

## EMPLOYEES COMPENSATION INSURANCE

### POLICY WORDINGS

WHEREAS the Insured by a Proposal which shall be the basis of this Contract and deemed to be incorporated herein, has applied to Royal Sundaram General Insurance Co. Limited, (hereinafter called “the Company”) for the insurance hereinafter contained for the **Business** described in the **Schedule** and has paid or agreed to pay the premium stated in the **Schedule** as consideration for such insurance.

NOW THIS **POLICY** WITNESSETH, subject to the terms, exceptions and conditions contained herein or endorsed hereon, that if at any time during the **Period of Insurance** any **Employee or Employees** of the **Insured** shall sustain **Injury** by accident arising out of and in the course of his employment in the **Business** for which the **Insured** is liable to pay compensation under any Law(s) specified in the **Schedule**, then the **Company** shall indemnify the **Insured** upto the **Limit of Indemnity** against all sums for which the **Insured** shall be so liable, including costs and expenses for defending any such claim incurred with the **Company’s** consent.

PROVIDED ALWAYS that in the event of any change in the Law(s) or the substitution of other legislation therefor this Policy shall remain in force but the liability of the **Company** shall be limited to such sum as the **Company** would have been liable to pay if the Law(s) had remained unaltered.

### DEFINITIONS

This Policy, the **Schedule** and any Clauses thereon shall be considered one document and any word or expression to which a specific meaning has been attached in Definitions bears that specific meaning wherever it appears in this Policy in bold typeface.

**Business** means the Business of the **Insured** as specified in the **Schedule** in respect of which this Policy is issued.

**Injury** means physical bodily injury including death resulting from such injury arising out of an accident but does not include any mental sickness, disease, **Occupational Disease**, unless caused by such physical bodily injury.

**Insured** means the person or organization specified in the Policy **Schedule** but does not include their Contractors or Sub Contractors.

**Occupational Disease** means any occupational disease or illness including but not limited to the diseases listed under Schedule III of the Employees’ Compensation Act, 1923 contracted by an **Employee** due to employment in the **Business**.

**Wages** means the remuneration payable to an **Employee** by the **Insured** for the employment in the **Business** and includes any privilege or benefit which is capable of being estimated in money other than a travelling allowance or the value of any travelling concession or a contribution paid by the employer of an **Employee** towards any pension or

provident fund or a sum paid to an **Employee** to cover any special expenses entailed on him by the nature of his employment.

**Employee or Employees** mean such person or persons in direct employment under the **Insured** in the **Business**, but shall not include any person employed under a Contractor or Sub-Contractor of the **Insured** unless specifically shown as covered in the **Schedule by an endorsement**.

**Schedule** means the Schedule attached to and forming part of this Policy.

**Period of Insurance** means the period for which this insurance is availed by the **Insured** as specified in the **Schedule**, unless cancelled earlier.

**Limit of Indemnity** means the maximum amount of Indemnity as specified in the **Schedule** that will be provided under this Policy by the Company in respect of

- a) any particular claim by an **Employee**
- b) all claims arising out of all accidents for any number of **Employees** during the **Period of Insurance**.

## EXCLUSIONS

This Policy shall not cover liability of the **Insured**:

- a) For **Injury** caused to **Employee** by accident directly or indirectly caused by or arising from or in consequence of or attributable to war, invasion, act of foreign enemy, hostilities (whether war be declared or not) civil war, mutiny, insurrection, rebellion, revolution or military or usurped power, nuclear weapons material, ionizing radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel.
- b) Accident occurring at any other place than the Place or Places of Employment specified in the Schedule, unless the **Employee** was at such other place whilst on duty for the purpose of the **Business** and on the directions of the **Insured** or any of its official authorized to exercise control and supervision over the **Employee**.
- c) For **Occupational Diseases** contracted by an **Employee**.
- d) For Interest and/or penalty imposed on the **Insured** under any law or otherwise.
- e) Under any Law for medical expenses in connection with treatment of any **Injury** sustained by an **Employee**.
- f) For persons employed in the **Business** under a Contractor or Sub-Contractor of the **Insured** unless specifically covered in the **Schedule**.
- g) For **Injury** sustained by person whilst in the employ of the **Insured** otherwise than in the **Business** and/or who is not declared for insurance under this Policy.
- h) Assumed by agreement which would not have attached in the absence of such agreement.
- i) For any sum which the **Insured** would have been entitled to recover from any party but for an agreement between the **Insured** and such party.
- j) For any accident occurring whilst the **Employee** is under the influence of intoxicating liquor or drugs.
- k) For any Incapacity or death of an **Employee** resulting from his/her deliberate self-**Injury** or the deliberate aggravation of an accidental **Injury**.

## CONDITIONS

1. **The Contract:** This policy and the **Schedule** shall be read together as one contract and any word defined herein and shown in bold shall bear such specific meaning wherever it may appear in the Policy or the **Schedule**.
2. **Due Observance:** The due observance and fulfillment of the terms, conditions and endorsements of this Policy so far as they relate to anything to be done or not to be done by the **Insured** shall be condition precedent to any liability of the **Company** to make any payment under this Policy.
3. **Mis-representation/Non-disclosure:** This Policy shall be void in the event of any mis-representation or non-disclosure in the Proposal and the **Insured** is deemed to warrant the truth and accuracy of the statements and answers in the Proposal which form the basis of this Policy.
4. **Written Communication:** Every notice or communication to be given or made under this Policy shall be delivered in writing to the **Company**.
5. **Safe guards:** The **Insured** shall take reasonable precautions to prevent accidents and disease and shall comply with all statutory obligations, manufacturer's recommendations and other safety regulations in conduct of the **Business**.
6. **Claim Intimation:** In the event of any occurrence which may give rise to a claim under this Policy the **Insured** shall as soon as possible, and in any case within a period of thirty days of such occurrence, give notice thereof to the **Company** in writing with full particulars. Every letter, claim, writ, summons and process shall be notified to the **Company** immediately on receipt. Notice shall also be given to the **Company** immediately when the **Insured** shall have knowledge of any impending prosecution inquest or fatal enquiry in connection with any such occurrence as aforesaid.
7. **Company's Rights After Loss:** No admission, offer, promise or payment shall be made by or on behalf of the **Insured** without the consent of the **Company** which shall be entitled, without being obliged to do so, if it so desires to take over and conduct in his name the defence or settlement of any claim or to prosecute in his name for its own benefit any claim for indemnity or damages or otherwise and shall have full discretion in the conduct of any proceedings and in the settlement of any claim and the **Insured** shall give all such information and assistance as the **Company** may require.
8. **Declaration of Employees and Wages :** It is clearly agreed and understood that the **Insured** shall be bound at all times to declare all **Employees and Wages** payable in respect of such **Employees** on the basis of which the Premium for this Policy is calculated.

In case of increase in **Employees or Wages** subsequent to insurance, **Insured** shall keep the **Company** intimated and obtain Endorsement by payment of necessary additional premium.

The **Insured** shall as and when required by the **Company** permit inspection of its records to verify the **Wages and Employees** and shall also provide duly authenticated copies thereof if so required by the Company.

9. **Average: Notwithstanding anything contained hereinabove,**

(i) a) If the number of **Employees** (whether on duty or otherwise) employed by the **Insured** on the date of accident is higher than the number covered under this Policy, the **Company** shall indemnify **Insured's** liability arising out of such accident, only in such proportion that the number of **Employees** covered bears to the **Employees** found employed on the date of accident.

b) If the amount of **Wages** declared for this insurance for all the **Employees** is less than the actual **Wages** paid until date of accident, the **Company** shall be liable to indemnify on any claim only in proportion that the **Wages** declared bears to the **Wages** paid. For the purpose of this clause, the **Wages** declared shall be calculated proportionately for the period from commencement of Policy until date of accident for comparison with the actual **Wages** paid during such period to determine applicability of this clause.

c) If the liability of the **Insured** for any claim by an **Employee** is determined on the basis of **Wages** higher than that covered under this Policy, the **Company** shall be liable to indemnify only in proportion that the **Wages** covered under the Policy for the **Employee/Employees** bears to the **Wages** on the basis of which the **Insured** is held liable. For the purpose of this clause, the **Wages** covered in respect of any **Employee** shall be deemed to be the average wage per **Employee** in the category under which the **Employee** falls as specified in the **Schedule**, unless actual **Wages** paid at the time of accident is substantiated by submission of documentary evidence to the **Company**.

(ii) If more than one of the above clauses are found applicable in respect of a claim, only such clause under which the liability of the **Company** is least shall be applied.

10. **Maintenance of Record of Employees/Wages:** The **Insured** undertakes to maintain an accurate record of the **Employees and Wages** in respect of the **Business** throughout the **Period of Insurance**, in compliance with all statutory requirements or otherwise, and allow the **Company** to inspect such records during or upon expiry of this Policy.

11. **Contribution:** If at the time of the happening of an accident covered by this Policy there shall be any other insurance covering the same risk in respect of the **Employee** whether or not effected by the **Insured**, then the **Company** shall not be liable to contribute more than its rateable proportion of the amount that would otherwise be payable under this Policy.

12. **Cancellation:** The **Company** or the **Insured** may cancel the Policy by sending at least 15 days written notice to the other party at his last known address and in such event the premium shall be adjusted in accordance with Condition 8 above.

13. **Forfeiture:** If the **Insured** shall make any claim or connive in the making of any claim, knowing the claim to be false or fraudulent, the Policy shall become void and all claim will stand forfeited.

**14. Arbitration:**

- a) If any dispute or difference shall arise as to the quantum to be paid under this Policy (liability being otherwise admitted) in respect of any claim, 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 to a panel of three arbitrators to be appointed in accordance with the provisions of the Arbitration and Conciliation Act, 1996. The arbitration shall be governed by Indian Law. The venue of arbitration shall be within India.
- b) It is clearly agreed and understood that no reference to arbitration can be made if the **Company** has either not admitted or has disputed liability in respect of any claim under or in respect of this policy.
- c) In the event that these arbitration provisions shall be held to be invalid then all such disputes or differences shall be referred to the exclusive jurisdiction of the Indian Courts.
- d) It is further expressly agreed and declared that if the **Company** shall disclaim liability in respect of any claim and is not within 12 calendar months from the date of such disclaimer be made the subject matter of a suit or proceeding before a court of law or any other forum, it shall for all purposes be deemed to have been abandoned and shall not thereafter be recoverable hereunder.

15. **Law and Jurisdiction:** It is hereby declared and agreed that this contract of insurance and all claims there under shall be governed by Indian Law and any legal proceeding in respect thereof shall be raised in a competent court of India. All claims shall be paid in Indian Rupees only.