

BOILER AND PRESSURE PLANT INSURANCE POLICY

Whereas the Insured named in the Schedule hereto by a proposal and declaration, which shall be the basis of this contract and is deemed to be incorporated herein has applied to the HDFC ERGO General Insurance Company Limited (hereinafter called the Company) for the insurance hereinafter contained and has paid the premium as consideration for such Insurance in respect of accident or damage occurring during the period of insurance stated in the Schedule or during any subsequent period for which the Insured pays and the Company may accept the premium for the renewal of this Policy.

NOW THIS POLICY OF INSURANCE WITNESSTH

That subject to the terms exceptions, exclusions, provisions, definitions, warranties and conditions contained herein or endorsed hereon, the Company will at its own option by payment or reinstatement or repair indemnify the Insured against -

1. Damage (other than by fire) to the Boilers and/ or other Pressure Plant described in the Schedule;
2. Damage (other than by fire) to surrounding property of the insured described in the Schedule or to property held by the insured in trust or on commission or for which he is responsible;
3. Liability of the Insured at law on account of -
 - a. Death of or bodily injury to any person (other than a person under a contract of service or apprenticeship with the Insured sustaining death or bodily injury which arises out of and in the course of employment with the Insured);
 - b. Damage to property not belonging to the Insured nor held in trust or on commission nor for which he is responsible;

caused by and solely due to Explosion or Collapse as hereinafter defined of any Boiler or other Pressure Plant described in the Schedule occurring in the course of ordinary working.

Provided that the liability of the Company for any one item of the insured property and Third Party Liability shall not exceed in the aggregate in any one period of Insurance the Sum Insured set against such item in the attached Schedule(s) unless the Sum Insured under such item is reinstated after occurrence of a claim for balance period.

GENERAL EXCEPTIONS

THE COMPANY SHALL NOT BE LIABLE UNDER THIS POLICY IN RESPECT OF -

1. Loss damage and/ or liability caused by or arising from or in consequences, directly or indirectly of Fire (arising from explosion or collapse or any other cause whatsoever) including extinguishment of a fire or clearance of debris and dismantling necessitated thereby, smoke, soot, aggressive substance lightning, theft, collapse of buildings, subsidence, landslide, rockslide, water which escapes from water containing apparatus, flood, inundation, storm, tempest, earthquake, volcanic eruption or other Acts of God, impact of land borne, waterborne, or airborne craft or other aerial devices and/ or articles dropped therefrom.
2.
 - a. War Invasion, Act of Foreign Enemy, Hostilities or War like operations (whether war be declared or not), Civil War, Rebellion, Revolution, Insurrection, Mutiny, Riot, Strike, Lock out and Malicious Damage, Civil Commotion, Military or Usurped power, Martial law, Conspiracy, Confiscation, Commandeering a group of Malicious Person or persons acting on behalf of or in connection with any Political Organisation. Requisition or Destruction or damage by order of any Government de jure or de facto or by any Public, Municipal or Local Authority.
 - b. Nuclear reaction, nuclear radiation or radioactive contamination.
3. Accident loss damage and/ or liability resulting from overload experiments or tests requiring the imposition of abnormal conditions.
4. Gradually developing flows, defects, cracks or partial fractures in any part not necessitating immediate stoppage although at some future time repair or renewal of the parts affected may be necessary.
5. Defects due to the wearing away or the wasting of the materials of a Boiler or a Pressure Plant whether by leakage, corrosion or by the action of the fuel or otherwise the grooving or the fracturing of any of the parts of a Boiler or pressure plant or for deterioration generally or for the development of cracks blisters, lamination and other flaws or fractures, failures of joint within the range of steam or feed pipes, or for bulging and deformation due to overheating of tubes (unless such defects, fracture, failure or bulging result in explosion or collapse) or for the cracking of section of cast-iron heating boilers

or other vessels constructed of cast iron.

6. The failure of individual tubes in Boilers of the water tube locomotive or other multitubular types, in Super heaters or in Economizers (unless such defects result in explosion or collapse).
7. Loss or damage to the insured plant or property and/ or liability arising during and occasioned by the application of steam hydraulic or any other test of this plant as specified by Inspecting Authority or otherwise.
8. Loss or damage and/ or liability caused by or arising out of the wilful act or wilful neglect or gross negligence of the insured or his responsible representatives.
9. Liability assumed by the Insured by agreement unless such Liability would have attached to the Insured notwithstanding such agreement.
10. Loss or damage and/ or liability due to faults or defects existing at the time of commencement of this Insurance and known to the Insured or his responsible representatives but not disclosed to the Company.
11. Loss of use of the Insured's plant or property or any other consequential loss incurred by the Insured.
12. Loss or damage for which the manufacturer or supplier or repairer of the property is responsible either by law or under contracts.

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

WARRANTIES -

It is hereby warranted that during the currency of the Policy;

- i. The Boiler and Pressure Plants described in the Schedule are annually inspected by Inspectors appointed by the appropriate Government except where there is no statutory requirement for Government Inspection; the inspections are to be carried out by an independent competent person;
- ii. The Boilers and Pressure Plant described in the Schedule shall only be operated by Attendants holding a valid certificate of competency issued under the appropriate Boiler Act;
- iii. The Insured shall be in possession of the unqualified permission in writing of the competent Inspecting Authority to operate the said Boilers and Pressure Plant. If the maximum pressure or load upon safety valve immediately prior to any explosion or collapse was in excess of that stipulated by the said Authority the Insured shall not be entitled to any compensation or indemnity under this policy in respect of such explosion or collapse.

DEFINITIONS

The following terms wherever used in this policy shall have attached to them the under mentioned meanings -

1. 'Boiler' shall mean any fired closed vessel or a combined container piping system in which steam is generated under pressure.
2. 'Pressure' Plant' shall mean any unfired closed container under steam gas or fluid pressure.
3. 'Explosion' shall mean the sudden and violent rending or tearing apart of the permanent structure of a Boiler or Pressure Plant or any part or parts thereof by force of internal steam gas or fluid pressure causing bodily displacement of the said structure and accompanied by the forcible ejection of its contents.
4. 'Collapse' shall mean the sudden and dangerous distortion of any part of Boiler or Pressure Plant by bending or crushing caused by Steam Gas or Fluid Pressure whether attended by rupture or not. It shall not mean any slowly developing deformation due to any cause.
5. 'Flue Gas Explosion' shall mean an explosion of ignited gases in the furnaces or flues of the boilers, economisers and super heaters.
6. 'Chemical Explosion' shall mean an explosion arising out of chemical reaction in any plant.

CONDITIONS

1. This policy and the attached Schedule(s) shall be read together as one

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contract and any words or expressions to which specific meanings have been attached in any part of this policy or of the attached Schedules shall bear the same meanings wherever they may appear.

2. The pressure or load upon the safety valves of any items of plant shall at no time exceed the maximum pressure specified in the Schedule or the permissible working pressure therefore as set out in the report on the last examination whichever is the lowest.
3. If at any time after commencement of this Insurance there is an alteration of fuel used other than for which the Boiler was designed or which is used at the time of effecting the insurance, the Company shall be informed immediately of such alteration and this insurance will continue only on payment of additional premium if necessary to be fixed on the merits of each individual item.
4. If a claim is in any respect fraudulent or if any false declarations made or used in support thereof or if any fraudulent means of devices are used by the Insured or any one acting on his behalf to obtain any benefit under this policy, or if a claim is made and rejected and no action or suit is commenced within three months after such rejection or in case of Arbitration taking place as provided herein within three months after the Arbitrators or Umpire have made their award, all benefit under this Policy shall be forfeited.
5. No admission, offer promise, payment or indemnity shall be made or given by or on behalf of the insured without the written consent of the Company who shall be entitled if they so desire to take over and conduct in the name of the Insured the defense or settlement of any claim for indemnity or damage or otherwise and shall have full discretion in the conduct of any proceeding or in the settlement of any claim and the Insured shall give all such information and assistance as the Company may require.
6. The due observance and fulfillment of the terms, provision and condition of and endorsement on this Policy in so far as they relate to anything to be done or complied with by the Insured and the truth of the statements and answers in the said proposals shall be conditions precedent to any liability of the Company to make any payment under this Policy.

7. SUM INSURED

If the Boiler Pressure Plant covered under Item No. 1 of the Policy Schedule shall at the time of any loss be of greater value than the Sum Insured shall be considered as being the own Insurer for the difference and shall bear a rateable share of the loss accordingly.

The terms value shall mean the new replacement value of the Plant which is inclusive of freight dues and custom duties, if any and erection costs. Every item if more than one of this Policy shall be separately subject to this condition.

8. BASIS OF INDEMNITY

- a. In case where damage to an item can be repaired, the Company shall pay expenses necessarily incurred to restore the damaged machine to its former state of serviceability plus the cost of dismantling and re-erection incurred for the purpose of effecting the repairs, as well as ordinary freight to and from a repair shop, customs duties, if any but for the Boiler and Pressure Vessel listed in the Schedule, only to the extent such expenses have been included in the sum insured. If the repairs are executed at a workshop owned by the insured, the company shall pay the cost of materials and wages incurred for the purpose of the repairs plus the reasonable percentage to cover overhead charges. No deduction shall be made for depreciation in respect of parts replaced, but the value of any salvage shall be taken into the account if the cost of repairs as detailed herein above equals or exceeds the actual value of the item immediately before the occurrence of the damage, the settlement shall be made on the basis provided for in (b) below.
- b. In case where an insured item is destroyed the Company shall pay the actual value of the item immediately before the occurrence of the loss, including changes for ordinary freight cost of erection and customs duties if any but for the Boiler and Pressure Vessels listed in the Schedule, only provided such expenses have been included in the sum insured, such actual value to be calculated by deducting proper depreciation from the replacement value of the item. The Company shall also pay any normal charges for the dismantling of the item destroyed, but the salvage shall be taken into account.

Any extra charges incurred for overtime night work, work on public holiday and excess freight shall be covered by this policy only if especially agreed in writing.

The Company will make payments only after being satisfied, with the

necessary bills and documents that the repairs have been effected or replacements have taken place, as the case may be. The Company may, however, not insist for bills and documents in case of total loss where the Insured is unable to replace the damaged equipments for reasons beyond their control. In such cases claims can be settled on 'Indemnity Basis'.

9. OBLIGATIONS OF THE INSURED

- a. The insured shall take all reasonable steps to maintain the insured property in efficient working order and to ensure that no item is habitually or intentionally overloaded. The Insured shall fully observe the manufacturers Instructions for operating inspection and overhaul, as well as Government statutory municipal and all other binding regulations including the rules under the Indian Boilers Act in force concerning the operation and maintenance of the insured Boilers and Pressure Plants.
- b. The Company's officials shall at all reasonable times have the right to inspect and examine any Boiler and Pressure Plant or any property insured hereunder and the Insured shall provide the officials of the Company with all details and information necessary for the assessment of the risk. The Company shall provide the Insured with a copy of the Inspecting official's report, which shall however be treated as strictly confidential both by the Insured and the Company.

Whenever arrangements have been made for a 'Thorough Inspection' of Boiler or Pressure Plant the Insured shall cause the Boiler or Pressure Plant to be stopped, emptied and properly cleaned inside and outside rendered accessible in every part, so far as its construction will allow.

- c. In the event of any -
 - i. Material change in the original risk.
 - ii. Alteration, modification or addition to an insured item.
 - iii. Departure from prescribed operating conditions whereby the risk of loss or damage increases.
 - iv. Changes in the insured's interest (such as discontinuation of liquidation of the businesses or business or being placed in receivership) taking place, the Policy shall be void unless its continuance be agreed by endorsement signed by the Company.

10. DUTIES FOLLOWING AN ACCIDENT

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

- a. Immediately notify the Company by telephone or telegram as well as writing giving an indication as to the nature and extent of loss or damage.
- b. Take all reasonable steps within his power to minimize the extent of the loss or damage or liability.
- c. preserve the damage or defective parts and make them available for inspection by an official or surveyor of the Company;
- d. furnish all such information and documentary evidence as the Company may require.

The company shall not be liable for any loss or damage of which notice and completed form have been received by the Company within Fourteen days of its occurrence.

Upon notification of a claim being given to the company the Insured may proceed with the repair of any minor damage not exceeding Rs. 2,500/- provided that the carrying out of such repair is without prejudice to any question of liability of the Company and any damaged part requiring replacement is kept for inspection by the Company but in all other cases a representative of the Company shall have the opportunity of inspecting the damage before any alterations, repair or replacements are effected. Nothing contained herein shall prevent the insured from taking such steps as are absolutely necessary to maintain the operation of the Plant.

The liability of the Company under the Policy in respect of any item of property sustaining damages, for which indemnity is provided, shall cease if the said item is kept in operation without being repaired to the satisfaction of the Company.

11. OTHER INSURANCE

If at the time any claim arises under this Policy there is any other insurance

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covering the same loss, damage or liability, the Company shall not be liable to pay or contribute more than its rateable proportion of such loss, damage or liability.

12. POSITION AFTER A CLAIM

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

13. TRANSFER OF INTEREST

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

14. TERMINATION OF INSURANCE

This insurance may be terminated at any time at the request of the Insured in which case the Company will retain the premium calculated at the customary short period rate for the time the Policy has been in force. This insurance may also at any time be terminated at the option of the Company by 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.

15. RECOURSE

The Insured shall at the expense of the Company do and concur in doing and permit to be done, all such acts and things as may be necessary or required by the Company in endorsing any right or remedies or of obtaining relief or indemnity from parties (other than those Insured under this policy) to which the Company shall be or would become entitled or subrogated upon their paying for or making good any loss or damage under this policy, whether such acts and things shall be or become necessary or required before or after the Insured's indemnification by the Company.

16. ARBITRATION

If any dispute or difference shall arise as to the quantum to be paid under the policy (liability being otherwise admitted) such difference shall independently of all other questions be referred to the decision of a sole arbitrator to be appointed in writing by the parties 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 arbitrations as herein before provided, if the Company has disputed or not accepted liability under or in respect of this policy.

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

GRIEVANCE REDRESSAL PROCEDURE

If you have a grievance that you wish us to redress, you may contact us with the details of your grievance through:

- Call Centre (Toll free helpline)
 - 1800 2 700 700 (accessible from any Mobile and Landline within India)
 - 1800 226 226 (accessible from any MTNL and BSNL Lines)
- Email: grievance@hdfcergo.com
- Designated Grievance Officer in each branch
- Company Website: www.hdfcergo.com
- Fax : 022 - 66383699
- Courier : Any of our Branch office or corporate office

You may also approach the Complaint & Grievance (C&G) Cell at any of our branches with the details of your grievance during our working hours from Monday to Friday.

If you are not satisfied with our redressal of your grievance through one of the above methods, you may contact our Head of Customer Service at

The Complaint & Grievance Cell,
D-301, 3rd Floor, Eastern Business District (Magnet Mall), LBS Marg, Bhandup (West). Mumbai - 400078. Maharashtra.

In case you are not satisfied with the response / resolution given / offered by the C&G cell, then you can write to the Principal Grievance Officer of the Company at the following address

To the Principal Grievance Officer
HDFC ERGO General Insurance Company Limited
D-301, 3rd Floor, Eastern Business District (Magnet Mall), LBS Marg, Bhandup (West). Mumbai - 400078. Maharashtra.
E-mail: principalgrievanceofficer@hdfcergo.com

You may also approach the nearest Insurance Ombudsman for resolution of your grievance. The contact details of Ombudsman offices are mentioned below if your grievance pertains to:

- Insurance claim that has been rejected or dispute of a claim on legal construction of the policy
- Delay in settlement of claim
- Dispute with regard to premium
- Non-receipt of your insurance document

| Names of Ombudsman and Addresses of Ombudsmen Centres |
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| Office of the Insurance Ombudsman, 2nd Floor, Ambica House, Nr. C. U. Shah College, Ashram Road, AHMEDABAD - 380 014. Tel.: 079 - 27545441 / 27546139 Fax: 079 - 27546142 Email: bimalokpal.ahmedabad@gbic.co.in |
| Office of the Insurance Ombudsman, 62, Forest Park, BHUBANESHWAR - 751 009. Tel.: 0674 - 2596455 / 2596003 Fax: 0674 - 2596429 Email: bimalokpal.bhubaneswar@gbic.co.in |
| Office of the Insurance Ombudsman, Fatima Akhtar Court, 4 th Floor, 453 (old 312), Anna Salai, Teynampet, CHENNAI - 600 018. Tel.: 044 - 24333668 / 24335284 Fax: 044 - 24333664 Email: bimalokpal.chennai@gbic.co.in |
| Office of the Insurance Ombudsman, 'Jeevan Nivesh', 5 th Floor, Near Panbazar Overbridge, S. S. Road, GUWAHATI - 781 001 (ASSAM). Tel.: 0361 - 2132204 / 5 Fax: 0361 - 2732937 Email: bimalokpal.guwahati@gbic.co.in |
| Office of the Insurance Ombudsman, 2nd Floor, Janak Vihar Complex, 6, Malviya Nagar, Opp. Airtel, Near New Market, BHOPAL (M.P.) - 462 003. Tel.: 0755 - 2769201 / 9202 Fax : 0755 - 2769203 Email: bimalokpal.bhopal@gbic.co.in |
| Office of the Insurance Ombudsman, S.C.O. No.101-103, 2 nd Floor, Batra Building, Sector 17 - D, CHANDIGARH - 160 017. Tel.: 0172 - 2706468 / 2705861 Fax: 0172 - 2708274 Email: bimalokpal.chandigarh@gbic.co.in |
| Office of the Insurance Ombudsman, 2/2 A, Universal Insurance Building, Asaf Ali Road, NEW DELHI - 110 002. Tel.: 011 - 23237539 / 23232481 Fax: 011 - 23230858 Email: bimalokpal.delhi@gbic.co.in |

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| <p>Office of the Insurance Ombudsman, 6-2-46, 1st Floor, Moin Court, Lane Opp. Saleem Function Palace, A.C. Guards, Lakdi-Ka-Pool, HYDERABAD - 500 004. Tel : 040 - 65504123 / 23312122 Fax: 040 - 23376599 Email: bimalokpal.hyderabad@gbic.co.in</p> |
| <p>Office of the Insurance Ombudsman, 2nd Floor, CC 27/2603, Pulinat Bldg., Opp. Cochin Shipyard, M. G. Road, ERNAKULAM - 682 015. Tel.: 0484 - 2358759 / 2359338 Fax: 0484 - 2359336 Email: bimalokpal.ernakulam@gbic.co.in</p> |
| <p>Office of the Insurance Ombudsman, Jeevan Bhawan, Phase - 2, 6th Floor, Nawal Kishore Road, Hazaratganj, LUCKNOW - 226 001. Tel : 0522 - 2231331 / 2231330 Fax : 0522 - 2231310 Email: bimalokpal.lucknow@gbic.co.in</p> |
| <p>Office of the Insurance Ombudsman, Ground Floor, Jeevan Nidhi II, Bhawani Singh Road, JAIPUR - 302 005 Tel : 0141 - 2740363 Email: bimalokpal.jaipur@gbic.co.in</p> |
| <p>Office of the Insurance Ombudsman, 24th Main Road, Jeevan Soudha Bldg. JP Nagar, 1st Phase, BENGALURU - 560 025. Tel No: 080 - 22222049 / 22222048 Email: bimalokpal.bengaluru@gbic.co.in</p> |
| <p>Office of the Insurance Ombudsman, Hindustan Building. Annexe, 4th Floor, C. R. Avenue, KOLKATA - 700 072. Tel : 033 - 22124339 / 22124340 Fax : 033 - 22124341 Email: bimalokpal.kolkata@gbic.co.in</p> |
| <p>Office of the Insurance Ombudsman, 3rd Floor, Jeevan Seva Annexe, S.V. Road, Santacruz (W), MUMBAI - 400 054. Tel : 022 - 26106928 / 26106552 Fax : 022 - 26106052 Email: bimalokpal.mumbai@gbic.co.in</p> |
| <p>Office of the Insurance Ombudsman, 2nd Floor, Jeevan Darshan, N. C. Kelkar Road, Narayanpet, PUNE - 411 030. Tel: 020 - 32341320 Email: bimalokpal.pune@gbic.co.in</p> |
| <p>Office of the Insurance Ombudsman, Bhagwan Sahai Palace, 4th Floor, Main Road, Naya Bans, Sector 15, Dist. Gautam Buddh Nagar, NOIDA (U.P) - 201 301. Tel.: 0120 - 2514250 / 2514251 / 2514253 Email: bimalokpal.noida@gbic.co.in</p> |
| <p>Office of the Insurance Ombudsman, 1st Floor, Kalpana Arcade Building, Bazar Samiti Road, Bahadurpur, PATNA - 800 006. Email: bimalokpal.patna@gbic.co.in</p> |
| <p>OFFICE OF THE GOVERNING BODY OF INSURANCE COUNCIL Smt. Ramma Bhasin, Secretary General, Shri Y.R. Raigar, Secretary, 3rd Floor, Jeevan Seva Annexe, S. V. Road, Santacruz (W), MUMBAI - 400 054 Tel : 022 - 26106889 / 6671 Fax : 022 - 26106949 Email- inscoun@gbic.co.in</p> |