

Additional Add-ons

i. Adequacy of Sum Insured

In consideration of payment of additional premium, it is hereby agreed and declared that If the claim amount is less than Rs.1 crore, then the value of the Insured Contents hereby insured shall, at the time of any insured event, be collectively of greater value than the Sum Insured thereon, then the Insured shall not be considered his own insurer of the difference and shall not bear a rateable proportion of the loss or damage. Every item, if more than one, shall be separately subject to this Special Condition.

ii. Expenses for Loss Minimisation / Loss Prevention

This Policy includes expenses for loss minimisation necessarily incurred by the insured to prevent any aggravation of an insured loss following a loss or damage to the subject matter insured, due to a cause not excluded, at insured's Premises, specified in the Schedule, including moving / shifting of contents, if this contributed to loss minimization, subject to a limit as specified in policy schedule.

Flaring of feedstock in process per se is not covered but following an indemnifiable cause as a loss prevention measure is insured under the policy.

iii. Un-specified Locations

It is hereby understood and agreed that, subject to otherwise to the terms, exclusions, provisions and conditions contained in the policy or endorsed thereon, and subject to the insured having paid the agreed additional premium, the policy extends to cover the property insured while at fixed unspecified locations not included in the location(s) specified in the schedule upto a limit of Rs. ____ at any one location each and every loss and Rs. ____ in the aggregate for the policy period.

Coverage under this extension shall not apply to property contained within any vehicle or other conveyance, or property while in transit and shall be limited to locations within India Only.

iv. Involuntary Betterment

In consideration of payment of an additional premium, and notwithstanding anything to the contrary contained in this Policy, it is hereby understood and agreed that in case of a loss or damage by an insured peril to the property which is technologically obsolete or unavailable because it is no longer in production, and should the property be actually replaced, then the Company shall be liable for the replacement cost of a new equipment which will at least perform substantially the same functions as the original equipment. The liability of the Company shall not be reduced by any amount of betterment inherent in the design of such functionally equivalent equipment. The indemnification will not exceed the value as new for the equipment replaced.

Subject otherwise to the terms, exclusions, conditions and limitations of this Policy.

v. Escalation Clause

"In consideration of the payment of an additional premium amounting to 50% of the premium

Reliance General Insurance Co. Ltd.

Reliance Bharat Laghu Udyam Suraksha

UIN: IRDAN103RP0018V01202021

produced by applying the specified percentage to the first or the annual premium as appropriate on the under noted items(s) the Sum(s) Insured thereby shall, during the period of insurance, be increased each day by an amount representing 1/365th of the specified percentage increase per annum.

Unless specifically agreed to the contrary the provisions of this clause shall only apply to the sums insured in force at the commencement of each period of insurance.

At each renewal date the insured shall notify the Insurers :-

(i) the sums to be insured under each item above, but in the absence of such instructions the Sums Insured by the above items shall be those stated on the policy (as amended by any endorsement effective prior to the aforesaid renewal date) to which shall be added the increases which have accrued under this Clause during the period of insurance upto that renewal date, and

(ii) the specified percentage increase(s) required for the forthcoming period of insurance, but in the absence of instructions to the contrary prior to renewal date the existing percentage increase shall apply for the period of insurance from renewal.

All the conditions of the policy in so far as they may be hereby expressly varied shall apply as if they had been incorporated herein.

Escalation will apply to Building, Machinery and Accessories only and will not apply to Stock. Limit of Liability/Sum Insured: - The selected percentage increase shall not exceed 25% of Total Sum Insured (excluding Stock)

vi. **Loss of Rent & Alternative Accommodation Expenses**

It is hereby agreed that in the event of damage to the Insured Property by an insured peril, this Policy extends to cover :

- 1) The additional rent incurred by the Insured for alternate premises for the Indemnity Period as specified in the Policy Schedule.
- 2) The rent component of income which Insured was earning for the affected Insured premises before the loss event and will continue till the end of Indemnity Period specified in Policy Schedule.

Conditions:

- 1) The insurance on rent applies only if (any of) the building(s) at Your Premises specified in the Policy Schedule or any part thereof is unfit for occupation in consequence of its destruction or damage by the perils insured against and then the amount payable shall not exceed such portion of the sum insured on rent as the period necessary for reinstatement bears to the term of the Rent Insured.
- 2) Certificate from the Local Municipal Authority or an Architect to the effect that premises in question are untenable will be accepted as adequate proof of the fact that the premises, in fact, have become untenable.
- 3) This insurance shall apply subject to the condition that Your Premises forms part of a building not being Kutcha Construction.
- 4) The area for alternative accommodation may be equivalent to the area presently occupied. The insured shall be at liberty to take alternative accommodation in any locality so long as it is within the Municipal limit of the city or town in which Your Premises is situated.
- 5) For a given location, the indemnity shall be based on either the additional rent incurred or

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Reliance Bharat Laghu Udyam Suraksha

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the rent component of income but not both.

Indemnity Period: The period beginning from the date of operation of any of the Insured Perils until Your Premises is rendered fit for occupation such period not exceeding such reasonable time as is required to restore the premises with due diligence to a condition fit for occupation or the term of rent insurance whichever is earlier, subject however to a the maximum of 24 months.

vii. Additional Customs Duty

This section extends to indemnify the insured in respect of any additional / extra Import / customs duties in excess of that already included in the sum insured, incurred in the event of a claim for which indemnity is provided by this section of the policy or which would have been, but for an application of Insured's Retained Liability, indemnified. Such additional import / customs duties shall be payable in addition to the limit of indemnity stated in the schedule.