

## PUBLIC LIABILITY INSURANCE POLICY

### (MANUFACTURING AND INDUSTRIAL)

Whereas the **Insured** named in the **Schedule** hereto has made a proposal to Bajaj Allianz Insurance Company Ltd (hereinafter referred to as "**the Company**") which is hereby agreed to be the basis of this **Policy** and has paid the premium specified in the **Schedule**, the **Company** agrees, subject to the following terms, exclusions, definitions, limitations, and conditions, to indemnify the Insured in terms of this **Policy**.

#### 1 Indemnity

The **Company** will indemnify the **Insured** in excess of the **Insured's Deductible** and subject to the **Limit of Indemnity**, against its legal liability (including **Defence Costs**) to pay **Damages** for third party civil **Claims** arising out of **Bodily Injury** or **Property Damage**:

- 1.1 caused by an **Accident** in the **Premises**, and
- 1.2 in the course of the **Business**, and
- 1.3 during the **Period of Insurance** if notified during the **Policy Period** by the **Insured** in accordance with the terms of this **Policy**.

#### Defence Costs

The **Company** will, subject to the **Limit of Indemnity**, pay all costs, fees and expenses incurred with their prior written consent in the investigation, defence or settlement of any **Claim** and the **Insured's** costs of representation at any civil inquest, inquiry, or other proceedings in respect of matters which have a direct relevance to an actual or anticipated **Claim** against the **Insured** falling within the terms of this **Policy**.

#### 2 Definitions

The following words or terms shall have the meaning ascribed to them wherever they appear in this **Policy**, and references to the singular or to the masculine shall include references to the plural and references to the male gender shall include references to the female wherever the context so permits:

- 2.1. "**Bodily Injury**" means the death, physical bodily injury, sickness or disease of a third person.
- 2.2. "**Property Damage**" means actual physical damage to tangible material property belonging to a third person.
- 2.3. "**Pollution**" means and includes pollution or contamination by solids, liquids, gaseous or thermal irritants, contaminants, smoke, vapour, soot, fumes, acids, alkalis, radioactive and/or nuclear material, chemical or waste materials (including but not limited to any materials to be recycled, reconditioned or reclaimed) or otherwise of atmosphere, water, soil or other tangible material property.
- 2.4. "**Product**" means any tangible material property which has been designed, specified, formulated, manufactured, constructed, installed, sold, supplied, distributed, treated, serviced, altered or repaired by or on behalf of the **Insured** and which has left his possession, custody or control. This shall not apply to food and beverages supplied by or on behalf of the **Insured** to his employees as a staff benefit.
- 2.5. "**Policy Period**" means the period between the effective date and the expiry date shown in the **Schedule**.
- 2.6. "**Period of Insurance**" means the period between the retroactive date and the expiry date shown in the **Schedule**, and if there is no retroactive date then shall mean the **Policy Period**.
- 2.7. "**Accident**" or "**Accidental**" means a fortuitous event or circumstance which is sudden, unexpected and unintentional, and includes resultant continuous, intermittent or repeated exposure.
- 2.8. "**Premises**" means the place or places named in the **Schedule** from which the **Insured's Business** is conducted, and shall be deemed to include pipelines owned by the **Insured** that run outside of the **Premises** for discharging treated effluents to a disposal point situated within a distance of not more than one kilometre from the **Premises**.
- 2.9. "**Policy**" means the proposal, the **Schedule**, this **Policy** document, and any endorsement attaching to or forming part hereof, either at inception or during the **Policy Period**.
- 2.10. "**Business**" means the business of the **Insured** specified in the **Schedule**.

- 2.11. “**Deductible**” means the amount stated in the **Schedule**, which shall be borne by the **Insured** in respect of each and every **Claim** made under this **Policy** and which is also applicable against **Defence Costs**. The **Company’s** liability to make any payment under this **Policy** is in excess of the **Deductible**.
- 2.12. “**Claim**” means the receipt by the **Insured** of any written or verbal notice of demand for compensation or rectification made by or on behalf of a third party against the **Insured**, and/or any suit, claim, petition, writ, statement of claim, claim form, summons, application or other originating legal or arbitral process, cross-claim, counterclaim or third or similar party notice served upon the **Insured**.
- All **Claims** resulting from one and the same act, error or omission, or a series of acts errors or omissions arising out of the same cause or event, or caused by continuous or repeated exposure to substantially the same harmful conditions, shall jointly constitute one **Claim** under this **Policy** and as having been made at the time when the first **Claim** was made in writing. The coverage for such **Claims** shall expire 3 years after the first **Claim** of such series has been notified to the **Company**.
- 2.13. “**Damages**” means monetary sums (including claimant’s costs) payable pursuant to judgments or awards and/or settlements negotiated by or on behalf of the **Insured**, but shall not include fines, penalties, punitive damages, exemplary damages, non-pecuniary relief, taxes, or any other amount for which an **Insured** is not financially liable, or which is without legal recourse to the **Insured**, or any matter that may be or be deemed to be uninsurable under Indian law.
- 2.14. “**Limit of Indemnity**” means the amount stated in the **Schedule**, which shall be the **Company’s** total liability under this **Policy** (inclusive of **Damages** and/or **Defence Costs**, and regardless of the number of **Insureds** or claimants or the total number or amount of **Claims** made against the **Insured**) for any one **Claim** and in the aggregate for all **Claims** made against the **Insured** during the **Policy Period**.
- 2.15. “**Defence Costs**” means the expenses incurred by or on behalf of the **Insured** or the **Company** in the investigation or settlement or defence of a **Claim** and shall include legal costs and disbursements.
- 2.16. “**Schedule**” means the Schedule, and any annexure to it, attached to and forming part of this **Policy**.

### 3 Insured Persons

- 3.1. Subject to the **Limit of Indemnity**, their compliance with the terms and conditions of this **Policy** and without prejudice to the **Insured’s** obligations under this **Policy**, in the event of a **Claim** indemnifiable under the **Policy** the indemnity provided hereunder shall also extend in respect of such **Claim** to:
- 3.1.1. the directors and officers of the **Insured** and/or the **Insured’s** legal representatives solely arising out of their conduct of the **Insured’s Business**;
- 3.1.2. the **Insured’s** employees (permanent or temporary) solely arising out of their conduct of the **Insured’s Business**;
- 3.1.3. the officers, committees and members of the **Insured’s** social institutions (i.e. canteen, welfare, sport or medical facilities, fire fighting brigade), if any, in their respective capacities;
- 3.1.4. 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.
- 3.2. The rights of any person named under Clause 3.1 may only be exercised by and through the **Insured** named in the **Schedule**, who shall act on behalf of all other **Insureds** with respect to the giving and receiving of notice under this **Policy**, including but not limited to the giving of notice of any **Claim** and the receipt and acceptance of any endorsements attaching to and forming part of this **Policy**.

### 4 Exclusions

Save as expressly stated to the contrary, the **Company** is not liable for and no indemnity is available under this **Policy** for any **Claim** arising out of or howsoever connected to the following:

- 4.1 Any agreed assumption of risk by the **Insured**, save to the extent that liability would have attached in the absence of such agreement.
- 4.2 Any **Accident** arising out of the deliberate, wilful or intentional non-compliance with any statutory provision.
- 4.3 Any **Bodily Injury** of any person under a contract of employment or apprenticeship with the **Insured**, or the **Insured’s** contractors or sub-contractors, if such **Bodily Injury** was contracted and/or arose out of and in the course of his employment.

- 4.4 The **Insured's** consequential losses of any kind, be they by way of loss of profit, loss of opportunity, business interruption, market loss or otherwise, or any claims arising out of loss of a pure financial nature such as loss of goodwill.
- 4.5 The infringement of plans, copyrights, patents, trade names, trade marks or registered designs.
- 4.6 Libel, slander, false arrest, wrongful eviction, wrongful detention, defamation including mental injury, anguish or shock resulting therefrom.
- 4.7 Any **Claim** directly or indirectly caused by or contributed to by:
- 4.7.1 ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel;
- 4.7.2 the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.
- 4.8 The ownership possession or use by or on behalf of the **Insured** of any motor vehicle or trailer for which compulsory insurance is required by legislation other than the following;
- 4.8.1 **Accidents** caused by the use of any tool or plant forming part of or attached to or used in connection with any motor vehicle or trailer;
- 4.8.2 **Accidents** occurring beyond the limits of any carriageway or thoroughfare caused by the loading or unloading of any motor vehicle or trailer;
- 4.8.3 **Claims** for damage to any bridge, weighbridge, road or anything beneath caused by the weight of any motor vehicle or trailer or of the load carried therein;
- 4.8.4 **Claims** arising out of any motor vehicle or trailer temporarily in the **Insured's** custody or control for the purpose of parking.
- 4.9 The ownership, possession or use by or on behalf of the **Insured** of a ny watercraft, hovercraft, or air- or spacecraft.
- 4.10 The transportation of materials and/or hazardous or dangerous substances outside the Insured's **Premises**.
- 4.11 Damage to property belonging to third parties that is rented, leased or hired or under hire-purchase or on loan to the **Insured**. An indemnity shall however be provided for Claims arising out of **Accidental** damage to premises or the contents thereof, that are temporarily occupied by the **Insured** for working thereon, but only to the extent the **Insured** is held legally liable for the same independently of any specific agreement relating to the use of the same.
- 4.12 Damage to property belonging to third parties handled by the **Insured** by way of his trade or worked upon by or in the care, custody or control of the **Insured** or any person employed by or working for the **Insured**. An indemnity shall however be provided for claims arising out of damage to employees' and visitors clothing or personal effects brought onto the **Insured's Premises** with the **Insured's** consent.
- 4.13 The deliberate, conscious or intentional disregard by the **Insured's** management of the need to take all reasonable steps to prevent **Bodily Injury** and/or **Property Damage**.
- 4.14 **Bodily Injury** and/or **Property Damage** occurring prior to the retroactive date (if any) specified in the **Schedule**.
- 4.15 Any liability under the Public Liability Insurance Act 1991, any amendment thereto, or any other statute or law which attaches liability on a no fault basis.
- 4.16 **Pollution** of any kind.
- 4.17 Any Product.
- 4.18 Any **Claim** made, threatened or intimated against the **Insured** prior to the **Period of Insurance**.
- 4.19 Any **Claim** directly or indirectly arising out of, or in any way involving any fact or circumstance of which written notice has been given, or ought reasonably to have been given, under any previous policy (whether insured by the **Company** or not); or of which the **Insured** first became aware prior to the **Period of Insurance** and which the **Insured** knew or ought reasonably to have known had the potential to give rise to a **Claim**.

- 4.20 Directly or indirectly arising out of, or in any way involving war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalisation or requisition of or damage to property by or under the order of any government or public local authority.
- 4.21 Liability more specifically insured elsewhere.
- 4.22 Any **Claim** made where the circumstances that exist are materially different to the circumstances represented by the **Insured** in the proposal.
- 4.23 Any **Claim** directly or indirectly made or arising in any respect from or in any manner connected to earthquake, tornado, typhoon, cyclone, flood or other convulsions of nature or atmospheric disturbance.

## 5 Duties and Obligations of the Insured in the event of a Claim

- 5.1 It is a condition precedent to the **Company's** liability hereunder that the **Insured**
  - 5.1.1 shall immediately and in any event within 2 days give the **Company** written notice, to the address specified in the **Schedule** for this purpose, of:
    - 5.1.1.1 any **Claim** made against the **Insured** during the **Policy Period** and/or
    - 5.1.1.2 any circumstance occurring during the **Period of Insurance** which might reasonably be expected to give rise to a **Claim**. Any circumstance notified under this clause and any subsequent **Claim** arising out of the circumstance so notified shall be deemed to have been made during the **Policy Period** ;
  - 5.1.2 shall not admit liability for or settle or compromise or make or promise any payment in respect of any **Claim** which may be the subject of an indemnity hereunder or incur any costs or expenses in connection therewith without the prior written consent of the **Company**, which shall be entitled (but in no case obliged) to take over and conduct in the name of the **Insured** the investigation, defence and/or settlement of any **Claim**, for which purpose the **Insured** shall give all the information, documentation, records and other assistance that the **Company** and/or its representatives may reasonably require. Having taken over the defence of any **Claim**, the **Company** may in its sole and absolute discretion relinquish the same.
- 5.2 The **Company** will not settle any **Claim** without the consent of the **Insured**. If, however, the **Insured** refuses to consent to any settlement recommended by the **Company** and elects to contest or continue any legal proceedings then the liability of the **Company** shall not exceed the amount for which the **Claim** could have been so settled plus the costs and expenses incurred with its consent up to the date of such refusal.
- 5.3 In respect of any **Claim**, the **Company** may in its sole and absolute discretion make a payment to the **Insured** (inclusive of **Defence Costs**) of the amount available under the **Limit of Indemnity** or of any lesser amount for which the **Claim** may in fact be settled (whichever is the lesser) in full and final settlement of all liability of the **Company** to the **Insured** under this **Policy** in respect of that **Claim**.
- 5.4 If, at the time of any **Claim**, there is, or but for the existence of this **Policy**, would be any other policy of indemnity or insurance in favour of or effected by or on behalf of the **Insured** applicable to such **Claim**, then the **Company** shall not be liable to pay or contribute more than its rateable proportion of any loss or damage.
- 5.5 All amounts expended by the **Company** in the payment of any **Claim** or in **Defence Costs** will reduce the **Limit of Indemnity**.
- 5.6 If the **Insured** shall make or advance any **Claim** knowing the same to be false or fraudulent as regards amount or otherwise, this **Policy** shall be void and all **Claims** or payments hereunder shall be forfeited.

## 6 Records & Inspection

- 6.1 The **Insured** shall keep accurate records of its annual turnover, including all taxes and duties paid by it, and will provide the **Company** with access to such records as requested.
- 6.2 The **Company** may at any reasonable time inspect any property of the **Insured**.
- 6.3 **Due Observance**  
The due observance and fulfilment of the terms, provisions and conditions of this **Policy** in so far as they relate to anything to be done or complied with by the **Insured** shall be conditions precedent to any liability of the **Company**.
- 6.4 **Assessment of Time**

If, in the case of continual and continuous inhalation, ingestion or application of any substance resulting from an insured event, the **Insured** and the **Company** should disagree as to when the **Bodily Injury** or the **Property Damage** happened:

- 6.4.1 The **Bodily Injury** shall be deemed to have occurred when the claimant first consulted a qualified medical practitioner in respect of the same;
- 6.4.2 **Property Damage** shall be deemed to have occurred when it first became physically evident to the claimant, even if the cause itself was unknown.

## 7 Cancellation

- 7.1 This **Policy** may be cancelled by or on behalf of the Company by giving the Insured at least 7 days written notice and in such event the Company shall refund to the Insured a pro-rata premium for the unexpired **Policy Period**. For the avoidance of doubt, the Company shall remain liable for any **Claim** which was made prior to the date upon which this insurance is cancelled.
- 7.2 This **Policy** may be cancelled by the Insured at any time by giving at least 7 days written notice to the Company. The Company will refund premium according to the Company's Short Period Rates set out below:

Table of Short Period Rates	
Period of Risk	Amount of Premium to be Retained by the Company
Up to 1 month	1/8 <sup>th</sup> of the Annual Premium.
1 month and above, up to 2 months	2/8 <sup>th</sup> of the Annual Premium.
2 months and above, up to 3 months	3/8 <sup>th</sup> of the Annual Premium.
3 months and above, up to 4 months	4/8 <sup>th</sup> of the Annual Premium.
4 months and above, up to 5 months	5/8 <sup>th</sup> of the Annual Premium.
5 months and above, up to 6 months	6/8 <sup>th</sup> of the Annual Premium.
6 months and above, up to 7 months	7/8 <sup>th</sup> of the Annual premium.
7 months and above	Full Annual Premium.

No refund of premium shall be due if the Insured has made a **Claim** under this **Policy**.

## 8 Notifications and Declarations

- 8.1 Any and all notices and declarations for the attention of the **Company** shall be submitted in writing and shall be delivered to the address specified in the **Schedule**.
- 8.2 All notices and declarations for the attention of the **Insured** shall be posted and addressed to the **Insured's** address stated in the **Schedule**.

## 9 Arbitration

- 9.1 Any and all disputes or differences, which may arise under or in relation to this **Policy**, including its interpretation or the quantum of any **Claim** shall be referred to arbitration and to a sole arbitrator to be appointed in accordance with the Arbitration and Conciliation Act 1996, as amended from time to time, within a period of 30 days of either the **Company** or the **Insured** party giving notice of a dispute or difference.
- 9.2 The applicable law in and of the arbitration shall be the law of India.
- 9.3 The expenses of the arbitrator(s) shall be shared equally between the parties and such expenses, along with all reasonable costs in the conduct of the arbitration, shall be awarded by the arbitrator(s) to the successful party or, where no party can be said to have been wholly successful, to such party as has substantially succeeded.
- 9.4 It is agreed a condition precedent to any right of action or suit upon this **Policy** that an award by such arbitrator or arbitrators shall be first obtained.
- 9.5 In the event that these arbitration provisions shall be held to be invalid then all such disputes shall be referred to the exclusive jurisdiction of the Indian Courts.

**10 Governing Law**

The construction, interpretation and meaning of the provisions of this **Policy** shall be determined in accordance with the law of India. The section headings of this **Policy** are included for descriptive purposes only and do not form part of this **Policy** for the purpose of its construction or interpretation. The terms of this **Policy** shall not be waived or changed except by endorsement issued by the **Company**.

**11 Subrogation**

11.1 In the event of a payment under this **Policy**, the **Company** 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 provide whatever assistance cooperation is required by the **Company** to enforce those rights and ensure that nothing is done to prejudice the same.

11.2 The **Company** will not exercise its rights of subrogation against an employee of the **Insured** in the absence of the fraud or dishonesty or malicious intent of any such employee.

**12 Territorial Limits**

The indemnity provided under this **Policy** is restricted to **Claims** brought in India and determined according to Indian law, and the obligation of the **Company** to make payment shall be to make payment in Indian Rupees only.

**13 Entire Contract**

The **Policy** constitutes the complete contract of insurance. No change or alteration in this **Policy** shall be valid or effective unless approved in writing by the **Company**, which approval shall be evidenced by an endorsement on the **Policy**.

**14 Contribution**

If, at the time of any **Claim**, there is, or but for the existence of this **Policy** would be, any other policy of indemnity or insurance in favour of or effected by or on behalf of the **Insured** applicable to such **Claim**, then the **Company** shall not be liable to pay or contribute more than its rateable proportion of any loss or damage.