



Reliance

General Insurance Company Limited

(Reg. Office: 3rd floor, Maker Chambers IV, Nariman Point, Mumbai – 400 021)

ERECTION ALL RISKS INSURANCE POLICY

WHEREAS the insured named in the Schedule hereto had made to Reliance General Insurance Company Limited (hereinafter called "the Company") a written proposal by completing a Proposal Form which together with any other statements made in writing by the insured for the purpose of this Policy, is deemed to be incorporated herein.

NOW THIS POLICY OF INSURANCE WITNESSETH that subject to and in consideration of the Insured having paid to the Company, the premium mentioned in the said Schedule and subject to the terms, exclusions, provisions and condition contained herein or endorsed hereon the company will indemnify the Insured against sudden and unforeseen physical loss of or damage to the property insured in the manner and to the extent hereinafter provided.

GENERAL EXCLUSIONS

The Company will not indemnify the Insured in respect of loss, damage or liability directly or indirectly caused by or arising out of or aggravated by

1. War, invasion, act of foreign enemy, hostilities or war like operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, mutiny, civil commotion military or usurped power, martial law, conspiracy, confiscation, commandeering 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.
2. Nuclear reaction, nuclear radiation or radioactive contamination.
3. Wilful act or wilful negligence of the Insured or of his responsible representative
4. Cessation of work whether total or partial.

In any action, suit or other proceedings where the company allege that by reason of the provisions of Exclusion (1) 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.

PERIOD OF COVER

The liability of the Company shall commence, (notwithstanding any date to the contrary specified in the Schedule) only from the time after the unloading of the property specified in the Schedule from any conveyance at the site specified in the schedule and shall continue until immediately after the first test operation or test loading is concluded (whichever is earlier) but in no case beyond four weeks from the day on which after completion of erection a trial running is made and/or readiness for work is declared by the erectors/contractors, whichever is earlier. If however, a part of a plant or one or several machine/s is/are tested and put into operation the cover and consequently the liability of the Company for that particular part of the plant or machine ceases whereas it continues for the remaining parts which are not yet ready. In case after the expiry of four weeks of trial running, approval of the plant or any part thereof is not given by the concerned Authorities the cover for the extended period of further trial running can be covered at extra premium to be arranged before hand. If the actual erection period is shorter than the period indicated in the Schedule, no refund of premium shall be allowed unless specifically allowed by Tariff Advisory Committee.

In the case of second-hand /used property, the insurance hereunder shall however, cease immediately on the commencement of the testing. At the latest, the insurance shall expire on the date specified in the Schedule but if the work of erection and test operations included in the insurance is not completed within the time specified hereunder, the company may extend the period of Insurance but the Insured shall pay to the Company additional premium at agreed rates.

GENERAL CONDITIONS

1. Condition precedent to liability

The due observance and fulfilment of the terms 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 questionnaire and proposal made by the Insured shall be a condition precedent to any liability of the company.

2. Interpretation

The Schedule and the Section(s) shall be deemed to be incorporated in and form part of this policy and the expression "this Policy" wherever used in this contract shall be read as including the Schedule and the Section(s). Any word or expression to which a specific meaning has been attached in any part of this Policy or of the Schedule or of the Section(s) shall bear such meaning wherever it may appear.

3. Risk – Material Alteration

The Insured shall at his own expense take all reasonable precautions and comply with all reasonable recommendations of the Company to prevent loss, damage or liability and comply with statutory requirements and manufacturers' recommendations.,

4. Duty of the Insured

- a) Representatives of the Company shall at any reasonable time have the right to inspect and examine the risk and the Insured shall provide the representatives of the company with all details and information necessary for the assessment of the risk.
- b) The Insured shall immediately notify the Company by telegram and in writing of any material change in the risk and cause at his own expense such additional precautions to be taken as circumstances may require and the scope of cover and/or premium shall, if necessary be adjusted accordingly.

No material alteration shall be made or admitted by the Insured whereby the risk is increased unless the continuance of the Insurance be confirmed in writing by the Company.

5. Notification of claim

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 steps within his power to minimise the extent of the loss or damage
- c) preserve the parts affected and make them available for inspection by a representative of the company or surveyor deputed by the Company
- d) furnish all such information and documentary evidence as the company may require
- e) inform the police authorities in case of loss or damage due to theft or burglary.

The Company shall not in any case be liable for loss, damage or liability of which no notice has been received by the company within 14 days of its detection.

Upon notification being given to the Company under this condition, the Insured may carry out the repair or replacement of any minor damage not exceeding Rs.20,000/-. In all other cases a representative of the company shall have the opportunity of inspecting the loss or damage before any repairs or alterations are effected. If a representative of the company does not carry out the inspection within a period of time which could be considered as adequate under the circumstances the Insured is entitled to proceed with the repairs or replacement.

The liability of the Company under this Policy in respect of any item sustaining damage shall cease if said item is not repaired properly without delay.

6. 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 interest of 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.

7. 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 to 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 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 expressly 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/arbitrators of the amount of the loss or damage shall be first obtained.

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

8. Fraudulent Claim

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, or if a claim is made and rejected and no action or suit is commenced within three months after such rejection or in case of arbitration taking place as provided therein, within three months after the Arbitrator or Arbitrators have made their award, all benefit under this Policy shall be forfeited.

9. 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 rateable proportion of any claim for such loss, damage or liability.

10. Termination of Insurance

This insurance may be terminated at the request of the Insured at any time in which case the Insurers will refund appropriate premium amount subject to the following conditions.

- i) Claims experience under the policy as on date of cancellation should be less than 60% of reworked premium.
- ii) The unexpired period is not less than 3 months or 25 % of the policy period, whichever is less
- iii) Testing period should not have commenced

This insurance may also at any time be terminated at the option of the Company by 15 days notice to that effect being given to the Insured in which case the Company shall be liable to repay on demand a rateable proportion of the premium for the unexpired term from the date of cancellation.

SECTION I - MATERIAL DAMAGE

The Company hereby agrees with the Insured (subject to the exclusions and conditions contained herein or endorsed hereon) that if, at any time during the period of insurance stated in the said Schedule, or during any further period of extension thereof the property (except packing materials of any kind) or any part thereof described in the said Schedule be lost, damaged or destroyed by any cause, other than those specifically excluded hereunder, in a manner necessitating replacement or repair the Company will pay or make good all such loss or damage up to an amount not exceeding in respect of each of the items specified in the Schedule the sum set opposite thereto and not exceeding in the whole the total sum insured hereby.

The Company will also reimburse the Insured for the cost of clearance and removal of debris following upon any event giving rise to an admissible claim under this Policy but not exceeding in all the sum (if any) set opposite thereto in the Schedule.

The Company will also pay to the insured the loss of or damage to the property insured by explosion or otherwise directly caused by

- i) an act of terrorism committed by a person or persons acting on behalf of or in connection with any organisation,
- ii) the action of any lawfully constituted authority in suppressing or attempting to suppress any such act referred to in (i) above or minimising the consequences thereof.

EXCLUSION TO SECTION - I -

The Company, shall not, however, be liable for:

- a) the first amount of the loss arising out of each and every occurrence shown as Excess in the Schedule;
- b) loss discovered only at the time of taking an inventory;
- c) normal wear and tear, gradual deterioration due to atmospheric conditions or otherwise, rust, scratching of painted or polished surfaces or breakage of glass;

- d) loss or damage due to faulty design, defective material or casting, bad workmanship other than faults in erection. This exclusion shall be limited to the items immediately affected and shall not be deemed to exclude loss or damage to other insured items resulting from such excluded perils;
- e) the cost necessary for rectification or correction of any error during erection unless resulting in physical loss or damage.
- f) loss of or damage to files, drawings, accounts, bills, currency, stamps, deeds, evidence of debt, notes, securities, cheques, packing materials such as cases, boxes, crates.
- g) any damage or penalties on account of the Insured's non-fulfilment of the terms of delivery or completion under his Contract of Erection or any obligations assumed thereunder including consequential loss of any kind or description or for any aesthetic defects or operational deficiencies;

PROVISIONS APPLYING TO SECTION I.

Memo 1. SUM INSURED : It is a requirement of this insurance that the Sum of Insurance stated in the Schedule shall not be less than the completely erected value of the property inclusive of freights, customs duty, erection cost and the Insured undertakes to increase or decrease the amount of insurance in the event of any material fluctuation in the level of wages or prices.

Provided always that such increase or decrease shall take effect only after the same has been recorded on the Policy by the Company.

If, in the event of the occurrence of a loss, or damage it is found that the Sum Insured representing the completely erected value of the property and/or of particular items involved is less than the amount required to be insured the amount recoverable by the Insured under the Policy shall be reduced in such proportion as the Sum Insured bears to the amount required to be insured.

Memo 2. PREMIUM ADJUSTMENT: The sum insured under the Policy representing the completely erected value of the plant machinery/project shall be adjustable at completion of erection on the basis of the actual values to be declared by the insured in respect of freight and handling charges, customs dues and costs of erection and the difference in premium shall be met with by payment, at the rate agreed, to or by the insured as the case may be. Any increase or decrease in prime cost of Plant and Equipment shall not be the subject matter of premium adjustment.

Memo 3. BASIS OF LOSS SETTLEMENT: In the event of any loss or damage the basis of any settlement under this Policy shall be

- (a) in the case of damage which can be repaired, the cost of repairs necessary to restore the items to their condition immediately before the occurrence of the damage less salvage,

or

(b) in the case of a total loss the actual value of the items immediately before the occurrence of the loss less salvage;

However, only to the extent the costs claimed has to be borne by the insured and to the extent they are included in the Sum Insured and provided always that the provisions and conditions have been complied with.

All damages which can be repaired shall be repaired, but if the cost of repairing any damage equals or exceeds the value of the items immediately before the occurrence of the damage the settlement shall be made on the basis provided for in (b) above. 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.

The cost of any alterations, additions and/or improvements shall not be recoverable under this Policy.

Extension of Cover: Any extra charges incurred for overtime, work on holidays, express freight (including air freight), are not covered by this insurance, unless agreed upon at an additional premium.

In the event of loss or damage the insurance shall, notwithstanding, be maintained in force during the period of insurance for the sum insured, the insured undertaking to pay a pro-rata additional premium of the full amount of each claim for the loss or damage from the date of such loss to the expiry of the period of insurance.

Memo 4. CONSTRUCTION PLANT AND MACHINERY: Loss of or damage to Construction Plant and Machinery excludes loss or damage directly caused by its own explosion or its own mechanical or electrical breakdown or derangement.

Memo 5 - SURROUNDING PROPERTY : Loss or damage to property located on or adjacent to the 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 erection, construction or testing of the items insured under Section I and happening during the period of cover, and provided that a separate Sum therefore has been entered in the Schedule under Section I, Item 5 for Principal's surrounding property. This cover does not apply to construction/erection machinery, plants and equipment.

Memo 6 - MAJOR PERILS/ACTS OF GOD CLAIMS.- The Major Perils/Acts of God Claims shall mean the claims arising out of

- (a) Earthquake - Fire & Shock
- (b) Landslide/Rockslide/Subsidence,
- (c) Flood/Inundation,
- (d) Storm/Tempest/Hurricane/Typhoon/Cyclone/lightning or

other atmospheric disturbances.

Memo 7 – TERRORISM : For the purpose of this provision "Terrorism" shall mean the use of violence for political ends and includes any use of violence for the purpose of putting the public or any section of the public in fear.

SECTION II - THIRD PARTY LIABILITY

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 connection with erection thereon;
- (b) Legal liability (liability under contract excepted) for fatal or non-fatal injury to any person other than the Insured's own employees or workman or employees of the owner of the works or premises or other firms connected with any other erection work thereon, or members of the Insured's family or of any of the aforesaid; directly consequent upon or solely due to the erection 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, and
- (b) all costs and expenses incurred with the written consent of the Company.

The exclusion contained in paragraphs (d), (f) & (g) in Section I of this 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 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 the Insured the defence 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 any one accident, any one period, but deducting therefrom in such case any sum/s already paid as compensation in respect thereof or any lesser sum for which the claim 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.

For Reliance Général Insurance Company Limited

Authorised Signatory

ENDORSEMENT "A"
ENGG/END-101: CIVIL ENGINEERING WORKS

It is hereby declared and agreed, subject to the exceptions contained herein, or endorsed hereon, that this Policy is extended to cover the risks of loss or damage to property brought on to the Site of Erection for the performance of the erection contract, details of which are stated as under:-

- (a) All permanent Civil Engineering Works such as buildings, foundations earthwork including materials for the constructions thereon
- (b) All temporary works such as buildings, sheds

PROVIDED that the following exclusions shall apply:-

- I. loss or damage directly caused by defective workmanship material, or design or wear and tear
- II. loss or damage directly caused by mechanical breakdown or derangement
- III. loss or damage directly caused by deterioration due to lack of use or obsolescence
- IV. any loss of property either by disappearance or by shortage if such disappearance or shortage alone is revealed during and after an inventory is made
- V. Cessation of work whether total or partial
- VI. loss, destruction or damage of accounts, bills, currency, stamps, deeds, evidence of debt, money, notes or securities.

The exclusions of loss or damage caused by (I), (II) and (III) shall be limited to the machine structure or work immediately affected and shall not extend to other work or endorsed thereon, the Insurers shall only indemnify the property lost or damaged in consequence of the defect, wear, Insured for loss, damage or liability directly or indirectly breakdown, derangement or deterioration.

Subject to the Condition that:-

The Insured shall take all reasonable precautions in the selection of labour and to maintain in efficient condition all tools and equipment used in connection with performance of this erection contract.

Provided that all the conditions of this Policy shall apply in all respects to the Insurance granted by this extension save in so far as the same are expressly varied hereby and any reference to loss or damage in the conditions of the Policy shall be deemed to include the perils hereby insured against.

ENGG/END-102:ENDORSEMENT REGARDING FIRE/EXPLOSION

"Notwithstanding the conditions provisions and other endorsement of this policy, it is agreed and understood that the company shall indemnify the Insured in respect of any loss or damage caused by fire only if the following requirements are fulfilled:-

- i) Adequate Fire Fighting Equipments and Extinguishing Agents of sufficient capacity shall always be available at the site and be ready for immediate use.
- ii) Watch and Ward facility should be provided round the clock at the site.
- iii) Open Storage of construction or erection materials at the site is divided into sub-units which should be separated from each other by a distance of at least 15 meters.

In any case the liability of the Company, per storage unit shall not exceed 10% of the Sum Insured as per Memo 1 of the policy or Rs.50 crores, whichever is less.

- iv) Grass and/or any other vegetation in and around the site are regularly removed.
- v) Inflammable materials such as waste materials empty boxes Crates, waste wood and paper should be promptly removed from the site.

Other combustible materials required for the erection/construction works such as shuttering materials not fitted for concreting, inflammable liquids, gases etc. should be stored at a sufficiently large distance from the erection/ construction works.

It is further agreed and understood that the Company shall not be liable for 10% of the claim amount subject to a minimum or Rs._____ (which corresponds to the Deductible for claims during the Testing period) for each and every claim on account of Fire/explosion.

ENGG/END-103:ENDORSEMENT REGARDING CROSS LIABILITY COVER

The following endorsement should be for the purpose :-

"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:

- i) For 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.
- ii) Fatal or non-fatal injury or illness of employees or workmen's compensation and/or employer's liability insurance.
- iii) 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 one event the limit of indemnity stated in the Schedule."

ENGG/END-104:ENDORSEMENT REGARDING ESCALATION

The following Endorsement Wording to be used for the purpose:-

In consideration of the insured having paid an additional premium of Rs. _____ it is hereby declared and agreed that the insured shall also be indemnify during the currency of this policy, towards Additional Custom Duty Rs. _____ 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.

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 ___ % increase as per selected escalation and under insurance would apply only in the event of the cost of replacement of the affected equipment exceeding the original value inclusive of selected ___ % towards escalation.

It is however understood and agreed that the premium collected against price escalation hereinabove shall not be subject to refund of premium as provided in the premium adjustment clause in memo 2 of the policy.

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

ENGG/ENGG-105:ENDORSEMENT REGARDING AIR FREIGHT

The Endorsement wording for covering the Air Freight will be as under:-

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

In consideration thereof an additional premium of Rs. _____ is charged hereby.

Limit of indemnity shall be Rs. _____ during currency of the Policy.

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 terms, conditions and exceptions of the policy."

The Endorsement wordings for covering the Air Freight will be as under:-

"It is hereby declared and agreed that the policy shall also indemnify towards Air Freight incurred by the insured in connection with the idemnifiable loss under the Policy.

In consideration thereof an additional premium of Rs. _____ is charged hereby.

Limit of indemnity shall be Rs. _____ during currency of the Policy.

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 terms, conditions and exceptions of the policy".

This provision to grant cover for Air freight applies to both Marine and EAR portions if combined Marine-cum-Erection policy is issued. In cases where separate Marine and Erection All Risks policies are issued the Marine policy should be specifically endorsed to the effect.

The Endorsement wordings for covering the Air Freight will be as under:-

"It is hereby declared and agreed that the policy shall also indemnify towards Air Freight incurred by the insured in connection with the idemnifiable loss under the Policy.

In consideration thereof an additional premium of Rs. _____ is charged hereby.

Limit of indemnity shall be Rs. _____ during currency of the Policy.

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 terms, conditions and exceptions of the policy".

This provision to grant cover for Air freight applies to both Marine and EAR portions if combined Marine-cum-Erection policy is issued. In cases where separate Marine and Erection All Risks policies are issued the Marine policy should be specifically endorsed to the effect.

ENGG/END-106:ENDORSEMENT REGARDING CUSTOMS DUTY

The following Endorsement Wording to be used for the purpose:-

"In consideration of the insured having paid an additional premium of Rs. _____ it is hereby declared and agreed that the insured shall also be indemnify during the currency of this policy, towards Additional Custom Duty Rs. _____ 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."

ENGG/END-107:

ENDORSEMENT FOR TEST RUN DEFINITION IN RESPECT OF THERMAL POWER STATION:

"Notwithstanding anything stated herein to the contrary it is hereby declared and agreed that entire Power Station machinery insured hereunder are deemed to have commenced their first test operation or test loading from the date of synchronisation of the Turbo Generator set with the grid system/bus bar provided the date of synchronisation is within 72 hours from the date of introduction of steam into turbine and shall continue till the Turbo Generator Set is operated at full load for a continuous period of 72 hours or until expiry of testing period granted under the policy whichever is earlier. If,

however, the date of synchronisation exceeds 72 hours from the date of introduction of steam of the first trial operation or test loading is deemed to have commenced from the date of introduction of steam into the turbine of the Turbo Generator set.

If the trial operation/test loading is not completed within the time specified hereunder the Company may extend the period of testing on receipt of additional premium at agreed rates but in no case the total test period available under the policy shall exceed 12 months."

SUSPENSION OF TESTING PERIOD FOR THERMAL POWER PLANTS:

If testing is suspended after commencement of test run and if such period during which no testing activity is carried on exceeds 7 days in duration, it can be treated as erection period, provided it is within the policy period. In consideration of this, the testing period shall remain reduced by number of days the testing was carried out in the initial test run.

Note : In respect of plants other than thermal power plants, the matter may be referred to Tariff Advisory Committee for their consideration if the silent period exceeds 7 days.

ENGG/END-108:

HYDROCARBON ENDORSEMENT FOR TESTING & COMMISSIONING

Article 1:

It is warranted that the insured shall give previous notice in writing to the Company of the date of the initial start - up operation for testing of plant.

Commencing date of the initial start-up operation referred to in the preceding paragraph shall mean the date of the first introduction of feed stock or initially filled mixture of oil or Hydrocarbon for cleaning or purging or Naphtha Fuel for burning into the plant, whichever date is earlier. However the operation carried out for cleaning and purging in each individual unit will be considered a part of erection work provided such cleaning and purging work does not exceed a period of two weeks in each unit. It is however understood and agreed that during any operation whatever cleaning, purging, testing or commissioning, where hydrocarbons or Hydrogen are involved the deductible excess shall be 5% of claim amount subject to minimum of Rs. 500000/-.

Article 2:

As from the introduction of hydrocarbon/feedstock into the plant, the company shall not be liable for the loss or damage to:

- a) catalysts unless specifically covered by separate endorsement;
- b) Reforming units due to overheating or cracking of any tubes

Note: Any consequential damage to the neighbouring items of plant or machinery indirectly due to cracking or overheating of tubes in reforming units is, however indemnifiable under the policy.

- c) the insured plant due to overheating or cracking following an exothermic reaction.
- d) the insured plant due to non-observation of prescribed techniques or cutting out of safety devices and/or any liability resulting therefrom.

The Insurers shall only indemnify the Insured for loss or damage resulting directly or indirectly from fire and/or explosion if adequate fire fighting facilities for the insured plant are installed and rendered serviceable immediately after the completion of the rough structure of the building and before any machinery is stored and/or installed therein.

(a) All machinery and equipments shall be stored in such a manner that the value of items stored per storing unit shall not exceed the equipments of Rs..... and that such individual storing unit shall be at least feet apart separated by fire-proof walls.

Should the value per storage unit exceed Rs..... then in the event of a claim, the liability of the Company shall be in the same proportion as Rs.....bears to the total value of items stored in the concerned individual storage unit as defined above.

Following article to be included after excluding 2(a) above, in case the Insured desires cover for catalyst during testing period:

Article 3:

Catalyst valued at Rs.....are specifically covered during Hot Testing Period for any loss or damage caused by an indemnifiable loss or damage to the insured plant and/or equipment.

Each and every claim shall be subject to an excess/deductible franchise of 5% of the value of catalysts in the system subject to a minimum of

endorsed thereon, the insurers shall only indemnify the Insured. It is agreed and understood that otherwise subject to the in respect of loss of or damage to existing underground cables terms, exclusions, provisions and conditions contained in the and/or pipes or other underground facilities if, prior to the policy or endorsed thereon, the Insurers shall not indemnify the commencement of works, the Insured has inquired with the relevent Insured for loss, damage or liability directly or indirectly authorities about the exact position of such cables, pipes or other underground facilities.

The indemnity shall in any case be restricted to the repair costs of such cables, pipes or other underground facilities, any consequential damage being excluded from the cover.

WARRANTY CONCERNING EXTENDED MAINTENANCE COVER

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, this insurance shall be extended for the maintenance period specified hereunder to cover loss 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.
- occurring during the maintenance period provided such loss or damage was caused on the site during the erection period before the certificate of completion for the loss or damaged section was issued.

Maintenance cover fromto

Extra premium

SPECIAL CONDITIONS FOR OPEN TRENCHES DURING LAYING OF PIPELINES DUCTS AND CABLES

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the policy or endorsed thereon, the Insurers will indemnify the Insured for any loss or damage due to storm, rain, flood, inundation such as sanding, silting up, mudding up, erosion, collapse and floating up of pipes, ducts or cables, sustained by completely or partly excavated open trenches and /or items layed therein, upto a maximum legnth of KM open trench only one loss event.

The Insured shall make sure that plugging facilities are available near the pipe ends for emergency purposes and that pipe ends exposed to flooding are plugged before any interruption during idle work periods

Rs.2,50,000/- which is the Hot Testing period Excess/Deductible Franchise.

ENGG/END-109:ENDORSEMENT CONCERNING STORAGE

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the policy or endorsed thereon, the Insurers shall only indemnify the Insured for loss of or damage to the Insured items during storage upto a value per storage unit not exceeding the equivalent of.

The individual storage units shall be either atleast 50 m apart or separated by fireproof walls.

ENGG/END-110:ENDORSEMENT REGARDING SAFETY MEASURES

It is agreed and understood that otherwise subject to the It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the terms,exclusions,provisions and conditions contained in the policy or endorsed thereon, the Insurers shall only indemnify the Policy or endorsed thereon,the Insurers shall only indemnify the Insured for loss of or damage to the Insured items during storage Insured for loss, damage or liability directly or indirectly upto a value per storage unit not exceeding the equivalent of caused by flood and inundation if adequate safety measures have been taken during planning and execution of the project. The individual storage units shall be either atleast 50 m Adequate safety measures in this context shall mean that the apart or separated by fire-proof walls. average monthly rain, flood and inundation hazard as known from statistics of the competent meteorological offices for the respective month and location has been taken into account.

ENGG/END-111:ENDORSEMENT REGARDING DAMAGE TO CROPS, FORESTS ETC.

Provided that all the conditions of this Policy shall apply in all respects to the Insurance granted by this extension save It is agreed and understood that otherwise subject to the in so far as the same are expressly varied hereby and any terms, exclusions, provisions and conditions contained in the reference to loss or damage in the conditions of the Policy shall policy or endorsed thereon, the Insurers shall not indemnify the be deemed to include the perils hereby insured against. Insured for loss, damage or liability directly or indirectly caused to crops, forests and/or any cultures during the execution of the contract works.

WARRANTY CONCERNING UNDERGROUND CABLES AND PIPES

It is agreed and understood that otherwise to the terms, exclusions, provisions and conditions contained in the policy or

such as nights and holidays.

COVER OF LEAK SEARCH COSTS WHEN LAYING PIPELINES:

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the policy or endorsed thereon, the Insurers shall indemnify the Insured also for the following items under this policy:

- a) Leak search costs following hydrostatic test (including the cost of leasing special apparatus, cost of operation and transport of such apparatus)
 - b) Earthwork on a trench not damaged itself, search earthwork becoming necessary in the search for and repair of leaks, e.g. excavation, uncovering of the pipeline, backfilling.
- Provided that:

the leak has been caused by an indemnifiable event or is attributable to faulty execution on the site, and 100% of the building seams have been X-rayed and any deficiencies discovered thereby have been removed properly.

Indemnity shall be limited in the aggregate }
per testing section }
during one policy period }

Costs caused by faulty repair of welding seams shall be excluded from the cover.

Maintenance Visits and Extended Maintenance Cover:

The policy can be extended to cover the Maintenance Visits Extended maintenance. The endorsement wordings and rates and excess for these will be as under :-

(a) Limited Maintenance Visits Cover:

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 of..... months to be reckoned from the date of completion of Testing, provided the policy period has been extended till completion of Testing. 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.

(b)Extended Maintenance Cover:

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 of.....months to be reckoned from the date of completion of Testing, provided the policy period has been extended till completion of Testing. However, during the Maintenance period this insurance shall cover loss or damage to the contract works -

- i) 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.
- ii) occurring during the maintenance period provided such loss or damage was caused on the site during the erection period.

EAR-MCE2
HCMK/PPS



Reliance General Insurance Company Limited
(Reg. Office: Maker Chambers IV, 3rd floor, 222, Nariman Point, Mumbai – 400 021)

Erection All Risks Insurance

Schedule

Area Office Code:	Agent Code:
Policy No:	
Date of proposal & declaration:	Details of previous policy(in case of renewal) Previous policy No: Date of expiry:
Name of the Insured:	
Address:	
Customer ID No:	Business:
Site of erection	
Period of Insurance From: To: (includingmonth/s Testing)	
Premium (subject to adjustment on completion of the project)	Rs:
Nature of project	
Section I - Material Damage	Sum Insured (Rs)
1. Plant & Equipment to be erected (brief details) a) Landed cost of imported machinery as at factory site at exchange rate (sub divided as under) I. Invoice cost II. Freight, insurance, handling clearing and forwarding charges up to factory site III. Customs duty at	
b) On machinery fabricated or manufactured in India (sub divided as under) I. Invoice cost including insurance, handling for transporting up to factory site II. Freight	

c) On cost of erection including salaries of all foreign and Indian technicians and wages of all skilled and unskilled labour employed at factory site during erection	
d) On building in which the above Plant & Machinery is to be erected I. Permanent civil engineering works II. Temporary works III. Completely erected value	
2. Clearance & removal of debris	
3. Value of surrounding property to be covered	
4. Extra charges for expenses freight (excluding Air Freight) overtime Sunday and Holiday rates or wages	
5. Construction Plant & Machinery to be used at the project site (detailed as per attached list)	
6. Air Freight	
7. a) On increased replacement value (including duty on such additional replacement value) which may have to be paid on replacement of imported Plant & Machinery as per item 1 (a) above b) On increased replacement value which may have to be paid on replacement of indigenous plant & machinery as per item 1 (b) above	
Section II - Third Party Liability	
a) For any one accident b) For all accidents during the period	
Excess for Sections I & II	
A. For storage & erection claims B. For testing period claims C. For Act of God claims (as per Memo 6) D. For Fire/Explosion claims % of the claim amount subject to a minimum of Rs% of the claim amount subject to a minimum of testing period excess% of the claim amount subject to a minimum of testing period excess and a maximum of Rs% of the claim amount subject to a minimum of testing period excess and a maximum of Rs

In witness whereof the undersigned acting on behalf and under the Authority of the Company that hereunder set his hand at on thisday of 200..

Examined:
Entered :

For and on Behalf of
Reliance General Insurance Company Limited
Authorised Signatory



RELIANCE GENERAL INSURANCE COMPANY LIMITED

Regd Office: 3rd Floor, Maker Chambers IV, Nariman Point, Mumbai 400 021

RGICL/ENGG - EAR/Form 3

ERECTION ALL RISK/MARINE-CUM-ERECTION/STORAGE-CUM-ERECTION INSURANCE

CLAIM FORM

Policy No		Claim No.	
		Date of registration	
Area Office Code/Service Centre Code			
Broker/Agent Name & code		Code	
1. Name of the Insured			
2. Customer ID			
3. Address of the Insured	Plot No/Door No.		Building name
	Road		
	Area		
	City		Pin code
	State		
	Phone No.		
	E-mail Id		
4. Date & time of loss	Date	d d m m y y y y	Time
			AM/PM
5. State the site where the damage occurred? Name the nearest Railway station.			
6. Full description of the property damaged			
a. Property erected/under erection on site			
b. Property belonging to third party			
6. What was the cause of damage? (eg. Defective materials, faulty design etc.). Give particulars of parts concerned.			
7. If damage occurred during testing, when did the testing commence?			
8. Is any one responsible for the damage? Is there any possibility of recovery?			
9. By whom was the accident witnessed?			
10. State where the damaged item can be inspected should the company so desire?			



<p>11. How will the damage be repaired? (Please state in detail, whether any parts must be replaced; give weight and value of damaged parts.)</p>	
<p>12. what is the estimated amount of loss/damage?</p>	
<p>13. How did the damage occur? Please give in detail a sketch, wherever possible supported by statements of witness.</p>	
<p>14. What is the salvage or scrap value of the damaged parts to be replaced?</p>	
<p>15. Are there any other insurance effected by you or any other person covering the loss sustained or any part thereof, where you are entitled to recover in respect of above loss or damage?</p>	
<p>16. Do you wish to carry out repair yourself? (or) Do you wish to entrust repairs to another firm (state the name of the firm and details)</p>	
<p>17. Please give any other particulars relevant to the damage.</p>	

<p><u>Declaration by Insured</u></p>	
<p>I/We hereby declare that the statements made by me / us in this claim form are true to the best of my / our knowledge and belief.</p>	
<p>Date</p>	
<p>Place</p>	
<p style="text-align: right;">Signature of Insured</p>	