

Annexure 1

Add on cover Under Erection All Risk Policy

1. 50:50 CLAUSE

IRDAN123CP0044V02201819/A0037V01202122

In respect of the subject matter Insured hereunder consigned from outside India:

The insured hereby undertakes to inspect each item of the subject matter Insured upon arrival at the contract site for possible damage sustained during transit.

In the case of packed items which are to be left in their packaging until a later date the packaging is to be visually inspected for signs of possible damage and where such damage is visible the items are to be unpacked and inspected and any damage discovered reported to the Marine Insurers.

Where the packaging of any item shows no visible signs of damage to such item having been sustained during transit any subsequent damage discovered upon unpacking will be dealt by the Marine Insurers or the EAR Insurers according to whether it can be clearly established that such damage was caused before or after arrival at the contract site.

Where it is not possible to clearly establish whether the damage to an item was caused before or after arrival at the contract site it is hereby agreed that the cost of such damage shall be shared equally between the Marine Insurers and the EAR Insurers, provided such a clause is included in the Marine Policy also.

2. 72 HRS CLAUSE

IRDAN123CP0044V02201819/A0038V01202122

It is agreed that any loss of or damage to the Insured Property arising during any one period of seventy two (72) consecutive hours, caused by storm, tempest, flood or earthquake shall be deemed as a single event and therefore to constitute one occurrence with regard to the Excesses provided for herein. For the purpose of the foregoing the commencement of any such seventy two (72) hours period shall be decided at the discretion of the Insured it being understood and agreed, however, that there shall be no overlapping in any two or more such seventy two (72) hours periods in the event of damage occurring over a more extended period of time.

3. ADDITIONAL CUSTOM DUTY

IRDAN123CP0044V02201819/A0039V01202122

It is hereby declared and agreed that the insured shall also be indemnified during the currency of this policy, towards Additional Custom Duty as specified in the Schedule which may be incurred by the insured over and above the Custom Duty amount taken into account in arriving at the Sum Insured of the affected item.

Each and every claim payable under this extension shall be subject to an Excess of 5% of the admissible Additional Custom Duty incurred and will be in addition to the Excess amount applicable for the affected item under the Policy.

The Indemnity for such Additional Custom Duty will stand reduced after occurrence of the claim unless reinstated by payment of an additional premium prescribed by the Company.

Subject otherwise to the terms conditions and exceptions of the policy'.

4. AIR FREIGHT CHARGES

IRDAN123CP0044V02201819/A0040V01202122

It is hereby declared and agreed that the Policy shall also indemnify towards Air Freight incurred by the Insured in connection with the indemnifiable loss under the Policy.

Limit of indemnity during currency of the Policy shall be upto the limit provided in the schedule. However, the maximum limit shall not exceed 20% of policy sum insured subject to a maximum of Rs.25 Crs.

Each and every claim shall be subject to a minimum Excess of 5% of the admissible Air Freight incurred over and above the excess as applicable under the policy.

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

5. AUTOMATIC REINSTATEMENT CLAUSE

IRDAN123CP0044V02201819/A0041V01202122

Notwithstanding anything contained herein to the contrary it is hereby agreed and understood that the amounts insured are always to remain at risk and shall not be reduced following loss or damage insured hereunder so long as the aggregate of the sums paid and/or payable does not exceed that percentage of the sum insured as mentioned in the schedule.

6. CONTINUITY OF COVER DURING OPERATIONAL PHASE FOR UNIT/PLANT TESTED BUT AWAITING INTEGRATED TESTING ALONG WITH OTHER UNITS / PLANTS

IRDAN123CP0044V02201819/A0042V01202122

it is hereby declared and agreed that the Indemnity provided by this policy is extended to cover the equipment /plants, which has successfully completed testing and have been put into operation, for the period specified in the schedule, from the date of successful completion of testing, provided the policy period has been extended till completion of testing

However, this cover will apply only within the policy period.

This cover is subject to the following conditions:

- These plants/equipments should be part of the competed erected value of the project.
- Loss or damage to operating media/membranes/consumables are not covered
- Excess applicable for this extension would be the applicable testing period excess.

7. COVER FOR OFFSITE STORAGE / FABRICATION

IRDAN123CP0044V02201819/A0043V01202122

In consideration of the payment of additional premium, it is hereby declared and agreed that Section 1 of this Policy shall, subject to terms, conditions and exclusions of this Policy and also subject to terms, conditions and exclusions hereinafter contained, extend to cover, loss of or damage to property insured (except property being manufactured, processed or stored at the

manufacturer's, distributor's or supplier's premises) in off-site storage, at the locations specified in the schedule, within the territorial limits of India.

The Insurers shall not indemnify the Insured for loss or damage caused by the failure to take generally accepted loss prevention measures for warehouses or storage units. Such measures shall include, in particular

- a. ensuring that the storage area is enclosed (either a building or at least fenced in), guarded, protected against fire, as appropriate for the particular location or type of property stored
- b. separating the storage units by fire-proof walls or by a distance of at least 15 meters
- c. positioning and designing the storage units in such a way as to prevent damage by accumulating water or flooding due to rainfall or by a flood with a statistical return period of not less than 20 years

The maximum liability of the insurer under this endorsement shall not exceed 10% of Policy SI subject to a maximum of Rs.50 Crs.

This extension will be subject to an excess of 10% of the claim amount subject to minimum of AOG excess

8. COVER FOR VALUABLE DOCUMENTS

IRDAN123CP0044V02201819/A0044V01202122

Subject otherwise to the terms, exclusions, provisions and conditions contained in the Policy, the Indemnity granted by Section 1 of this Policy shall, in addition extend to indemnify the insured in respect of costs necessarily and reasonably incurred in rewriting or redrawing Plans or Specifications of the contract works insured hereunder, when such Plans or Specifications are lost or damaged by any cause not excluded by this section and the Insured needs to have them redrawn or rewritten in order to complete the project or to enable payment to be made for works already carried out. The liability of the Insurers shall not exceed in the aggregate during the Policy period the Sum Insured set forth in the Schedule but not exceeding Rs.50 lacs.

9. CROSS LIABILITY COVER UNDER THIRD PARTY LIABILITY SECTION

IRDAN123CP0044V02201819/A0045V01202122

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the policy or endorsed thereon and subject to the insured having paid the agreed extra premium the Third Party Liability Cover of the policy shall apply to the insured parties named in the schedule as if a separate policy had been issued to each party, provided the Company shall not indemnify the insured under the Endorsement in respect of liability for:

Fatal or non-fatal injury or illness of employees or workmen who are or could have been insured under workmen's compensation and/or employer's liability insurance.

Loss of or damage to items insured or insurable under section 1 of the policy even if not recoverable due to an excess or any limit, The insurer's total liability in respect of the insured parties shall not however exceed in the aggregate for any one accident or series of accidents arising out of the one event the limit of indemnity stated in the Schedule.

10. DEWATERING EXPENSES

IRDAN123CP0044V02201819/A0046V01202122

It is hereby declared and agreed 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 cover the expenses incurred towards dewatering & Slush removal from any section within the Insured premises which was inundated partially or fully by water, in the event of circumstances giving rise to indemnifiable loss or damage by any of the perils insured under this Policy. The Limit of Indemnity under this extension shall be as provided in the policy schedule.

The maximum amount payable under this endorsement does not exceed AOA Limit: ₹10 lakhs
AOY Limit: ₹40 lakhs

11. ESCALATION COSTS

IRDAN123CP0044V02201819/A0047V01202122

It is hereby declared and agreed that the insured having paid the agreed extra premium, company shall provide for escalation in Sum Insured under items of Section 1 of the schedule attached to the policy upto that percentage of the Original Site Value, as mentioned in the schedule against this cover but not exceeding 50% of the Policy Sum Insured, the basis of claim settlement shall be the original site value of affected item/ property as insured plus increase in the cost of replacement / reconstruction, if any provided that the increase in the value of such item / property does not exceed the specified percentage, given in the schedule, of the original site value as insured. It is also hereby declared and agreed that in the event of a claim the insured would be considered as fully insured upto the Sum Insured, inclusive of the specified percentage, given in the schedule, increase as per selected escalation and underinsurance would apply only in the event of the cost of replacement / reconstruction of the affected item / property exceeding the original value as insured inclusive of selected percentage towards escalation.

It is however understood and agreed that the premium collected against escalation provision shall not be subject to refund of premium as provided in the premium adjustment clause.

It is further understood and agreed that in the case of additional premium chargeable during the final adjustment, additional escalation premium will be charged to the insured but in the case of any premium refundable during final adjustment no refund shall be allowed against the escalation premium already charged to the insured.

12. EXPEDITING COSTS INCLUDING COVER OF EXTRA CHARGES FOR OVERTIME, NIGHT WORK, WORK ON PUBLIC HOLIDAYS, EXPRESS FREIGHT (EXCLUDING AIR FREIGHT)

IRDAN123CP0044V02201819/A0048V01202122

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the policy or endorsed thereon, this insurance shall be extended to cover extra charges for overtime, night work, work on public holidays and express freight (excluding airfreight) .

Limit selected shall be as shown in the policy schedule but not to exceed 10% of the Policy Sum Insured.

Provided always that such extra charges are incurred in connection with any loss of or damage to the insured items recoverable under the policy.

If the sum(s) insured of the damaged item(s) is/are less than the amount(s) required to be insured, the amount payable under this endorsement for such extra charges shall be reduced in the same proportion.

The maximum liability of the Company for this endorsement shall not exceed 30% of the admissible claim amount.

13. EXTENDED MAINTENANCE COVER

IRDAN123CP0044V02201819/A0049V01202122

In consideration of the payment of an additional premium by the insured (which is included in the total Premium set forth in the schedule) it is hereby declared and agreed that the indemnity provided by this policy is extended to include Maintenance Cover for the period mentioned in the schedule to be reckoned from the date of completion or handing over, provided the policy period has been extended till completion or handing over. However, during the Maintenance period this insurance shall cover loss of or damage to the contract works

a. Caused by the Insured contractor (s) in the course of the operations carried out for the purpose of complying with the obligations under the maintenance provisions of the contract.

b. Occurring during the maintenance period provided such loss or damage was caused on the site during the construction period.

Excess: As per AOG Excess mentioned in the policy

14. LIMITED DEFECTIVE CONDITION EXCLUSION DE3

IRDAN123CP0044V02201819/A0050V01202122

This policy excludes loss of or damage to and the cost necessary to replace, repair or rectify:

a. Property Insured which is in a defective condition due to a defect in design plan specification materials or workmanship of such Property Insured or any part thereof.

b. Property Insured loss or damaged to enable the replacement, repair or rectification of Property Insured excluded by (a) above.

Exclusion (a) above shall not apply to other Property Insured, which is free of the defective condition but is damaged in consequence thereof.

For the purpose of the Policy and not merely this Exclusion the Property Insured shall not be regarded as lost or damaged solely by virtue of the existence of any defect in design plan specification materials or workmanship in the Property Insured or any part thereof.

Excess Applicable - 5 times AOG Excess

15. LIMITED DEFECTIVE CONDITION EXCLUSION DE4 (1995)

IRDAN123CP0044V02201819/A0051V01202122

This Policy excludes loss of or damage to and the cost necessary to replace, repair or rectify:

(a) Any component part or individual item of the Property Insured, which is defective in design plan specification materials or workmanship.

- (b) Property Insured lost or damaged to enable the replacement, repair or rectification of Property Insured excluded by (a) above.

Exclusion (a) above shall not apply to other parts or items of Property Insured, which are free from defect but are damaged in consequence thereof.

For the purpose of the Policy and not merely this Exclusion, the Property Insured shall not be regarded as lost or damaged solely by virtue of the existence of any defect in design plan specification materials or workmanship in the Property Insured or any part thereof.

Excess Applicable - 5 times AOG Excess

16. LIMITED MAINTENANCE COVER

IRDAN123CP0044V02201819/A0052V01202122

In consideration of payment of an additional premium by the Insured (which is included in the Total premium set forth in the schedule), it is hereby declared and agreed that the indemnity provided by this policy is extended to include Maintenance Cover for the period mentioned in the schedule to be reckoned from the date of completion or handing over, provided the policy period has been extended till completion or handing over. However, during the maintenance Period this Insurance shall cover solely loss of or damage to the contract works caused by the insured contractor(s) in the course of the operations carried out for the purpose of complying with the obligations under the maintenance provisions of the contract.

Excess applicable for this extension would be the applicable AOG Perils excess.

17. LOSS PAYEE CLAUSE

IRDAN123CP0044V02201819/A0053V01202122

In the event of claims being made under the policy, a form of discharge signed by an authorised representative of Insured shall be accepted as a valid discharge on behalf of all other parties interested in the insurance by the policy. An amount agreed in settlement of such claims shall be payable solely in favor of or to the order of Insured who agree to hold the insurer harmless in respect of such payment.

18. MULTIPLE INSURED CLAUSE

IRDAN123CP0044V02201819/A0054V01202122

It is noted and agreed that if the Insured described in the schedule comprises more than one insured party each operating as a separate and distinct entity, this Policy of insurance shall, unless otherwise provided for in this Policy of Insurance apply as if a separate Policy had been issued to each of these parties provided always that the insurer's overall liability towards the parties that constitute the Insured in any section shall not exceed the sum insured and any limit of indemnity specified in the schedule to that section.

Any payment made by the insurer to any insured party as a result of an occurrence of loss or damage shall reduce by the amount of that payment, the insurer's liability towards all the insured parties that constitute "the Insured" arising from that occurrence under this Policy of Insurance.

Subject, however to the conditions that the terms, conditions and warranties of the Policy have been compiled by each and all the parties mentioned in the Policy as "Insured".

19. NON-VITIATION CLAUSE

IRDAN123CP0044V02201819/A0055V01202122

(i) It is noted and agreed that if the Insured described in the Annexure comprises more than one insured party each operating as a separate and distinct entity, then (save as provided in this Clause) cover hereunder shall apply in the same manner and to the same extent as if individual policies had been issued to each such insured party provided that the total liability of the Insurers to all of the insured parties collectively shall not exceed the sums insured and limits of indemnity including any inner limits set by memorandum or endorsement stated in the policy.

(ii) It is understood and agreed that any payment or payments by Insurers to any one or more such insured parties shall reduce to the extent of that payment Insurers' liability to all such parties arising from any one event giving rise to a claim under this policy and (if applicable) in the aggregate.

(iii) It is further understood that the insured parties will at all times preserve the various contractual rights and agreements entered into by the insured parties and the contractual remedies of such parties in the event of loss or damage.

(iv) It is further understood and agreed that Insurers shall be entitled to avoid liability to or (as may be appropriate) claim damages from any one of the insured parties in circumstances of fraud, material misrepresentation, material non-disclosure, resulting in a breach of any warranty or condition of this policy each a referred to in this clause as a Vitiating Act.

(v) It is however agreed that (save as provided in this Multiple Insureds Clause) a Vitiating Act committed by one insured party shall not prejudice the right to indemnity of any other insured party who has an insurable interest and who has not committed a Vitiating Act.

(vi) Insurers hereby agree to waive all rights of subrogation which they may have or acquire against any insured party except where the rights of subrogation or recourse are acquired in consequence of or otherwise following a Vitiating Act in which circumstances Insurers may enforce such rights notwithstanding the continuing or former status of the vitiating party as an Insured.

(vii) In the event of any Vitiating Act committed by any one or more insured parties Insured, the Lenders shall not be entitled to any indemnity under this policy for more than their pro rata share of interest as against the entire asset value under charge for each and every claim for or arising out of each and every event of loss or damage in respect of which Insurers are otherwise no longer liable to indemnify any other one or more insured parties by reason a Vitiating Act or Acts.

20. OWNERS SURROUNDING PROPERTY (INCLUDING FLEXA)

IRDAN123CP0044V02201819/A0056V01202122

It is hereby declared and agreed that the policy extends to cover loss of or damage to property located on or adjacent to the Project Site and belonging to or held in care, custody or control of the Principal(s) or the Contractor (s) shall only be covered if

occurring directly due to the construction or testing of the items insured under Section I and happening during the period of cover.

This cover does not apply to Construction / Erection Machinery, Plant and Equipment, Temporary Buildings and Temporary site installations

Limit of indemnity shall be as provided in the policy schedule

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

21. PRO-RATA EXTENSION CLAUSE UPTO 6 MONTHS

IRDAN123CP0044V02201819/A0057V01202122

It is agreed and understood that upon payment of pro rata additional premium, the policy can be extended upto 25% of the original policy period subject to maximum of 6 months provided the request for extension is received before the expiry date of the policy and the loss ratio under the policy is not exceeding 60%.

22. PROFESSIONAL FEES

IRDAN123CP0044V02201819/A0058V01202122

The indemnity provided by this policy is extended to include Architects, Surveyors and Consulting Engineers or other Professional Fees necessarily incurred in the reinstatement of the Insured Property consequent upon loss or damage but not for preparing any claim, it being understood that the amount payable for such fees shall not exceed those authorized under the scale of the appropriate Professional Body. The liability of the insurers under this endorsement shall in no case exceed the limit specified in the schedule .

The maximum liability payable under this endorsement shall be restricted to 10% of the Claim amount subject to a maximum of Rs.1 Cr.

23. PUT TO USE

IRDAN123CP0044V02201819/A0059V01202122

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon the Insurer shall indemnify the insured under section I in respect of accidental physical loss or accidental physical damage to any part of the equipment/plant occurring during the erection period but after being taken over or taken into use of such portion of the equipment / plant by one of the insured parties. The cover hereunder ceases upon termination of the policy period.

24. REMOVAL OF DEBRIS (INCLUDING FOREIGN DEBRIS)

IRDAN123CP0044V02201819/A0060V01202122

It is hereby declared and agreed 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 reasonable and necessary costs and expenses incurred by the insured in the clearance and removal of debris from the premises of the Insured following an

indemnifiable loss or damage by any of the perils insured under this Policy. No liability is assumed for the expense of removal of any property or part thereof, the removal of which is solely required by any government law or public ordinance. The Limit of Indemnity under this extension shall be as provided in the policy schedule under Removal of Debris clause.

Insurers shall not be liable to indemnify the insured in respect of

--Costs of repair of eroded slopes or other graded areas above or below water level if the insured failed to take timely and adequate preventive measures, having regard to the nature of the works, the soil, the geology and the topography of the site and its environment

--Loss or damage arising as a consequence of the insured's failing to take adequate measures to secure the works immediately after erosion of the slopes and graded areas as mentioned above was apparent.

25. SERIAL LOSSES

IRDAN123CP0044V02201819/A0061V01202122

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, the following clause shall apply to this insurance:

Loss or damage due to faulty design (if covered by endorsement), defective material and/or workmanship arising out of the same cause to structures, parts of structures, machines or equipment of the same type shall be indemnified according to the following scale after applying the policy deductible for each loss:

100% of the first 2 losses

80% of the 3rd loss

60% of the 4th loss

50% of the 5th loss

Further losses shall not be indemnified.

Unless specifically agreed otherwise and mentioned in the Policy Schedule

26. THIRD PARTY LIABILITY COVER WITHOUT CROSS LIABILITY COVER

IRDAN123CP0044V02201819/A0062V01202122

The Company will indemnify the Insured against: -

(a) Legal liability for accidental loss or damage caused to property of other persons including property held in trust by or under custody of the insured for which he is responsible excluding any such property used in connections with construction thereon.

(b) Legal liability (liability under contract excepted) for fatal or non-fatal injury to any persons other than the Insured's own employees or workmen or employees of the owner of the works or premises or other firms connected with any other construction work thereon, or members of the Insured's family or of any of the aforesaid; directly consequent upon or solely due to the construction of any property described in the Schedule.

Provided that the total liability of the Company during the period of insurance under this clause shall not exceed the limits of Indemnity set opposite thereto in the Schedule.

In respect of a claim for compensation to which the indemnity provided herein applies, the Company will, in addition, indemnify the insured against

- (a) all cost and expenses of litigation recovered by any claimant from the Insured, (b) all costs and expenses incurred with the written consent of the Company,

The exclusion contained in paragraphs (d), (f) & (g) in sec I of policy shall apply also to this section.

EXCLUSIONS TO SECTION II

The Company will not indemnify the Insured in respect of

1. The Excess stated in the Schedule to be borne by the Insured in any one occurrence related to property damage.
2. Expenditure incurred in doing or redoing or making good or repairing or replacing anything covered or coverable under section I of this Policy.
3. Liability consequent upon
 - a) bodily injury to or illness of employees or workmen of the contractor (s) or the Principal (s) or any other firm connected with the project which or part of which is insured under section I, or members of their families.
 - b) loss of or damage to property belonging to or held in care custody or control of the Contractor (s), the Principal (s) or any other firm connected with the project which or part of which is insured under section I, or an employee or workman of the one of the aforesaid.
 - c) any accident caused by vehicles licensed for general road use or by waterborne vessels or aircraft.
 - d) any agreement by the Insured to pay any sum by way of indemnity or otherwise unless such liability would have attached also in the absence of such agreement.

CONDITIONS APPLYING TO SECTION II

1. 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 insured the defense or settlement of any claim or to prosecute for their own benefit in the name of the insured any claim for indemnity or damage or otherwise and shall have full discretion in the conduct of any proceedings or in the settlement of any claim and the insured shall give all such information and assistance as the Company may require.
2. The Company may, so far as any accident is concerned, pay to the insured the limit of indemnity for anyone accident/any one period, but deducting there from in such case any sum/s already paid as compensation in respect thereof any lesser sum for which the claim or claims arising from such accident can be settled and the Company shall thereafter be under no further liability in respect of such accident under this section.

Geographical Limit : India.

27. TRANSIT COVER

IRDAN123CP0044V02201819/A0063V01202122

it is hereby understood and agreed that, subject otherwise to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon: This Section will indemnify the Insured, up to the Sum Insured specified in the Schedule , in respect of insured loss, while Insured Property is being transported on any vehicle (including loading and unloading) to the Project Site , provided that:

- (a) said Property Insured is owned, or is in the custody, care or control of the Insured; and
- (b) the transits insurance hereunder shall only indemnify the Insured only for inland transit
- (c) from the offsite storage within the same City/town /village /area of the project site and
- (d) to the extent that the Loss is not recoverable under any other insurance; and such transits take place within the territorial limits.

Such cover does not apply during marine or air transit or transits by roll-on roll-off ferry.

Limits and deductible as specified in the Schedule.

The maximum amount payable under this endorsement does not exceed 10% of the Project Sum Insured subject to a maximum of Rs.10 Crores per sending limit or per location limit.

28. WAIVER OF CONTRIBUTION CLAUSE

IRDAN123CP0044V02201819/A0064V01202122

It is agreed and understood that otherwise subject to the terms, Exclusions, provisions and Conditions contained in the Policy or endorsed thereon, the insurers hereby agree that the insurance of this Policy shall be primary without right of contribution of any other insurance carried by or on behalf of the named Insureds with respect to their respective interests in the insured property.

29. WAIVER OF SUBROGATION CLAUSE

IRDAN123CP0044V02201819/A0065V01202122

It is hereby agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the policy or endorsed thereon, the insurers shall waive all their rights of subrogation or action which they may have or acquire against the assured and any person, firm or corporation having an association or affiliation at the time of loss with the assured through ownership or management subject to having been insured under this policy.