

# Agricultural Pumpset Insurance Policy

## - Policy Wordings

### Preamble

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 Bharti AXA General Insurance Co. Ltd. (hereinafter 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 this Policy

### OPERATIVE CLAUSE

The Company hereby agrees, subject to the terms, conditions and exceptions herein contained or endorsed or otherwise expressed hereon, to indemnify the Insured to the extent and in manner specified hereinafter, against any loss of or damage to the pump set described in the Schedule due to operation of any of the insured perils hereinafter mentioned during the Policy period.

### COVERAGE

The Company will indemnify the Insured in respect of loss or damage to the pump set described in the Schedule to this Policy, due to

1. Fire and /or lightning.
2. Burglary / theft (due to violent forcible entry provided the pump set is kept in a locked enclosure). The risk of burglary of the pump set is held covered only when the set is housed in a permanent enclosure with a provision of lock and key and not otherwise.
3. Mechanical / electrical breakdown including damage by external means.
4. Riot, strike, malicious damage.

Additionally, where it is specifically mentioned in the Schedule, the Policy also covers loss or damage due to Storm, Tempest, Flood and inundation.

### EXCEPTIONS

The Company shall not be liable in respect of loss or damage due to -

1. Normal wear and tear, gradual deterioration due to atmospheric conditions or otherwise.
2. Wilful act or gross negligence of the Insured or his representative.
3. Faults or defects existing at the time of commencement and known to the Insured or his representative regardless of whether such faults or defects were known to the Company or not.
4. Loss or damage for which the manufacturer or supplier is responsible either by law or under contract.
5. Cost of dismantling, transport to workshop and back, as also cost of re-erection.
6. War and allied perils.
7. Ionizing radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel or from any nuclear weapons material.
8. Terrorism

### CONDITIONS

1. **Notice:** Every notice and communication to the Company required by this Policy shall be in writing and be addressed to the nearest office of the Company.
2. **Duty of disclosure:** This Policy shall be void and all premium paid shall be forfeited to the Company in the event of misrepresentation, misdescription or nondisclosure of any material fact.
3. **Change in Risk:** Any alteration in the position of the property insured hereunder or in the occupancy of or in the business carried on in the premises containing the property insured hereunder shall render this Policy null and void unless the Company shall have consented to continue the insurance.
4. **Reasonable care:** The Insured shall take all reasonable steps to safeguard the property insured against any accident, loss or damage and to protect the same in the event of its being exposed to any unusual risk. In case of pump sets offered theft cover, the pump set should be lodged in locked enclosure and the liability will arise only if there is forcible and violent entry.
5. **Cancellation:** The Company may at any time by seven days' notice in writing cancel this Policy in which case the Company shall return to the Insured a proportion of the last premium corresponding to the unexpired period of insurance. This Policy may also be terminated at any time at the request of the Insured in which case the Company will retain the premium for the period this Policy has been in force at the Company's customary short period scales or rates.

Table of Short Period Scales	
Period of Risk (Not exceeding)	Premium to be retained (% of the Annual Rate)
1 Week	10%
1 Month	25%
2 Months	35%
3 Months	50%
4 Months	60%
6 Months	75%
8 Months	85%
Exceeding 8 Months	Full Annual Premium.

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;
  - furnish to the Company, within 14 days of the date on which the event shall have come to his knowledge, detailed particulars of the amount of loss or damage together with such explanation and evidence to substantiate the claim as the Company may reasonably require.
7. **Contribution:** If at the time of any loss or damage covered by this Policy there shall be any other insurance covering the same property whether effected by the Insured or not, then the Company shall not be liable for more than rateable proportion thereof.
8. **Fraud:** If any claim under this Policy shall be in any respect fraudulent or if any fraudulent means or devices be used by the Insured or any one acting on the Insured's behalf to obtain any benefit under this Policy, all benefits under the Policy shall be forfeited.
9. **Indemnity:**
- In case where damage to an insured pump set can be repaired the Company will pay expenses necessarily incurred to restore the damaged pump set to its former state of serviceability.
  - If the cost of repairs exceeds the actual value of the pump set insured immediately before the occurrence of the damage the settlement shall be made on the basis of clause (c) mentioned below.
  - In case of total loss, claims will be paid subject to depreciation of 10% per year. Maximum depreciation would be 75% of erected value of pump set with motor.
10. **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 rateable proportion of the loss or damage accordingly. Every item, if more than one, in the Policy, shall be separately subject to this condition.
11. **Subrogation:** The Insured shall at the expense of the Company do or concur in doing or permit to be done all such acts and things that may be necessary or reasonably required by the Company for the purpose of enforcing any rights and remedies or obtaining relief or indemnity from other parties to which the Company shall be or would become entitled or subrogated upon the Company 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.
12. **Arbitration:** 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 thereto 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/difference and the third arbitrator to be appointed by such two arbitrators and arbitration shall be conducted under and in accordance with the provisions of the Arbitration and Conciliation Act, 1996.
- It is clearly agreed and understood that no dispute or difference 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.
13. The Company agrees and undertakes to indemnify the Insured against any loss of or damage to property or any part thereof suffered by the Insured not exceeding the Sum Insured stated against each item or total Sum Insured stated in the Schedule, as the case may be, under this Policy provided the Company is bound and liable to indemnify the Insured in accordance with the terms and conditions of this Policy only and only if the Insured makes a demand or claim on the Company in writing within 12 (twelve) months of the occurrence of any event giving rise to a claim hereunder.
14. **Observance of terms and conditions:** The due observance and fulfillment of the terms, conditions and endorsement of this Policy in so far as they relate to anything to be done or complied with by the Insured and the truth of the statements and answers in the proposal shall be a condition precedent to any liability of the Company to make any payment under this Policy.

Insurance is the subject matter of the solicitation.