

RURAL MICRO ENTERPRISE SHIELD

Whereas the Insured named in the Schedule has made to Royal Sundaram General Insurance Co. Ltd. (hereinafter called the “Company”) a written proposal, which is the basis of this contract and is deemed to be incorporated herein.

Now this Policy witnesses that in consideration of the premium mentioned in the Schedule having been paid by the Insured to the Company, the Company will indemnify the Insured subject to terms, Conditions and Exceptions of this Policy, in respect of loss or damage to the Property insured occurring during the ‘Period of Insurance’ stated in the Schedule, due to any of the Insured Perils stated herein.

The Insured Perils are:

1. Fire
2. Lightning
3. Explosion/implosion
4. Aircraft damage
5. Riot, strike, malicious damage
6. Storm, cyclone, typhoon, tempest, hurricane, tornado, flood and inundation
7. Impact damage
8. Loss or visible physical damage or destruction caused to the property insured due to impact by any Rail/Road vehicle or animal by direct contact.
9. Subsidence and landslide including rock slide
10. Bursting and/or overflowing of water tanks, apparatus and pipes
11. Bush fire

Provided always that the liability of the Company shall in no case exceed the Sum Insured on each item or in the whole the Total Sum Insured mentioned in the Schedule.

The Schedule shall be deemed to be incorporated in and shall form part of this Policy and the expression “this Policy” wherever used in this contract shall be read as including the Schedule. Any word or expression to which a specific meaning has been attached in any part of this Policy or of the Schedule shall bear the same meaning wherever it appears in the Policy.

EXCEPTIONS:

The Company shall not be liable in respect of

1. Loss or damage whether direct or indirect arising from war, warlike operations, act of foreign enemy, hostilities (whether war be declared or not) civil war, rebellion, insurrection, civil commotion, military or usurped power, seizure, capture, confiscation, arrests, restraints and detainment by the order of any Government or any other authority.
2. Loss or damage directly or indirectly caused by or arising from or in consequence of ionising radiation, radioactivity or nuclear weapons or materials.
3. Normal wear and tear, gradual deterioration due to atmospheric condition or otherwise.
4. Loss or damage caused by or arising out of the willful gross negligence of the Insured or his representatives.
5. Loss, damage and/or liability due to faults existing at the time of commencement of this Insurance and known to the Insured or his responsible representatives regardless of whether such faults or defects were known to the Company or not.

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6. Loss or damage for which the manufacturer or supplier of the property is responsible either by law or under contracts.
7. Loss or damage where any inmate or member of the Insured's household or his employee or any other persons, lawfully in the Premises/site is concerned in the actual theft of or damage to the property.
8. Damage caused by any process of cleaning, restoring, repairing or renovation.
9. Loss or damage caused by terrorism
10. Loss of or damage to livestock, motor vehicles and pedal cycles
11. Loss of or damage to money, securities for money, stamps, bullion, deeds, bonds, bills of exchange, promissory notes, stock and share certificates, business books, manuscripts, documents of any kind, unset precious stones and jewellery and valuables.
12. Consequential loss or legal liability of any kind.
13. Loss or damage caused by mechanical or electrical derangement or breakdown of any Property insured unless specifically the Policy is extended to cover mechanical and electrical break down.
14. Any other exceptions stated on the Schedule specifically loss, destruction or damage to the stocks in cold storage premises caused by change of temperature.
15. Loss, destruction or damage to any electrical and /or electronic 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 machine, apparatus, fixtures or fittings which may be destroyed or damaged by fire so set up.

SPECIAL CONDITION

This Policy shall cease to attach:

1. 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.
2. If the building insured or containing the insured Property becomes unoccupied and so remains for a period of more than 10 days.
3. If the interest in the property passes from the Insured otherwise than by will or operation of law.

GENERAL CONDITIONS

1. Notice: Every notice and communication to the Company required by this Policy shall be in writing to the office of the Company through which this insurance is effected.
2. Duty of Disclosure: This Policy shall be void and all premiums paid hereon shall be forfeited to the Company in the event of misrepresentation, misdescription or non-disclosure of any material fact.
3. Reasonable care: The Insured shall take all reasonable steps to safeguard the Property insured against accident, loss or damage.
4. Indemnity: The Company may at its option pay for the loss or reinstate, replace or repair the property lost or damaged instead of paying the amount of loss or may join any other insurer in so doing but 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 be 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 occurrence of such loss or damage nor more than the Sum Insured by the Company thereon.

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5. Excess: The Insured has to bear 5% of the claim amount subject to a minimum of Rs.200/- for each and every claim.
6. Claims procedure: Upon the happening of any event giving rise or likely to give rise to a claim under this Policy: The Insured shall give immediate notice thereof in writing to the nearest office of the Company .As soon as intimation received by the insurer, Insurance company will arrange surveyor to asses the loss of the incident, A claim in writing shall also be delivered by the Insured at his own expense to the Company within 15 days, with such detailed particulars and proofs, explanation, statement of witnesses as may be required, together with particulars of other insurance covering the same risk.
7. Average: If the property hereby insured shall at the time of any loss or damage 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 ratable proportion of the loss or damage accordingly. Every item, if more than one, in the Policy, shall be separately subject to this condition. Where policy is extended to cover mechanical and electrical break down then the machinery value should represent the replacement value.
8. Contribution: If at the time any claim arises under this policy there be any other insurance covering the same loss damage or liability the Company shall not be liable to pay or contribute more than their ratable proportion of any claim for such loss damage or liability.
9. Subrogation: 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 the interests of protecting any rights 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.
10. Fraud: If a claim is in any respect fraudulent, or if any false declaration is made or used in support thereof or if any fraudulent means or devices are used by the Insured or anyone acting on his behalf to obtain any benefit under this policy all benefits under this policy shall be forfeited.
11. Cancellation: The Company may at any time, cancel the Policy, by giving 7 days' notice in writing by Registered Post with Acknowledgement due to the Insured at his last known address in which case, the Company shall return to the Insured a proportion of the last premium corresponding to the un-expired period of insurance.

The Insured may also give 7 days' notice in writing, to the Company, for the cancellation of this Policy, in which case the Company shall retain the premium for the period this Policy has been in force at the Company's customary short period scales provided no claim is reported till date.

12. Arbitration and Disclaimer: If any dispute or difference shall arise as to the quantum to be paid under this Policy (liability being otherwise admitted) such difference shall independently of all other questions be referred to the decision of a sole arbitrator to be appointed in writing by the parties hereto 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 or difference and the third arbitrator to be appointed by such two arbitrators and arbitration shall be conducted under and in accordance with provisions of the Arbitration and Conciliation Act, 1996, as amended from time to time.

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

It is hereby 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 or arbitrators as to the amount of the loss or damage shall be first obtained.

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

13. Observance of terms and conditions: The due observance and fulfillment of the terms and conditions and endorsements of this Policy in so far as they relate to anything to be done or complied with by the Insured, shall be a condition precedent to any liability of the Company to make any payment under this Policy.

In any action suit or other proceeding where the Company alleges that by reasons of the provisions of the Exception above, loss or damage is not covered by the Insurance, the burden of proving that such loss or damage is covered shall be upon the Insured.