

**1. OPERATIVE CLAUSE**

WHEREAS the Insured named in the Schedule hereto and carrying on the Business described in the said Schedule has applied to HDFC ERGO GENERAL INSURANCE COMPANY LIMITED (hereinafter called 'the Company') for the indemnity hereinafter contained and has made a written proposal and declaration which shall be the basis of this contract and is deemed to be incorporated herein and has paid the premium as consideration for or on account of such indemnity in accordance with the manner prescribed under Section 64VB of the Insurance Act, 1938.

NOW THIS POLICY WITNESSETH that subject to the terms, exclusions and conditions contained herein or endorsed hereon the Company will indemnify the Insured against legal liability (other than liability under the Public Liability Insurance Act, 1991 or any other similar law, rule, regulation or notification existent or that may come into force after the issue of this policy including any amendments thereto) to pay compensation including claimant's costs, fees and expenses anywhere in India, in accordance with Indian law.

**2. INDEMNITY CLAUSE**

This policy only applies to claims for damages for Injury or Damage caused by an Accident that takes place at the Insured's Premises, in accordance with the Operative Clause, but only such claims in connection with the Insured's Business specified in the Schedule and not for claims arising out of or in connection with:

- (a) Pollution howsoever caused unless specifically covered.
- (b) Product.

This Policy only applies if:

- (a) the Injury or Damage did not occur before the Retroactive Date shown in the Schedule or after the end of the Policy Period; and
- (b) a claim, by a person or organization, for damages for the Injury or Damage is first made against any Insured:
  - (1) during:
    - (a) the Policy Period; or
    - (b) any Extended Claim Reporting Period we provide, as described in the Extended Reporting Clause; or
  - (2) in accordance with the provisions of the Notification Extension Clause.

For the purpose of determining the indemnity granted:

- (a) Accident' means a fortuitous event or circumstance which is sudden, unexpected and unintentional including resultant continuous, intermittent or repeated exposure arising out of the same fortuitous event or circumstance.
- (b) Business' means the Business of the Insured as specified in the Schedule.
- (c) Damage' means physical damage to tangible property.
- (d) Injury' means death, bodily injury, illness or disease of or to a person.
- (e) Policy Period' means the period commencing from Effective Date as shown in the Schedule and terminating on the Expiry Date as shown in the Schedule, unless terminated earlier by cancellation.
- (f) Pollution' means pollution or contamination of the atmosphere or of any water, land or other tangible property.
- (g) Premises' means a plant, factory, godown, warehouse or other place where the Insured carries on his business, and shall be deemed to include pipelines running outside the premises for discharge of treated effluents at a disposal point situated within a distance of one kilometer from the premises.
- (h) Product' means any tangible property after it has left the custody or control of the Insured, which has been designed, specified, formulated, manufactured, constructed, installed, sold, supplied, distributed, treated, serviced, altered or repaired by or on behalf of the Insured, but shall not mean food and beverages supplied by or on behalf of the Insured primarily to the Insured's employees as a staff benefit.

**3. (a) NOTIFICATION EXTENSION CLAUSE**

Should the Insured notify the Company during the Policy Period in accordance with General Condition 9.1 of any specific event or circumstance which the Company accepts may give rise to a claim or claims which form the subject of indemnity by this policy, then the acceptance of such notification means that the Company will deal with such claim or claims as if they had first been made against the Insured during

the Policy Period. The extension under this clause will be subject to the claim being made against the Insured within three (3) years from the date of such notice to the Company.

**(b) EXTENDED CLAIM REPORTING CLAUSE**

In the event of non-renewal or cancellation of this Policy, either by the Company or by the Insured, the Company will allow a time limit not exceeding 90 days from the date of expiry or cancellation of the policy (provided no insurance cover provided by the Company or by any other insurer for third party coverage is in force during this Extended Claim Reporting Period for the same interest), for notification of claims for Injury or Damage covered under the indemnity clause but which could not be made during the Policy Period, provided, however, all claims made during the Extended Claim Reporting period shall be handled as if they were made on the last day of the expiring Policy Period and are subject to the Insurance Limits and the terms, conditions and exceptions of the Policy. This Extended Claim Reporting Period does not in any way reinstate or increase the Insurance Limits stated in the Schedule.

**4. INDEMNITY TO OTHERS**

The indemnity granted extends to:

- 4.1 officials of the Insured in their business capacity arising out of the performance of the Business or in their private capacity arising out of their temporary engagement of the Insured's employees;
- 4.2 the officers, committees and members of the Insured's canteen, social, sports, medical, fire fighting and welfare organizations in their respective capacities as such; and
- 4.3 the executors of the estate of any person who would otherwise be indemnified by this policy but only in respect of liability incurred by such person.

Provided always that all such persons or parties shall observe, fulfill and be subject to the terms, exclusions and conditions of this policy as though they were the Insured.

**5. CROSS LIABILITIES**

Except with respect to the Insurance Limits, this insurance applies:

- (a) as if each Insured were the only Insured; and
- (b) separately to each Insured against whom claim is made.

However, this insurance does not cover any claim made against any Insured (or any person or party described under Clause 4 of this Policy) by any other Insured (or any person or party described under Clause 4 of this Policy).

**6. DEFENCE COSTS**

The Company will pay costs, fees and expenses incurred with its prior consent in the investigation, defence or settlement of any claim made against the Insured and the costs of representation at any inquest, inquiry or other proceedings in respect of matters which have a direct relevance to any claim made or which might be made against the Insured, provided such claim or claims are the subject of indemnity by the policy. Such costs, fees and expenses are called 'Defence Costs'.

**7.1 INSURANCE LIMITS**

The Company's total liability to pay damages and Defence Costs shall not exceed the Insurance Limits stated in the Schedule. The Each Accident Insurance Limit applies to any one claim or series of claims arising from one originating cause. The Aggregate Insurance Limit shall represent the total amount of the Company's liability for the Policy Period.

**7.2 CLAIMS SERIES CLAUSE**

For the purpose of this policy where a series of and/or several Injuries and/or Damages which give rise to claims are attributable directly or indirectly to the same cause all such claims shall be added together and treated as one claim and such claim shall be deemed to have been made at the point in time when the first of the claims was made in writing against the Insured. There shall, however, be no coverage for claims made arising from one specific cause which are made later than 3 years after the first claim of the series.

**7.3 COMPULSORY EXCESS**

The Insured shall bear as Compulsory Excess the amount or percentage of the Each Accident Insurance Limit so stipulated in the Schedule. This Compulsory Excess shall be applicable to claims for both Injury and Damage, inclusive of Defence Costs arising out of any one Accident. The Company's liability shall attach only for claims in excess of such Compulsory Excess (and Voluntary Excess, if any, opted by the Insured).

**7.4 VOLUNTARY EXCESS**

In the event of the Insured opting, the policy shall be subject to a Voluntary Excess as mentioned in the Schedule. This Voluntary Excess shall be applicable to claims for both Injury and Damage, inclusive of Defence Costs arising out of any one Accident. The Company's liability shall attach only for claims in excess of such Compulsory and Voluntary Excess.

**8. EXCLUSIONS**

This policy does not cover any liability:

- 8.1 assumed by the Insured by agreement or arrangement and which would not have attached in the absence of such agreement or arrangement.
- 8.2 arising out of earthquake, earth-tremor, volcanic eruption, flood, storm, tempest, typhoon, hurricane, tornado, cyclone or other similar convulsions of nature and atmospheric disturbance
- 8.3 arising out of deliberate, willful or intentional non-compliance with any demand, judicial or statutory law, order, request, or requirement of any governmental authority.
- 8.4 arising out of loss of a pure financial nature, including but not limited to, loss of goodwill and/or loss of market.
- 8.5 (a) arising out of libel, slander, false arrest, wrongful eviction, wrongful detention or defamation and mental injury, anguish, or shock resulting therefrom; or  
(b) arising out of infringement of any intellectual property rights, including but not limited to, rights in plans, copyright, patent, trade name, trademark or registered design.
- 8.6 for fines, penalties, punitive or exemplary damages or any other damages resulting from the multiplication of compensatory damages.
- 8.7 directly or indirectly occasioned by, happening through or in consequence of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power.
- 8.8 directly or indirectly caused by or contributed to by:
  - (a) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel; or
  - (b) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.
- 8.9 arising out of the ownership, possession or use by or on behalf of the Insured of any motor vehicle or trailer for which compulsory insurance is required by legislation other than the following:
  - (a) claims resulting from Accidents caused by the use of any tool or plant forming part of or attached to or used in connection with any motor vehicle or trailer;
  - (b) claims resulting from Accidents taking place beyond the limits of any carriageway or thoroughfare caused by the loading or unloading of any motor vehicle or trailer;
  - (c) claims for damage to any bridge, weigh bridge, road or anything beneath caused by the weight of any motor vehicle or trailer or of the load carried therein; or
  - (d) claims resulting from Accidents in connection with any motor vehicle or trailer temporarily in the Insured's custody or control for the purpose of parking.
- 8.10 arising out of the transportation of materials and/or hazardous/dangerous substances outside Insured's Premises unless specifically covered.
- 8.11 arising out of the ownership, possession or use by or on behalf of the Insured of any aircraft, watercraft or hovercraft.
- 8.12 for Damage to property owned, leased or hired or under hire-purchase by the Insured or on loan to the Insured or otherwise in the Insured's care, custody or control, other than:
  - (a) Premises (or the contents thereof) temporarily occupied by the Insured for work thereon or other property temporarily in the Insured's possession for work thereon (but no indemnity is granted for Damage to that part of the property on which the Insured is working and which arises out of such work);
  - (b) employees' and visitors' clothing and personal effects; or
  - (c) Premises tenanted by the Insured to the extent that the Insured would be held legally liable in the absence of any specific agreement or arrangement.
- 8.13 arising out of Injury and/or Damage occurring prior to the Retroactive Date stated in the schedule.  
Provided always that in the event of any Injury or Damage arising from continuous or continual inhalation, ingestion or application of any substance following the Accident and where the Insured and Company cannot agree when the Injury or Damage occurred, then:
  - (a) Injury shall be deemed to have occurred when the claimant first consulted a qualified medical practitioner in respect of such injury; and
  - (b) Damage shall be deemed to have occurred when it first became evident to the claimant even if the cause was unknown.
- 8.14 arising out of the deliberate, conscious or intentional disregard by the Insured or any of its directors, managers, employees, agents, representatives or partners of the need to take all reasonable steps to prevent claims.
- 8.15 for Injury to any person who is employed by and/or is apprenticed with the Insured or any of the Insured's contractors or sub-contractors, if such Injury arises out of operations in connection with such person's employment or apprenticeship.
- 8.16 which results from an act that:
  - (a) is intended by the Insured; or
  - (b) can be expected from the standpoint of a reasonable person to cause Injury or Damage, even if the Injury or Damage is of a different degree or type than actually intended or expected, but this exclusion does not apply to Injury resulting from the use of reasonable force to protect persons or property.
- 8.17 for costs incurred in the repair, reconditioning, modification or replacement of any part of any Product which is or is alleged to be defective.
- 8.18 for costs arising out of a claim relating to Products or part thereof, including but not limited to the recall of any Product or part thereof.
- 8.19 for Injury, Damage, Accident, claim, suit or other circumstance known by the Insured before the beginning of the Policy Period, that could reasonably be expected to result in any payment under this insurance. In this exclusion, "circumstance known by the insured" means:
  - (a) such circumstance is known by, or should have been known from the standpoint of a reasonable person in the circumstances of the Insured; or any of the directors, managers, officers or partners of the Insured; and
  - (b) when any person described in subparagraph (a) above reports all, or any part, of any such circumstance to the Company or any other insurer; receives a claim or a demand for damages in connection with any such circumstance; or becomes aware of any actual, alleged or threatened Injury or Damage in connection with such circumstance.
- 8.20 arising out of the rendering or failing to render professional service or advice whether or not that service or advice is ordinary to the Insured's profession, regardless of whether a claim or suit is brought by a client or any other person or organization.
- 8.21 (a) arising out of the actual, alleged or threatened contaminative, pathogenic, toxic or other hazardous properties of Asbestos.  
(b) for any loss, cost or expense arising out of any:
  1. request, demand or order that any Insured or others test for, monitor, clean-up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of Asbestos; or
  2. claim or suit by or on behalf of a governmental authority or others for damages because of testing for, monitoring, cleaning-up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of Asbestos.

In this exclusion, "Asbestos" means asbestos in any form, including its use or presence in any alloy, compound, by-product, or other material or waste. Waste includes material to be recycled, reconditioned or reclaimed.
- 8.22 more specifically indemnified elsewhere.

8.23 for any damages, loss, cost or expense arising out of any act of terrorism

For the purpose of this insurance, an act of terrorism means an act, including but not limited to, the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

This insurance also excludes any damages, loss, cost or expense arising out of any action in controlling, preventing, suppressing or in any way relating to any act of terrorism.

If Company alleges that, by reason of this exclusion, any damages, loss, cost or expense is not covered by this insurance, then the burden of proving the contrary shall be upon the Insured.

In the event any portion of this exclusion is found to be invalid or unenforceable, the remainder shall continue to apply.

**9. GENERAL CONDITIONS**

9.1 The Insured shall give written notice in the Claim Form to the Company as soon as reasonably practicable of any claim made against the Insured (or any specific event or circumstance that may give rise to a claim being made against the Insured) and which forms the subject of indemnity under this policy and shall give all such additional information as the Company may require. Every claim, writ, summons or process and all documents relating to the event, claim or circumstance shall be forwarded to the Company immediately upon receipt by the Insured. Such complete written notice and supporting documentation shall form the basis of the Company's assessment of the applicability of cover under this policy to the claim.

9.2 No admission, offer, promise or payment in respect of a claim which forms the subject matter of indemnity under this Policy shall be made or given by or on behalf of the Insured without the prior written consent of the Company.

9.3 The Company will have the right, but in no case the obligation, to take over and conduct in the name of the Insured the defence of any claim and will have full discretion in the conduct of any proceedings and in the settlement of any claim and having taken over the defence of any claim may relinquish the same. All amounts expended by the Company in the defence, settlement or payment of any claim will reduce the Insurance Limits stated in the Schedule of the policy.

In the event the Company, in its sole discretion, chooses to exercise its right pursuant to this condition, no action taken by the Company in the exercise of such right will serve to modify or expand in any manner the Company's liability or obligations under this policy beyond what the Company's liability or obligations would have been had it not exercised its rights under this condition.

9.4 The Insured shall give all such information and assistance as the Company may reasonably require.

9.5 The Insured shall give notice as soon as reasonably practicable of any fact, event or circumstance which materially changes any or all of the information supplied by the Insured to the Company at the time when this policy was effective, and the Company may amend the terms of this policy according to the materiality of such change.

9.6 The Company may at any time pay to the Insured in connection with any claim or series of claims under this Policy to which Insurance Limits apply the amount of such Limit (after deduction of any sums already paid) or any lesser amount for which such claims can be settled and upon such payment being made the Company shall relinquish the conduct and control of and be under no further liability in connection with such claims.

9.7 The Policy, Schedule, Proposal and endorsements shall be read together as one contract and any word or expression to which a specific meaning has been attached in any part of this Policy, Schedule, Proposal or the endorsements shall bear such specific meaning wherever it may appear. The terms, exclusions and conditions of this Policy (and any phrase or word contained therein) shall be interpreted in accordance with Indian law.

9.8 The Insured shall keep accurate records of annual turnover which term shall include all leviable duties and at the time of renewal of insurances declare such details as the Company may require. The Company shall at all reasonable time have free access to inspect such records.

9.9 If at the time of happening of any event resulting in a liability under this policy, there be any other insurances effected by the Insured or by any other person or organisation covering the same liability, then the Company shall not be liable to pay or contribute more than its rateable proportion of such liability. Notwithstanding the foregoing, the Company shall in no event be liable for any liability of the Insured under the Public Liability Insurance Act, 1991 or any other similar statute that may come into force after the effective date of this insurance.

9.10 The Company may cancel this policy by giving thirty days' notice in writing of such cancellation to the Insured's last known address and in such an event the Company will return a pro-rata portion of the premium (subject to a minimum retention of 25 per cent of the annual premium) for the unexpired part of the insurance.

The policy may also be cancelled by the Insured by giving thirty days' notice in writing to the Company, in which event the Company will retain premium at short period scale as set forth in the table below, provided there is no claim under the policy during the Policy Period.

In case of any claim under the policy no refund of premium shall be allowed.

The Company shall have no obligation to give notice that the policy is due for renewal or renew this policy upon expiration or termination.

Table of Short Period Scales	
Period of Risk (Not exceeding)	Premium to be retained by the Company (% of the Annual)
1 week	10%
1 month	25%
2 months	35%
3 months	50%
4 months	60%
6 months	75%
8 months	85%
Exceeding 8 months	Total Annual Premium

In the case of any fraud, misrepresentation or non-disclosure by or on behalf of the Insured, the Company shall be entitled to cancel the policy, immediately upon becoming aware of such fraud, misrepresentation or non-disclosure. In such cases, all premium paid shall be forfeited and no refund of premium paid shall be allowed.

9.11 All damages and Defense Costs paid under the Policy shall reduce the Aggregate Insurance Limit by the amount of such payments. Under no circumstances shall it be permissible to reinstate the Aggregate Insurance Limit to the original level, even on payment of extra premiums.

9.12 The Company shall not be liable to make any payment under this policy in respect of any claim if such claim shall be in any manner fraudulent or supported by any fraudulent statement or device whether by the Insured or by any person on behalf of the Insured and/or if the insurance has been continued in consequences of any material mis-statement or the non-disclosure of any material information by or on behalf of the Insured. In case of any fraud or misrepresentation of any claim made by the Insured against the Company under this Policy, which the Insured knows to be wrongful, the Company reserves the right to take appropriate legal action and also claim damages.

9.13 Any dispute concerning the interpretation of the terms, exclusions or conditions contained herein is understood and agreed to by both the Insured and the Company to be subject to Indian law. If any difference arises as to the amount to be paid under this policy (including the Schedule and Endorsements), such difference shall be referred to arbitration at Mumbai, India, in accordance with the Indian Arbitration and Conciliation Act 1996, as amended, and the making of an award shall be a condition precedent to any liability for the Company to make any payment under this Policy.

9.14 If the Insured has rights to recover all or part of any payment the Company has made under this Policy, those rights are transferred to the Company. The Insured must do nothing after loss to impair them. At the Company's request, the Insured will execute all documents and do all acts necessary to bring or transfer those rights to the Company and help the Company enforce them.

9.15 The Insured's rights and duties under this policy may not be transferred or assigned in any manner without the written consent of the Company.

9.16 Any person who has a grievance against the Company, may himself or through his legal heirs make a complaint in writing to the Insurance Ombudsman in accordance with the procedure contained in The Redressal of Public Grievance Rules, 1998 (Ombudsman Rules). Proviso to Rule 16(2) of the Ombudsman Rules however, limits compensation that may be awarded by the Ombudsman, to the lower of compensation necessary to cover the loss suffered by the insured as a direct consequence of the insured peril or Rs. 20 lakhs Rupees Twenty Lakhs Only) inclusive of ex-gratia and other expenses. A copy of the said Rules shall be made available by the Company upon prior written request by the Insured.

9.17 In the event of an Accident, the Insured shall take all possible steps to minimize any and all losses which may arise out of such Accident.