

Machinery Break-down Insurance

UIN: IRDAN123RP0038V02200203

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 Cholamandalam MS General Insurance Co. Ltd. (herein-after 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 the Policy.

NOW THIS POLICY OF INSURANCE WITNESSETH

that subject to the terms, exceptions, exclusions, provisions and conditions contained herein or endorsed hereon, the company will at its own option by payment or reinstatement or repair indemnify the Insured against unforeseen and sudden physical damage by any cause not hereinafter excluded to any insured property specified in the attached schedule(s) whilst in the premises therein mentioned necessitating its immediate repair or replacement. This Policy shall apply to the insured items after successful completion of their performance/acceptance tests, whether they are at work or at rest, or being dismantled for the purpose of cleaning or overhauling, or in the course of the aforesaid operations themselves, or when being shifted within the premises, or during subsequent re-erection. The liability of the Company for any one item of the insured property shall not exceed in the aggregate in any one period of Insurance the Sum Insured set against such 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 consequence, directly or indirectly of fire including extinguishment of a fire or clearance of debris and dismantling necessitated thereby, smoke, soot, aggressive substance, lightning, explosion of any kind (other than bursting or disruption of turbines, compressors, cylinders of steam engines, hydraulic cylinders or fly wheels or other apparatus subject to centrifugal force, internal pressure) 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 or waterborne or airborne craft or other aerial devices and/or articles dropped therefrom.

Any loss or damage by fire within the electrical appliances and installation insured by this Policy arising from or occasioned by overrunning, excessive pressure, short circuiting, arcing, self heating or leakage of electricity, from whatever cause (lightning included), is covered; provided that this extension shall apply only to the particular electrical machine; apparatus, fixture, fitting or portions of the electrical installation so affected and not to other machines, apparatus, fixtures fittings or portions of the electrical installation which may be destroyed or damaged by fire so set up.

2. Loss damage and/or liability caused by or arising from or in consequence, directly of –

- 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, Lockout and Malicious Damage, Civil Commotion, Military or Usurped Power, Martial Law, Conspiracy Confiscation, Commandeering by a group of malicious persons 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 over load experiments or tests requiring the imposition of abnormal conditions.

4. Gradually developing flaws, 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. Deterioration of or wearing away or wearing out any part of any machine caused by or naturally resulting from normal use or exposure.

6. Loss, damage and/or liability caused by or arising out of the wilful act to wilful neglect or gross negligence of the Insured or his responsible representatives.
7. Liability assumed by the insured by agreement unless such liability would have attached to the Insured notwithstanding such agreement.
8. Loss, 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 representative but not disclosed to the Company.
9. Loss of use of the Insured's plant or property or any other consequential loss incurred by the Insured.
10. Loss, damage and/or liability due to explosions in Chemical recovery, Boilers, other than pressure explosions for e.g. smelt, chemical, ignition, Explosions etc.

Special Exclusions

The company shall not be liable for-

1. The excess, as stated in the Schedule, to be first borne by the Insured out of each and every claim; where more than one item is damaged in one and same occurrence, the Insured shall not, however, be called upon to bear more than the highest Excess applicable to any one such item.
2. Loss of or damage to belts, ropes, chains, rubber tyres, dies, moulds, blades, cutters, knives or exchangeable tools, engraved or impression cylinders or rolls; objects made of glass, porcelain, ceramics, all operating media (e.g. lubricating oil, fuel, catalyst, refrigerant, dowtherm) felts, endless conveyor belts or wires; sieves, fabrics, heat resisting and anti-corrosive lining and parts of similar nature, packing material, parts not made of metal (except insulating material) and non-metallic lining or coating of metal parts; unless loss or damage to the equipments/ machinery is indemnifiable in terms of the policy.
3. Loss or damage for which the manufacturer or supplier or repairer of the property is responsible either by law or contract.

In any action, suit or other proceeding where the Company alleges that by reason of the provisions 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.

PROVISIONS

1. Sum Insured

It is the requirement of this Insurance that the Sum Insured shall be equal to the cost of replacement of the insured property by new property of the same kind and same capacity which shall mean its replacement cost including freight and customs duties, if any, and erection costs.

2. Basis of Indemnity

- a) In cases where damage to an insured item can be repaired, the Company will pay expense 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 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 will pay the cost of materials and wages incurred for the purpose of the repairs plus a reasonable percentage to cover overhead charges.

No deduction shall be made for depreciation in respect of parts replaced except for (i) wear and tear and (ii) parts for which manufacturers have specified a fixed life for use and the like but the value of any salvage will be taken into account.

If the cost of repairs as detailed hereinabove equals or exceeds the actual value of the machinery insured immediately before the occurrence of the damage the settlement shall be made on the basis provided for in (b) below.

- b) In cases where an insured item is destroyed, the Company will pay the actual value of the item immediately before the occurrence of the loss including costs for ordinary freight erection and customs duties if any 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 will also pay any normal charges for the dismantling of the machinery destroyed but the salvage will be taken into account.

Any extra charges incurred for overtime, night-work, work on public holidays, express freight are covered by this Insurance only if especially agreed to in writing.

In the event of the makers' drawings, patterns and for boxes necessary for the execution of a repair not being available, the Company shall not be liable for cost of making any such drawing patterns or core boxes. The cost of any alterations, improvements or overhauls shall not be recoverable under this Policy.

The cost of any provisional repairs will be borne by the Company if such repairs constitute part of the final repairs and do not increase the total repair expenses.

If the Sum Insured is less than the amount required to be insured as per Provision 1 hereinabove, the Company will pay only in such proportion as the Sum Insured bears to the amount required to be insured. Every item if more than one shall be subject to this condition separately.

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'.

3. Inspection of Turbines and Turbo-Generators

All Mechanical and Electrical parts of any steam turbine, gas turbine or generator up to 30,000 KW shall be inspected and overhauled thoroughly under the supervision of Maker's representatives, in a completely opened up state at least every two years, for turbines or generators exceeding 30,000 KW such inspection and overhaul shall take place after 32,000 hours of operation or every four years. The cost of inspection and overhauling shall be borne by the Insured and a copy of the Report issued by the Maker's representative on such inspection and overhauling shall be furnished to the Company immediately after the work has been carried out.

The Insured shall arrange for these regular inspections in such a way as to enable the Company's representative to be present at the inspection at their own expenses. The Company shall be notified at least seven days in advance of the commencement of any overhauling necessary according to expert opinion.

If the Insured fails to comply with the requirements of this condition, the Company shall be free from all liability for loss or damage caused by any circumstances, whatsoever.

The Insured may apply for an extension of the period between any two regular inspections, and such extension may be considered if in the opinion of the Company the risk is not aggravated thereby.

4. Conditions

- a) This Policy and the attached Schedule(s) shall be read together as one contract and words and expressions to which specific meanings have been attached in any part of this Policy or of the attached Schedule(s) shall bear the same meaning wherever they may appear.
- b) 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 any one acting on his behalf to obtain 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, all benefit under this Policy shall be forfeited.
- c) 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 defence 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.
- d) The due observance and fulfilment of the terms, provisions and conditions of an 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 statement and answers in the said proposal shall be conditions precedent to any liability of the Company to make any payment under this Policy.

5. 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 over loaded. The Insured shall fully observe the manufacturer's instructions for operating, inspection and overhaul, as well as government, statutory

municipal and all other binding regulations in force concerning the operation and maintenance of the insured plant and machinery.

- b) The Company's Officials shall at all reasonable times have the right to inspect and examine 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.
- c) In the event of any-
 - i) Material change in the original risk
 - ii) Alteration, modification or addition to insured item
 - iii) Departure from prescribed operating conditions, whereby the risk or loss or damage increases
 - iv) Changes in the Insured's Interest (such as discontinuation or liquidation of the business or being placed in receivership) taking place. The Policy shall be void unless its continuance is agreed by endorsement signed by the Company.

6. 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 in writing, giving an indication as to the nature and extent of loss or damage.
- b) Take all reasonable steps within his power to minimise the extent of the loss or damage.
- c) Preserve the damaged 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 no notice and completed claim 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 that 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, repairs or replacement 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 this Policy in respect of any item of property sustaining damage, for which indemnity is provided, shall cease if the said item is kept in operation without being repaired to the satisfaction of the Company.

Documents required for Claim processing:

- a. Claim form,
- b. Fire Brigade Report / FIR,
- c. Proof in support of Cause of Loss Like OEM report (RCA),
- d. List of Items Covered / Asset Register,
- e. Quotation to establish the cost of replacement,
- f. Repair / Reinstatement Invoices with Payment proof,
- g. KYC documents PAN, ROC certificate, Aadhar, GST Registration Cert Etc.,
- h. Any other Document,
- i. **Turn Around Time** for claims settlement is 21 working Days

7. Other Insurance

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

Multiple policies involving Bank or other lending or financing entity - If at the time of any claim, in case there is more than one Insurance Policy issued to the insured covering the same risk, the insurer will not apply Contribution clause. Underinsurance will be applied on an overall basis taking into consideration the sum insured under all policies and comparing it with the value at risk.

8. Position after a claim

- a) The Insured shall not be entitled to abandon any property whether taken possession of by the Company or not.
- b) As from the day of loss the 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 of 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 period of Insurance the original indemnity and premium are again in force unless circumstances justify an alteration.

9. 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.

10. Termination of Insurance

- a. The insured can cancel the policy at any time during the term, by informing the Company. The Company can cancel the policy only on the grounds of established fraud, by giving minimum notice of 7 days to the insured.
- b. The company shall refund proportion premium for unexpired policy period, if the term of the policy is up to one year and there is no claim(s) made during the policy period.

11. 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 enforcing any right or remedies 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 goods of any loss 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.

GRIEVANCES

In case of any grievance the insured person may contact the company through

WEBSITE: www.cholainsurance.com

Toll free: 1800 208 9100

E-MAIL: customercare@cholams.murugappa.com

Courier: Manager, Grievance Cell,
Chola MS General Insurance Company Limited,
Hari Nivas Towers First Floor,
#163, Thambu Chetty Street,
Parry's Corner, Chennai - 600 001

Procedure of Grievance Redressal

- Please write to customercare@cholams.murugappa.com to register your complaint.
- On lodging the complaint, a complaint reference number will be provided. An acknowledgement will also be sent with the details of turnaround time for resolution and complaint registration details.
- In case you are not happy with the resolution provided or delay of greater than 7 working days, you may follow the below escalation matrix.

Escalation Matrix

- In case you are dissatisfied with the response or have not received a response, you may escalate the same to our Nodal Officer - Nodalescalation@cholams.murugappa.com (Quoting the previous Service request number)
- In case you are still unhappy with the response or have not received a response within 7 working days, you may escalate the same to our Chief Grievance Officer - GRO@cholams.murugappa.com (Quoting the previous Service request number)
- If after having followed the above steps and your issue still remain unresolved, you may approach the Insurance Ombudsman for Redressal. Login to <https://www.cioins.co.in/Ombudsman> to get details on Insurance Ombudsman Offices.

INFORMATION ABOUT US

Cholamandalam MS General Insurance company Limited

HO: Dare House 2nd Floor, No. 2 NSC Bose Road, Chennai – 600 001.

Toll Free : 1800 208 9100

SMS: "CHOLA" TO 56677 *(Premium SMS charges apply)

Email –customercare@cholams.murugappa.com

Web site: www.cholainsurance.com

Sl.No	Office of Insurance Ombudsman	Address	E-mail	Landline Nos.
1	AHMEDABAD	Jeevan Prakash, 6th Floor, Near S.V.College	Email: bimalokpal.ahmedabad@cioins.co.in	Tel.: 079 - 25501201
		Relief Road, Tilak Marg,		Tel.: 079 - 25501202
		Ahmedabad - 380 001. Gujarat		
2	BENGALURU	Jeevan Soudha Building, PID No. 57-27-N-19	Email: bimalokpal.bengaluru@cioins.co.in	Tel.: 080 - 26652048
		Ground Floor, 19/19, 24th Main Road, 1st Phase, JP Nagar,		Tel.: 080 - 26652049
		Bengaluru - 560 078.		
3	BHOPAL	LIC of India Zonal Office Bldg,	Email: bimalokpal.bhopal@cioins.co.in	Tel.: 0755 - 2769201
		1st Floor, South Wing, Jeevan Shiksha,		Tel.: 0755 - 2769202
		Opp. Gayatri Mandir		Tel.: 0755 - 2769203
4	BHUBANESHWAR	60-B, Hoshangabad Road, Bhopal - 462011	Email: bimalokpal.bhubaneswar@cioins.co.in	
		62, Forest park,		Tel.: 0674 - 2596455
		Bhubaneswar - 751 009.		Tel.: 0674 - 2596429
5	CHANDIGARH	Jeevan Deep, Ground Floor, LIC of India Bldg,	Email: bimalokpal.chandigarh@cioins.co.in	Tel.: 0172 - 2706468
		SCO 20-27, Sector 17-A		Tel.: 0172 - 2707468
		Chandigarh – 160017		
6	CHENNAI	Fatima Akhtar Court, 4th Floor,	Email: bimalokpal.chennai@cioins.co.in	Tel.: 044 - 24333668
		453 (Old 312), Anna Salai, Teynampet,		Tel.: 044 - 24333678
		CHENNAI -600 018.		
7	DELHI	2/2 A, 1st Floor, Universal Insurance Building,	Email: bimalokpal.delhi@cioins.co.in	Tel.: 011 - 23232481

Machinery Break-down Insurance-POLICY WORDING

		Asaf Ali Road, New Delhi - 110 002.	s.co.in	Tel.: 011 - 23213504 Tel.: 011 - 46013992
8	GUWAHATI	Jeevan Nivesh Bldg, 5th Floor, Near Pan Bazar, S.S. Road, Guwahati – 781001	Email: bimalokpal.guwahati@ci oins.co.in	Tel.: 0361 - 2632204 Tel.: 0361 - 2632205 Tel.: 0361 - 2631307
9	HYDERABAD	6-2-46, 1st floor, "Main Court", Lane Opp. Hyundai Showroom, A.C. Guards, Lakdi-Ka-Pool, Hyderabad - 500 004.	Email: bimalokpal.hyderabad @cioins.co.in	Tel.: 040 - 23312122 Tel: 040 - 23376599 Tel: 040 - 23376991 Tel: 040 - 23328709 Tel: 040 - 23325325
10	JAIPUR	Jeevan Nidhi - II, Ground Floor, Bhawani Singh Road, Ambedkar Circle Jaipur - 302 005.	Email: bimalokpal.jaipur@cioin s.co.in	Tel.: 0141 - 2740363
11	KOCHI	10th Floor, LIC Bldg, Jeevan Prakash Opp Maharaj College Ground M.G.Road, Ernakulam Kochi – 682011	Email: bimalokpal.ernakulam @cioins.co.in	Tel.: 0484 - 2358759
12	KOLKATA	7 th Floor of Hindustan Building (Annex), 4, CR Avenue, Kolkata-700 072,	Email: bimalokpal.kolkata@ci oins.co.in	Tel.: 033 - 22124339 Tel: 033 - 22124341
13	LUCKNOW	Jeevan Bhawan, Phase-II, 6th Floor, Nawal Kishore Road, Hazratganj, Lucknow - 226001	Email: bimalokpal.lucknow@ci oins.co.in	Tel.: 0522 - 4002082 Tel: 0522 - 3500613
14	MUMBAI	3rd Floor, Jeevan Seva Annexe, S. V. Road, Santacruz West, Mumbai - 400 054.	Email: bimalokpal.mumbai@ci oins.co.in	Tel.: 022-69038800 Tel.: 022-69038833
15	NOIDA	Bhagwan Sahai Palace 4th Floor, Main Road, Naya Bans, Sector 15, Noida-201301 Dist: GB Nagar, Uttar Pradesh	Email: bimalokpal.noida@cioin s.co.in	Tel.: 0120-2514252 Tel.: 0120-2514253
16	PATNA	2nd Floor, North Wing, Lalit Bhawan, Bailey Road, Patna - 800 001	Email: bimalokpal.patna@cioin s.co.in	Tel.: 0612-2547068
17	PUNE	3 rd Floor, Jeevan Darshan, LIC of India Bldg, N.C. Kelkar Road, Narayan Peth, Pune- 411 030.	Email: bimalokpal.pune@cioin s.co.in	Tel: 020-24471175