose Plastics, 11.Oils/Ether/Industrial Solvents and other inflammable liquids flashing at and below 32 Deg.C (Closed Cup test), 12.Paints with inflammable base having flash point below 32 Deg.C (Closed Cup test) - Other than in sealed tins or drums, 13.Varnishes having a Flash point below 32 Deg.C (Closed Cup test) - Other than in sealed tins or drums,14.Disinfectant liquids and liquid insecticides - Other than in sealed tins or drums,15.Vegetable fibres of any kind including Rayon Fibre.

16) .If used as warehouse / godown (not located in a manufacturing unit) please give the list of goods stored

17) If used as an Industrial Manufacturing unit give products manufactured at the location proposed.(detailed block plan showing various facilities to be enclosed)

18) If used as an Industrial Manufacturing unit, please state whether the factory is working or silent ?

19) Fire Protection devices installed Please Tick the correct answer in the box below

Portable Extinguishers	Yes/No
------------------------	--------

ANNEXURE - B

- a) List out the various blocks and indicate the type of protection provided for each block.
- | | |
|----------------------------|--------|
| Small bore hose reels | Yes/No |
| Trailer Pumps/Fire engines | Yes/No |
| Hydrant System | Yes/No |
| Sprinkler System | Yes/No |
| Fixed Water Spray System | Yes/No |
- b) Indicate whether Annual Maintenance contract for the Appliances is in force : Yes/No
- | | |
|----------------------|--------|
| Foam systems | Yes/No |
| Fire alarm systems | Yes/No |
| Gas flooding systems | Yes/No |

20) The basis proposed for insurance (Bldg/ machinery/ FFF)

-
- | | |
|---------------------------------------|----------|
| Market Value basis | Yes / No |
| Reinstatement Value Basis | Yes / No |
| Whether escalation clause is required | Yes / No |

21) a) Construction Details

Please state material used

- i) Walls _____
ii) Floor _____
iii) Roof _____

b) Height of Building _____ Meters

c) Age of Building

Less than 5 years	<input type="checkbox"/>	10-20 years
<input type="checkbox"/>		
5-10 years	<input type="checkbox"/>	above 20 years
<input type="checkbox"/>		

Note: Buildings having walls and/ or roofs of wooden planks/thatched leaves and/or grass/hay of any kind/bamboo/plastic cloth/asphalt cloth/canvas/tarpaulin and the like are treated as "Kutchra" construction.

ANNEXURE - B

22) Building wise values (Please include the kutchha buildings also in this list and give individual values against such buildings)

Description Of Block	Amount in Rs					Total	AGE (YRS)	HT (MT S)	CONS TRUC TION
	Building including plinth	M & A	F&F and other equipm ents	SSP* *	Propert y to be insured separat ely				

Total

** Indicates those stocks which are covered on normal basis and do not fall under Serial No.23 A,B, C and D below

23) Special Coverage for Stocks only

Please Tick in the box below and give the amount to be insured against each

A) On Floater Basis

Stocks at various locations (warehouses / godowns and /or open etc.,) can be covered on floater basis for a single Sum Insured.

Tick

Amount Rs.

Floater
Basis

ANNEXURE - B

B) On Declaration Basis

Stocks which fluctuate in value can be covered on (monthly) declaration basis.

Declaration Basis	Tick	Amount Rs.
-------------------	------	------------

Note:

1. Minimum Sum Insured is Rs.1 Crore, and policy not issued on short period basis

2. Stocks in process & stocks stored at Railway sidings are not covered

C) On Floater Declaration Basis

Stocks which fluctuate in value as well as stored in various locations can be covered on (monthly) floater declaration basis.

Floater Declaration Basis	Tick	Amount Rs.
---------------------------	------	------------

Note:

1. Minimum Sum Insured is Rs. 2 Crore

2. Stocks in process & stocks stored at Railway sidings are not covered

D) Stocks stored in open

Locations	Amount Rs.
1. Stocks in open (located outside the factory compound)	

24) Total Sum Insured (as per relevant serial numbers shown against each)

Clause/ Peril code	Risk code	Rate code	Rate	Sum Insured	Premiu m	Risk Code	Rate code
(Plinth & Foundation)							

ANNEXURE - B

Architects &
Engineers Fees

ANNEXURE - B

Debris Removal
Deterioration of Stocks
in cold storage
premises on account of

- a) Accidental power failures due to damage at power station due to an insured peril;
- b) Deterioration of stocks in cold storage premises due to change in temperature arising out of loss or damage to the cold storage machinery(ies) in the Insured's premises due to operation of insured peril.

Forest Fire
Impact damage due to
Insured's own vehicle
Spontaneous
Combustion
Omission to Insure
additions
alteration extension
Earthquake
Spoilage material cover
Leakage and
contamination cover
Temporary removal of
stocks
