

# Cholamandalam MS General Insurance Company Limited

## PRODUCT LIABILITY INSURANCE POLICY

### 1. OPERATIVE CLAUSE:

WHEREAS the Insured named in the Schedule hereto and carrying on the business described in the said Schedule has applied to Cholamandalam 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.

NOW THIS POLICY WITNESSETH that subject to the terms exceptions and conditions contained herein or endorsed hereon the Company will indemnify the Insured against their legal liability (other than liability under the Public Liability Insurance Act, 1991 or any other statute that may come into force after the issue of this policy) to pay compensation including Claimant's costs, fees and expenses anywhere in India, in accordance with the law of the country but not in respect of any judgment, award, payment or settlement made within countries which operate under the laws of the United States of America or Canada (or to any order made anywhere in the world to enforce such judgment, award or settlement either in whole or in part) unless the Insured has requested that there shall be no such limitation and has accepted the terms of the North American Jurisdiction Extension Clause which forms part of this policy.

### 2. INDEMNITY:

The Indemnity only applies to claims arising out of accidents during the period of insurance first made in writing against the Insured during the policy period and the Insured is indemnified in accordance with the Operative Clause for and/or arising out of Injury and/or Damage and /or Pollution but only against claims arising out of or in connection with the business specified in the Schedule.

For the purpose of determining the indemnity granted

- (a) 'Injury' means death, bodily injury, illness or disease of or to any person;
- (b) 'Damage' means actual and/or physical damage to tangible property;
- (c) 'Pollution' means pollution or contamination of the atmosphere or of any water land or other tangible property;
- (d) '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;
- (e) 'Policy Period' means the period commencing from effective date and hour as shown in the Policy Schedule and terminating at midnight on the expiry date as shown in the Policy Schedule.

- (f) 'Period of Insurance' means the period commencing from the retroactive date and terminating on the expiry date as shown in the Policy Schedule.
- (g) '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.
- (h) 'Retroactive Date' is the date when the risk is first incepted under a Claims Made policy and thereafter renewed without break in the period of cover.

**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 maximum time limit laid down under the Indian Limitation Act in force from time to time.

**(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 is in force during this extended reporting period for the same interest, for notification of claims for accidents which had taken place during the period of insurance but could not be made during the policy period, provided, however, all claims made during the extended reporting period shall be handled as if they were made on the last day of the expiring Policy period and shall be subject to the Limit of indemnity, terms, conditions and exceptions of the policy.

This extended reporting period does not in any way reinstate or increase the limit of indemnity mentioned in the Schedule of the Policy.

**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 their 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;
- 4.3 the personal representatives 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, fulfil and be subject to the terms, conditions and exclusions of this Policy as though they were the Insured.

## **5. CROSS LIABILITIES:**

Each person or party indemnified is separately indemnified in respect of claims made against any of them by any other person or party (other than the named Insured) subject to Company's total liability not exceeding the limits of indemnity stated in the Schedule of the Policy.

## **6. DEFENCE COSTS:**

The Company will pay all costs, fees and expenses incurred with their 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. INDEMNITY LIMITS:**

Company's total liability to pay compensation, Claimant's costs, fees and expenses and defence costs shall not exceed the Indemnity limit stated in the Schedule. Indemnity Limit applies to any one claim or series of claims arising from one originating cause. Indemnity Limit shall represent the total amount of Company's Liability during the Policy period.

### **7.1 CLAIMS SERIES CLAUSE**

A Claims Series Event as defined below shall be deemed to be one claim and date of loss shall be the date when the first claim of the Claims Series Event is made in writing against the Insured.

A Claims Series Event shall be defined as a series of two or more claims arising from one specific common cause, which is attributable, e.g.

- to the same fault in design, manufacture, instructions for use or labelling of products
- or to the supply of the same products and/ or services or to products and/or service showing the same defect.

There shall, however, be no coverage for claims arising from one specific cause, which are made later than 3 years after the first claim of the series.

### **7.2 COMPULSORY EXCESS:**

The Insured shall bear as Compulsory Excess the amount or percentage of the limit of indemnity per any one accident so stipulated in the Schedule attached to the policy. This compulsory excess shall be applicable to death/bodily injury, property damage and pollution inclusive of defense costs arising out of any one accident. The company's liability shall attach for the claim in excess of such Compulsory Excess (and Voluntary Excess, if any, opted by the Insured).

### **7.3 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 both (a) death/bodily injury claims and (b) property damage claims inclusive of defence costs arising out of any one accident. The Company's Liability shall attach for the claims in excess of such compulsory and voluntary excess.

## **8. EXCLUSIONS**

This Policy does not cover liability

8.1 for costs incurred in the repair, reconditioning, modification or replacement of any product which is or is alleged to be defective;

8.2 for costs arising out of the recall of any product or part thereof;

8.3 arising out of any product which with the Insured's knowledge is intended for incorporation into the structure, machinery or control of any aircraft;

8.4 arising out of deliberate, wilful or intentional non-compliance of any statutory provision;

8.5 arising out of pure financial loss such as loss of goodwill, loss of market etc.

8.6 arising out of fines, penalties, punitive and/or exemplary 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 or arising from;

a) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel

b) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof;

8.9 for damage to property belonging to the Insured or held in trust or in custody or control of the Insured or a person in the service of the Insured.

8.10 Arising out of Injury and/or Damage occurring prior to the Retroactive Date 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 covered accident and where the Insured and the 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;

b) Damage shall be deemed to have occurred when it first became evident to the Claimant, even if the cause was unknown.

8.11 arising out of deliberate, conscious or intentional disregard of the Insured's technical or administrative management of the need to take all reasonable steps to prevent claims;

8.12 Injury to any person under the contract of employment or apprenticeship with the insured their contractor(s) and/or Sub-Contractors(s) when such injury arises out of the execution of such contract.

8.13 arising out of contractual liability unless liability has existed in the absence of the specific contract;

8.14 arising out any product guarantee;

8.15 arising out of claims for failure of the goods or products to fulfil the purpose for which they were intended.

8.16 for liabilities arising out of products which have left the custody and control of the insured prior to retroactive date specified in the schedule.

8.17 Liability more specifically insured elsewhere.

## **9. GENERAL CONDITIONS**

9.1 The Insured shall give written notice 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 occurrence shall be forwarded to the Company immediately they are received by the Insured.

### **9.2 Documents required for Claim processing:**

- (a) Claim form,
- (b) Detailed note on the event leading to the loss,
- (c) Any Legal notice / summon received from the aggrieved party,
- (d) Defence initiated from your end, if so what are the grounds,
- (e) KYC documents PAN, ROC certificate, Aadhar, GST Registration Cert Etc.,
- (f) What are the preventive measures initiated to avoid recurrence,
- (g) Any other Document
- (h) Turn Around Time for claims settlement is 7 Days from receipt of Award / Last Document

9.3 No admission, offer, promise or payment shall be made or given by or on behalf of the Insured without the written consent of the Company.

9.4 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 amount expended by the Company in the defence settlement or payments of any claim will reduce the limits of indemnity specified in the Schedule of the Policy.

In the event that 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 expend 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.

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

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

9.7 The Company may at any time pay to the Insured in connection with any claim or series of claims under this Policy to which an Indemnity Limit applies 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.

9.8 The Policy and the Schedule 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 or the Schedule shall bear such specific meaning wherever it may appear. The terms, conditions and exclusions of this Policy (and any phrase or word contained therein) shall be interpreted in accordance with Indian Law.

9.9 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.

The premium stated in the schedule of this policy is to be regulated by the final turnover pertaining to the policy period as borne out by the accurate record of the annual turnover to be maintained as above. Within one month from the expiry of each policy period, the insured shall furnish the Company with the correct turnover recorded as aforesaid, pertaining to the previous policy period, based on which the Company shall arrive at the final premium, by further payment to the Company or a refund to the insured as the case may be, but in no case shall the refund of premium be more than 25% of the premium stated in the schedule.

9.10 If in the event of a claim under this Policy, there be any other Insurance or Insurances effected by the Insured or any other person covering the same liability, then the Company shall not be liable to pay or contribute more than its ratable proportion of such liability.

9.11 **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.

**9.12 Cancellation –**

- (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.

9.13 In the event of liability arising under the policy or the payment of claim under the policy, Aggregate Limit of Indemnity per any one year under the Policy shall get reduced by the extent of quantum of liability to be paid or actual payment of such claim. Under no circumstances, it shall be permissible to reinstate the limit of indemnity to the original level, even on payment of extra premiums.

9.14 It is also hereby further expressly agreed and declared that if the Company shall disclaim liability to the Insured for any claim hereunder and such claim shall not within 12 calendar months from the date of such disclaimer have been made the subject matter of a suit in a court of law then the claim shall for all purposes be deemed to have been abandoned and shall not thereafter be recoverable hereunder.

9.15 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 statement or device whether by 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.

9.16 No claim shall be payable under this policy unless the cause of action arises in India and the liability to pay claim is not without legal recourse to the insured. It is further  
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### 9.17 Subrogation

In the event of any payment under this Policy, the Insurer shall be subrogated to all of the Insured's rights of recovery to the extent of such payments against any person or organization and the Insured shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights and ensure that nothing is done to prejudice such rights and provide the Insurers with whatever reasonable co-operation and assistance they might require.

However, it is specifically agreed that the Insurer will not exercise its rights of subrogation against an employee of the Insured unless the aforesaid payment has been caused by or contributed to in any way by the fraud or dishonesty of any such employee.

In the event of any recovery being made, it is specifically understood that the recovered funds shall be applied in the following order:

- (a) Insurers shall be reimbursed to the extent of any payment they have made under this Policy.
- (b) Insurers shall be reimbursed the actual costs and expenses they have incurred in pursuing the recovery.
- (c) The Insured shall be entitled to reimbursement in respect of its losses only after the payment of (a) and (b) and only to the extent of any recovered funds that might remain.

### GRIEVANCES

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

WEBSITE: [www.cholainsurance.com](http://www.cholainsurance.com)

Toll free: 1800 208 9100

E-MAIL: [customercare@cholams.murugappa.com](mailto: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](mailto: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](mailto: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](mailto: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: <a href="mailto:bimalokpal.ahmedabad@cioins.co.in">bimalokpal.ahmedabad@cioins.co.in</a>	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: <a href="mailto:bimalokpal.bengaluru@cioins.co.in">bimalokpal.bengaluru@cioins.co.in</a>	Tel.: 080 - 26652048
		Ground Floor, 19/19, 24th Main Road,		Tel.: 080 - 26652049
		1st Phase, JP Nagar,		
		Bengaluru - 560 078.		
3	BHOPAL	LIC of India Zonal Office Bldg,	Email: <a href="mailto:bimalokpal.bhopal@cioins.co.in">bimalokpal.bhopal@cioins.co.in</a>	Tel.: 0755 - 2769201
		1st Floor, South Wing, Jeevan Shiksha,		Tel.: 0755 - 2769202
		Opp. Gayatri Mandir		Tel.: 0755 - 2769203
		60-B, Hoshangabad Road, Bhopal - 462011		
4	BHUBANESHWAR	62, Forest park,	Email: <a href="mailto:bimalokpal.bhubaneswar@cioins.co.in">bimalokpal.bhubaneswar@cioins.co.in</a>	Tel.: 0674 - 2596455
		Bhubaneswar - 751 009.		Tel.: 0674 - 2596429
5	CHANDIGARH	Jeevan Deep, Ground Floor, LIC of India Bldg,	Email: <a href="mailto:bimalokpal.chandigarh@cioins.co.in">bimalokpal.chandigarh@cioins.co.in</a>	Tel.: 0172 - 2706468
		SCO 20-27, Sector 17-A		Tel.: 0172 - 2707468
		Chandigarh – 160017		
6	CHENNAI	Fatima Akhtar Court, 4th Floor,	Email: <a href="mailto:bimalokpal.chennai@cioins.co.in">bimalokpal.chennai@cioins.co.in</a>	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: <a href="mailto:bimalokpal.delhi@cioins.co.in">bimalokpal.delhi@cioins.co.in</a>	Tel.: 011 - 23232481
		Asaf Ali Road,		Tel.: 011 - 23213504
		New Delhi - 110 002.		Tel.: 011 - 46013992
8	GUWAHATI	Jeevan Nivesh Bldg,	Email: <a href="mailto:bimalokpal.guwahati@cioins.co.in">bimalokpal.guwahati@cioins.co.in</a>	Tel.: 0361 - 2632204
		5th Floor, Near Pan Bazar,		Tel.: 0361 - 2632205
		S.S. Road, Guwahati – 781001		Tel.: 0361 - 2631307
9	HYDERABAD	6-2-46, 1st floor, "Main Court",	Email: <a href="mailto:bimalokpal.hyderabad@cioins.co.in">bimalokpal.hyderabad@cioins.co.in</a>	Tel.: 040 - 23312122
		Lane Opp. Hyundai Showroom,		Tel.: 040 - 23376599
		A.C. Guards, Lakdi-Ka-Pool,		Tel.: 040 - 23376991
		Hyderabad - 500 004.		Tel.: 040 - 23328709
10	JAIPUR	Jeevan Nidhi - II, Ground Floor,	Email:	Tel.: 0141 - 2740363

		Bhawani Singh Road, Ambedkar Circle	bimalokpal.jaipur@cioins.co.in	
		Jaipur - 302 005.		
11	KOCHI	10th Floor, LIC Bldg, Jeevan Prakash	Email: bimalokpal.ernakulam@cioins.co.in	Tel.: 0484 - 2358759
		Opp Maharaj College Ground		
		M.G.Road, Ernakulam		
		Kochi - 682011		
12	KOLKATA	7 <sup>th</sup> Floor of Hindustan Building (Annex), 4, CR Avenue, Kolkata-700 072,	Email: bimalokpal.kolkata@cioins.co.in	Tel.: 033 - 22124339
				Tel: 033 - 22124341
13	LUCKNOW	Jeevan Bhawan, Phase-II,	Email: bimalokpal.lucknow@cioins.co.in	Tel.: 0522 - 4002082
		6th Floor, Nawal Kishore Road, Hazratganj, Lucknow - 226001		Tel: 0522 - 3500613
14	MUMBAI	3rd Floor, Jeevan Seva Annexe,	Email: bimalokpal.mumbai@cioins.co.in	Tel.: 022-69038800
		S. V. Road, Santacruz West,		Tel.: 022-69038833
		Mumbai - 400 054.		
15	NOIDA	Bhagwan Sahai Palace	Email: bimalokpal.noida@cioins.co.in	Tel.: 0120-2514252
		4th Floor, Main Road,		Tel.: 0120-2514253
		Naya Bans, Sector 15, Noida-201301		
		Dist: GB Nagar, Uttar Pradesh		
16	PATNA	2nd Floor, North Wing, Lalit Bhawan,	Email: bimalokpal.patna@cioins.co.in	Tel.: 0612-2547068
		Bailey Road, Patna - 800 001		
17	PUNE	3 <sup>rd</sup> Floor, Jeevan Darshan,	Email: bimalokpal.pune@cioins.co.in	Tel: 020-24471175
		LIC of India Bldg,		
		N.C. Kelkar Road, Narayan Peth,		
		Pune- 411 030.		