

DOC:SEC/171/2021-22/171

11-11-2021

IDBI Trusteeship Services Limited
Asian Building, Ground Floor,
17, R. Kamani Marg, Ballard Estate,
Mumbai – 400 001

Sub: Quarterly Compliance Report

Dear Sir(s),

We refer to your email dated November 5, 2021 requiring us to furnish the aforesaid report for the quarter ended on September 30, 2021 in terms of Regulation 15(1)(c) of the SEBI (Debtenture Trustees) Regulations, 1993, as amended from time to time and enclose herewith the said report with relevant annexures mentioned therein for your record.

Kindly please acknowledge receipt.

For CESC Limited

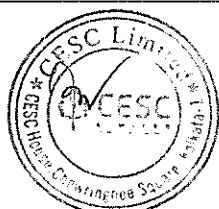


Jagdish Patra
Company Secretary

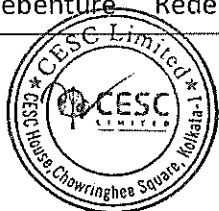
Encl:

SEBI REGULATORY PERIODICAL COMPLIANCE REPORT FOR THE QUARTER ENDED SEPTEMBER 30, 2021

Sr	Requirement	Compliance (Enclose proof in support of Compliance)
1.	Issue/Tranche Size (Pl Attach Signed IM/Term Sheet)	2,000 Non-Convertible Debentures ("NCDs") having face value of Rs.10,00,000/- each, aggregating to Rs. 200,00,00,000/- (Base Issue Size – upto Rs. 25 crore with an option to retain oversubscription upto Rs. 175 crore), by CESC Limited. IM already furnished
2	ISIN Numbers	INE486A07267
3	Public/Rights/ Privately Placed	Privately Placed
4	Listed/Unlisted	Listed
5	Names of the Exchanges where Debentures are Listed	National Stock Exchange of India Limited ("NSE")
6	Secured/Unsecured	Secured
7	Name of the Credit Rating Agency	CARE Ratings Limited
8	Rating disclosed in the Offer document	"AA" with stable outlook
9	Rating given in each Financial Year (FY) after closure of Issue(1 st FY, 2 nd FY,etc.	"AA" with stable outlook reaffirmed
10	Date of Opening of Issue	December 24, 2020
11	Date of Closure of Issue	December 24, 2020
12	Date of Allotment	December 28, 2020
13	Date of Dispatch of Debentures/Credit of Debentures to Debenture Holder's Demat Account CDSL/NSDL Letters to be enclosed	December 28, 2020 NSDL credit confirmation already furnished
14	Date of Execution of Debenture Trustee Agreement	December 23, 2020
15	Date of Execution of Trust Deed	December 23, 2020
16	Date of Creation of Charge	August 18, 2021



17	Date of Registration of Charge with ROC (ROC Certificate to be enclosed)	October 27, 2021. Copy of charge registration certificate is attached as Annexure – 1 .		
18.	Date of Transfer of Funds from Escrow Account to the Issuer's Account (Letter of Bankers to the Issue to be enclosed)	December 28, 2020 Copy of email from bank confirming receipt of funds from clearing corporation of NSE was already furnished		
19	Copy of Listing Agreement to be enclosed	Since the Company is already listed, no separate Listing Agreement is required. Further, NSE has also granted listing and trading permission for the NCDs after payment of listing fees to them without execution of any separate Listing Agreement. Copy of the said permission as above was already furnished		
20	Number of Debenture Holders on the date of Allotment with ISIN	One (ISIN: INE486A07267),		
21	Number of Debenture Holders at the end of the current quarter.	One		
22.	Valuation of properties as done by the Approved Valuer. Name of the Valuer and Amount of Valuation to be given.	Not Applicable		
23.	Status of Utilization of Issue Proceeds under Regulation 15(1A) © of the SEBI (Debenture Trustees) Regulations, 1993 i) As disclosed in the offer document ii) Actual Utilization iii) Reasons for deviation, if any	(i) Fresh capital expenditure, long term working capital, reimbursement of capital expenditure incurred, refinance of loans and/or long term working capital borrowing; (ii) For the purposes stated in point no. (i) above; (iii) Not Applicable		
24.	Date of Statutory Auditor's Certificate for Utilization of Issue Proceeds under Regulation 15(1A) © of the SEBI(Debenture Trustees) Regulations, 1993 (Attach the Certificate)	Already furnished		
25.	Issue wise (In case of Multiple Issues) Creation of Debenture Redemption	DRR required as	DRR Created	Investments made



	Reserve as stipulated in the Debenture Trust Deed/Companies Act, 2013/SEBI Guidelines duly supported by Auditor's Certificate	per the Companies Act		
		Not Applicable		
26.	Evidence of maintenance of the debenture redemption reserve and investment of the monies lying therein as stipulated in the guidelines formulated (or modified or revised) by the central government or any other statutory or regulatory authority;	Not Applicable		
27.	Schedule and Status of Payment of Interest on due dates (1. Schedule should be for entire Tenure of the Debentures 2. Interest Payment confirmation letter written to IDBI Trusteeship Services Ltd. to be attached)	Due Date for Payment	Amount due (Rs. per NCD)	Actual Date of Payment
		December 23, 2021	57,205.48	Not yet due
		December 15, 2022	Coupon as per 12MT Bill + 2.40% p.a. on the outstanding amount of NCDs	Not yet due
		December 7, 2023	Coupon as per 12MT Bill + 2.40% p.a. on the outstanding amount of NCDs	Not yet due
28.	Schedule & Status of redemption of Debentures on due dates (1. Schedule should be for entire Tenure of the Debentures 2. Redemption Confirmation letter written to IDBI Trusteeship Services Ltd. to be attached)	Due Date for Payment	Amount due (Rs. per NCD)	Actual Date of Payment
		December 7, 2023	10,00,000	Not yet due
29	Amount outstanding as on 30/09/2021	1. Principal: Rs. 200 crore 2. Interest: No amount due as on 30/09/2021		
30.	Copy of the Certificate under Regulation 57(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, with respect to obligations regarding disclosure of payment of interest or principal of listed debt securities submitted to the stock exchanges and extracts of the disclosure of the same on the website by the issuer.	Not Applicable		
31.	Extracts of the disclosures with respect to	Not Applicable		



	default on interest or redemption amount with respect to the listed debt securities made by the Issuer on its website under Regulation 62(1) of SEBI (LODR) Regulations,2015		
32	The Properties secured for the Debentures are adequately insured and policies are in the joint names of the Trustees. Please enclose a copy of Insurance Policy.	Yes. Copy of Insurance Policy attached as Annexure - 2	
33	In case of default (Principal & Interest), number of installments defaulted at the end of quarter with amount overdue (give due date wise Principal & Interest separately and reasons therefor)	Not Applicable	
34	Breach of any Covenants of Debenture Trust Deed/Information Memorandum/Disclosure Document/Term Sheet (Please specify)	Not Applicable	
35	Minimum Security Cover/Asset Cover required as per Information Memorandum/Offer Document under Regulation 56(1)(d) of the SEBI(LODR) Regulations, 2015 (Half Yearly at the end of each Half Year after closure of the Issue (1 st HY, 2 nd HY, ...etc.)	Required as Per Offer Documents (%)	Maintained as on date (%)
		Atleast 140% cover as per latest audited balance sheet at all times during the currency of the NCDs	172%
		Half yearly certificate furnished by Messrs. S.R. Batliboi & Co. LLP, Statutory Auditors of the Company, as required under Regulation 56(1)(d) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, as amended from time to time, ("LODR") is attached as Annexure – 3	
36.	A Statement that the assets of the body corporate and of the Guarantor, if any which are available by way of security are	Not Applicable	



	sufficient to discharge the claims of the debenture holders as and when they become due. (Security Cover Ratio)				
37.	Redemption Schedule	Sr.	Due Date	Amount of Instalment (Rs per NCD)	Actual Date of Payment in r/o due dates fallen due
		1.	December 7, 2023	10,00,000	Not yet due
38.	List containing Names, Addresses and Email Ids of Debenture holders at the end of quarter i.e. as on 30/09/2021, to be enclosed.	Name : CITIbank N.A. Address: FIFC- 11th Floor, G Block, Plot C-54 and C-55, Bandra (East), Mumbai – 400098 Email Id: h.sunil.rao@citi.com			
39.	The number and nature of Complaints/ grievances received, number of Complaints/grievances resolved and number of Complaints/grievances pending settlement at the end of quarter. Please enclose list containing the names of Complainants; nature of Complaints, date of resolution of complaints etc.	Nil			
40.	Any major change in composition of Board of Directors, which may amount to change in control as defined in SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011	Not Applicable			
41.	Submission Half Yearly Communications to Stock Exchange/s on half yearly basis under Regulation 52(4) and 52(5) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 duly	Intimation made to NSE under Regulation 52(4) of LODR is attached as Annexure – 4 . Intimation under Regulation 52(5) of LODR is no longer applicable.			



	countersigned by the trustee					
42.	Form GNL 2, PAS 3 along with Information Memorandum (in PAS 4) and PAS 5 along with challan filed with the Registrar of Companies. Confirmation the said filing has been done within 30 days from the date of Information Memorandum.	Already furnished				
43.	Form PAS 5 along with Information Memorandum filed with SEBI along with acknowledgement receipt. (if applicable). Confirmation the said filing has been done within 30 days from the date of Information Memorandum.	Not Applicable				
44.	Form MGT14 in respect of the shareholder and board resolution for issue of debentures along with challan filed with Registrar of Companies	Already furnished				
45.	Accounts for this quarter.	Attached as Annexure - 4				
46.	Financials of the Issuer (as submitted by the Issuer company as per Regulation 56(1)(a) of the SEBI (LODR) Regulations, 2015	Annual Report for the FY r 2020-21 has already been furnished.				
47.	Delay or default in payment of interest/principal amount in terms of Regulation 15(1)(q) of SEBI (DT) Regulations, 1993					
	Financial Year	Principal/Interest outstanding (in Rs. in Cr)	Due date of Payment	Actual Date of Payment	Status of Payment(Paid on time/Default/Paid with delay	Reasons for delay/non-payment, if any
	Not Applicable					
48	Trading Status of the debt security		At the end of FY	Name of Stock Exchange	Whether Traded/ Delisted/ Suspended	
			The NCDs were listed on December 29, 2020. This is the first financial year since the listing as above.	National Stock Exchange of India Limited	Traded	
49.	Cash flows of the Issuer are adequate for payment of Interest and redemption of	Yes, Cash flows of the Issuer are adequate for payment of Interest and redemption of Principal.				



	Principal with details thereof.	
50.	i) Certificate from Director/Managing Director of the Issuer company and ii) Certificate from an Independent Chartered Accountant certifying the value of book debts/receivables as on 30th Sept, 2021 together with a List of Receivables in the following format:- a) Valuation/Amount of Receivables charged for each Issue b) Less Valuation/Amount of Receivables charged stands repaid c) Less Valuation/Amount of charged Non Performing Receivables d) Net Value of charged Standard/Performing/ No default Receivables e) Security cover for the Debentures iii) Certificate from Statutory Auditor giving the value of book debts/receivables for the Half Year 2021-2022 (As on 30th Sept, 2021)	Not Applicable as there is no security on book debts/receivables as per transaction documents for the said NCDs.
51	Any significant change in the composition of the Board of Directors of the Issuer from the disclosures in the Offer Document at the end of each Financial Year after closure of the issue (1 st FY, 2 nd FY, 3 rd FYetc)	Not Applicable

Yours faithfully,
For CESC Limited


Jagdish Patra
Company Secretary





GOVERNMENT OF INDIA

MINISTRY OF CORPORATE AFFAIRS

Registrar of companies, Kolkata

Nizam Palace, 2nd MSO Building 2nd Floor, Kolkata, West Bengal, India, 700020

Certificate of registration of charge

[Pursuant to sections 77(1) and 78 of the Companies Act 2013 and sub-rule (1) of 6 of the Companies (Registration of Charges) Rules, 2014]

Corporate Identity Number or Foreign Company Registration Number: L31901WB1978PLC031411

Name of the company: CESC LTD

Charge Identification Number: 100491925

SRN: T39424320

REF: Creation of charge dated 2021-08-18 between CESC LTD (first party) and IDBI TRUSTEESHIP SERVICES LIMITED (second party).

This is to certify that pursuant to the provisions contained in Chapter VI of the Companies Act, 2013, the above mentioned charge dated the eighteenth day of august two thousand twenty-one created by the above named company in favour of IDBI TRUSTEESHIP SERVICES LIMITED to secure the amount of Rupees Two Hundred Crore only has been registered and assigned a Charge Identification Number as mentioned above in the Register of Charges, in accordance with the provisions contained in that behalf in Chapter VI of the said Act.

Given under my hand at Kolkata this twenty seventh day of october two thousand twenty-one.



Anita Barla

Registrar of Companies

RoC - Kolkata

Mailing Address as per record available in Registrar of Companies office:

CESC LTD

CESC HOUSE, CHOWRINGHEE SQUARE, KOLKATA, West Bengal, India, 700001





ICICI Lombard General Insurance Company Ltd.

ICICI LOMBARD HOUSE , 414, Veer Savarkar Marg,
Near Siddhi Vinayak Temple, Prabhadevi, Mumbai - 400 025.

*Attached & forming part of
Policy no.1012/200692323/04/000*

ICICI Lombard General Insurance Company Ltd.

COMPREHENSIVE MEGA RISKS POLICY

INSURED: M/s. CESC Limited

**Budge Budge Generating Station (BBS), P.O – Pujali, Budge Budge, South 24 Parganas
Pin – 700138 West Bengal**

POLICY NO: 1012/200692323/04/000

PERIOD OF INSURANCE: 1st October 2021- 30th September 2022

Insurer:

ICICI Lombard General Insurance Company Ltd

IN CONSIDERATION OF AND SUBJECT TO**M/s. CESC Limited**

(Hereinafter called the Insuring Party) named in The Schedule hereto having paid to

ICICI Lombard General Insurance Company Limited

(Hereinafter called The Insurer or Company)

the Premium mentioned in The Schedule, The Insurer agrees subject to the terms, definitions, warranties, exclusions, provisions and conditions contained or endorsed or otherwise expressed herein and covering the interest of The Insured in the property at the Premises described in The Schedule for the purpose of the business

THAT if any of the property or any part thereof used by The Insured at the Premises described in The Schedule for the purpose of the Business, is accidentally physically lost or destroyed or damaged during the Period of Insurance, the Business carried out by The Insured at the Premises be in consequences thereof interrupted or interfered with,

THEN THE INSURER WILL INDEMNIFY THE INSURED

in the manner and to the extent stated in the following Section(s) forming part of this Policy of Insurance:

<u>INSURING AGREEMENTS:</u>		YES	No
Section I :	All Risk (Non-Marine) Property	Y	-
Section II :	All Risk Machinery Insurance	Y	-
Section III :	All Risk Operational Business Interruption (Including MLOP)	Y	-

The insurance cover provided by this Policy of Insurance is only in respect of and subject to the wording of those Sections to which The Schedule and the table of Insuring Agreements has been completed and which have been signed and dated by The Insurer.

The Insuring Party acknowledges that it has ensured and shall continue to ensure that all parties named as insured in any Section of this Policy of Insurance disclose to it all information required to be provided to The Insurer and shall at all time comply with any obligations which are placed upon The Insured by any provision of this Policy of Insurance.

The due observance and fulfilment of the terms of this Policy of Insurance insofar as they relate to anything to be done or complied with by the Insuring Party and The Insured and the truth of the statements and answers given by or on behalf of The Insured in the Proposal as well as any statements in The Schedules to any Section of this Policy of Insurance shall be a condition precedent to any liability on the part of The Insurer.

No alteration of the terms of this Policy of Insurance which may be agreed as between the Insuring Party and The Insurer shall require the agreement or consent of any other party constituting The Insured under any section.

This Policy of Insurance shall be construed in accordance with the laws of **INDIA**
 The Language of Communication under this Policy of Insurance shall be **ENGLISH**

A.1. THE SCHEDULE

POLICY NUMBER:	1012/200692323/04/000
The Insurer	ICICI Lombard General Insurance Company Ltd

Company	Share Percentage
ICICI Lombard General Insurance Company Ltd.	70 %
National Insurance Company Ltd	5 %
Reliance General Insurance Co Ltd	5 %
Bajaj Allianz General Insurance Co Ltd	8 %
Tata AIG General Insurance Co. Ltd.	3 %
New India Assurance Co Ltd	3 %
HDFC ERGO General Insurance Company Ltd.	1 %
SBI General Insurance Company Ltd.	5 %

PERIOD OF INSURANCE:	12 Month with effect from 01 st October – 2021	Time: 00:00 HR.
	Until 30 th September - 2022	Time: Mid Night 24:00 HR.

RISK LOCATION	Budge Budge Generating Station (BBGS), P.O – Pujali, Budge Budge, South 24 Parganas, Pin – 700138, West Bengal
THE BUSINESS:	Electric Generation Stations 3 x 250 MW- Thermal Power Plant

THE PREMISES - Territorial Limits of Property:	Plant Capacity - 750 MW (3 x 250 MW). Budge Budge Generating Station (BBGS), P.O – Pujali, Budge Budge, South 24 Parganas, Pin – 700138, West Bengal
Geographical Limits for Inland Transit and Temporary Removal only	Within Indian Sub- Continent

A.1.1. Limits of Liability

Unless specified differently, all amounts are stated in Currency [INR]

Basic Cover	Sum Insured (INR)
Material Damage	65,30,38,79,239
Machinery Breakdown	40,94,69,81,259
Business Interruption (Including MLOP) Indemnity Period -12 months	5,68,00,00,000
Terrorism(As per Indian Terrorism Pool)	INR 20,000,000,000/- Per Location(MD+BI)

Detailed Sum insured break up mentioned in annexure.

Sum Insured Breakup under PD Section

Particulars	Sum Insured in INR
Buildings	3,56,15,12,305
Plant & Machinery	42,89,93,66,934
Stocks	2,11,30,00,000
Transmission & Distribution Lines	16,73,00,00,000
Total PD Sum Insured	65,30,38,79,239

A.1.2. Deductibles

Section	Deductibles
MD SECTION	5% of claim amount subject to minimum of INR 1.25 Crs for each and every loss.
BI SECTION INDEMINITY PERIOD: 12 Months	- FLOP: 30 days of Standard gross profit - MLOP: 45 days of Standard gross profit
TERRORISM(As per	For material damage :- 5% of the claim amount for each

Indian Terrorism Pool)	and every claim/loss amount subject to minimum of INR 100,000 and maximum of INR 25,00,000 For Loss of Profit :- In any one occurrence of loss or damage, the Company shall not be liable for the amount obtained by multiplying seven (7) days standard turnover with rate of gross profit.
------------------------	---

▲ Premiums, Deposit Premiums and Premium Rates:

Particulars	(Deposit) Premium Currency [INR]
Total Premium excl. GST	9,67,50,349
Add.: GST @ 18%	1,74,15,063
Total Premium incl. GST	11,41,65,412

Additional Conditions and warranties:-

Add Ons-Material Damage	Sub Limits
Civil Authorities / Public Authorities / Local authorities' clause	Agreed upto INR 5 Crs EEL & In Aggregate
Auditor's clause	INR 5 Crs EEL & In Aggregate
Solicitor's and Professional fees.	INR 5 Crs EEL & In Aggregate
Deliberate Damage.	INR 5 Crs EEL & In Aggregate
Demolition and Increased Cost of Construction	INR 5 Crs EEL & In Aggregate
Expediting expenses	INR 5 Crs EEL & In Aggregate
Immediate Repair	INR 5 Crs EEL & In Aggregate
Restoration of Computer Record, Plans and Document	INR 5 Crs EEL & In Aggregate
Startup/ Shutdown expenses	10 crs AOA and Rs. 50 Crs in the aggregate.
Transmission & Distribution lines	Rs 100 Crores (MD + BI combined)
Earthquake Fire & Shock, Storm Tempest Flood Inundation	Full Sum Insured
Designation of Property Clause.	Agreed
Reinstatement Value clause.	Agreed
Expenses for Loss Minimization	INR 5 Crs EEL & In Aggregate
Architect's Surveyor's and Consulting Fees	INR 5 Crs EEL & In Aggregate
Spontaneous combustion for coal	Rs 50 Cr AOA and in the aggregate
Escalation	Upto 10% excl. stocks
Additional Customs Duty	INR 5 Crs EEL & In Aggregate
Sprinkler Upgrading Cost	INR 2 Crs EEL & In Aggregate
Coinsurance Clause.	Agreed
New Business Claims	Agreed

Omission to Insured Addition, Alteration or Extensions	5% of BMA SI
Removal of Debris Clause	Upto Rs 25 Cr AOA and in the aggregate.
Machine Warranty Clause	Agreed
Off premises /Property outside away from premises/ Unnamed (Unspecified) Locations	Upto Rs 5 Cr AOA and in the aggregate.
P&M (All Risk Cover) operating at port premises	Upto Rs 5 Cr AOA and in the aggregate.
Minor Works	INR 25 Crs. any one project and Rs. 100 Crs. in the aggregate for the policy period
Property plant Testing & Commissioning clause.	INR 5 Crs. EEL and in aggregate
Waiver of Underinsurance	15% of MD SI
Plans, Documents and Computer System Records	Rs. 50 Lakhs AoA and in the aggregate
Temporary Removal (including stock)	Rs.50 Cr AOA: AOY Territorial limit within India.
72 hours clause	Agreed
Property and consignment held in care, custody & control	Rs. 20 Cr AOA and in the aggregate-Covered if included in sum insured
Technological Advancement Cover	upto 25 Crs AOA:AOY
Inland Transit	Rs 15 crs per sending limit & In Aggregate only for machineries sent for repairing/renovation.
Material Lying in Open for stocks and spares	Covered
Foam Consumption & Fire Extinguishing expenses.	Rs. 5 Crs AOA and in the aggregate
RSMD coverage	Agreed
Obsolete Parts Coverage	Rs. 5 Crs AOA and in the aggregate
Demurrage Charges	Rs. 5 Crs AOA and in the aggregate
Exploratory Cost	Agreed upto INR 5 Crs EEL & In Aggregate
Capital Additions Clause	Agreed. Premium to be charged on Pro Rata Basis
Involuntary Betterment	Rs. 5 Crs AOA and in the aggregate
Inadvertent Omission	Rs. 5 Crs AOA and in the aggregate
Error and Omission	Rs. 5 Crs AOA and in the aggregate
Outage Clause	Agreed
Nominated Adjusters Clause	Agreed
Foreign Technician's Fees & Expenses Clause	Rs. 5 Crs AOA and in the aggregate
Leak Search Cost	Rs. 5 Crs AOA and in the aggregate
Fire Fighting Expenses	Rs. 5 Crs AOA and in the aggregate
Pair and Set Clause	Agreed
Destruction of Sound Property	Rs. 5 Crs AOA and in the aggregate
Green Clause	Rs. 5 Crs AOA and in the aggregate

Add ons- Business Interruption	
Specified Customer/Supplier's Premises Extension	As per wordings mentioned below 10% of BI SI - As per wordings mentioned below
Customer Premises Extension (Named 20% and Unnamed 10%)	
Public Utility Extension	
Aggravation Clause (Under BI Section).	Agreed
Prevention of Access	As per wordings mentioned below
Delayed Indemnity Clause (BI)	Agreed
Additional increased cost of working (BI)	10% of BI SI max. upto INR 5 Crs EEL and in aggregate
Difference Clause	Agreed
Contribution Clause	Agreed
Loss Payee Clause	Agreed
Professional Accountant Clause	INR 5 Crs. AoA/AoY
Departmental clause (BI Add-on)	Agreed
Alternative basis clause. (BI Add-on)	Agreed
Return of Premium Clause	Up to 50%

Add ons	Sub-limits
Automatic Reinstatement of sum insured	Up to INR 5 crores beyond INR 5 Crs upon payment of Pro-rata Premium
Highest Single Deductible	Agreed
Multiple Insured clause including Non-Vitiation Clause	Agreed
Additional Insured Clause	Agreed
Aggravation Clause	Agreed
Co-Insurance Clause	Agreed
Claims Preparation clause	Rs 5 crores AOA/AOY
Primary and Non Contributory clause.	Agreed
Cancellation Clause	Agreed
Bankruptcy and insolvency	Agreed
Expiration Clause	Agreed
On account Payment Clause	up to 60% of claim amount within 15 days of issuance of ILA
Nominated Loss Adjusters Clause	To be mutually agreed

Contingent Business Interruption Extension (Restricted to onshore customers/suppliers/public utilities):

1. Prevention of access with maximum limit of 28 days (over & above the policy time excess) and with maximum radius of 5 kilometers from insured premises & only inland. Coverage under this section shall extend to include loss or reduction resulting from cessation, interruption, interference or inhabitation to the business as consequence of physical destruction of or damage to property belonging to the Insured or property within a radius of 5 kms from the insured premises (inland only) which prevents or hinders the use of or access to the premises (excluding port blockage).
2. Suppliers and/or customers and/or utilities extension up to first tier or direct Suppliers/customers/public utilities.
3. Premises of Named customers & suppliers for a maximum limit of 20% of the limit of indemnity (Business Interruption Sum Insured/ Loss Limit) any one loss & in aggregate. Coverage to be restricted to FLEXA perils for overseas customer/suppliers, whereas coverage to be restricted to FLEXA and AOG perils for Domestic customer/suppliers.
4. Premises of Un-named customers & suppliers located in India, for a maximum limit of 10% of the limit of indemnity (Business Interruption Sum Insured/ Loss Limit) any one loss & in aggregate and coverage restricted to FLEXA perils only. No cover for unnamed suppliers/customers located overseas.
5. Public utilities for a maximum limit of 10% of the limit of indemnity (Business Interruption Sum Insured/ Loss Limit) any one loss & in aggregate. Coverage to be restricted to the terminal ends of the utilities.
6. The limits specified above are in aggregate across all onshore customers/suppliers/public utilities respectively.
7. Assets like pipelines, transmission & distribution lines, cables, etc. extending beyond the suppliers d/ or customers and/ or utilities premises are excluded from coverage.

Special Condition:

- Transmission / interconnection lines, running between the power plant and the point of connection to the host energy distribution company is covered upto a maximum of loss limit of Rs. 100 Crore (100% basis and PD / BI combined) AOA and AOY during the policy period.
- Exposure to Wet risks / Marine properties up to 5% of Sum Insured (Property Damage and Business Interruption combined) is covered subject to maximum limit of INR 5,000 million (Property Damage and Business Interruption combined). The coverage is for Non-Marine perils (Fire, EQ, etc.).

Condition for Transmission & Distribution lines

This insurance does not cover any loss of, destruction of or damage to any kinds of above or below ground conductors (e.g. transmission and distribution lines) including wires, cables, poles, scaffolding, pylons and masts or any property forming a part thereof or connected therewith and including substations and transformer stations unless such conductors for which the insured carries the risk are located no further than 1,500 feet from an insured plant of the insured.

This exclusion also applies to any consequential losses, time element losses or business interruption losses resulting therefrom including but not limited to increased cost of working.

This exclusion includes but is not limited to conductors for the transmission or distribution of electrical energy, telephone or telegraphic signals, and all communication signals whether audio or visual.

It is, however, understood and agreed that this exclusion shall not apply to:

- Cellular Network Package policies other than any network with physical connections like optical fiber cables
- Captive Power Plants
- Transmission/ interconnection lines, running between a power plant and the point of connection to the host energy distribution company, up to a maximum loss limit of INR 1,000,000,000 (100% basis and PD / BI combined). It is understood that the policy loss limit of INR 1,000,000,000 is any one accident and aggregate during the policy period is applicable only for Power generation plants
- MD cover for Substations of power companies involved in distribution of Power is allowed for property located on premises owned and /or controlled and/or managed by the Insured.
- Transmission & Distribution lines of standalone power distribution and/or transmission companies are completely excluded.

List of Exclusions:

1. Sanction Limits and Exclusion Clause
2. Political Risk Exclusion
3. Nuclear Energy Risk Exclusion Clause
4. Pollution and Contamination Exclusion Clause
5. Information Technology Clarification Agreement
6. Radioactive Exclusion
7. Cyber Risk Exclusion Clause
8. Penalty Clauses
9. Communicable Disease Exclusion
10. War and Civil War Exclusion

Bankers Details:*

SI No	Financier Name
1	Standard Chartered Bank
2	Axis Bank Limited
3	Bank of Baroda
4	Central Bank of India
5	Citibank N.A
6	DBS Bank India Limited
7	HDFC Bank Limited
8	ICICI Bank Limited
9	IDBI Bank Limited
10	IDFC First Bank Limited
11	Indian Bank
12	Kotak Mahindra Bank Limited
13	Punjab and Sind Bank
14	Punjab National Bank
15	RBL Bank Limited
16	State Bank of India
17	The Federal Bank Limited
18	UCO Bank
19	Union Bank Of India
20	Yes Bank Limited
21	IDBI Trusteeship Services Limited



ICICI Lombard General Insurance Company Ltd.

ICICI LOMBARD HOUSE , 414, Veer Savarkar Marg,
Near Siddhi Vinayak Temple,Prabhadevi,Mumbai - 400 025.

Attached & forming part of
Policy no.1012/200692323/04/000

The stamp duty of Rs. 0.50/- (Fifty Paise Only) paid in cash or by demand draft or by pay order,vide
Receipt/Challan No.CSD15620214293 dated 14 th October 2021.

Signed for and on behalf of ICICI Lombard General Insurance Company Limited, at Mumbai on this date
October 22, 2021.

Authorised Signatory

GSTIN Reg No: 19AAACI7904G1ZK

ILGIC GSTIN Address :Seventh Floor, Apeejay House, 15 Park Street, Kolkata, West Bengal 700016.

Description of services: General Insurance Business

HSN/SAC : 9971

Policy shall stand cancelled ab initio in the event of non-realization of the premium.

"Note- In case of renewal of the policy, policy benefit and terms & conditions of policy including premium may be
subject to change."

Definitions applicable to all Sections

The terms listed below and used in this Policy of Insurance shall have the following meanings unless they are defined differently in any Section hereof or the context so requires.

Act of default	Means a deliberate act regardless of whether the actual consequences of such an act were anticipated or not or a reckless failure to take the reasonably necessary precautions which a prudent insured would take to prevent loss or damage to the property insured or any deliberate act of material non-disclosure or breach of any warranty or condition of this Policy of Insurance.
Act(s) of God	Means an occurrence due to natural causes, directly and exclusively without human intervention and which could not have been foreseen or if foreseen, could not have been resisted by any amount of human care or skill.
Actual Cash Value	Means the cost which in the event of loss or damage to any item or part of the property insured would be necessary to replace it with one of the same age and capacity and similar make and quality, inclusive of all materials, wages, freight, customs, duties and dues.
Additional Insurance Cover	Means any Additional Insurance Cover The Insured may decide to take out in any Section of this Policy of Insurance.
Consequential Loss	Means any financial loss of any kind or description whatsoever, including penalties, loss of profit, loss of opportunity, losses due to delay, lack of performance or loss of contract.
Deductible	Means the amount to be deducted from any payment otherwise to be made by The Insurer to The Insured.
The Insured	Means all the parties named as The Insured in a Section of this Policy of Insurance and if the context so requires any one of them.
The Insurer (or Company)	Means the party (ies) named as such in this Policy of Insurance. If there is more than one Insurer/Company, each Insurer/Company shall be separately liable only to indemnify The Insured for that proportion of any claim as set out in The Schedule at the end of this Policy of Insurance and the expression "The Insurer" is used for each Insurer/Company separately, unless a Lead Insurer has been agreed upon and entered expressly in The Schedule.
Insurer's agent	Means an individual, firm or company appointed by The Insurer to act on its behalf.
Insured Party(ies)	Means the individual, firm, company, corporation or joint venture specified as an Insured in this Policy of Insurance.
Insuring Party	Means the individual, firm, company, corporation, joint venture or combination of the above named as such in this Policy of Insurance that has entered into this Policy of Insurance on behalf of itself and any other party

	named as an insured in any Section in this Policy of Insurance.
Language of Communication	Means the language in which communication between The Insured and The Insurer under this Policy of Insurance shall take place.
Malfunction	Means the failure of a data processing system, software program or built-in microprocessor to function properly or the production of wrong results.
Material change in risk	Means any change in the nature, exposure, location, execution and maintenance of the property insured that a reasonably prudent insurer would consider material to the acceptance of the risk under the terms and conditions of this Policy of Insurance.
New Replacement Value	Means the costs, which would be incurred to replace the property insured at the Premises with new items of similar kind and quality at any time during the Period of Insurance.
Period of Insurance	Means the period during which cover is provided by this Policy of Insurance as specified in The Schedule.
Policy of Insurance	Means the Proposal, the definitions, the conditions, the exclusions, The Schedule and the Sections of this Policy of Insurance.
Premises	Means the location(s) of the property insured.
Premium	Means the Premium payable under this Policy of Insurance calculated in accordance with its terms.
Premium Rate	If applicable, means the rate referred to as such in The Schedule agreed between the Insuring Party and The Insurer.
Property Insured	Means the Property Insured as specified in The Schedule to this Policy of Insurance.
Proposal	If applicable, means the written information submitted to The Insurer by the Insuring Party seeking insurance cover under this Policy of Insurance.
Representatives	Means the directors, officers or any other individuals that have the authority to exercise administrative or executive control over the execution of a contract or over an operation or business.
The Schedule	Means The Schedule to the section(s) of this Policy of Insurance in which reference is made to it.
Section	Means any Section of this Policy of Insurance including The Schedule thereto.
Sum(s) Insured	Means the amount of insurance cover specified in The Schedule in respect of any particular item of Property Insured or interest insured or the total amount of insurance cover specified in The Schedule as the context may require.

A.2. POLICY OUTLINE

COVERAGE: This Policy consists of coverage summarised in The Schedule and detailed in Section I, Section II, Section III, General Conditions, General Exclusions, Specific Conditions and Specific Exclusions, which form the Policy and are attached hereto. The following summary of the scope of cover is for information purposes only, without restricting or widening the cover described in the individual sections, any claim for completeness or assuming liability:

POLICY SECTIONS: **Section – I: All Risks of Physical Loss or Damage / (Non–Marine) Property**

All (**non – marine**) property of The Insured and/or held by them in trust and/or on commission and/or in joint account with others and/or for which they have an insurable interest in case of loss or damage covered under this Policy, whilst contained in The Insured's Premises as specified in The Schedule and in all other Premises of The Insured or whilst at contractor's Premises as specified in The Schedule.

Section – II: All Risks of Physical Loss or Damage / Machinery Insurance

All Machinery and Equipment including electrical or electronic machinery of The Insured's plants including spare parts with no specification being the property of The Insured and all machinery and equipment in which The Insured has an insurable interest in case of loss or damage covered under this Policy, whilst contained in The Insured's Premises and elsewhere as specified in The Schedule

Section – III: ALL RISK OPERATIONAL BUSINESS INTERRUPTION

To indemnify The Insured in respect of Loss of Gross Profits the loss actually sustained during the indemnity period resulting from a reduction in turnover including any increased cost of working due to an interruption of The Insured's business following loss or damage to any property and / or assets insured and recoverable under Section I, & II.

A.3. GENERAL CONDITIONS (APPLICABLE TO ALL SECTIONS)

A.3.1. Several Liability Notice

The Insurer(s) is(are) the company or companies named in The Schedule; if there is more than one company, each company shall be separately liable only to indemnify The Insured for that proportion of any claim as set out in The Schedule of this Policy of Insurance.

A.3.2. DUE DILIGENCE

It is agreed by the insured that during the continuance of this policy the machine(s) shall be maintained in good working order and not wilfully operated beyond safe limits except as permitted by the manufacturers or by judgment of a competent engineer and that Government or other regulations relating to the condition, operation or inspection of machine(s) are observed. The Insured agree to forward to the insurer copies of such inspection reports whenever required to do so by the insurer.

A.3.3. REPAIRS

In the event of a breakdown of any Property Insured likely to give rise to a claim hereunder, the insurer shall have the right to take over and control all necessary repairs to be completed to the satisfaction of the insured.

A.3.4. REMOVAL

Such insurance as is afforded under this Section of the policy shall also apply while the property Insured is being removed because of imminent danger of loss or damage.

A.3.5. RIGHT OF INSPECTION

The Insurers' officials shall at all reasonable times have the right of access to the premises in which the machines are situated provided they comply with all reasonable site access requirements.

A.3.6. Policy Interpretation, Rights and Obligations

A.3.6.1. Identification

This Policy of Insurance and The Schedule (which forms an integral part of this Policy) shall form the entire agreement between The Insurer and the Insuring Party and any party claiming as an insured and shall be read together as one contract and words and expressions to which specific meanings have been attached in any part of this Policy or of The Schedule shall bear such specific meanings wherever they shall appear.

This Policy of Insurance supersedes and replaces all prior communications, representations, warranties, undertakings and agreements between the parties whether oral or written.

A.3.6.2. Order of Precedence

It is understood and agreed that all printed clauses referred to herein apply insofar as they do not conflict with the typewritten wording of this Policy, the typewritten wording of this Policy taking precedence and the typewritten wordings / handwritten wordings, if any, shall be paramount.

A.3.6.3. Captions, Headings and Language

It is hereby understood and agreed that the captions and headings of the clauses are inserted herein for reference purposes only and are not part of the clauses to which they refer, the language of this Policy is deemed to be that of Insurers, i.e. English.

A.3.6.4. Assignment

Assignment or transfer of this Policy shall not be valid without the written consent of The Insurer.

A.3.6.5. Designation of Property Clause

For the purpose of determining, where necessary, the item under which any property is insured, The Insurer agrees to accept the designation under which the property has been entered in The Insured's books

A.3.6.6. Additional Insured (to be named in The Schedule)

It is understood and agreed that any individual, firm, corporation and/or its joint ventures, for whom or with whom The Insured may be operating is hereby named as additional Insured in The Schedule when required by contract, or as required. It is further understood and agreed that in the event there is any violation of the terms and conditions of this insurance by one Insured, it shall not affect the rights of other Insureds; including interest of mortgagees and notice of assignment in respect thereof.

A.3.6.7. Multiple Insured Clause

If in any Section The Insured comprises of more than one party each operating as a separate and distinct entity, this Policy of Insurance shall, unless otherwise provided for in this Policy of Insurance, apply as if a separate policy had been issued to each of these parties provided always that The Insurer's overall liability towards the parties that constitute The Insured in any Section shall not exceed the Sum Insured and any limits of indemnity specified in The Schedule to that section.

Any payment made by The Insurer to any Insured Party as a result of an occurrence of loss or damage shall reduce, by the amount of that payment, The Insurer's liability towards all Insured Parties that constitute The Insured arising from that occurrence under this Policy of Insurance.

A.3.6.8. Information rights of The Insurer and Confidentiality Agreement

The Insurer shall be permitted but not obligated to inspect The Insured's property and operations at any reasonable time, and The Insured shall provide The Insurer with all relevant details and information.

Neither the right to make inspections nor the making thereof nor any advice or report resulting there from shall constitute an undertaking on behalf or for the benefit of The Insured or others to determine or warrant that such property or operations are safe and healthy or are in compliance with a law, rule or regulation.

The Insurer will maintain confidential any information obtained under this Policy and not use such information except for the purposes of the Policy.

A.3.6.9. Premium payment

The required cover for which Premium was sought shall not be available to The Insured until such date that the Premium is paid by the Insuring Party and it is understood that payment of the Premium is a condition precedent to The Insurer's liability towards any Insured Party under any Section of this Policy of Insurance. Cover as agreed under this Policy would incept from the date of payment of the required Premium. The Insurer shall not be liable to indemnify The Insured or any Insured Party in respect of any occurrence happening prior to receipt of the Premium.

A.3.6.10. Sum Insured

It is a requirement of this Policy of Insurance that the sum(s) insured specified in The Schedule in respect of the Property Insured shall not be less than the New Replacement Value of such property.

A.3.6.11. Escalation (applied to Sections I)

It is hereby agreed and understood that subject otherwise to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon and subject to the Insured having paid the additional premium,

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.

Specified percentage increase per annum: 10%

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 Company:-

(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.

A.3.6.12. Cancellation

Cancellation if initiated by insured, the insurer will retain minimum premium as per short period scale and will refund the balance amount. If cancellation has been initiated by insurer then refund of premium shall be on pro-rata basis for the unexpired term of the policy.

Where a policy is cancelled and rewritten midterm purely for the purpose of coinciding with the accounting year of the insured, pro-rate refund of the cancelled policy premium will be allowed. If the cancellation is for any other purpose, refund of premium will only be allowed after charging short term scale rates. Note: The definitions, terms and conditions of the Policy save as modified or endorsed herein shall apply.

In case of realignment of policy wherein the policy is replaced by a new annual policy covering the identical property, refund of premium shall be subject to the prevalent GIC regulations/guidelines.

A.3.6.13. Expiration

If this policy should expire or be cancelled while an insured event affecting the Property Insured is in progress, it is understood and agreed that Insurers, subject to all other terms and conditions of this Policy, are responsible as if the entire loss had occurred prior to the expiration of this insurance.

A.3.6.14. Fraud and forfeiture

If an Insured Party makes any claim that is fraudulent or any false declaration or statement in support thereof, this Policy of Insurance between The Insurer and The Insured Party making such a claim shall become void and The Insurer shall not be liable to make any payment hereunder to that party.

For the avoidance of doubt, the Insuring Party shall not be entitled to any return of Premium in the event that the Policy of Insurance is treated as void.

A.3.6.15. Mis-description

If there be any material misdescription by The Insured or any one acting on his behalf of any of the property hereby insured, or of any place in which such property is contained, or of the business or Premises to which this insurance refers or any misrepresentation as to any fact material to be known for estimating the risk or any omission to state such fact, The Insurer shall not be liable under this Policy for the property affected by any such mis-description, misrepresentation or omission.

A.3.6.16. Non-Disclosure

It is also understood and agreed that this Policy shall be voidable in case of non-disclosure of material facts of The Insured.

A.3.6.17. Act of default (Breach of Conditions)

In the event of an Act of default being committed by an Insured Party or its Representatives the Insurer shall not be liable to pay any amount to the Insured Party under this Policy of Insurance.

An Act of default committed by one Insured Party or its Representatives shall not prejudice the entitlement to indemnity of any other Insured Party that has not itself (and whose Representatives have not) committed an Act of default.

In the event of The Insurer refusing to indemnify an Insured Party as a result of any Act of default no other Insured Party shall be entitled to indemnity in respect of the same loss or damage by assuming the rights or obligations of the Insured Party whose claim for indemnity The Insurer has refused or is entitled to refuse.

In the event of an Act of default The Insurer shall be entitled to claim from the Insured Party any loss or damage it may have suffered including, without limitation, any sums it may have paid to any other Insured Party as a result of any loss or damage caused or contributed to by the Insured Party or its Representatives committing an Act of default.

A.3.6.18. Material Change

As soon as is reasonably possible, any party named as the insured in any Section of this Policy of Insurance shall notify the Insuring Party of any Material change in risk of which it is aware or ought reasonably to be aware and shall take or cause to be taken at its own expense any additional precautions that may be necessary to prevent loss or damage occurring to the Property Insured as a result of such Material change in risk.

The Insuring Party shall immediately notify The Insurer in writing upon receipt of any notice from the insured.

The Insurer shall not be liable for any loss of or damage to Property Insured which would not have resulted had there not been a Material change in risk unless the Insurer has agreed to the Material change in risk in which case the scope of cover and Premium shall, if necessary, be adjusted by The Insurer to reflect the Material change in risk.

A.3.6.19. Reasonable precautions

The Insured shall take at his own expense all reasonable precautions, maintain the property in a proper state of repair and comply with all reasonable recommendations made by The Insurer, to prevent loss of or damage to the Property Insured or any liability arising under this Policy of Insurance and comply with all relevant statutory requirements.

A.3.6.20. Preventive Maintenance

It is a condition of this Policy that the Insured takes all reasonable steps to inspect and maintain the Property Insured. Any plant, machinery or equipment forming the Property Insured shall be inspected and maintained in accordance with the recommendations of the suppliers or manufacturers of such plant, machinery or equipment. Such inspection and maintenance shall include safety checks, preventive inspection and maintenance, rectification of loss or damage or faults arising from normal operation or wear and tear as well as from ageing, and shall also include the

repair or preventive replacement of components modules or parts. The Insured shall fully observe the government and all other binding regulations in force concerning the working of the Property Insured and shall see to it that the machinery is under the supervision of competent personnel.

A.3.6.21. Clarification Agreement

Property damage covered under this Agreement shall mean physical damage to the substance of property.

Physical damage to the substance of property shall not include damage to data or software, in particular any detrimental change in data, software or computer programs that is caused by a deletion, a corruption or a deformation of the original structure.

Consequently the following are excluded from this Agreement:

- (1) Loss of or damage to data or software, in particular any detrimental change in data, software or computer programs that is caused by a deletion, a corruption or a deformation of the original structure, and any business interruption losses resulting from such loss or damage. Notwithstanding this exclusion, loss or damage to data or software which is the direct consequence of insured physical damage to the substance of property shall be covered.
- (2) Loss or damage resulting from an impairment in the function, availability, range of use or accessibility of data, software or computer programs, and any business interruption losses resulting from such loss or damage.

B. POLICY SECTIONS

B.1. SECTION I - ALL RISKS PHYSICAL LOSS OR DAMAGE – (NON-MARINE) PROPERTY

B.1.1. Insuring Clause

The Insurer agrees subject to the terms, definitions, warranties, exclusions, limits provisions and conditions of this Section and of the Policy as a whole to indemnify The Insured against:

All Risks of fortuitous and accidental physical loss or damage or destruction to the Property Insured occurring during the Period of Insurance, which results in Property Insured needing to be repaired or replaced, other than those specifically excluded:

B.1.2. Special Exclusions to Section I

This Section does not cover loss or damage to any Property Insured caused directly or indirectly by or in connection with or arising from or occasioned through:

- (a) inherent vice, latent defect, wear and tear or gradual deterioration, leakage, seepage, pollution, contamination, overflowing of tank, smog or extremes or changes of temperature or humidity or to non-existing, non-functional or inadequate heating, air-conditioning or cooling equipment including operating error, condensation, excessive moisture, dampness of atmosphere, seepage, disease, deterioration, decay, mildew, mould, fungus, wet or dry rot, insect larvae or vermin of any kind, infestation

loss or damage by normal settling, shrinkage or expansion in buildings or foundations, other loss or damage of gradual nature, such as corrosion, erosion, cavitation, rust and scale, scratching of painted or polished surfaces,

unless fortuitous accidental loss or damage covered under this Policy of Insurance ensues to other Property Insured and only such ensuing loss will be covered under this Policy of Insurance or unless such loss or damage is a result of an occurrence of loss or damage otherwise indemnifiable under this section;

- (b) infidelity or any dishonesty on the part of The Insured or any of his employees or others to whom the property may be delivered or entrusted, inventory shortage or unexplained disappearance;
- (c) processing, renovating, repairing or faulty workmanship thereon unless fortuitous accidental loss or damage covered under this Policy of Insurance ensues and only such ensuing loss will be covered under this Policy of Insurance;
- (d) go-slow, total or partial cessation of work,

The Insurer shall not be liable for

- (e) loss of use, delay or loss of markets or Consequential Loss of any nature whatsoever or any costs to reduce it unless covered under Section III of the Policy of Insurance
- (f) shrinkage, evaporation, loss of weight, leakage, breakage of glass or other fragile articles, marring, scratching, exposure of light, or change in colour, texture or flavour unless fortuitous accidental loss or damage covered under this Policy of Insurance ensues and only such ensuing loss will be covered under this Policy of Insurance;

- (g) theft where Property Insured is left in the open and not contained in buildings on permanent foundations, unless storage of such item is normally in the open;
- (h) release, discharge, or dispersal of toxic or hazardous substances, contaminants or pollutant, proximate or remote.
- (i) loss or damage for which cover is afforded under Section II of this Policy of Insurance

B.1.3. Excluded Property

This Section does not cover:-

- (a) aircraft, watercraft including floating equipment, ships and vessels, spacecraft and satellites, railway locomotives, rolling stock
- (b) vehicles, construction plant and equipment other than those used within The Insured Premises and expressly defined in The Schedule
- (c) money, stamps, cash, credit cards, cheques, securities or obligations of all kind, deeds or documents, evidence of debt or title, patterns, plans, designs, rare books, jewellery, precious stones, gems or metals, furs and garments trimmed with fur
- (d) works of art, unless expressly specified in The Schedule;
- (e) standing timber, growing crops, livestock and animals, landscaping, flora and fauna;
- (f) land including topsoil, backfill or land values, water, roads, runways, transmission and distribution lines outside plant Premises beyond specified sub-limits, drainage and culverts, canals, dams, reservoirs, wells, pipelines outside plant Premises unless specifically included, tunnels, bridges, mining property, any property underground, drilling rigs, docks, piers, wharves, offshore property;
- (g) explosives, refractory linings whilst in process, materials in process damaged by operational error and as a result of its undergoing any process, maintenance, repair or testing or any emergency shutdowns;
- (h) Goods or property in transit other than within the Premises.
- (i) Property of The Insured, which has been, transferred into the possession of others, under leasing or rental agreements, hire, purchase, credit or other suspensive sale agreements.

B.1.4. Special Conditions for Loss settlement under Section I

B.1.4.1. Costs of repair

In respect of the Property covered hereunder, all costs of repairs and/or replacement including leviable duty and taxes for which insurers may be liable shall be on the basis of New for Old at the place of loss without taking into account and / or giving effect to depreciation or technological, functional or economic obsolescence except as hereunder mentioned. The rate and charges applicable for utilisation of The Insured's owned or chartered vessels, crafts, equipment in the repair / replacement of a loss damage and the percentage of overheads thereon to be taken from the certified rates as arrived at by The Insured from time to time.

B.1.4.2. Reinstatement Value Conditions

At the option of the Insured in the event of loss or damage to the Property Insured the insurance benefits in respect thereof shall be based on the cost of replacing or reinstating The Insured property or other property as The Insured may require.

Provided that the liability of The Insurer shall not exceed the cost of replacing or reinstating the property with property of a substantially similar kind and type not being superior to or more extensive than The Insured property when new.

Subject to the following Special Provisions and the terms and conditions of the Policy except as varied hereby:

The replacement or reinstatement (which may be commenced and carried out upon another site and in any manner suitable to the requirements of The Insured or by other alternative real capital investment made for the benefit of the business subject to the liability of the Insurer not being thereby increased) shall be commenced and carried out within 12 months (twelve months) after the occurrence of the damage or within such further time as The Insurer may grant.

However payment will be made by The Insurer as if the reinstatement or replacement has been done within the said 12 months (twelve months) provided that a firm commitment is shown to The Insurer's satisfaction that the replacement or reinstatement will be eventually completed.

Until actual expenditure has been incurred by The Insured in replacing or reinstating The Insured property destroyed or damaged The Insurer shall not be liable for any amount in excess of the amount which would have been payable under this Policy had the memorandum not been incorporated herein but not less than two thirds of the new reinstatement value.

Should the property lost or damaged not be in current production then The Insurer's liability shall be limited to the full cost of replacing or reinstating property in current production most similar to the property lost or damaged.

The cost of reinstatement shall include the expenses of adapting the newly acquired property to the existing undamaged property including the replacement of property, which cannot be used as such as necessary to reinstate the operation of the plant unit process.

Where for any reason, it is not possible or if The Insured elects not to rebuild or replace, The Insurer will pay to The Insured the Actual Cash Value of the property at the time of Loss.

Where the repair or replacement of the damaged or lost Property Insured involves import into the country of The Insured property, the replacement value as aforesaid shall include actual Import Duty including, but not limited to basic duty, countervailing duty, special additional duty, surcharge and other additional duties or any monetary equivalent of liability undertaken or incurred in lieu thereof.

Claims are to be settled on selling price for Finished Goods (or Contract price if the Finished Goods are covered by Contract and if it is higher than market price) and replacement value on feedstock, chemicals, stores and spares and other insured stock and work in progress. Where Feed Stock Chemicals and Stores and Spares are not replaced by item of specification same as the one lost or damaged, but by an item of inferior quality / specification for

operating reasons or other reasons, The Insured will be indemnified as if he had replaced like items which were lost or damaged, based on prices prevailing after the damage / loss. Any financial loss caused by the use of items of inferior quality is not covered.

With respect to catalysts lost or damaged, the basis of indemnity if cover is endorsed to this Policy of Insurance is the Actual Cash Value at the time of the loss as per endorsement.

Where the Assets damaged or lost are those for which The Insured is only contractually liable for maintenance, the basis of indemnity shall still remain the same as above, irrespective of any contract to the contrary.

B.1.4.3. Constructive total loss

In ascertaining whether the Property Insured hereunder is a Constructive Total Loss The Insured value, being part of the scheduled values hereon, shall be taken as the repaired value and nothing in respect of the damaged or break-up value of the Property Insured hereunder or the wreck thereof shall be taken into account.

There shall be no recovery for a Constructive Total Loss hereunder unless the expense, (including duties, taxes and freight / air freight as and if applicable) of recovering and repairing the Property Insured shall exceed 80% of The Insured value. Or in respect of individual item(s) included therein, 80% of the value included therein in respect of such item(s).

In no case shall The Insurers be liable for unrepaired damage in addition to a subsequent Total Loss sustained during the period covered by this insurance. The Insured shall not be prevented from recovering a Constructive Total Loss hereunder by reason of any provision(s) in permit, license, Government regulation, or similar circumstances beyond the control of The Insured, which may prevent The Insured from abandoning the subject matter(s) of this insurance to The Insurers. In accordance with the foregoing, The Insurers agree to waive notice of abandonment but notwithstanding anything to the contrary contained herein The Insurers shall be placed in the same position as if notice of abandonment had been given by The Insured and declined in the customary manner by The Insurer.

B.1.4.4. Unrepaired Damage

In event of the loss of or damage to an item insured hereunder which results in a decision by The Insured to either, not to replace or repair with a redesign or new design and where construction of the redesigned or newly designed item serving the same purpose of the lost or damaged items is actually commenced and no repairs (other than those required to make the items safe) or replacement are carried out to the item which sustained loss or damage, Insurers agree that The Insured shall be indemnified on the basis of the reasonable cost of repairs in respect of such loss or damage plus any amounts expended in making the item safe. Such reasonable cost of repair would be arrived at on the basis as mentioned in the Indemnification clauses "B.1.5.1. Cost of Repair" and "B.1.5.2 Reinstatement Value Conditions"

B.1.4.5. Limit of Liability

In no event shall The Insurer's liability arising from any one accident or occurrence exceed the total value of Property Insured herein as per The Schedule.

B.1.4.6. Deductible

Each loss or series of losses shall be adjusted separately and from the amount of each such adjusted loss the sum stated as the Deductible in The Schedule shall be deducted.

B.2. SECTION II - ALL RISK MACHINERY INSURANCE

B.2.1. Property Insured

This Section insures the following property:

All Machinery and Equipment including electrical or electronic machinery of The Insured's plants and spare parts with no specification being the property of The Insured and all machinery and equipment in which The Insured has an insurable interest in the Premises of The Insured and elsewhere as specified in The Schedule.

B.2.2. Insuring Clause

The Insurer agrees subject to the terms, definitions, warranties, exclusions, limits provisions and conditions of this Section and of the Policy of Insurance as a whole to indemnify The Insured against accidental physical damage to machinery and/or equipment insured caused by an Accident occurring during the Period of Insurance, which results in such machinery and/or equipment insured needing to be repaired or replaced.

Accident shall mean unforeseen and fortuitously manifested and/or occurred physical damage including Electrical Breakdown and Boiler Explosion to the machinery and/or equipment described above or thereof from any cause not excluded

- (a) while it is at work or at rest or during testing
- (b) while being dismantled for the purpose of cleaning, inspection and overhauling or removal to another position or in the course of these operations themselves or subsequent re-erection within the Premises of The Insured or elsewhere.

B.2.3. Excluded Property

This Section does not cover (unless otherwise expressly agreed in writing) any Accident or Damage to any of the following excluded property:

- a)
 - consumables, dies or exchangeable tools, moulds, engraved cylinders
 - parts which by their use and/or nature suffer a high rate of wear or depreciation, e.g. refractory linings, crushing hammers, objects made of glass, belts, cables, ropes, chains, wires, rubber tyres and all non - metallic parts
 - Operating media, e.g. lubricants, fuels, catalysts, batteries
 - escape of water from water containing apparatus,

It is noted however that:

- this exclusion shall not be applicable when damage to these parts only is part of a loss and/or damage to an insured machine,
 - this exclusion shall only refer to these parts and not to any resulting damage to the machinery insured under this Section of the Policy of Insurance;
 - electrical cables and instrumentation cables are not excluded in this clause
 - for the exceptions mentioned above this exclusion shall not exclude coverage under Section III arising as a result of such loss or damage.
- (a) Mechanical, electrical and electronic equipment prior to the successful completion of their performance acceptance tests.
- (b) Transmission and distribution lines outside insured plant Premises unless specifically covered in schedule
- (c) Any property underground or offshore
- (d) Property of The Insured, which has been, transferred into the possession of others, under leasing or rental agreements, hire, purchase, credit or other suspensive sale agreements.

B.2.4. Special Exclusions to Section II

This Section does not cover damage to any Property Insured under this Section caused directly or indirectly by or in connection with or arising from or occasioned through:

- (a)
- wearing away or wearing out of any part of any Property Insured caused by or naturally resulting from ordinary use or work such as cavitation, erosion, corrosion, rust or due to any gradual deterioration caused by atmospheric conditions or due to other causes
 - boiler scale, incrustation, deterioration, settling, gradual cracking, gradually developing deformation or distortion, scratching of painted or polished surfaces. but this exclusion shall be limited to the items immediately affected and shall not exclude liability for loss or damage not otherwise excluded to other parts of the Property Insured as a consequence thereof;
- (b) any faults or defects existing at the time of commencement of this Policy of Insurance of which The Insured or his Representatives were or ought reasonably to have been aware, irrespective of whether such faults or defects were known to The Insurer or not;
- (c) go-slow, total or partial cessation of work,
- The Insurer shall not be liable for
- (d) loss or damage caused by intentional overloading or experiments involving the imposition of abnormal conditions, except for conditions permitted by the manufacturers or by judgement of a competent engineer or where such conditions arise

during normal periodic testing, including pre-commissioning start-up and commissions of Construction and / or erection Projects insured under this section.

- (e) costs of maintenance, upgrade or improvement, normal upkeep
- (f) loss of or damage to hired equipment for which the lessor is responsible either by law or ordinance or under any contract or agreement;
- (g) Loss or damage for which the manufacturer or supplier of the property is responsible either by law or ordinance or under any contract or agreement.

This exclusion shall not apply to loss or damage caused in the course of reinstating or replacing an otherwise insured damage.

- (h) any increase in the cost of replacement or repair due to enforcement of any ordinance or law;
- (i) loss of use of any machinery, delay or loss of markets or Consequential Loss of any nature whatsoever or any costs to reduce it unless covered under Section III of the Policy of Insurance;
- (j) Loss or damage for which cover is afforded under Section I of this Policy of Insurance.

B.2.5. Testing and Commissioning Clause

Acceptance of new property hereon - other than as provided under chapter A.6.5 (Capital Additions/ Newly acquired Property/Interests) - is subject to satisfactory completion of the following procedures:

Mechanical completion including testing.

- (a) Testing and commissioning conforming to 100% (one hundred per cent) Contract Design to temperatures and pressures maintained by the entire plant in a stable and controlled manner for a continuous ongoing period of a minimum of 72 hours duration all as approved by The Insured and an engineer firm or licenser involved in said project or as per standard practice of the contractor or the licenser.
- (b) Official acceptance by The Insured following formal handover without reservation or waiver of guarantee conditions to suppliers of equipment in respect of said mechanical specifications it being understood that no equipment faults or punch list items affecting mechanical integrity of the plant are outstanding and that no temporary structures and no modifications remain as shall be notified by The Insured

In the event that compliance with (a) and (b) above will be deferred upon mechanical completion and testing The Insured agrees to advise The Insurers in writing of such alternative procedures which will be adopted prior to the attachment hereunder of such new property

Notwithstanding the above, in respect of acquisitions exceeding the sum noted in The Schedule of property and plant hereon, these are to be agreed by Insurers. It is further noted and agreed that the terms and conditions are to be reviewed by Insurers.

The above provisions do not apply to normal routine, maintenance activities and scheduled turnarounds.

B.2.6. Special Conditions to Section II for Loss settlement

The basis of loss settlement under Section II of this Policy of Insurance shall be:

In case of loss or damage, the basis of adjustment unless otherwise endorsed thereon shall be the Replacement/Reinstatement Cost.

Replacement/Reinstatement Cost shall mean all expenses necessarily incurred to repair, rebuild or replace with new materials of like kind and quality including dismantling and re erection charges incurred for the purpose of effecting repair.

Replacement/Reinstatement Cost shall be determined based on the expense incurred as on the date of reinstatement of any loss or damage under this Policy.

The insured shall be entitled to receive monetary settlement hereunder based upon the actual reinstatement value provided the Insured shall provide all such information, as Insurers shall require in proof/evidence of the amount of loss.

In the event any property or interest or part thereof is replaced by any substantial design, material or workmanship involving an elected betterment, liability hereunder shall exclude the estimated additional cost of such betterment above the reproduction cost of the damaged property at the time of the settlement of the loss.

It is further noted and agreed that in the event of physical loss or damage to the property insured hereunder the insured, at their sole discretion, shall have the option to accept repair or replacement terms as offered by the Original Equipment Manufacturer (OEM) regardless of any other terms offered by other suppliers, manufacturers or fabricators. Provided always that the difference between the OEM quote and the lowest quote doesn't exceed 25% of the lowest quote and quotes are based on the same technological specifications.

Partial Loss

For damage which can be repaired, the cost necessarily incurred to restore the damaged item to its former state of serviceability plus the cost of dismantling and re-erection incurred for the purpose of effecting the repairs as well as ordinary freight to and from a repair shop, customs duties and dues, if any, to the extent that such expenses have been included in the Sum Insured. If the repairs are carried out at a workshop owned by The Insured, The Insurer shall pay the cost of materials and wages incurred for the purpose of the repairs plus a reasonable percentage to cover overhead charges. No deduction shall be made for depreciation in respect of parts replaced.

Total Loss

If the cost of repairs equals or exceeds the actual value of the damaged Property Insured immediately before the occurrence of loss or damage, that Property Insured shall be regarded as a constructive total loss.

In the event of a total loss The Insurer shall pay the Actual Cash Value of the Property Insured immediately before the occurrence, including charges for ordinary freight, cost of erection and customs duties, if any, provided such expenses have been included in the Sum Insured.

In no case shall The Insurer be liable for unrepaired damage in addition to a subsequent Total Loss sustained during the period covered by this insurance. The Insured shall not be prevented from recovering a Constructive Total Loss hereunder by reason of any provision(s) in permit, license, Government regulation, or similar circumstances beyond the control of The Insured, which may prevent The Insured from abandoning the subject matter(s) of this insurance to The Insurer. In accordance with the foregoing, The Insurer agrees to waive notice of abandonment but notwithstanding anything to the contrary contained herein The Insurer shall be placed in the same position as if notice of abandonment had been given by The Insured and declined in the customary manner by The Insurer.

Dismantle costs

The Insurer shall also pay any reasonable costs to dismantle damaged equipment.

Cost of alterations, additions, improvements, maintenance, revisions or overhauls

The cost of any alterations, additions, improvements, maintenance, revisions or overhauls shall not be recoverable under this Policy.

B.3. OCCURRENCE OF A LOSS, CLAIMS AND INDEMNIFICATION PROVISIONS

B.3.1. Conditions for Loss settlement under Section I or II

B.3.1.1. Claims and loss notification

In the event of loss and/or damage, claim or suit, which may reasonably give rise to a claim under this Policy of Insurance, the Insured shall:

- (a) give to The Insurer as soon as practicable, but not later than 30 days after the occurrence of the event written notice containing particulars sufficient to identify the loss and/or damage, claim or suit and also reasonably obtainable information with respect to the time, place and circumstances thereof as well as nature and extent of the loss or damage, and the names and addresses of available witnesses.
- (b) take such measures as may be reasonable for the purpose of averting or minimising such loss or damage
- (c) ensure that all rights against carriers, bailees or other third parties are properly preserved and exercised; if claim is made or suit is brought against the Insured, the Insured shall at the earliest practicable advise The Insurer of every demand, notice, summons or other process received by him or his representative.
- (d) co-operate with The Insurer, and, upon The Insurer's request, assist in making settlements, in the conduct of suits and in enforcing any right of contribution or indemnity against any person or organisation who may be liable to the Insured because of property damage with respect to which insurance is afforded under this Policy, and the Insured shall attend hearings, and trials and assist in securing and giving evidence and obtaining the attendance of witnesses.
- (e) The Insured shall not, except at his own cost, voluntarily make any payment, assume any obligation, or incur any expenses. Notwithstanding the foregoing this clause shall not override the provisions of the Subrogation Clause.
- (f) do and concur in doing and permit to be done all such things as may be practicable to establish the cause and extent of the loss or damage
- (g) preserve all parts affected and make them available for inspection by The Insurer as long as The Insurer may require
- (h) furnish any information and documentary evidence that The Insurer may require together with, if required, a statutory declaration of the truth of the claim
- (i) inform the police authorities of loss or damage due to major fire, theft or burglary or actions by any malicious person and render all reasonable assistance to the police authorities

B.3.1.2. Claims Provisions

If The Insured or anyone acting on his behalf hinders or obstructs The Insurer in any way or does not comply with any reasonable recommendations The Insurer may make

following the notification of any loss or damage, all benefits claimed under any Section of this policy shall be forfeited.

The Insurer shall reimburse The Insured for any charges properly and reasonably incurred in pursuance of its duties in relation to clause (b) and (c) above in addition to any loss recoverable under any Section of this Policy.

The Insurer shall not be liable for loss or damage of which he has not received notification within 30 days of its occurrence.

B.3.1.3. Rights of The Insurer in case of a loss

On the happening of any loss or damage to any of the Property Insured under this Policy the Insurer may

- (a) enter and take and keep possession of the building or Premises where the loss or damage has happened
- (b) take possession of or require to be delivered to it any property of The Insured in the buildings or on the Premises at the time of the loss or damage
- (c) keep possession of any such property and examine, sort, arrange, remove or otherwise deal with the same
- (d) sell any such property or dispose of the same for account of whom it may concern. The powers conferred by this Condition can be exercised by The Insurer at any time until notice in writing is given by The Insured that he makes no claim under this Policy or, if any claim is made, until such claim is finally determined or withdrawn, and The Insurer shall not by any act done in the exercise or purported exercise of its powers hereunder, incur any liability to The Insured or diminish its rights to rely upon any of the Conditions of this Policy in answer to any claim.

If The Insured or any person acting on his behalf shall not comply with the requirements of The Insurer, or shall hinder or obstruct The Insurer in the exercise of its powers hereunder, all benefit under this Policy shall be forfeited. The Insured shall not in any case be entitled to abandon any property to The Insurer whether taken possession of by The Insurer or not.

B.3.1.4. Salvage

The salvage of any insured property on the occurrence of any loss or damage herein shall accrue to The Insurer (subject to indemnification of The Insured in full). The Insurer shall have the right to take possession of such salvage.

B.3.1.5. Underinsurance- (Under Insurance Waiver)

If, in the event of loss or damage, it is found that the sum insured is less than the amount required to be insured, then the amount recoverable by the insured under this section shall be reduced in such proportion as the sum insured bears to the amount required to be insured.

Each item of the policy to which this condition applies shall be separately subject to the foregoing provision.

Provided however that if the said Sum Insured in respect of such item(s) of the Schedule shall not be less than 85% (Eighty Five percent) of the value of the item(s) thereat, this condition shall be of no purpose and effect.

B.3.1.6. Contribution

If at the time of any loss or damage occurrence to any property hereby insured, there be any other subsisting insurance or insurances whether effected by The Insured or by any other person or persons, covering either such loss or any part of it or the same property The Insurer shall not be liable to pay or contribute more than its rateable proportion of such loss or damage.

B.3.1.7. Bankruptcy and Insolvency

In the event of bankruptcy or insolvency of The Insured or any entity comprising The Insured, The Insurer shall not be relieved thereby of the payment of any claims hereunder because of such bankruptcy or insolvency, except under Section III (All Risk Operational Business Interruption).

B.3.1.8. Deductibles

This policy does not cover the amounts of the Deductibles stated in The Schedule in respect of each and every loss as ascertained after the application of all other terms and conditions of the policy including any underinsurance.

Warranted that The Insured shall not effect insurance in respect of the amounts of the Deductibles stated in The Schedule.

B.3.1.9. Reinstatement of Policy Limit

At all times during the Period of Insurance of this Policy, the insurance cover will be maintained to the full extent of the respective Sum Insured in consideration of which upon the settlement of any loss under this policy exceeding the amount specified in The Schedule, pro-rata Premium for the unexpired period from the date of such loss to the expiry of Period of Insurance for the amount of such loss shall be payable by The Insured to The Insurer.

The additional Premium referred above shall be deducted from the net claim amount payable under this Policy. This continuous cover to the full extent will be available notwithstanding any previous loss for which The Insurer may have paid hereunder and irrespective of the fact whether the additional Premium as mentioned above has been actually paid or not following such loss. The intention of this condition is to ensure continuity of the cover to The Insured subject only to the right of The Insurer for deduction from the claim amount, when settled, of pro-rata Premium to be calculated from the date of loss till expiry of this Policy. Re-instatement of SI up to Rs. 5 Crs. would be automatic, beyond which pro-rata premium, as above, would be applicable.

Notwithstanding what is stated above, the Sum Insured shall stand reduced by the amount of loss in case The Insured immediately on occurrence of loss exercises his option not to reinstate the Sum Insured as above.

B.3.1.10. Claims / Payments “on account”

All claims to be paid to The Insured within reasonable time after receipt of satisfactory documentation and the determination of the quantity of the loss presented by the loss adjuster(s) and agreed by The Insurer.

In the event of indemnifiable loss or damage, payment “on account” will be made by The Insurer as early as possible on request if this is approved by The Insurer and where the liability of The Insurer has been established in a preliminary loss report and accepted by The Insurer.

B.3.1.11. Seventy two hours Clause

B.3.1.11.1. Windstorm

Insurers shall not be liable for any loss occurring before the effective date and time of the Policy nor for any loss commencing after the expiration date and time of this Policy. However, The Insurer will be liable for any losses occurring for a period of up to maximum seventy-two (72) hours after the expiration of this Policy, provided that the first windstorm damage occurs prior to the date and time of the expiration of this Policy.

Each loss by windstorm shall constitute a single claim hereunder; provided, if more than one windstorm shall occur within any period of seventy two (72) hours during the term of this Policy such windstorm shall be deemed to be a single windstorm within the meaning thereof.

Official recognised Authority (or as agreed between The Insurer and The Insured) will elect the moment from which each of the aforesaid periods of seventy two (72) hours shall be deemed to have commenced but no two such seventy two (72) hour periods shall overlap.

B.3.1.11.2. Earthquake

Insurers shall not be liable for any loss caused by an earthquake occurring before the effective date and time of this policy nor for any loss commencing after the expiration date and time of this policy. However, The Insurer will be liable for any losses occurring for a period of up to maximum seventy-two (72) hours after the expiration of this Policy, provided that the earthquake damage occurs prior to the date and time of the expiration of this Policy.

Any and all losses caused by earthquake shall constitute a single loss hereunder provided that more that one earthquake shock occurring within any seventy two (72) hour period during the Period of Insurance of this Policy shall be deemed to be a single earthquake within the meaning thereof.

Official recognised Authority (or as agreed between The Insurer and The Insured) will elect the moment from which each of the aforesaid periods of seventy two (72) hours shall be deemed to have commenced but no two such seventy two (72) hours periods shall overlap.

B.3.1.11.3. Flood

Insurers shall not be liable for any loss caused by flood occurring before the effective date and time of this policy nor for any loss commencing after the expiration date and time of this policy. However, The Insurer will be liable for any losses occurring for a period of up to maximum seventy-two (72) hours after the expiration of this Policy, provided that the first

flood damage occurs prior to the date and time of the expiration of this Policy.

Each loss caused by flood and all losses caused by flood within a seventy-two (72) hours period shall be deemed to constitute a single loss.

Official recognised Authority (or as agreed between The Insurer and The Insured) will elect the moment from which each of the aforesaid periods of seventy two (72) hours shall be deemed to have commenced but no two such seventy two (72) hours periods shall overlap.

B.3.1.12. Time limit

The Insurer is not liable for any loss or damage after the expiration of 24 months from the discovery of the loss or damage unless otherwise agreed in writing or the claim is submitted to a court or arbitration panel within the time prescribed therefore in accordance with applicable law.

The Insurer agrees that any action or proceeding against them for the recovery of any claim under or by virtue of this insurance shall not be barred if commenced within the time prescribed therefore in accordance with applicable law.

B.3.1.13. Arbitration

If any dispute or difference shall arise between The Insured and The Insurer 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.

The Arbitration shall be held in **INDIA** at **A PLACE TO BE SELECTED** and conducted under and in accordance with the provisions of the **Arbitration and Conciliation Act of INDIA, 1996** or any statutory modification or re-enactment thereof for the time being in force at the time of the Period of Insurance.

B.3.1.14. Governing law and jurisdiction

This Policy shall be construed according to **INDIAN** laws and The Insurers undertake to submit to the jurisdiction of **INDIAN** Courts in respect of any matter relating to or arising out of this Policy but nothing herein contained shall be held to detract from the force of the arbitration clause above.

B.3.1.15. Disclaimer of liability

If The Insurer disclaims liability in respect of any claim and if conciliation is not commenced within 12 (twelve) months of such a disclaimer, all benefits under this Policy of Insurance in respect of that claim shall be forfeited.

B.3.1.16. Nominated Adjustors:

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon that in the event of any loss in respect of this

policy the amount of such loss shall be adjusted subject to the terms and conditions of the Policy by any of the approved firms of adjusters.

B.3.1.17. No Control

This Insurance shall not be affected by failure of the Insured to comply with the provisions of the policy in any portion of the property over which the Insured has no control.

B.3.1.18. Disposal of Salvage

Possible salvage value should be deducted from the loss amount and the net claim amount paid to the insured.

B.3.1.19. Waiver of Subrogation

Insurer shall upon reimbursement hereunder to The Insured of any loss, damage or expense be subrogated to all The Insured's rights of recovery against any other person, firm or corporation who may be legally or contractually liable for such loss, damage or expenses so reimbursed by The Insurer, provided that

- if there is a partial reimbursement, subrogation to be restricted to the amount settled.
- The Insurer shall pass on to The Insured such money or monies recovered by them that is in excess of the loss, damage or expenses so received by The Insured.

The Insurer shall waive its rights of subrogation against all Insured Parties provided no Act of default including criminal or deliberate or fraudulent acts committed by any Insured Party or its Representatives has caused any loss or damage to any other Insured Party. It is agreed that The Insurers may make a claim upon and institute legal proceedings against any parties believed responsible for loss, damage or expense reimbursed hereunder in the name of The Insured, and The Insured shall provide The Insurer his full co-operation in pursuing such claim or legal proceedings.

The Insured shall at The Insurer's expense do and concur in doing and permit to be done all actions that may be necessary or required by The Insurer in the interest of any rights or remedies or for the purpose of obtaining relief or indemnity to which The Insurer is or would become entitled or which is or would be subrogated to him upon indemnification or rectification of any loss or damage under this Policy of Insurance, regardless of whether such action is or becomes necessary or required before or after The Insured's indemnification by The Insurer.

Except as specifically provided or permitted by this policy, The Insured shall not waive, release or diminish rights of recovery or subrogation with respect to any claim which, upon payment thereof by Insurers, would otherwise belong or accrue Insurers, and insofar as and to the extent that any action by The Insured waives, releases or diminishes the rights of recovery or subrogation in respect of such claim, The Insured shall have no liability under this policy.

B.3.1.20. Loss Payee

Loss is payable to The Insured or as directed by The Insured, which shall include such party who has an insured interest in the subject matter insured at the time of loss or damage.

B.4. ADDITIONAL EXTENSIONS TO SECTIONS I & II

If specified in The Schedule, the following Additional Insurance Cover will be provided subject to the terms contained herein:

B.4.1. Expediting expenses

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon and subject to the Insured having paid the agreed additional premium that the insurance by this Policy shall extend to indemnify the Insured up to the limit of indemnity as specified below for the extra costs and expenses reasonably and necessarily incurred by the Insured in respect of a loss or damage which has arisen upon damage to property hereby insured including but not limited to, express airfreight additional overtime, weekend or public holiday rates of pay.

B.4.2. Omission to Insure

The Insured having notified the Insurer of their intention to insure all property in which they are interested and it being their belief that all such property is insured, if hereinafter any such property shall be found to have been inadvertently omitted, the insurer will deem it to be insured within the terms of the Policy.

Subject to sub-limits of as mentioned in the schedule.

B.4.3. Capital additions

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon and subject to the Insured having paid the agreed additional premium, the insurance by this Policy extends to cover any loss or damage covered under this Policy to:

(a) any buildings, machinery and other equipment acquired or operated by or held in the care, custody or control of the Insured after the inception of this Policy, that are not included in the Schedule;

(b) any additions or extensions to property hereby insured which have been carried out after the inception of this Policy collectively referred to as "Capital Additions".

Provided that any increase in the New Replacement Value as a result of such capital additions shall not exceed the limit of indemnity as specified herein below. Also provided that the Insured undertakes to advise the Company in writing within three(3) months of the particulars of any such Capital Additions and in case of the Capital Additions exceeding the limit specified below on the payment of any additional premium the Company may specify to the Insured.

B.4.4. Start-up / Shut-down Cost (if applicable):

On the occurrence of an event which leads to a damage or loss covered under Sections I or II, this Policy of Insurance covers actual loss sustained due to specified start-up / shut-down costs for power and utilities such as electricity, water, steam, gas as well as feedstock, fuels or combustibles to re-establish the plant in the operational state it was at the time of the damage in a normal start-up procedure and subject to the sublimit entered in The Schedule.

Start-up costs will not be recoverable under normal or emergency shut down operations

B.4.5. Fees of Architects, Engineers, Foreign Technician Expenses and Others.

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon and subject to the Insured having paid the agreed additional premium the insurance under this Policy extends to cover the reasonable and necessary expenses incurred towards fees of Architects, Engineers, Surveyors, Consulting Engineers and other Consultants for plans, specification tenders, quantities and services in connection with the superintendence of the reinstatement for the building, machinery, accessories and equipment insured under this Policy consequent upon an occurrence hereby insured but not for preparing claims.

B.4.6. Demurrage Charges

Demurrage charges and/or late penalties assessed against the Insured for the late return of Container when they are retained by the Insured on Insurer's instruction for inspection following a Loss/ Damage. The period for which the Insurer will be liable begins at the time Insurer instructs the Insured to retain the Containers and finishes at the time the Insurer's surveyor instructs to return the Container. Limit of Liability shall be subject to a maximum amount as specified in Schedule.

B.4.7. Removal of Debris excluding Foreign Debris

This Policy insures the cost of demolition and/or removal of debris and/or any other expenses necessarily incurred in connection with site clearing operations and/or salvaging including damage caused by such operations, dismantling, shoring up, propping, in the event of circumstances giving rise to indemnifiable loss or damage by any of the perils insured under this Policy and limited for each and every loss as per the sublimit shown in The Schedule.

B.4.8. Fire Fighting Expenses, Extinguishment and loss mitigation

Except as otherwise excluded herein Insurers shall be liable for the reasonable cost of foam solution or other fire extinguishing materials lost, expended, damaged or destroyed, together with other reasonable costs incurred in fighting fire on the Property Insured hereunder, charges incurred in respect of Fire Fighting or Watchmen Services attendants at the scene of any fire and/or other events requiring their services in the event of circumstances giving rise to indemnifiable loss or damage by any of the perils insured under this Policy subject to a sublimit per loss as per schedule.

B.4.9. Immediate repairs

It is agreed that in case of loss the insured, if they so elect, may immediately begin repairs or reconstruction but such work shall at all times be open to supervision by the insurer or their representatives and in case of dispute as to the cost of repair and/or reconstruction the loss shall be settled in accordance with the terms of this policy, the sole object of this condition being not to deprive the insured from the use of operating properties which may be necessary to their Business. Evidence of loss to be photographed and if any damaged items are replaced, the same to be preserved for inspection by surveyor.

B.4.10. Temporary Removal of Property (including Stocks)

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon and subject to the Insured having paid the agreed additional premium that

- 1) When insured property is removed from an Insured Location for the purpose of being repaired or serviced or in order to avoid threatened physical loss or damage of the type insured by this Policy, this Policy covers such property:
 - a) while at the location to which such property has been moved; and
 - b) For physical loss or damage as provided at the Insured Location from which such property was removed.
- 2) This additional coverage does not apply to property:
 - a) Insured, in whole or in part, elsewhere in this Policy.
 - b) Insured, in whole or in part, by any other insurance policy.
 - c) Removed for normal storage, processing or preparation for sale or delivery.

The indemnity provided herein shall be subject to the limit of indemnity and deductible as specified in the schedule.

B.4.11. Plans, Documents & Computer Systems Records

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon that the insurance by this Policy extends to cover the computer systems records only for the value of the materials together with the cost of clerical labour and computer time expended in reproducing such records excluding any expenses in connection with the production of information to be recorded therein, and the value of the information contained therein.

B.4.12. Spontaneous combustion

It is hereby agreed and understood that subject otherwise to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon and subject to the Insured having paid the additional premium,

This Policy shall extend to include loss or damage to the property insured caused by its own fermentation, natural heating or spontaneous combustion.

B.4.13. Claim Preparation Costs

It is hereby declared and agreed that, notwithstanding anything to the contrary contained in this Policy and subject to the Insured having paid the agreed additional premium, that the Company will pay the Insured up to the limit of liability stated in the Schedule as reasonable and necessary claim preparation costs, which Insured incur, solely at Company's request in the determination of the extent of loss or damage prior to Company's final adjustment of Insured's claim. Company will not pay for the services of Insured's attorneys or **Public Adjusters**. Premium for the purpose of this endorsement will be charged at the inception of the Policy by the Company.

For the purpose of this Policy, Public Adjusters are defined as follows:

Public Adjusters - individuals or groups, including consultants, secured specifically for the purpose of representing the interest of the Insured in the adjustment of a claim(s) under this Policy.

The indemnity provided herein shall be subject to the limit of indemnity and deductible as specified below:

B.4.14. Public Authorities

It is hereby declared and agreed that notwithstanding anything contained to the contrary in the Policy , this Policy includes such additional cost of reinstatement (including alteration to undamaged portions of the property insured including foundations but not separate and undamaged buildings) following loss, destruction or damage as may be incurred by the Insured solely by reason of

- a) the necessity to comply with building or other regulations framed in pursuance of any government or public or local authority, statute, decree or ordinance in effect at the date of the occurrence or discovery of the physical loss or damage whichever shall be the later.
- b) The Company requiring conformity to the current relevant construction rules in respect of existing sprinkler installations, fire walls or doors.

Provided that the amount recoverable under this clause shall not include the costs incurred in complying with the aforesaid regulations or the aforesaid Company's requirements under which notice has been served upon the Insured prior to the happening of the loss, destruction or damage.

The work of reinstatement may be carried out wholly or partially upon another site subject to the liability of the Company under this clause not being thereby increased.

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

The indemnity provided herein shall be subject to the limit of indemnity and deductible as specified in the schedule.

B.4.15. Property and Consignment held in care, custody, control or trust

It is hereby agreed & declared that notwithstanding anything stated in the printed exclusions of this policy to the contrary, the company undertakes to indemnify the insured the loss/damage resulted accidentally/directly to property held in trust &/or on commission used, kept, installed or operated at the Insured premises

The indemnity provided herein shall be subject to the limit of indemnity and deductible as specified in the schedule.

B.4.16. Technological Advancement Cover Clause

At the time of any loss or damage admissible under the policy, wherein the gross assessed loss does not exceed Rs. 25 Crs (PD+BI), no deduction on account of technological advancement is to be made, subject to policy terms and conditions

B.4.17. Sprinkler Up-Grading Costs

It is agreed that in the event of Damage to a sprinkler installation; following an insurable peril, which conforms to the latest rules on compliance of safety rules on Sprinkler Installations if the Insurer of the premises in which the installation is contained require that the repaired or reinstated installation shall conform to the Loss Prevention Rules for Sprinkler Installations current at the time of reinstatement then this Policy shall cover such additional costs Such costs shall include inter alia the provision of any additional pipework pumps tanks and the cost of associated building works. Limit as mentioned in Schedule.

B.4.18. Inland Transit

This Insurance covers The Insured's property excluding Stock, Finished Goods and Raw Materials against the perils covered under this Policy whilst in transit by road, rail or inland waterway within the Geographical limits specified in The Schedule, which is being temporarily removed for cleaning, renovation, repair or maintenance and in as much as it is not indemnifiable under a more specific Policy and limited for each and every loss as per sub-limit shown in The Schedule.

B.4.19. Deliberate Damage Clause

Subject to the terms and conditions of this Policy of Insurance, this insurance covers accidental physical loss of or to the Property Insured and / or other expenses incurred by The Insured, directly caused by any act or order of any governmental authority acting under the powers vested in them as a result of peril insured hereunder resulting directly from damage to the Property Insured for which The Insurer is liable under this Policy of Insurance, provided such act of governmental authority, has not resulted from want of due diligence by The Insured, to prevent or mitigate such hazard or threat.

B.4.20. Increased costs of Construction and Demolition Clause

Subject to the Policy of Insurance terms and conditions cover hereon includes:

Loss occasioned by the enforcement of any laws(s) or ordinance(s) regulating the construction, repair or use of building(s) or structure(s) and in force at the time such loss occurs which requires the demolition of any portion of the building(s) or structure(s) which have not suffered damage from the same loss occurrence under this Policy of Insurance (all locations).

The cost incurred in actually rebuilding both the damaged and demolished portions of the building(s) or structure(s) with materials and in a manner to fully satisfy such ordinance(s) or law(s).

The total liability under this clause shall not exceed actual expenditure incurred in demolishing the undamaged portion of the building(s) or structure(s) involved plus the lesser of the following:

- The actual expenditure incurred not including the cost of land in rebuilding on another site, or
- The cost of rebuilding on the same site.

Insurers shall not be liable for any cost of demolition or increased cost of construction of property necessitated by any law or ordinance regulating any form of pollution or contamination. This clause does not increase the amount(s) of insurance provided hereunder.

The amount payable for such shall not exceed the limit of indemnity specified in The Schedule.

B.4.21. Machine Warranty clause

With Respect to the Insured Property that is Lost or Damaged due to a peril covered elsewhere in this policy and that has been purchased with a Manufacturer's warranty, all reasonable expenses necessarily incurred to retain such warranty shall constitute a proper charge against this Insurance. Such charges shall include reasonable freight and handling charges necessarily incurred to return the Insured property to Original place of manufacturing OR their Authorized place of repair / Replacement and then returned to the Plant site.

B.4.22. Auditors Clause / Professional Accountants &/or Solicitor Clause:

Any particulars or details contained in The Insured's books of account or other business books or documents which may be required by The Insurer for the purpose of investigating or verifying any claim hereunder may be produced by professional accountants &/or Solicitor if at the time they are regularly acting as such for The Insured and their report shall be prima facie evidence of the particulars and details to which such report relates.

The Insurer will pay to The Insured the reasonable charges payable by The Insured to their professional accountants &/or Solicitor &/or Auditors for producing such particulars or details or any other proofs, information or evidence as may be required by The Insurer and reporting that such particulars or details are in accordance with The Insured's books of account or other business books or documents provided that the sum of the amount payable under this clause shall not exceed the limit stated in The Schedule and the amount otherwise payable under the Policy of Insurance shall in no case exceed the liability of The Insurer as stated.

B.4.23. Expenses for Loss Minimisation

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 at any Insured's Premises specified in The Schedule, including moving / shifting of property if this contributes to loss minimisation, subject to a limit per loss as per schedule.

B.4.24. Additional Customs Duty

It is hereby declared and agreed that the Insured shall also be indemnified during the currency of the policy, towards the additional Customs Duty, amount of Rs. 5 Crs which may be incurred by the Insured over and above the Customs Duty amount taken into account in arriving at the Sum Insured of the affected items.

Each and every claim payable under the extension shall be subject to the admissible Additional Customs Duty incurred. The Indemnity for such Additional Customs 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.

Note- For computation of indemnity under the Additional Customs Duty extension, exchange rate applicable on date of occurrence of loss shall be considered.

B.4.25. Minor Works

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon and subject to the Insured having paid the agreed additional premium that the insurance by this Policy shall extend to cover modifications / construction / erection / re-construction / maintenance / testing and commissioning in respect of new assets as well as existing assets during the Period of Insurance as specified in the Schedule to this Policy.

The Policy shall respond on claims made basis for reported claims during the current Period of Insurance in respect of current ongoing minor works incepted during the current Period of Insurance. However the aggregate claim amount payable shall be restricted to Rs. 25 Crs and there shall be no restriction for number of minor works to be covered so long as each of such minor works is less than Rs. 25 Crs and aggregate claim made is Rs. 100 Crs during the Policy period.

Consequential Loss following a loss covered under the extension is excluded.

Notwithstanding other terms and conditions herein, this extension of the Policy shall only pay in excess of more specific insurance, if any arranged in respect of minor works.

With regards to property in course of construction, such as buildings, foundations and structures, the following additional exclusions shall apply:

- loss or damage due to faulty design;
- the cost of replacement, repair or rectification of defective material and/or workmanship, but this exclusion shall be limited to the items immediately affected and shall not be deemed to exclude loss of or damage to correctly executed items resulting from an accident due to such defective material and/or workmanship;

With regards to erection of mechanical, electrical or electronic machinery, installations or equipment in course of erection the following additional exclusions shall apply:

- loss or damage due to faulty design, defective material or casting, bad workmanship other than faults in erection

Any Consequential Loss of any kind or description whatsoever including but not limited to penalties, losses due to delay, lack of performance, loss of contract or Business Interruption - is excluded absolutely.

B.4.26. Property Plant Testing & Commissioning Clause

It is hereby agreed and understood that Insurance doesn't cover destruction or damage to property in course of construction or erection, dismantling or undergoing testing or commissioning including mechanical, performance testing and any business interruption resulting therefrom.

Acceptance of property hereon is subject to satisfactory completion of the following procedures.

i. Mechanical Testing

ii. Testing and Commissioning.

iii. The Insured shall give intimation well in advance so that Inspection and Certification by an Independent Agency can be arranged by the Company as to completion of the take-over/hand over protocol of the subject plant/equipment. Subject to satisfactory certification, the subject plant/equipment shall be included in the Operational Insurance without waiting for 100% Performance Testing.

However, this exclusion does not apply to on-going maintenance/schedule turnaround. This exclusion also doesn't apply to revamp work subject, however, to the maximum contract value as declared within the Minor Works Extension contained within this Policy.

Subject otherwise to the terms, conditions and exclusions of the Policy. The amount payable for such shall not exceed the limit of indemnity specified in The Schedule.

B.4.27. Exploratory Costs

The Insurer will indemnify the Insured in the event that it is or may become necessary for the Insured to incur exploratory costs in locating the source of any damage insured against hereunder subject to consent of insurer.

B.4.28. Off premises /Property outside away from premises/ Unnamed (Unspecified) Locations

This policy extends to cover property (Machineries / Equipment's and Stocks) of the insured temporarily stored in unspecified locations outside the insured premises up to a limit of INR 5 crores at any one location each and every loss and INR 5 crores in the aggregate for the policy period subject to these properties being part of the declared Sum Insured.

B.4.29. Plans, Documents and Computer System Records

The coverage herein shall be extended to cover loss of data, data media and records including plans & documents as well as its regeneration up to a limit of INR 50 Lakhs any one loss, subject to:

- i. the loss of data, data media and records having been caused by a damage covered under sections All Risk or Machinery Breakdown.
- ii. data/ software back-up being kept in fire proof safe.
- iii. The following special exclusions shall apply:
 - a. Loss or damage for which the repair company or maintenance company is contractually liable.
 - b. Any costs for standard adjustment, rectifying functional failures and maintenance of insured object unless necessary in connection with the repair of an insured loss.
 - c. Normal wear and tear of media
 - d. Erroneous programming, perforating, loading or printing.
 - e. Consequential loss of any kind.

B.4.30. Involuntary Betterment Clause

In respect of loss or damage to property covered under the Policy the insured may repair or replace with equivalent property which employs or recognizes current technology and/or Regulatory/Statutory requirement becoming operative at the time of Damage and replacement or repair with such property shall not, for the purposes of this Cover, be regarded as being better or more extensive than new.

This Cover further extends to include the replacement of undamaged property in so far as it is necessary in order to adapt the remainder of the undamaged property to operate in conjunction with that property which has been Damaged and repaired or replaced.

Should the amount of loss or damage in spite of betterment be well within the Reinstatement Value the limit under the involuntary Betterment should not be triggered.

Subject to otherwise to the terms exclusions, conditions and limitations of the Policy. The amount payable for such shall not exceed the limit of indemnity specified in The Schedule.

B.4.31. Inadvertent Omission / Error and Omission

The Insured having notified The Company of their intention to insure all property in which they are interested and it being their belief that all such property is insured, if any such property shall be found to have been inadvertently omitted, The Company will deem it to be insured within the terms of this Policy up to a limit of 10 % of total sum insured subject to payment of the Premium on all such property as from the inception of this Policy, provided that as soon as The Insured is aware of such error or omission, full details are declared to the Company immediately.

No liability shall attach to the Company in respect of any building, machinery, plant or other contents while such property is otherwise insured.

Note: Other contents in the above clause do not include stocks of any kind. The amount payable for such shall not exceed the limit of indemnity specified in The Schedule.

B.4.32. Leak Search and Finding Cost

In addition to indemnifiable costs of repair or replacement the company will indemnify the assured for the cost and expenses necessarily and reasonably incurred in locating and obtaining access to any part or parts of the insured property in order to locate and repair leaks or other damages subject to a limit of INR 5 Crs. each and every occurrence and aggregate.

B.4.33. Fire Fighting Expenses

It is agreed that in the event of a fire or a series of fire arising directly or indirectly from the same occurrence including fire threatening to involve the property insured under this section of the Policy, the Insured shall be entitled to recover up to a limit specified in the Schedule for the Policy Period;

i. the actual cost of material used and/or damaged in extinguishing or controlling or attempting to extinguish or control any such fire;

- ii. the cost of all clothing and/ or personal effects damaged and / or lost as a result of such fire and / or fight, extinguish or controlling or attempting to fight extinguish or control such fire unless more specifically insured elsewhere;
 - iii. all other actual expense (including wages and the like paid for fire-fighting, extinguishing or controlling or attempting to fight extinguish or control such fire and / or localizing such fire.
- All claims for personal injury are excluded.

B.4.34. Pair and Set Clause

In the event of insured loss or damage to personal property, this policy shall insure the resulting reduction in value of the remaining undamaged components or parts of products customarily sold as individual units or sold as pairs, sets, lots or in ranges.

At the Insured's option, the Insured may collect the full value of the pair or set provided the Insured tenders the remaining article or articles of the pair or set to the Insurer.

B.4.35. Destruction of Sound Property

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon, that the insurance by this Policy extends to cover the cost of destruction and subsequent replacement of undamaged property or undamaged portions of property, if such destruction is solely necessary in order to carry out repairs or reinstatement of the property insured by this Policy and for which The Company has admitted liability. Provided that this shall not include any work necessary to undamaged property to comply with any act, regulation or by-law of any local or Public Authority.

For the purpose of this clause, "undamaged" shall mean not damaged physically and directly by any event or perils not otherwise excluded by this Policy.

The indemnity provided herein shall be subject to the limit of indemnity as specified in The Schedule.

B.4.36. Green Clause

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon, that the insurance by this Policy extends to cover additional costs necessarily and reasonably incurred with The Company's consent in rebuilding or repairing Buildings at The Premises in a manner that aims to reduce potential harm to the environment by improving energy efficiency following Damage as insured by this Section.

The Company will not indemnify under this Clause in respect of

1. the additional cost of complying with any Indian legislation, Act of Parliament, or byelaws of any public authority;
2. any additional costs for work already planned to be carried out prior to the Damage;
3. any Buildings or portions of Buildings which are Unoccupied;
4. if the Insured elect not to rebuild or repair the Buildings.

The indemnity provided herein shall be subject to the limit of indemnity as specified in The Schedule.

B.4.37. Primary and Non-Contributory

It is expressly agreed that this policy provides primary insurance cover and shall not be contributory to any other policy that may exist whether the other policy also covers the interest of the insured or not. Subject other wise to the terms and conditions of the Policy.

B.4.38. SECTION III -Business Interruption or Specified Standing Charges and/or Increased Cost of Working

B.4.38.1. Definitions

Annual turnover	means the turnover which, had the interruption of or interference with the business insured not occurred, would have been achieved during the twelve months preceding either the date when the business insured is no longer affected or when the indemnity period ends, whichever is the earlier.
Business Insured	Means the commercial operation of the Property Insured specified in The Schedule to this section.
Gross Profit	Means the amount by which the value of the turnover and the value of the closing stock and work in progress exceed the value of the opening stock and work in progress and the amount of the specified working expenses. (Uninsured Working Expenses). The value of the opening and closing stocks and work in progress shall be calculated in accordance with The Insured's normal accounting methods, due provisions being made for depreciation.

Increased Cost of Working	Means the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss of interest insured, which, without such expenditure, would have taken place.
Interest Insured	Means either the Gross Profit including any Increased Cost of Working or the specified standing charges including any Increased Cost of Working.
Monetary deductible	Means the amount to be deducted from any payment otherwise to be made by the Insurer.
Maximum indemnity period	Means the maximum period(s) stated in The Schedule in respect of which cover is afforded for the Interest Insured by this operational business interruption section, beginning subsequent to the occurrence of the Damage and ending not later than the period as specified in The Schedule during which the results of the Business shall be affected in consequence of the damage.
Rate of Gross Profit	Means the percentage of Gross Profit which, had the interruption of or interference with the Business Insured not occurred, would have been earned on the Annual turnover.
Specified standing charges	means any fixed costs specified in The Schedule which continue to be payable in full during the indemnity period
Specified working Charges	means any costs incurred for the acquisition of goods, raw materials, chemicals and portion of utilities consumption or auxiliaries as well as for supplies unless required for the upkeep of operations and any costs for packaging, carriage, freight, intermediate storage, turnover tax, purchase tax, licence fees and royalties, insofar as such costs are dependent on turnover.
Turnover	Means the amount of money (less discounts allowed) paid or payable to The Insured for goods, products or services sold, delivered or rendered in the course of the Business Insured.

B.4.39. Insuring Clause

Loss of gross profit (the actual loss sustained) during the indemnity period resulting from a reduction in turnover including any increased cost of working due to an interruption of the Insured's Business following loss of or damage to any property and/or assets (including Stocks at plants) insured and recoverable under the Property Damage section.

B.4.40. Indemnification

The indemnity for the loss of Interest Insured shall be in respect of:

- Gross Profit, the loss actually sustained during the indemnity period resulting from a reduction in turnover including any Increased Cost of Working
- Or
- Specified standing charges, the amount actually not earned during the indemnity period resulting from a reduction in turnover including any Increased Cost of Working.

The indemnity shall not exceed the Sum Insured for the maximum indemnity period.

B.4.41. Sum Insured

The Sum Insured shall be

(a) the annual Gross Profit specified in The Schedule

or

(k) the annual specified standing charges.

Should the indemnity period exceed twelve months, the Gross Profit or the specified standing charges shall be the pro rata amount for that period.

B.4.42. Period of Insurance

The Period of Insurance shall be the period specified in The Schedule.

Should at any time after the commencement of this Policy of Insurance

(a) the business be wound up or carried on by a liquidator or receiver or administrator or be permanently discontinued,

(l) The Insured's interest cease otherwise than by death,

then the cover under this Section shall cease on the respective date unless specifically agreed by The Insurer in writing.

B.4.43. Indemnity period

The indemnity period shall be the period during which the Interest Insured is affected by an interruption of or interference with the Business Insured beginning on the date of the occurrence of loss or damage and not exceeding the maximum indemnity period specified in The Schedule.

B.4.44. Premium

A deposit Premium shall be paid at the inception of this Policy of Insurance and shall be calculated by multiplying the Sum Insured by the Premium Rate.

If The Insured declares at the latest six months after the expiry of any Period of Insurance that the Gross Profit earned during the accounting period of twelve months most closely concurrent with any Period of Insurance, as certified by The Insured's auditors, was less than the Sum Insured thereon, a pro rata return of Premium not exceeding 50% of the Premium paid on such Sum Insured for such Period of Insurance shall be made in respect of the difference. Where however the declaration is not received by the Company within six months after the expiry of the period of insurance no refund shall be admissible.

If any loss or damage has occurred giving rise to any payment under this Section then the amount of any such payment shall be added to the Gross Profit as certified by The Insured's auditors and any return of Premium shall be based on the difference between such sum and the Sum Insured.

B.4.45. Time excess and monetary Deductible

In any one occurrence of loss or damage the insurer shall not be liable for the amount obtained by multiplying the average daily value of the Interest insured of the production line(s) having sustained an indemnifiable loss by the number of days specified in The

Schedule as the time excess plus any additional monetary Deductible agreed or for the amount of any monetary Deductible specified in The Schedule, whichever is higher.

B.4.46. Additional Exclusions for Business Interruption

In addition to the exclusions under General Conditions of this Policy of Insurance this Section III shall not cover any loss resulting from interruption of or interference with the Business directly or indirectly attributable to any of the following causes:

- (a) loss of Interest Insured due to an interruption of or interference with the Business Insured resulting from:
- (m) loss or damage covered under the operational material damage Section by way of endorsement, unless expressly specified as covered in The Schedule;
- (n) earthquake, volcanic eruption or tsunami, unless expressly specified as covered in The Schedule and/or endorsed to this Policy of Insurance;
- (o) any restrictions imposed by public authority, including restrictions imposed on reconstruction or operation;
- (p) Consequential Loss due to causes such as suspension, lapse or cancellation of a lease, licence or order, etc., which occurs after the date when the items lost, destroyed or damaged are in operating condition again and the Business Insured could have been resumed if said lease, licence or order, etc. had not lapsed or had not been suspended or cancelled
- (q) loss or damage due to abnormal conditions directly or indirectly resulting from experimental testing, testing during the first 72 hours continuous operation of performance/acceptance tests or intentional overloading beyond approved safety limits;
- (r) shortage, destruction, deterioration of or damage to raw materials, semi-finished or finished products or other materials required for proper operation, even if the consequence of material damage to an item indicated in the list of Property Insured is involved
- (s) Erasure, loss, distortion or corruption of information on computer systems or other records or software programs unless resulting from an occurrence of loss or damage indemnifiable under the operational material damage section.
- (t) Loss or damage for which the manufacturer or supplier of the property is responsible either by law or under contract.
- (u) The Insured not having at his disposal in good time sufficient capital for repairing or replacing destroyed or damaged machinery;
- (v) The Insurer shall not be liable for the amount of any fines or damages for breach of contract, for late or non-completion of orders, or for penalties of whatever nature.

B.4.47. Special Conditions pertaining to Claims notification and The Insured's special obligations following an occurrence of loss or damage

- (a) The Insured shall be obliged to keep for the Period of Insurance complete records of the Business Insured, including without limitation - inventories, production and balance

sheets for the three preceding years. All records shall be held in safekeeping and, as a precaution against their being simultaneously destroyed, The Insured shall keep separate sets of such records.

- (b) In the event of any occurrence of loss or damage which might cause an interruption of or interference with the Business Insured
- i. The Insured shall immediately notify The Insurer and send it written confirmation thereof within forty-eight hours of the occurrence;
 - ii. The Insurer and The Insurer's Agents shall have unlimited access to the Premises to establish the possible cause and extent of the loss or damage, its effect on the Interest Insured, to examine the possibilities for minimizing the interruption of or interference with the Business Insured, and if necessary to make reasonable recommendations for the avoidance or minimization of such interruption or interference;
 - iii. The Insurer and The Insurer's Agents shall have the right to enter any building where the loss has happened and may take possession of or require that any of the damaged Property Insured be rendered to them and may keep possession of and deal with such damaged Property Insured for all reasonable purposes and in any reasonable manner. This condition shall be evidence of the leave and licence of The Insured to The Insurer so to do.
- (c) If The Insured or anyone acting on his behalf hinders or obstructs The Insurer in any way or does not comply with any recommendations The Insurer may make pursuant to clause B.3.10 (b) above, all benefits under this Section shall be forfeited.
- (d) In the event of a claim being made under this section, The Insured shall at his own expense deliver to The Insurer not later than thirty days after the interruption of or interference with the Business Insured or within such further periods as The Insurer may allow in writing a written statement setting forth particulars of the claim.
- (e) The Insured shall at his own expense produce and furnish to The Insurer such books of account and other business books or other evidence as may reasonably be required by The Insurer for the purpose of investigating or verifying the claim together with, if required, a statutory declaration of the truth of the claim and of any matters connected therewith.

B.4.48. Conditions for Loss settlement under Section III

In the event of an interruption of or interference with the Business Insured the basis of loss settlement under this Section shall be as follows:

B.4.48.1. Loss of Gross Profit

In respect of loss of Gross Profit, The Insurer shall pay the amount obtained by multiplying the Rate of Gross Profit with the amount by which the actual turnover during the indemnity period falls short of the turnover, which would have been achieved, had the loss or damage not occurred.

If the annual Sum Insured hereunder is less than the amount obtained by multiplying the Rate of Gross Profit by the Annual turnover or, if the indemnity period exceeds twelve

months, the turnover calculated for the equivalent period, the amount payable shall be reduced proportionately.

B.4.48.2. Specified standing charges

In respect of specified standing charges, The Insurer shall pay the amount obtained by multiplying the percentage by which the actual turnover during the indemnity period falls short of the turnover which would have been achieved had the interruption of or interference with the Business Insured not occurred by the amount of specified standing charges incurred during the interruption or interference.

If the Sum Insured hereunder is less than the amount obtained by multiplying the Rate of Gross Profit by the Annual turnover or, if the indemnity period exceeds twelve months, the pro rata turnover for that period, the amount payable shall be reduced proportionately.

B.4.48.3. Calculation of Rate of Gross Profit and Annual turnover

In calculating the Rate of Gross Profit and Annual turnover, the following aspects shall be taken into consideration:

- (a) the trend of the Business Insured;
- (b) the results of the Business Insured during the financial year preceding the date of the loss or damage or, in the event of the loss or damage occurring during the first year of commercial operation, the turnover during the following financial year;
- (c) any circumstances affecting the Business Insured either before or after loss or damage or which would have affected the Business Insured had the loss or damage not occurred;
- (d) any benefits from deferred sales or from increased production and/or profits as a consequence of an interruption of or interference with the Business Insured which The Insured may receive during a period of six months immediately following the re-commissioning of insured plant and/or machinery after a loss or damage;
- (e) allowance for the time spent on any overhauls, inspections or modifications carried out during the period the Business Insured was affected by any interruption or interference;
- (f) any money paid or payable in respect of goods which are sold or services which are rendered elsewhere than at the Premises for the benefit of the Business Insured either by The Insured or by another party acting on his behalf;
- (g) any amount saved during the indemnity period in respect of any charges and expenses of the business payable out of the Gross Profit that may cease or be reduced in consequence of loss or damage.

The final figures shall represent as closely as may be deemed reasonable the results, which the Business Insured would have achieved, had the loss or damage not occurred

B.4.48.4. Payment of Indemnity

- B.4.48.4.1. Subject to clause C.1.11.4.3 below The Insurer shall pay The Insured any amount due under this Section one month after final determination of the amount due.
- B.4.48.4.2. The Insured may, one month after The Insurer has been duly notified of the loss of Interest Insured and has acknowledged its liability, claim as advance payment(s) the minimum amount(s) The Insurer agrees are payable.
- B.4.48.4.3. The Insurer shall be entitled to postpone payment beyond the period set out in C.1.11.4.1 above if
- (a) there are doubts as to The Insured's right to receive payment, in which case payment shall not become due until such time as the necessary proof is furnished by The Insured or The Insurer accepts liability;
 - (b) as a result of any loss or damage or any interference with or interruption of the Business Insured, police or criminal investigations have been initiated against The Insured, in which case payment will not become due until the completion of such investigations, provided always that if The Insured is convicted of any offence in respect of any claim for indemnity under this Policy of Insurance, the insurance cover under this Section shall be void.
- B.4.48.4.4. The Insurer shall not be liable to pay interest on indemnity withheld other than interest for default.

B.4.49. Provisions to Section III**B.4.49.1. Value Added Tax**

To the extent that The Insured is accountable to the tax authorities for Value Added Tax, all terms in this Policy of Insurance shall be exclusive of such tax.

B.4.49.2. Current Cost Accounting Adjustment

For the purpose of the definitions in B.3.1, any adjustment implemented in current cost accounting shall be disregarded.

B.4.50. Special Conditions pertaining to Section III**B.4.50.1. Departmental Clause**

If the Business be conducted in Departments, the independent trading results of which are ascertainable the indemnity provisions of clauses 1 a) and 1 b) of the item of Gross Profit shall apply separately to each Department affected by the incident.

B.4.50.2. Overhauls

In calculating the loss, due allowance shall be made for the time spent on any overhauls, inspections or modifications carried out during any period of interruption.

B.4.50.3. Alternative premises

If during the indemnity Period goods shall be sold or services shall be rendered elsewhere than at the premises for the benefit of the Business either by the Insured or by others on their behalf the money paid or payable in respect of such sales or services shall be brought into account in arriving at the Turnover during the Indemnity Period.

B.4.50.4. Group Interdependency

Loss as insured by this section of the policy of insurance resulting from interruption of or interference with the business in consequence of loss or damage to property whether or not insured under material damage section of the policy and situated at any other premises in territorial limits owned and /or occupied and/or used by the insured for the purpose of business insured or any other business shall be deemed to be insured.

B.4.50.5. Aggravation Clause

This policy does not cover losses arising out of excluded perils. However it is noted and agreed that, where an insured loss exists and is aggravated by an excluded peril, the impact of this excluded peril shall not preclude the right of the insured to be indemnified for the claim arising out the original loss. The claim, nevertheless, will be limited to the amount of the loss that the insured has suffered being clearly distinguishable as arising from the original loss as opposed to the excluded peril.

B.4.50.6. Outage clause

This clause defines the period from the time the breakdown of any equipment resulting in shut down of unit resulting in shut down of unit till the unit is synchronized and achieved full load or in operation for 72 hours since operation, whichever is earlier.

B.4.50.7. Additional increased Cost of Working

It is hereby agreed and declared that notwithstanding anything contained herein to the contrary, this coverage extends to cover costs and expenses necessarily and reasonably incurred during the indemnity period in consequence of the 'damage' for the purpose of maintaining the business, it being understood that if any such costs is of a capital asset nature then account shall be taken of the residual value of such capital items so involved existing at the end of the maximum indemnity period.

B.4.50.8. Premium adjustment

The premium hereunder this Section III is provisional and shall be calculated on the basis as shown in the Schedule of this policy.

At the latest six months after the expiry of this policy the Insured shall declare the Actual Gross profit Earned during the policy period suitably adjusted to reflect the period of indemnity and in the event of this being less than the sum insured thereon a return of

premium not exceeding 50% of the premium paid for the Policy period will be made in respect of the differences. If the Annual Gross Profit is more than the sum insured mentioned in the Policy, no additional premium would be payable. However, in such a contingency, the insurer shall be considered as being his own insurer for the difference and shall bear a rateable proportion of loss.

If any damage shall have occurred, giving rise to a claim under this policy such premium adjustment shall be made in respect only of so much of the said difference as is not due to such damage.

B.4.51. Additional Extensions to Section III

B.4.51.1. Delayed Indemnity Clause

In the event of an interruption to the business insured arising out of peril not excluded hereunder which commences and / or recommence at a date later of the loss or damage to the property insured hereunder which gives rise to such business interruption, insurer shall agree to extend the period during which indemnity is provided by this policy.

Provided always the insurers shall not be liable for more than the indemnity limits as stated in the schedule nor Maximum indemnity period as stated in schedule.

Under no circumstance shall insurers be liable for any loss under this policy if such interruption to the business insured commences later than 3 months after the date of the loss or damage to the property insured hereunder and which shall occur after the conclusion of the period commencing on the date of damage and ending not later than the date of conclusion of the maximum indemnity period and 12 months thereafter.

B.4.51.2. Alternative Basis

It is agreed and declared that at the option of the Insured, the term "Output" may be substituted for the term "Turnover" and for the purpose of this Section of Policy "Output" shall mean the sale value of goods manufactured by the Insured in the course of the Business at the premises, Provided that only one such meaning shall be operative in connection with any one occurrence involving Damage (as herein defined).

B.4.51.3. Auditors Fees:

The policy is extended to cover reasonable charges payable by the Insured to their Auditors for producing and certifying any particulars or details contained in the Insured's books of account or other business books or documents or such other proofs, information or evidence as may be required by the Company. Any particulars or details contained in the Insured's books of account or other business books or documents which may be required by the Company for the purpose of investigating or verifying any claim hereunder may be produced and certified by the Insured's Auditors, and their certificate shall be prima facie evidence of the particulars and details to which such certificates relates.

B.4.51.4. New Business Claims

For the purpose of any claim arising from damage occurring before the completion of the first year's trading of the business at the premises, the terms "Rate of Gross Profit", Annual Output/ Turnover and "Standard Output/ Turnover" shall bear the following meanings and not as within stated:

RATE OF GROSS PROFIT – The rate of Gross Profit earned on the Output/ Turnover during the period between the date of the commencement of the business and the date of the damage.	To which such adjustments shall be made as may be necessary to provide for the trend of the business and for variations in or special circumstances affecting the business either before or after the damage or which would have affected, the business had the damage not occurred so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the damage would have been obtained during the relative period after the damage.
ANNUAL OUTPUT/ TURNOVER – The proportional equivalent for a period of twelve months or the Output/ Turnover realised during the period between the commencement of the business and the date of the damage.	
STANDARD OUTPUT/ TURNOVER – The proportional equivalent for a period equal to the indemnity period of the Output /Turnover realised during the period between the commencement of the business and the date of damage.	

EXTENSIONS APPLICABLE TO SECTION I, II & III

AGREED BANK CLAUSE

It is hereby declared and agreed:-

That upon any monies becoming payable under this policy the same shall be paid by the Company to the Bank and such part of any monies so paid as may relate to the interests of other parties insured hereunder shall be received by the Bank as Agents for such other parties.

That the receipts of the Bank shall be complete discharge of the Company therefore and shall be binding on all the parties insured hereunder.

N.B: The Bank shall mean the first named Financial Institution/ Bank named in the policy.

That if and whenever any notice shall be required to be given or other communication shall be required to be made by the Company to the insured or any of them in any manner arising under or in connection with this policy such notice or other communication shall be deemed to have been sufficiently given or made if given or made to the Bank.

That any adjustment, settlement, compromise or reference to arbitration in connection with any dispute between the Company and the insured or any of them arising under or in connection with this policy if made by the Bank shall be valid and binding on all parties insured hereunder but not so as to impair rights of the Bank to recover the full amount of any claim it may have on other parties insured hereunder.

- i. That any adjustment, settlement, compromise or reference to arbitration in connection with any dispute between the Company and the insured or any of them arising under or in connection with this policy if made by the Bank shall be valid and binding on all parties insured hereunder but not so as to impair rights of the Bank to recover the full amount of any claim it may have on other parties insured hereunder.
- ii. That this insurance so far only as it relates to the interest of the Bank therein shall not cease to attach to any of the insured property by reason of operation of condition 3 of the Policy except where a breach of the condition has been committed by the Bank or its duly authorised agents or servants and this insurance shall not be invalidated by any act or omission on the part of any other party insured hereunder whereby the risk is increased or by anything being done to upon or any building hereby insured or any building in which the goods insured under the policy are stored without the knowledge of the Bank provided always that the Bank shall notify the Company of any change of ownership or alterations or increase of hazards not permitted by this insurance as soon as the same shall come to its knowledge and shall on demand pay to the Company necessary additional premium from the time when such increase of risks first took place and

iii. It is further agreed that whenever the Company shall pay the Bank any sum in respect of loss or damage under this policy and shall claim that as to the Mortgagor or owner no liability therefore existed, the Company shall become legally subrogated to all the rights of the Bank to the extent of such payments but not so as to impair the right of the Bank to recover the full amount of any claim it may have on such Mortgagor or Owner or any other party or parties insured hereunder or from any securities or funds available.

N.B: In cases where the name of any Central Government or State Government owned and / or sponsored Industrial Financing or Rehabilitation Financing Corporations and /or Unit Trust of India or General Insurance Corporation of India and/or its subsidiaries or LIC of India/ any Financial Institution is included in the title of the Fire Policy as mortgages, the above Agreed Bank Clause may be incorporated in the Policy substituting the name of such institution in place of the word 'Bank' in the said clause.

Bankers Details:

Name of Financers
Standard Chartered Bank
Axis Bank Limited
Bank of Baroda
Central Bank of India
Citibank N.A
DBS Bank India Limited
HDFC Bank Limited
ICICI Bank Limited
IDBI Bank Limited
IDFC First Bank Limited
Indian Bank
Kotak Mahindra Bank Limited
Punjab and Sind Bank
Punjab National Bank
RBL Bank Limited
State Bank of India
The Federal Bank Limited
UCO Bank
Union Bank Of India
Yes Bank Limited
IDBI Trusteeship Services Limited

Terrorism Damage Cover Endorsement

Terrorism Damage Cover Endorsement - Material Damage and Loss of Profit

INSURING CLAUSE

Subject otherwise to the terms, exclusions, provisions and conditions contained in the Policy and in consideration of the payment by the Insured to the Company of additional premium as stated in the Schedule, it is hereby agreed and declared that notwithstanding anything stated in the 'Terrorism Risk Exclusion' of this Policy to the contrary, this Policy is extended to cover:-

(i) Physical loss or physical damage occurring during the period of this Policy caused by an act of terrorism, subject to the exclusions, limits and excess hereinafter contained,

For the purpose of this cover, an act of terrorism means an act or series of acts, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organization(s) or government(s), or unlawful associations, recognized under Unlawful Activities (Prevention) Amendment Act, 2008 or any other related and applicable national or state legislation formulated to combat unlawful and terrorist activities in the nation for the time being in force, committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public or any section of the public in fear for such purposes.

(ii) loss, damage, cost or expense directly caused by, resulting from or in connection with any action taken in suppressing, controlling, preventing or minimizing the consequences of an act of terrorism by the duly empowered government or Military Authority.

Provided that If the Insured is eligible for indemnity under any government compensation plan or other similar scheme in respect of the damage described above, this Policy shall be excess of any recovery due from such plan or scheme.

For the purpose of the aforesaid inclusion clause, "Military Authority" shall mean armed forces, para military forces, police or any other authority constituted by the government for maintaining law and order.

(iii) Loss resulting from necessary interruption of business caused by direct physical loss or damage in respect of which liability has been admitted by the Company under (i) and/or (ii) above. In the event of such direct physical loss or damage, this Policy shall be liable for the actual loss sustained by the insured resulting directly from such necessary interruption of business, but not exceeding the loss of gross profits, as defined in the Policy, less charges and expenses which are not necessary during the interruption of business, for such length of time as would be required, with the exercise of due diligence and dispatch, to repair, rebuild or replace such part of the property as has been destroyed or damaged, commencing with the date of such direct physical loss or damage and not limited by the expiration of this Policy.

Due consideration shall be given to the continuation of normal charges and expenses, including payroll expenses, to the extent necessary to resume operations of the Insured with the same operational capability as existed immediately before the loss.

LOSSES EXCLUDED**(A) For Materials Damage**

This cover shall not indemnify loss of or damage to property caused by any or all of the following:-

1. loss by seizure or legal or illegal occupation;
2. loss or damage caused by:
 - voluntary abandonment or vacation,
 - confiscation, commandeering, nationalisation, requisition, detention, embargo, quarantine, or any result of any order of public or government authority, which deprives the Insured of the use or value of its property;
3. loss or damage arising from acts of contraband or illegal transportation or illegal trade;
4. loss or damage directly or indirectly arising from or in consequence of the seepage and or discharge of pollutants or contaminants, which pollutants and contaminants shall include but not be limited to any solid, liquid, gaseous or thermal irritant, contaminant or toxic or hazardous substance or any substance the presence, existence or release of which endangers or threatens to endanger the health, safety or welfare of persons or the environment;
5. loss or damage arising directly or indirectly from or in consequence of chemical or biological emission, release, discharge, dispersal or escape or chemical or biological exposure of any kind;
6. loss or damage arising directly or indirectly from or in consequence of asbestos emission, release, discharge, dispersal or escape or asbestos exposure of any kind;
7. any fine, levy, duty, interest or penalty or cost or compensation/damages and/or other assessment which is incurred by the Insured or which is imposed by any court, government agency, public or civil authority or any other person;
8. loss or damage by electronic means including but not limited to computer hacking or the introduction of any form of computer virus or corrupting or unauthorised instructions or code or the use of any electromagnetic weapon.

This exclusion shall not operate to exclude losses (which would otherwise be covered under this Policy) arising from the use of any computer, computer system or computer software programme or any other electronic system in the launch and/or guidance system and/or firing mechanism of any weapon or missile;
9. loss or damage caused by vandals or other persons acting maliciously or by way of protest or strikes, labour unrest, riots or civil commotion;
10. loss or increased cost occasioned by any public or government or local or civil authority's enforcement of any ordinance or law regulating the reconstruction, repair or demolition of any property insured hereunder;

11. any consequential loss or damage, loss of use, delay or loss of markets, loss of income, depreciation, reduction in functionality, or increased cost of working;
12. loss or damage caused by factors including but not limited to cessation, fluctuation or variation in, or insufficiency of, water, gas or electricity supplies and telecommunications or any type of service;
13. loss or increased cost as a result of threat or hoax;
14. loss or damage caused by or arising out of burglary, house - breaking, looting, theft, larceny or any such attempt or any omission of any kind of any person (whether or not such act is committed in the course of a disturbance of public peace) in any action taken in respect of an act of terrorism;
15. loss or damage caused by mysterious disappearance or unexplained loss;
16. loss or damage directly or indirectly caused by mould, mildew, fungus, spores or other micro-organism of any type, nature or description, including but not limited to any substance whose presence poses an actual or potential threat to human health;
17. total or partial cessation of work or the retardation or interruption or cessation of any process or operations or omissions of any kind.

(B) For Loss of Profit

This cover shall not indemnify:-

- increase in loss resulting from interference at the insured premises, by terrorists or other persons, with rebuilding, repairing or replacing the property or with the resumption or continuation of operation;
- increase in loss caused by the suspension, lapse, or cancellation of any lease, license, contract, or order, unless such results directly from the insured interruption of business, and then the Company shall be liable for only such loss as affects the Insured's earnings during, and limited to, the period of indemnity covered under this Policy;
- increase in loss caused by the enforcement of any ordinance or law regulating the use, reconstruction, repair or demolition of any property insured hereunder;
- the Insured's lack of sufficient capital for timely restoration or replacement of property lost destroyed or damaged;

1. loss resulting from :

- a) deliberate erasure, loss, distortion or corruption of information on computer systems or other records, programmes or software;
- b) deliberate erasure, loss, distortion or corruption of information on computer systems or other records, programmes or software unless caused by damage to the machine or apparatus in which the records are mounted;

2. loss resulting from alterations, additions, improvements, rectification of defects or faults or elimination of any deficiencies carried out after the physical ;
 - loss of market or any other consequential loss.
 - loss as a result of physical or mental or bodily injury to any person.
 - loss arising from Contingent Business Interruption Extension of Business Interruption/Loss of Profit Section under this policy, comprising of Customers and Suppliers premises, Prevention of Access and Public Utilities.

LIMIT OF INDEMNITY

The limit of indemnity under this cover shall not exceed the Total Sum Insured given in the policy schedule or INR 20,000,000,000 whichever is lower. In respect of several insurance policies within the same compound/location and/or arising out of a single event with one or different insurers, the maximum aggregate loss payable per compound/location and/or arising out of a single event by any one or all insurers shall be INR 20,000,000,000. If the actual aggregate loss suffered at one compound/location and/or arising out of a single event is more than INR 20,000,000,000 the amounts payable towards individual policies shall be reduced in proportion to the sum insured of the policies.

DEFINITION OF SINGLE EVENT

Physical loss or physical damage arising during a period of 72 consecutive hours out of an "act of terrorism" would be considered as single event.

EXCESS***A. For material damage:-**

Shops & Residential Risks: 1% of the claim amount of each and every claim subject to minimum of INR 10,000 and maximum of INR 500,000

Non - Industrial Risks: 1% of the claim amount of each and every claim subject to minimum of INR 25,000 and maximum of INR 1,000,000

Industrial Risks: 5% of the claim amount of each and every claim subject to minimum of INR 1,00,000 and maximum of INR 25,00,000

*whichever is applicable

B. For Loss of Profit :-

In any one occurrence of loss or damage, the Company shall not be liable for the amount obtained by multiplying seven (7) days standard turnover with rate of gross profit.

ADD ON Covers

It is further declared and agreed that the limit of indemnify including the claim on add on cover(s) shall not exceed total sum insured plus separate sub-limit opted for add on cover(s) or INR 20,000,000,000 whichever is lower. in respect of several insurance policies with in the same compound/location or affected in the single event, the maximum aggregate loss payable per compound/location and or arising out of single event by any one or all insures shall be INR 20,000,000,000 .

Add ons	Sub Limits
Start Up/ Shut Down Expenses	INR 10 Crs EEL and 50 Crs in aggregate
Architect's Surveyor's and Consulting Fees	INR 5 Crs EEL and in aggregate
Omission to Insure	5% of MD SI excl. stocks
Temporary Removal of Stocks	INR 50 Crs EEL and in aggregate
Removal of Debris	INR 25 Crs EEL and in aggregate
Escalation	10% of MD SI excl. stocks

MID TERM COVER

In case the coverage under this endorsement is granted during the currency of the policy, no claims will be payable for loss or damage to property caused by an act of terrorism occurring during the first 15(fifteen) days from the date of granting such cover.

SANCTON, LIMITATION AND EXCLUSION CLAUSE

No (re)insurer shall be deemed to provide cover and no (re)insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that (re)insurer to nay sanction, prohibition or restriction under united nations resolutions or the trade or economic sanctions, laws or regulations of the European union, united kingdom or united states of America.

CANCELLATION CLAUSE

Cancellation if initiated by insured, the insurer will retain minimum premium as per short period scale and will refund the balance amount. If cancellation has been initiated by insurer then refund of premium shall be on pro-rata basis for the unexpired term of the policy.

Where a policy is cancelled and rewritten midterm purely for the purpose of coinciding with the accounting year of the insured, pro-rate refund of the cancelled policy premium will be allowed. If the cancellation is for any other purpose, refund of premium will only be allowed after charging short term scale rates. Note: The definitions, terms and conditions of the Policy save as modified or endorsed herein shall apply.

Incase of realignment of policy wherein the policy is replaced by a new annual policy covering the identical property, refund of premium shall be subject to the prevalent GIC regulations/guidelines.

Note: The definitions, terms and conditions of the Policy save as modified or endorsed herein shall apply.

CLAUSES ATTACHED TO THE POLICY

1. DESIGNATION OF PROPERTY CLAUSE

For the purpose of determining, where necessary, the item under which any property is insured, the insurers agree to accept the designation under which the property has been entered in the insured's books.

2. NOMINATED LOSS ADJUSTERS;

	"Any entity mutually decided by the Insured and the Lead Insurer".
--	--

3. COINSURANCE CLAUSE

It is hereby confirmed that the coinsurance clause under this policy is governed by the Coinsurance Agreement dated 20th February 2009 of the General Insurance Council. This agreement, inter alia, lays down guidelines as follows:

- The Lead Insurer shall be responsible for the terms and conditions of the coverage, handling premiums and claims (including their investigation, settlement and payment).
- Premium shall be paid by the Insured to the Lead Insurer and then shall be paid by the Lead Insurer to co-insurers as per their allocated share after deduction of any policy handling / administration charges.
- Similarly Claim expenses and payments shall be paid by the Lead Insurer to the Insured in the first place and shall be recovered by the Lead Insurer from the co-insurers as per their allocated shares under the policy. The Insurers named hereunder severally and jointly agree each for the proportion set against thereto to pay / make good to the Insured the actual loss or damage to the property insured arising from the perils covered.
- For large claims of above Rs.1 Cr, the Lead Insurer has the liberty to call upon the co-insurer(s) to remit their proportion of the liability in advance within 21 days from the date of receipt of such call. Failure to comply with such demand shall render the defaulting co-insurer(s) to pay interest at 10% per annum after the expiry of the stipulated period of 21 days, until it is paid in full.

Provided That:

1. The liability of the Insurers shall in no case exceed in respect of each item of the sum insured thereon or in whole, the total sum insured thereby or such other sum or sums as may be substituted thereof by endorsement.

2. The liability of the Insurers individually in respect of such loss or damage shall be limited to the proportion set against its name or such proportion as may be substituted thereof by endorsement.

It is hereby declared and agreed that the Insurers named hereunder as per the Policy Schedule – List of Participating Insurers severally agreed each for the proportion set against their name.

a) To pay or make good to the Insured the value of the property at the time of the happening of its loss or destruction or the amount of such damage thereto as provided for under the policy and/or

b) To indemnify the Insured against liability at law for damage to property and/or injuries to persons as provided for under the policy.

Subject otherwise to the terms, exceptions, conditions and limitations of this policy.

GENERAL EXCLUSIONS (APPLICABLE TO ALL SECTIONS)

Notwithstanding any provision to the contrary within this Policy or any endorsement thereto it is agreed that this Policy excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss:

6.1 Sanction and Limitation Clause

No insurer shall be deemed to provide cover and no (re) insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that (re) insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

6.2 Political Risk Exclusion

Notwithstanding any provision to the contrary within this insurance or any endorsement thereto it is agreed that this insurance excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss:

(1) War, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war. Permanent or temporary dispossession resulting from confiscation, commandeering, requisition or destruction of or damage to property by order

of the government de jure or de facto or by any public authority. Mutiny, civil commotion assuming the proportions of or amounting to a popular rising, tribal rising, military rising, insurrection, rebellion, revolution, military or usurped power, martial law or state of siege or any of the events or causes which determine the proclamation or maintenance of martial law or state of siege; or

(2) Strike, riot, looting, plundering, locked-out workers, persons taking part in labour disturbances, malicious persons (other than thieves); or

(3) Any act of terrorism.

For the purpose of this endorsement an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological, or ethnic purposes or reasons including the intention to influence any government and/or to put the public, or any section of the public, in fear.

This endorsement also excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to (1) and/or (2) and/or (3) above.

If the insurer alleges that by reason of this exclusion, any loss, damage, cost or expense is not covered by this insurance the burden of proving the contrary shall be upon the insured. In the event any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

6.3 Nuclear Energy Risk Exclusion

This Agreement shall exclude Nuclear Energy Risks whether such risks are written directly and/or by way of insurance and/or via Pools and /or Associations.

For all purposes of this Agreement Nuclear Energy Risks shall mean all first and/or third party insurances or insurances (other than Workers' Compensation and Employers' Liability) in respect of

All Property on the site of a nuclear power station (NPS)

Nuclear Reactors, reactor buildings, plant, and equipment therein on any site other than a NPS

All Property, on any site (including but not limited to the sites referred to above, used or having been used for

- a) the generation of nuclear energy or
- b) the production, use or storage of nuclear material

- 3. Any other Property eligible for insurance by the relevant local Nuclear Insurance Pool and/or Association but only to the extent of the requirements of that local Pool and/or Association
- 4. The supply of goods and services to any of the sites described in 4.3.1 to 4.3.3 above, unless such insurances or reinsurances shall exclude the perils of irradiation and contamination by Nuclear Material. Except as under noted, Nuclear Energy Risks shall not include:
 - a) any insurance or reinsurance in respect of the construction or erection or installation or replacement or repair or maintenance or decommissioning of Property as described in 4.3.1 to 4.3.3 above (including Contractors' Plant and Equipment)

- b) any Machinery Breakdown or other Engineering Insurance or reinsurance not coming within the scope of 4.3.4 (a) above

Provided always that such insurance shall exclude the perils of irradiation and contamination by Nuclear Material.

However, the above exemption shall not extend to:

A. The provision of any insurance or reinsurance whatsoever in respect of

A.1 Nuclear Material;

A.2 Any Property in the High Radioactivity Zone or Area of any Nuclear Installation as from the introduction of Nuclear Material or for reactor installations – as from fuel loading or first criticality where so agreed with the relevant local Nuclear Insurance Pool and/or Association.

B. The provision of any insurance or reinsurance for the under-noted perils:

- Fire, lightning, explosion
- Earthquake
- Aircraft and other aerial devices or articles dropped there from
- Irradiation and radioactive contamination
- Any other peril insured by the relevant local Nuclear Insurance pool and/or Association in respect of any other Property not specified in A above which directly involves the production, use or storage of Nuclear Material as from the introduction of Nuclear Material into such property.

Definitions

“Nuclear Material” means Nuclear fuel, other than natural uranium and depleted uranium, capable of producing energy by a self-sustaining chain process of nuclear fission outside a Nuclear Reactor, either alone or in combination with some other material; and

“Radioactive Products or Waste” means any radioactive material produced in, or any material made radioactive by exposure to the radiation incidental to the production or utilization of nuclear fuel, but does not include radioisotopes which have reached the final stage of fabrication so as to be usable for any scientific, medical, agricultural, commercial or industrial purpose.

“Nuclear Installation” means

- Any Nuclear Reactor
- Any factor using nuclear fuel for the production of Nuclear Material, or any factory for the processing of Nuclear Material including any factory for the reprocessing of irradiated nuclear fuel; and
- Any facility where Nuclear Material is stored, other than storage incidental to the carriage of such material

“Nuclear Reactor” means any structure containing nuclear fuel in such an arrangement that a self-sustaining chain process of nuclear fission can occur therein without an additional source of neutrons.

“Production, use or storage of Nuclear Material” means the production, manufacture, enrichment, conditioning, processing, reprocessing, use, storage, handling and disposal of Nuclear Material.

“Property” shall mean all land, buildings, structures, plant, equipment, vehicles, contents (including but not limited to liquids and gases) and all materials of whatever description whether fixed or not.

6.4 Information Technology clarification Agreement

Property damage covered under this Agreement shall mean physical damage to the substance of property.

Physical damage to the substance of property shall not include damage to data or software, in particular any detrimental change in data, software or computer programs that is caused by a deletion, a corruption or a deformation of the original structure

Consequently the following are excluded from this Agreement -

Loss of or damage to data or software, particular any detrimental change in data, software or computer programs that is caused by deletion, a corruption or a deformation of the original structure, and any business interruption losses resulting from such a loss or damage. Notwithstanding this exclusion, loss of or damage to data or software, which is the direct consequence of insured physical damage to the substance of property, shall be covered.

Loss or damage resulting from an impairment in the function, availability, range of use or accessibility of data, software or computer programs, and any business interruption losses resulting from such loss or damage.

6.5 Radioactive Exclusion

Unless specifically agreed for an insured loss involving nuclear material under determined circumstances, this reinsurance does not cover loss, damage, cost or expense of whatsoever nature directly or indirectly caused, resulting from or in connection with nuclear energy or radioactivity of any kind including but not limited to any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss:

1. ionizing radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel
2. the radioactive, toxic, explosive or other hazardous or contamination properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof
3. any weapon or device_employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.
4. the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter.
any chemical, biological, bio-chemical or electromagnetic weapon

6.6 Cyber Risk Exclusion

1. Electronic Data Exclusion

Notwithstanding any provision to the contrary within the Policy or any endorsement thereto, it is understood and agreed as follows:

- (a) This Policy does not insure loss, damage, destruction, distortion, erasure, corruption or alteration of ELECTRONIC DATA from any cause whatsoever (including but not limited to COMPUTER VIRUS) or loss of use, reduction in functionality, cost, expense of whatsoever nature resulting therefrom, regardless of any other cause or event contributing concurrently or in any other sequence to this loss.

ELECTRONIC DATA means facts, concepts and information converted to a form useable for communications, interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment and includes programmes, software and other coded instructions for the processing and manipulation of data or the direction and manipulation of such equipment.

COMPUTER VIRUS means a set of corrupting, harmful or otherwise unauthorized instructions or code including a set of maliciously introduced unauthorized instructions or code, programmatic or otherwise, that propagate themselves through a computer system or network of whatsoever nature. COMPUTER VIRUS includes but is not limited to "Trojan Horses", "worms" and "time or logic bombs".

2. Electronic Data Processing Media Valuation

Notwithstanding any provision to the contrary within the Policy or any endorsement thereto, it is understood and agreed as follows:

Should electronic data processing media insured by this Policy suffer physical loss or damage insured by this Policy, then the basis of valuation shall be the cost of the blank media plus the costs of copying the ELECTRONIC DATA from back-up or from originals of a previous generation. These costs will not include research and engineering nor any costs of recreating, gathering or assembling such ELECTRONIC DATA. If the media is not repaired, replaced or restored, the basis of valuation shall be the cost of blank media. However, this Policy does not insure any amount pertaining to the value of such ELECTRONIC DATA to the Assured or any other party, even if such ELECTRONIC DATA cannot be recreated, gathered or assembled.

6.7 Communicable Disease Exclusion Clause

- Notwithstanding any provision, clause or term of this insurance Contract to the contrary, this insurance Contract excludes any loss, cost, damage, liability, claim, fines, penalty or expense or any other amount of whatsoever nature, whether directly or indirectly and/or in whole or in part, related to, caused by, contributed to by, resulting from, as a result of, as a consequence of, attributable to, arising out of, arising under, in connection with, or in any way involving (this includes all other terms commonly used and/or understood to reflect or describe nexus and/or connection from one thing to another whether direct or indirect):
 1. a Communicable Disease and/or the fear or threat (whether actual or perceived) of a Communicable Disease and/or the actual or alleged transmission of a Communicable Disease regardless of any other cause or event contributing and/ or occurring concurrently or in any sequence thereto, and
 2. a pandemic or epidemic, as declared by the World Health Organisation or any governmental authority.
- As used herein, Communicable Disease means: any infectious, contagious or communicable substance or agent and/or any infectious, contagious or communicable disease which can be caused and/or transmitted by means of substance or agent where:

- the disease includes, but is not limited an illness, sickness, condition or an interruption or disorder of body functions, systems or organs, and
- the substance or agent includes, but is not limited to, a virus, bacterium, parasite, other organism or other micro-organism (whether asymptomatic or not); including any variation or mutation thereof, whether deemed living or not, and
- the method of transmission, whether direct or indirect, includes but not limited to, airborne transmission, bodily fluid transmission, transmission through contact with human fluids, waste or the like, transmission from or to any surface or object, solid, liquid or gas or between organisms including between humans, animals, or from any animal to any human or from any human to any animal, and
- the disease, substance or agent is such:
 - that causes or threatens damage or can cause or threaten damage to human health or human welfare, or
 - that causes or threatens damage to or can cause or threaten damage to, deterioration to, contamination of, loss of value of, loss of marketability of or loss of use or usefulness of, tangible or intangible property.

For avoidance of doubt, Communicable Disease includes but is not limited to Coronavirus Disease 2019 (Covid -19) and any variation or mutation thereof.

- For further avoidance of doubt, any contingent or other business interruption loss, cost, damage, loss of income, loss of use, increased cost of working and/or extra expense arising out of or attributable to:
 - any partial or complete closure of and/or slowdown in, including but not limited to any closure by or under the advisories of public, military, government or civil authorities, or any denial of access to reinsured premises, or customer and or supplier premises (including service / utility providers), or
 - change in consumer behaviour, or
 - an absence of infected employees or employees suspected of being infected

shall not be covered by this insurance contract.

- For still further avoidance of doubt, loss, cost, damage, liability, claim, fines, penalty or expense or any other amount excluded hereby, includes but is not limited to any cost to identify, clean-up, detoxify, disinfect, decontaminate, mitigate, remove, evacuate, repair, replace, monitor, sanitize or test: (1) for a Communicable Disease or (2) any tangible or intangible property covered by this insurance Contract that is affected by such Communicable Disease.

- It is clarified that (1) no other prior, concurrent or subsequent provision, clause, term or exception of this insurance Contract (including (but not limited to) any prior, concurrent or subsequent endorsement and/or any provision, clause, term, buy back or exception that operates, or is intended to operate, to extend the coverage of, or protections provided by, this insurance Contract by whatever name called like any coverage extension, additional coverage, global extension, exception to any exclusion); (2) any change in the law, clause or similar provision; (3) any follow the fortunes clause or similar provision; and/or (4) no change in the law or any regulation (to the extent permitted by applicable law), shall operate to provide any insurance, coverage or protection under this insurance Contract that would otherwise be excluded through the exclusion set forth in this Clause.

If the insurer alleges that by reason of this Clause any amount is not covered by this insurance Contract the burden of proving the contrary shall rest in the insured.

6.8 WAR AND CIVIL WAR EXCLUSION CLAUSE

Notwithstanding anything to the contrary contained herein this Policy does not cover Loss or Damage directly or indirectly occasioned by, happening through or in consequence of 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 nationalization or requisition or destruction of or damage to property by or under the order of any government or public or local authority.

6.9 Pollution and Contamination Exclusion Clause

1. This insurance shall not cover any loss or damage due to contamination, pollution, soot, deposition, impairment with dust, chemical precipitation, adulteration, poisoning, impurity, epidemic and disease or due to any limitation or prevention of the use of objects because of hazards to health.
2. This exclusion does not apply if such loss or damage arises as a direct consequence of the perils
 - fire, lightning, explosion, impact of aircraft
 - vehicle impact, sonic boom
 - accidental escape of water from any tank apparatus or pipe
 - riot, civil commotion, malicious damage
 - storm, hail
 - flood, inundation
 - earthquake
 - landslide, subsidence
 - snow pressure, avalanche
 - volcanic eruption

or

physical damage of the type insured by the original policy which occurred on the insured premises.

3. If a peril not excluded from the original policy arises directly from pollution and/or contamination any loss or damage arising directly from that peril shall be covered.

All other terms and conditions of the reinsurance treaty shall be unaltered and especially the exclusions shall not be superseded by this clause.

ICICI Lombard General Insurance Company Limited

IRDA Reg. No. 115

CIN: L67200MH2000PLC129408

Mailing Address:

Registered Office:

Toll free No. : 1800 2666

401 & 402, 4th Floor, Interface 11, ICICI Lombard House, 414, Veer Savarkar Marg,
New Linking Road, Malad (West), Near Siddhi Vinayak Temple, Prabhadevi,
Mumbai - 400 064. Mumbai - 400 025.

Alternate No.: +919223622666 (chargeable)

Email: customersupport@icicilombard.com

Website: www.icicilombard.com

Ref. No.: 280821239568

Date: Aug 28, 2021

280821239568-BSA
LOGISTICS-14769-2

DN6685790

CESC LIMITED

CESC HOUSE- 1, CHITTARANJAN AVENUE, CHOWRINGHEE
SQUARE KOLKATA KOLKATA WEST BENGAL PIN- 700001

KOLKATA

WEST BENGAL - 700001

1003/200692324/03/000

Risk Assumption Letter

Dear Sir/Madam,

We value your relationship with ICICI Lombard and thank you for your continued support. We understand that you have different choices available, and appreciate the fact that you have placed your trust in us.

Please find attached herewith Policy No. 1003/200692324/03/000 which has been issued based on the previous year policy No. 1003/200692324/02/001 with us and the necessary endorsements (if any) done in the same policy.

Please go through the last year policy, endorsement documents and details provided in the policy document to ensure that they are in order. If you feel that there are any discrepancies/variations, please write to us immediately for the necessary changes/rectification. In the absence of any communication from you in this regard within a period of 15 days of receipt of this letter, we would understand that you have accepted the contents and the coverage to be in accordance with your proposal.

Thank you once again and look forward to a lasting relationship.

Yours sincerely



ICICI Lombard General Insurance Company Ltd

Date: Aug 28, 2021

Dispatch Advice Letter

Dear Sir/Madam,

We value your relationship with ICICI Lombard and thank you for your continued support. We understand that you have different choices available, and appreciate the fact that you have placed your trust in us.

Please find attached herewith Policy No. 1003/200692324/03/000 which has been issued based on the previous year Policy No. 1003/200692324/02/001 with us and the necessary endorsements (if any) done in the same policy for the following insured

CECSC LIMITED

CECSC HOUSE- 1, CHITTARANJAN AVENUE, CHOWRINGHEE SQUARE KOLKATA KOLKATA
WEST BENGAL PIN- 700001

KOLKATA
WEST BENGAL - 700001

Please go through the details as furnished in the format and also as provided in the policy document to ensure that they are in order. If you feel that there are any discrepancies/variations, please write to us immediately for the necessary changes/rectification. In the absence of any communication from you in this regard within a period of 15 days of receipt of this letter, we would understand that you have accepted the contents and the coverage to be in accordance with your proposal.

Your original policy will be handed over to you shortly by your Relationship Manager/ Agent/ Broker. In case you don't receive it within 10 days then please mail us on info@icicilombard.com stating the endorsement number.

Thank you once again and look forward to a lasting relationship.

Yours sincerely



ICICI Lombard General Insurance Company Ltd

INDUSTRIAL ALL RISK INSURANCE

SCHEDULE

Insured Details

Policy Number	: 1003/200692324/03/000
Issued at	: KOLKATA J.K MILLENIUM CENTRE
Name of the Insured	: CESC LIMITED
Hypothecation Details	: As per annexure 1
Mailing Address of the Insured	: CESC HOUSE- 1, CHITTARANJAN AVENUE, CHOWRINGHEE SQUARE KOLKATA KOLKATA WEST BENGAL PIN- 700001, ., KOLKATA, WEST BENGAL - 700001

Policy Details

Period of Insurance	: From : 00:00 Hours of Aug 01, 2021
	To : Midnight of Jul 31, 2022
Details of Property Insured	: As per Annexure II

Details of Sum Insured

Interest Covered	Sum Insured
Section I: Material Damage	
Fire & Allied Perils	: ₹ 8250573655
Machinery Breakdown	: ₹ 5954760006
Section II : Business Interruption	
Fire Loss of Profit	: ₹ 1030000000
Machinery Loss of Profit	: ₹

Add On Covers

Architect Surveyors Professionals Fees :	₹ 50000000.00
Removal of Debris :	₹ 250000000.00
Omission to insured Additions Alternation or Extensions :	₹ 356779340.00

Premium Computation

Net Premium	: ₹ 15017365
Add: Terrorism Premium	: ₹ 1970413
Net Premium (rounded off)	: ₹ 15017365
SGST	: ₹ 1351562.8500000001
CGST	: ₹ 1351562.8500000001
Total Amount	: ₹ 17720491

Indemnity Period:

As per Annexure - II

Clauses / Conditions / Warranties :

Subject to Clause(s) / Endorsement(s) as attached herewith:

1	01	Reinstatement Value clause.
2	02	Local authorities clause
3	03	72 hours clause
4	04	Departmental clause
5	05	Auditors Fees up to 5 Crs in aggregate.
6	IAR02	Agreed Bank Clauses
7	IAR04	Designation of Property Clause
8	IAR07	Escalation Clause
9	IAR10	Architects, Surveyors and Consulting Engineers Fees (in excess of 3% of the claim amount)
10	IAR11	Removal of Debris Clause (in excess of 1% of claim amount)
11	IAR12	Omission to Insured Addition, Alteration or Extensions

ICICI Lombard General Insurance Company Limited

IRDA Reg. No. 115

Mailing Address:

401 & 402, 4th Floor, Interface 11, New Linking Road, Malad (West), Mumbai - 400 064.

CIN: L67200MH2000PLC129408

Registered Office Address:

ICICI Lombard House, 414 Veer Savarkar Marg, Near Siddhi Vinayak Temple, Prabhadevi, Mumbai - 400 025.

UIN - IRDAN115CP0047V01201920

Toll free no. : 1800 2666

Alternate No. : 86552 22666 (chargeable)

Email : customersupport@icicilombard.com

Website : www.icicilombard.com

Industrial All Risk

Subject to Clause(s) / Endorsement(s) as attached herewith:

- 12 IAR14 Earth quake (Fire & Shock)
- 13 IAR18 Startup Expenses
- 14 IAR21 Terrorism Inclusion Endorsement
- 15 IAR27 Coinsurance Clause
- 16 IAR43 Specification F - Auditor's Clause

Subject to Conditions as mentioned below:

- 51 : 1. Communicable Disease Exclusion Endorsement Clause :1. Notwithstanding any provision clause or term of this insurance Contract to the contrary this insurance Contract excludes any loss cost damage liability claim fines penalty or expense or any other amount of whatsoever nature whether directly or indirectly and or in whole or in part related to caused by contributed to by resulting from as a result of as a consequence of attributable to arising out of arising under in connection with or in any way involving this includes all other terms commonly used and or understood to reflect or describe nexus and or connection from one thing to another whether direct or indirect :1.1 a Communicable Disease and or the fear or threat whether actual or perceived of a Communicable Disease and or the actual or alleged transmission of a Communicable Disease regardless of any other cause or event contributing and or occurring concurrently or in any sequence thereto and 1.2 a pandemic or epidemic as declared by the World Health Organisation or any governmental authority.
- 52 : 2. As used herein, Communicable Disease means: any infectious contagious or communicable substance or agent and or any infectious contagious or communicable disease which can be caused and or transmitted by means of substance or agent where:2.1 the disease includes but is not limited an illness sickness condition or an interruption or disorder of body functions systems or organs and 2.2 the substance or agent includes but is not limited to a virus bacterium parasite other organism or other micro-organism whether asymptomatic or not including any variation or mutation thereof whether deemed living or not and 2.3 the method of transmission whether direct or indirect includes but not limited to airborne transmission bodily fluid transmission transmission through contact with human fluids waste or the like transmission from or to any surface or object solid liquid or gas or between organisms including between humans animals or from any animal to any human or from any human to any animal and 2.4 the disease substance or agent is such:2.4.1 that causes or threatens damage or can cause or threaten damage to human health or human welfare or2.4.2 that causes or threatens damage to or can cause or threaten damage to deterioration to contamination of loss of value of loss of marketability of or loss of use or usefulness of tangible or intangible property..
- 53 : 3.For avoidance of doubt Communicable Disease includes but is not limited to Coronavirus Disease 2019 (Covid 19) and any variation or mutation thereof..3. For further avoidance of doubt any contingent or other business interruption loss cost damage loss of income loss of use increased cost of working and or extra expense arising out of or attributable to:3.1 any partial or complete closure of and or slowdown in including but not limited to any closure by or under the advisories of public military government or civil authorities or any denial of access to insured premises or customer and or supplier premises including service utility providers or 3.2 change in consumer behavior or3.3 an absence of infected employees or employees suspected of being infected shall not be covered by this insurance Contract..
- 54 : 4. For still further avoidance of doubt loss cost damage liability claim fines penalty or expense or any other amount excluded hereby includes but is not limited to any cost to identify clean up detoxify disinfect decontaminate mitigate remove evacuate repair replace monitor sanitize or test: 1 for a Communicable Disease or 2 any tangible or intangible property covered by this insurance Contract that is affected by such Communicable Disease.
- 55 : 5. It is clarified that : 1. no other prior concurrent or subsequent provision clause term or exception of this insurance Contract including but not limited to any prior concurrent or subsequent endorsement and or any provision clause term buy back or exception that operates or is intended to operate to extend the coverage of or protections provided by this insurance Contract by whatever name called like any coverage extension additional coverage global extension exception to any exclusion.2. any change in the law clause or similar provision.3. any follow the fortunes clause or similar provision and or.4. no change in the law or any regulation to the extent permitted by applicable law shall operate to provide any insurance coverage or protection under this insurance Contract that would otherwise be excluded through the exclusion set forth in this Endorsement Clause.
- 56 : 6. If the insurer alleges that by reason of this Endorsement Clause any amount is not covered by this insurance Contract the burden of proving the contrary shall rest in the insured..
- 57 : Alternative basis clause.
- 58 : New Business Clause
- 59 : Solicitors and Professional fees up to 5 Crs in aggregate
- 60 : Deliberate Damage up to 5 Crs in aggregate
- 61 : Demolition and Increased Cost of Construction upto Rs. 5 Crs. in aggregate
- 62 : Expediting expenses upto Rs. 5 Crs. in aggregate.
- 63 : Temporary protection clause in place of Immediate Repair up to 5 Crs in aggregate
- 64 : Restoration of Record, Plan and Document upto Rs. 5 Crs in aggregate
- 65 : Startup/ Shutdown expenses Rs. AOA:AOY limit 10 Crs: 50 Crs and in the aggregate

ICICI Lombard General Insurance Company Limited

IRDA Reg. No. 115

Mailing Address:

401 & 402, 4th Floor, Interface 11, New Linking Road,
Malad (West), Mumbai - 400 064.

CIN: L67200MH2000PLC129408

Registered Office Address:

ICICI Lombard House, 414 Veer Savarkar Marg,
Near Siddhi Vinayak Temple, Prabhadevi,
Mumbai - 400 025.

UIN - IRDAN115CP0047V01201920

Toll free no. : 1800 2666

Alternate No. : 86552 22666 (chargeable)

Email : customersupport@icicilombard.com

Website : www.icicilombard.com

Industrial All Risk

- 66 : Foam Consumption & Fire Extinguishing expenses up to 5 Crs in aggregate
67 : Expenses for Loss Minimization up to 5 Crs in aggregate
73 : Additional Customs Duty- Rs 5 Cr
76 : Machine Warranty Clause
77 : Minor Works Rs. 25 Cr any one project and 100 Crs in the aggregate for the policy period:1,00,00,00,000
78 : Property plant Testing & Commissioning clause.
79 : Plans, Documents & Computer records ½ Rs. 5 Crs AOA and in the aggregate
80 : Temporary Removal (including stock) ½ Rs. 50 Cr Territorial limit within India and any kind of transit outside the plant premises is excluded:50,00,00,000
81 : Loss Minimisation expense up to 5 Crs in aggregate.
82 : Property and consignment held in care, custody & control ½ Rs. 20 Cr AOA and in the aggregate (to be included in the PD SI)
83 : Customers premises extension - as per wordings mentioned below:20,60,00,000
84 : Suppliers premises extension - as per wordings mentioned below:20,60,00,000
85 : Utility Extension upto 10% of BI section Sum Insured and restricted to named, first tier and direct utilities only:10,30,00,000
86 : Errors of Omission upto 5 Crs in aggregate:
87 : Technological Advancement Cover upto Rs 25 Cr.
88 : Additional Increased cost of working upto Rs. 5 Crs
89 : Prevention of access with maximum limit of 4 weeks (over & above the policy time excess) and with maximum radius of 5 kilometers from insured premises & only inland. Coverage under this section shall extend to include loss or reduction resulting from cessation, interruption, interference or inhabitation to the business as consequence of physical destruction of or damage to property belonging to the Insured or property within a radius of 5 kms from the insured premises (inland only) which prevents or hinders the use of or access to the premises (excluding port blockage):7,90,13,699
90 : Sum insured bifurcation:Buildings:1180826797/-, Plant & Machinery:5954760006/-, Stock:401428172/-
733 : Sprinkler Upgrading Cost Rs 5 crs AOA:AOY

Deductibles:

As per Annexure - II

Subject to Special Conditions as mentioned below:

Deductible:-For Material Damage: 5% of Claim amount subject to a minimum amount of Rs 1.25 Crs. each & every loss. For FLOP : Deductible shall be 30 days of Standard Gross Profit

Suppliers and/or customers and/or utilities extension up to first tier or direct Suppliers/customers/public utilities.

Premises of Named customers & suppliers for a maximum limit of 20% of the limit of indemnity(Business Interruption Sum Insured/ Loss Limit) AOA : AOY-1:1. Coverage to be restricted to FLEXA perils for overseas customer/suppliers, whereas coverage to be restricted to FLEXA and AOG perils for Domestic customer/suppliers.

Premises of Un-named customers & suppliers located in India, for a maximum limit of 10% of the limit of indemnity (Business Interruption Sum Insured/ Loss Limit) AOA:AOY-1:1 and coverage restricted to FLEXA perils only.

No cover for unnamed suppliers/customers located overseas.

Public utilities for a maximum limit of 10% of the limit of indemnity (Business Interruption Sum Insured/ Loss Limit) AOA:AOY-1:1. Coverage to be restricted to the terminal ends of the utilities.

The limits specified above are in aggregate across all onshore customers/suppliers/public utilities respectively.

Assets like pipelines, transmission & distribution lines, cables, etc. extending beyond the suppliers d/ or customers and/ or utilities premises are excluded from coverage

Subject to Warranties as mentioned below:

- Policy shall stand canceled ab initio in the event of non-realization of the premium

Co-insurance Details

S No.	Name of the Co-insurer	Share in%	Type
1	ICICI LOMBARD	65	LEADER
2	NATIONAL	10	FOLLOWER
3	BAJAJ ALIANZ	7	FOLLOWER
4	RELIANCE	5	FOLLOWER
5	SBI GIC	5	FOLLOWER
6	TATA AIG	3	FOLLOWER
7	NIA	3	FOLLOWER
8	UNITED INDIA	1	FOLLOWER
9	HDFC ERGO	1	FOLLOWER

ICICI Lombard General Insurance Company Limited

IRDA Reg. No. 115

Mailing Address:

401 & 402, 4th Floor, Interface 11, New Linking Road, Malad (West), Mumbai - 400 064.

CIN: L67200MH2000PLC129408

Registered Office Address:

ICICI Lombard House, 414 Veer Savarkar Marg, Near Siddhi Vinayak Temple, Prabhadevi, Mumbai - 400 025.

UIN - IRDAN115CP0047V01201920

Toll free no. : 1800 2666

Alternate No. : 86552 22666 (chargeable)

Email : customersupport@icicilombard.com

Website : www.icicilombard.com

Industrial All Risk

GSTIN No. : 27AAACI7904G1ZN

Place of Business : 414, ICICI Lombard House Veer Sawarkar Marg Mumbai-Prabhadevi Maharashtra 400025

Category : General Insurance Business Services 997137.

The stamp duty of ₹ 0.5 paid in cash or by demand draft or by pay order, vide Reciept / Challan No. CSD6920212091 dated Jun 24, 2021.

Subject otherwise to terms and conditions of Standard Fire and Special Perils Insurance Policy.

Signed for and on behalf of the ICICI Lombard General Insurance Company Limited, at Mumbai on Aug 27, 2021.



ICICI Lombard General Insurance Company Ltd

ICICI Lombard General Insurance Company Limited

IRDA Reg. No. 115

Mailing Address:

401 & 402, 4th Floor, Interface 11, New Linking Road,
Malad (West), Mumbai - 400 064.

CIN: L67200MH2000PLC129408

Registered Office Address:

ICICI Lombard House, 414 Veer Savarkar Marg,
Near Siddhi Vinayak Temple, Prabhadevi,
Mumbai - 400 025.

UIN - IRDAN115CP0047V01201920

Toll free no. : 1800 2666

Alternate No. : 86552 22666 (chargeable)

Email : customersupport@icicilombard.com

Website : www.icicilombard.com

Industrial All Risk

Annexure - I**HYPOTHECATION DETAILS**

Attached to and forming a part of Policy No. : 1003/200692324/03/000

Name of the Insured:CESC LIMITED

S No.	Name of the Financer
1	1) Standard Chartered Bank
2	2) Axis Bank Limited
3	3) Bank of Baroda
4	4) Central Bank of India
5	5) Citibank N.A
6	6) DBS Bank India Limited
7	7) HDFC Bank Limited
8	8) ICICI Bank Limited
9	9) IDBI Bank Limited
10	10) IDFC First Bank Limited
11	11) Indian Bank
12	12) Kotak Mahindra Bank Limited
13	13) Punjab and Sind Bank
14	14) Punjab National Bank
15	15) RBL Bank Limited
16	16) State Bank of India
17	17) The Federal Bank Limited
18	18) UCO Bank
19	19) Union Bank Of India
20	20) Yes Bank Limited
21	21) IDBI Trusteeship Services Limited

ICICI Lombard General Insurance Company Limited

IRDA Reg. No. 115

Mailing Address:

401 & 402, 4th Floor, Interface 11, New Linking Road,
Malad (West), Mumbai - 400 064.

CIN: L67200MH2000PLC129408

Registered Office Address:

ICICI Lombard House, 414 Veer Savarkar Marg,
Near Siddhi Vinayak Temple, Prabhadevi,
Mumbai - 400 025.

UIN - IRDAN115CP0047V01201920

Toll free no. : 1800 2666

Alternate No. : 86552 22666 (chargeable)

Email : customersupport@icicilombard.com

Website : www.icicilombard.com

Industrial All Risk

Annexure - II
DETAILS OF PROPERTY INSURED

Attached to and forming a part of Policy No. : 1003/200692324/03/000

Location of Risk : SOUTHERN GENERATING STATION, 28,GARDEN REACH ROAD,GARDEN REACH WEST BENGAL
1 KOLKATA 700024

Occupancy 1 : INDUSTRY / MANUFACTURING RISK

Sections	Sum Insured
Plant & Machinery	₹5954760006.00
FLOP Sum Insured	₹1030000000.00
Stocks	₹401428172.00
Building (With Plinth and Foundation)	₹1180826797.00
Total Sum Insured	₹9280573655

Description of Block(s)

Electric Generation Stations - Thermal Power Plant and others

Details of Add on Covers applicable to above mentioned Risk Location

FLOP Basic Cover	₹1030000000
Fire Basic Cover	₹8250573655
MB Basic Cover	₹5954760006
Earthquake Cover	₹8250573655
Terrorism	₹9280573655
Startup Expenses	₹50000000
Escalation	₹713558680

Subject to Conditions as mentioned below:
Indemnity Period:

Indemnity Period for FLOP : 12 Months

Indemnity Period for MLOP : 0 Months

ICICI Lombard General Insurance Company Limited

IRDA Reg. No. 115

Mailing Address:

401 & 402, 4th Floor, Interface 11, New Linking Road,
Malad (West), Mumbai - 400 064.

CIN: L67200MH2000PLC129408

Registered Office Address:

ICICI Lombard House, 414 Veer Savarkar Marg,
Near Siddhi Vinayak Temple, Prabhadevi,
Mumbai - 400 025.

UIN - IRDAN115CP0047V01201920

Toll free no. : 1800 2666

Alternate No. : 86552 22666 (chargeable)

Email : customersupport@icicilombard.com

Website : www.icicilombard.com

Industrial All Risk

Annexure - III
DEDUCTIBLE

Attached to and forming a part of Policy No. : 1003/200692324/03/000

Policies having Sum Insured upto INR 100 Cr per location for Material Damage (MD) & Business Interruption (BI)

MATERIAL DAMAGE	5% of claim amount subject to minimum of INR 500,000/- in respect of each and every claim
FIRE LOSS OF PROFIT (FLOP)	7 Days Standard Gross Profit
MACHINERY LOSS OF PROFIT	14 Days Standard Gross Profit

Policies having Sum Insured above INR 100 Cr and upto INR 1,500 Cr per location for Material Damage (MD) & Business Interruption (BI)

MATERIAL DAMAGE	5% of claim amount subject to minimum of INR 1,000,000/- in respect of each and every claim
FIRE LOSS OF PROFIT (FLOP)	7 Days Standard Gross Profit
MACHINERY LOSS OF PROFIT	14 Days Standard Gross Profit

Policies having Sum Insured above INR 1500 Cr and upto INR 2,500 Cr per location for MD & BI

MATERIAL DAMAGE	5% of claim amount subject to minimum of INR 2,500,000/- in respect of each and every claim
FIRE LOSS OF PROFIT (FLOP)	7 Days Standard Gross Profit
MACHINERY LOSS OF PROFIT	14 Days Standard Gross Profit

For Occupancy of All Power Plants / Steel Plant (other than Solar & Wind Power Plant) having Sum Insured above INR 500 Cr per location for MD & BI

MATERIAL DAMAGE	5% of claim amount subject to minimum of INR 12,500,000/- in respect of each and every claim
FIRE LOSS OF PROFIT (FLOP)	30 Days Standard Gross Profit
MACHINERY LOSS OF PROFIT	45 Days Standard Gross Profit

ICICI Lombard General Insurance Company Limited

IRDA Reg. No. 115

Mailing Address:

401 & 402, 4th Floor, Interface 11, New Linking Road, Malad (West), Mumbai - 400 064.

CIN: L67200MH2000PLC129408

Registered Office Address:

ICICI Lombard House, 414 Veer Savarkar Marg, Near Siddhi Vinayak Temple, Prabhadevi, Mumbai - 400 025.

UIN - IRDAN115CP0047V01201920

Toll free no. : 1800 2666

Alternate No. : 86552 22666 (chargeable)

Email : customersupport@icicilombard.com

Website : www.icicilombard.com

Industrial All Risk

INDUSTRIAL ALL RISK INSURANCE

Section I - MATERIAL DAMAGE

In consideration of the Insured paying to the Company, the premium shown in the Schedule, the Company agrees (subject to the terms, conditions and exclusions contained herein or endorsed or otherwise expressed hereon, which shall so far as the nature of them respectively will permit be deemed to be conditions precedent to the right of the Insured to recover hereunder) that if after payment of the premium any of the property insured be accidentally physically lost, destroyed or damaged other than by an excluded cause during the period of insurance or any subsequent period in respect of which the Insured shall have paid and the Insurer shall have accepted the premium required for the renewal of this Policy, the Insurer will pay to the Insured the value of the property at the time of the happening of its accidental, physical loss or destruction or damage (being hereinafter termed Damage) or at its option reinstate or replace such property or any part thereof.

Provided that the liability of the Insurer in respect to any one loss or in the aggregate in any one period of insurance shall in no case exceed:

- i. As regards building, plants and machinery, furniture, fixture, fittings etc., the cost of replacement or reinstatement on the date of replacement or reinstatement subject to the maximum liability being restricted to the sum insured in respect of that category of the item under the Policy.
- ii. As regards stocks, the market value of the same not exceeding the sum insured in respect of that category of item under the Policy.

EXCLUSIONS

A Excluded Causes

1 This Policy does not cover damage to the property insured caused by:

- i. a. Faulty or defective design, materials or workmanship, inherent vice, latent defect, gradual deterioration, deformation, or distortion or wear and tear.
- b. Interruption of the water supply, gas, electricity or fuel systems or failure of the effluent disposal systems to and from the premises.
Unless damage by a cause not excluded in the Policy ensues and then the Insurer shall be liable only for such ensuing damage.
- ii. a. Collapse or cracking of buildings
- b. Corrosion, rust, extremes or changes in temperature, dampness, dryness, wet or dry rot, fungus, shrinkage, evaporation, loss of weight, pollution, contamination, change in colour, flavor, texture or finish, action of light vermin, insects, marring or scratching.
Unless such loss is caused directly by damage to the property insured or to premises containing such property by a cause not excluded in the Policy.
- iii. a. Larceny
- b. Acts of fraud or dishonesty
- c. Disappearance, unexplained or inventory shortage, misfiling or misplacing of information, shortage in supply or delivery of materials or shortage due to clerical or accounting error.
- iv. a. Coastal or river erosion
- b. Normal settlement or bedding down of new structures

2 Damage caused by or arising from:

- i. Any wilful act or wilful negligence on the part of the Insured or any person acting on his behalf
- ii. Cessation of work, delay or loss of market, or any other consequential or indirect loss of any kind or description whatsoever.

3 Damage occasioned directly or indirectly by or through or in consequence of any of the following occurrences, namely:

- i. War, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not) civil war
- ii. Mutiny, civil commotion assuming the proportions of or amounting to a popular rising, military rising, insurrection, rebellion, revolution, military or usurped power.

In any action, suit or other proceeding where the Insurer alleges that by reason of the provisions of Exclusion A3 (i) and (ii) above, any loss, destruction or damage is not covered by this insurance the burden of proving that such loss destruction or damage is covered shall be upon the Insured.

- 4 i. Permanent or temporary dispossession resulting from nationalization commandeering or requisition by any lawfully constituted authority
- ii. Permanent or temporary dispossession of any building resulting from the unlawful occupation of such building by any person

Provided that the Insurers are not relieved of any liability to the Insured in respect of damage to the property insured occurring before dispossession or during temporary dispossession which is otherwise insured by this Policy

ICICI Lombard General Insurance Company Limited

IRDA Reg. No. 115

Mailing Address:

401 & 402, 4th Floor, Interface 11, New Linking Road,
Malad (West), Mumbai - 400 064.

CIN: L67200MH2000PLC129408

Registered Office Address:

ICICI Lombard House, 414 Veer Savarkar Marg,
Near Siddhi Vinayak Temple, Prabhadevi,
Mumbai - 400 025.

UIN - IRDAN115CP0047V01201920

Toll free no. : 1800 2666

Alternate No. : 86552 22666 (chargeable)

Email : customersupport@icicilombard.com

Website : www.icicilombard.com

Industrial All Risk

- iii. The destruction of property by order of any public authority.
- 5 Damage directly or indirectly caused by or arising from or in consequence of or contributed by:-
 - i. Nuclear weapons material
 - ii. Ionizing radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. Solely for the purpose of this exclusion, combustion shall include any self-sustaining process of nuclear fission.

B EXCLUDED PROPERTY

This Policy does not cover:

- 1 Money, cheques, stamps, bonds, credit cards, securities of any description, jewellery, precious stones, precious metals, bullion, furs, curiosities, rare books or work of art, unless specifically mentioned as insured by this Policy.
- 2 Unless specifically mentioned as insured by this Policy, goods held in trust or on commission, documents, manuscripts, business books, computer systems, records, patterns, models, moulds, plans, designs, explosives.
- 3
 - i. Vehicles licensed for road use (including accessories thereon), caravans, trailers, railway locomotives or rolling stock, watercraft, aircraft or the like.
 - ii. Property in transit, other than within the premises specified in the Schedule.
 - iii. Property or structures in course of demolition, construction, or erection and materials or supplies in connection therewith.
 - iv. Land (including top-soil, back-fill, drainage or culverts), driveways, pavements, roads, runways, railway lines, dams, reservoirs, canals, rigs, wells, pipelines, tunnels, bridges, docks, piers, jetties, excavations, wharves, mining property, underground off-shore property unless specifically covered.
 - v. Livestock, growing crops or trees.
 - vi. Property damaged as a result of its undergoing any process.
 - vii. Property undergoing alteration repair testing installation or servicing, including materials and supplies therefor if directly attributable to the operation of work being performed thereon unless, damage by a cause not otherwise excluded ensues and then, the Insurer will be liable only for such ensuing loss.
 - viii. Property more specifically insured.
 - ix. Property insured if removed to any building or place other than in which it is herein stated to be insured, except machinery and equipments temporarily removed for repairs, cleaning, renovation or other similar purpose for a period not exceeding 60 days.
 - x. Damage to property which at the time of the happening of such damage is insured by or would, but for the existence of this Policy, be insured by any marine policy or policies except in respect of any excess beyond the amount, which would have been payable under the Marine policy or policies, had this insurance not been effected.

DEDUCTIBLES

This Policy does not cover the deductibles stated in the schedule in respect of each and every loss, as ascertained after the application of all other terms and conditions of the Policy, including any condition of Average.

Warranted that during the currency of the Policy, the Insured shall not effect insurance in respect of the amount of the deductibles stated in the schedule.

GENERAL CONDITIONS

1. This policy shall be voidable in the event of misrepresentation, mis-description or non disclosure of any material particular.
2. All insurances under this Policy shall cease on expiry of 7 days from the date of fall or displacement of any building or part thereof or of the whole or any part of any range of buildings or of any structure of which such building forms part.
 Provided such a fall or displacement is not caused by a peril not excluded by this Policy or such loss or damage would be covered if such building, range of buildings or structure were insured under this Policy
 Notwithstanding the above, the Company, subject to an express notice being given as soon as possible but not later than seven days of any such fall or displacement, may agree to continue the insurance subject to revised rates, terms and conditions as may be decided by it and confirmed in writing to this effect.
3. Under any of the following circumstances, the insurance ceases to attach as regards the property affected, unless the Insured before the occurrence of any loss or damage, obtains the sanction of the Company, signified by Endorsement upon the Policy by or on behalf of the Company:-
 - i. if the trade or manufacture carried on be altered, or if the nature of the occupation or other circumstances affecting the building insured or containing the insured property be changed in such a way as to increase the risk of loss or damage by Insured Perils.
 - ii. if the building insured or containing the insured property becomes unoccupied and so remains for a period of more than 30 days.
 - iii. if the interest in the property passes from the insured otherwise than by will or operation of law.

ICICI Lombard General Insurance Company Limited

IRDA Reg. No. 115

Mailing Address:

401 & 402, 4th Floor, Interface 11, New Linking Road,
 Malad (West), Mumbai - 400 064.

CIN: L67200MH2000PLC129408

Registered Office Address:

ICICI Lombard House, 414 Veer Savarkar Marg,
 Near Siddhi Vinayak Temple, Prabhadevi,
 Mumbai - 400 025.

UIN - IRDAN115CP0047V01201920

Toll free no. : 1800 2666

Alternate No. : 86552 22666 (chargeable)

Email : customersupport@icicilombard.com

Website : www.icicilombard.com

Industrial All Risk

4. This insurance may be terminated at any time at the request the Insured, in which case the Company will retain the premium at customary short period of rate for the time the Policy has been in force. This insurance may also, at any time, be terminated at the option of the Company, on 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 the cancellation.
5. i. On the happening of any loss or damage, the Insured shall forthwith give notice thereof to the Company and shall within 15 days after the loss or damage, or such further time as the Company may in writing allow in that behalf, deliver to the Company:
- a claim in writing for the loss or damage containing, as particular an account as may be reasonably practicable, of all the several articles or items or property damaged or destroyed, and of the amount of the loss or damage thereto respectively, having regard to their value at the time of the loss or damage not including profit of any kind.
 - particulars of all other insurances, if any.
- The Insured shall also, at all times at his own expense, produce, procure and give to the Company all such further particulars, plans, specification, books, vouchers, invoices, duplicates or copies thereof, documents, investigation reports (internal/ external) proofs and information with respect to the claim and the origin and cause of the fire and the circumstances under which the loss or damage occurred, and any matter touching the liability or the amount of the liability of the Company, as may be reasonably required by or on behalf of the Company, together with declaration on oath or in other legal form of the truth of the claims and of any connected therewith.
- No claim under this policy shall be payable unless the terms of this condition have been complied with.
- ii. In no case whatsoever shall the Company be liable for any loss or damage after the expiration of 12 months from the happening of the loss or damage, unless the claim is the subject of pending action or arbitration; it being expressly agreed and declared that if the Company shall disclaim liability for any claim hereunder and such claim shall not, within 12 months from the date of the 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.
6. On the happening of loss or damage to any of the property insured by this policy, the Company may -
- i. Enter and take and keep possession of the building or premises where the loss or damage has happened.
 - ii. Take possession of or require to be delivered to it, any property of the Insured in the building or on the premises at the time of the loss or damage.
 - iii. Keep possession of any such property and examine, arrange, remove or otherwise deal with the same.
 - iv. Sell any such property or dispose of the same for account of whom it may concern.
- The powers conferred by this condition shall be exercisable by the Company at any time, until notice in writing is given by the Insured that he makes no claim under the Policy, or if any claim is made, until such claim is finally determined or withdrawn, and the Company shall not by any act done in the exercise or purported exercise of its powers hereunder, incur any liability to the Insured or diminish its rights to rely upon any of the conditions of this Policy in answer to any claim.
- If the Insured or any person on his behalf shall not comply with the requirements of the Company or shall hinder or obstruct the Company, in the exercise of its powers hereunder, all benefits under this Policy shall be forfeited.
- The Insured shall not in any case be entitled to abandon any property to the Company whether taken possession of by the Company or not.
7. If the claim be in any respect fraudulent, or if any false declaration be made or used in support thereof or if any fraudulent means or devices are used by the Insured or any one acting on his behalf, to obtain any benefit under the policy or if the loss or damage be occasioned by the willful act, or with the connivance of the Insured, all benefits under this Policy shall be forfeited.
8. If the Company at its option, reinstates or replaces the property damaged or destroyed, or any part thereof, instead of paying the amount of the loss or damage, or join with any other Company or insurer in so doing, the Company shall not be bound to reinstate exactly or completely but only as circumstances permit and in reasonably sufficient manner, and in no case, shall the Company be bound to expend more in reinstatement than it would have cost to reinstate such property as it was at the time of the occurrence of such loss or damage nor more than the sum insured by the Company thereon.
- If the Company so elects to reinstate or replace any property, the Insured shall at his own expense, furnish the Company with such plans, specification, measurements, quantities and such other particulars as the Company may require, and no acts done, or caused to be done, by the Company with a view to reinstatement or replacement shall be deemed an election by the Company to reinstate or replace.
- If, in any case, the Company shall be unable to reinstate or repair the property hereby insured, because of any municipal or other regulations in force affecting the alignment of streets or the construction of buildings or otherwise, the Company shall, in every such case, only be liable to pay such sum as would be requisite to reinstate or repair such property if the same could lawfully be reinstated to its former condition.
9. If the property hereby insured shall, at the time of reinstatement/ replacement/ repair following a loss or damage indemnifiable under the Policy, be of greater value than the sum Insured under the Policy, then the Insured shall be

ICICI Lombard General Insurance Company Limited

IRDA Reg. No. 115

Mailing Address:

401 & 402, 4th Floor, Interface 11, New Linking Road,
Malad (West), Mumbai - 400 064.

CIN: L67200MH2000PLC129408

Registered Office Address:

ICICI Lombard House, 414 Veer Savarkar Marg,
Near Siddhi Vinayak Temple, Prabhadevi,
Mumbai - 400 025.

UIN - IRDAN115CP0047V01201920

Toll free no. : 1800 2666

Alternate No. : 86552 22666 (chargeable)

Email : customersupport@icicilombard.com

Website : www.icicilombard.com

Industrial All Risk

considered as being his own insurer for the difference and shall bear a rateable proportion of loss.

Each item of the Policy to which this condition applies shall be separately subject to the foregoing provisions.

Provided however that if the said sum insured in respect of such item(s) of the Schedule shall not be less than 85% (Eighty Five percent) of the value of the item(s) thereat, this condition shall be of no purpose and effect.

10. If, at the time of any loss or damage happening to any property hereby insured, there be any other subsisting insurance or insurances, whether effected by the Insured or by any other person or persons covering the same property, this Company shall not be liable to pay or contribute more than its rateable proportion of such loss or damage.
11. 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 reasonably required by the Company for the purpose of enforcing any rights and remedies or of obtaining relief or indemnity from other parties to which the Company shall be or would become entitled or subrogated, upon its 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 his indemnification by the Company.
12. 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 hereinbefore 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.

13. Every notice and other communication to the Company required by these conditions must be written or printed.
14. At all times during the period of insurance of this Policy, the insurance cover will be maintained to the full extent of the respective sum insured in consideration of which, upon the settlement of any loss under this Policy, pro rata premium for the unexpired period from the date of such loss to the expiry of period of insurance for the amount of such loss shall be payable by the Insured to the Company.

The additional premium referred above shall be deducted from the net claim amount payable under the Policy. Thus, continuous cover to the full extent will be available notwithstanding any previous loss, for which the Company may have paid hereunder and irrespective of the fact whether the additional premium as mentioned above has been actually paid or not following such loss. The intention of this condition is to ensure continuity of the cover to the Insured subject only to the right of the Company for deduction from the claim amount when settled, of pro-rata premium to be calculated from the date of loss till expiry of the Policy.

Notwithstanding what is stated above, the sum insured shall stand reduced by the amount of loss in case the Insured immediately on occurrence of the loss exercises his option not to reinstate the sum insured as above

15. Grievance Clause

For resolution of any query or grievance, Insured may contact the respective branch office of the Company or may call toll free no. 1800-2666 or may approach us at the sub section "Grievance Redressal" on our website www.icicilombard.com (Customer Support section). However, if the resolution provided by us is not satisfactory you may approach Insurance Regulatory and Development Authority (IRDA) through the Integrated Grievance Management Section (IGMS) or IRDA Grievance Call Centre (IGCC) at their toll free no.155255.

16. Communicable Disease Exclusion [Clause]

1. Notwithstanding any provision, clause or term of this [insurance Contract] to the contrary, this [insurance Contract] excludes any loss, cost, damage, liability, claim, fines, penalty or expense or any other amount of whatsoever nature, whether directly or indirectly and/or in whole or in part, related to, caused by, contributed to by, resulting from, as a result of, as a consequence of, attributable to, arising out of, arising under, in connection with, or in any way involving (this includes all other terms commonly used and/or understood to reflect or describe nexus and/or connection from one thing to another whether direct or indirect):

1.1 a Communicable Disease and/or the fear or threat (whether actual or perceived) of a Communicable Disease and/or the actual or alleged transmission of a Communicable Disease regardless of any other cause or event contributing and/or occurring concurrently or in any sequence thereto, and

1.2 a pandemic or epidemic, as declared by the World Health Organisation or any governmental authority.

2. As used herein, Communicable Disease means: any infectious, contagious or communicable substance or agent and/or any infectious, contagious or communicable disease which can be caused and/or transmitted by means of substance or agent where:

2.1 the disease includes, but is not limited an illness, sickness, condition or an interruption or disorder of body functions,

ICICI Lombard General Insurance Company Limited

IRDA Reg. No. 115

Mailing Address:

401 & 402, 4th Floor, Interface 11, New Linking Road,
Malad (West), Mumbai - 400 064.

CIN: L67200MH2000PLC129408

Registered Office Address:

ICICI Lombard House, 414 Veer Savarkar Marg,
Near Siddhi Vinayak Temple, Prabhadevi,
Mumbai - 400 025.

UIN - IRDAN115CP0047V01201920

Toll free no. : 1800 2666

Alternate No. : 86552 22666 (chargeable)

Email : customersupport@icicilombard.com

Website : www.icicilombard.com

Industrial All Risk

systems or organs, and

- 2.2 the substance or agent includes, but is not limited to, a virus, bacterium, parasite, other organism or other micro-organism (whether asymptomatic or not); including any variation or mutation thereof, whether deemed living or not, and
- 2.3 the method of transmission, whether direct or indirect, includes but not limited to, airborne transmission, bodily fluid transmission, transmission through contact with human fluids, waste or the like, transmission from or to any surface or object, solid, liquid or gas or between organisms including between humans, animals, or from any animal to any human or from any human to any animal, and
- 2.4 the disease, substance or agent is such:
 - 2.4.1 that causes or threatens damage or can cause or threaten damage to human health or human welfare, or
 - 2.4.2 that causes or threatens damage to or can cause or threaten damage to, deterioration to, contamination of, loss of value of, loss of marketability of or loss of use or usefulness of, tangible or intangible property.

For avoidance of doubt, Communicable Disease includes but is not limited to Coronavirus Disease 2019 (Covid - 19) and any variation or mutation thereof.
3. For further avoidance of doubt, any contingent or other business interruption loss, cost, damage, loss of income, loss of use, increased cost of working and/or extra expense arising out of or attributable to:
 - 3.1 any partial or complete closure of and/or slowdown in, including but not limited to any closure by or under the advisories of public, military, government or civil authorities, or any denial of access to insured premises, or customer and or supplier premises (including service/ utility providers), or
 - 3.2 change in consumer behaviour, or
 - 3.3 an absence of infected employees or employees suspected of being infected shall not be covered by this [insurance Contract].
4. For still further avoidance of doubt, loss, cost, damage, liability, claim, fines, penalty or expense or any other amount excluded hereby, includes but is not limited to any cost to identify, clean-up, detoxify, disinfect, decontaminate, mitigate, remove, evacuate, repair, replace, monitor, sanitize or test: (1) for a Communicable Disease or (2) any tangible or intangible property covered by this [insurance Contract] that is affected by such Communicable Disease.
5. It is clarified that (1) no other prior, concurrent or subsequent provision, clause, term or exception of this [insurance Contract] (including (but not limited to) any prior, concurrent or subsequent endorsement and/or any provision, clause, term, buy back or exception that operates, or is intended to operate, to extend the coverage of, or protections provided by, this [insurance Contract] by whatever name called like any coverage extension, additional coverage, global extension, exception to any exclusion); (2) any change in the law, clause or similar provision; (3) any follow the fortunes clause or similar provision; and/or (4) no change in the law or any regulation (to the extent permitted by applicable law), shall operate to provide any insurance, coverage or protection under this [insurance Contract] that would otherwise be excluded through the exclusion set forth in this [Endorsement][Clause].
6. If the [insurer] alleges that by reason of this [Endorsement][Clause] any amount is not covered by this [insurance Contract] the burden of proving the contrary shall rest in the [insured].

SPECIAL CONDITIONS TO SECTION I

1. Sums Insured

It is a requirement of this Insurance that the sums insured stated in the Schedule shall not be less than the cost of reinstatement as if such property (except for stocks) were reinstated on the first day of the Period of Insurance, which shall mean the cost of replacement of the insured items by new items in a condition equal to but not better or more extensive than its condition when new.

2. Basis of Loss Settlement

In the event of any loss, destruction or damage the indemnification under this section shall be calculated on the basis of the reinstatement or replacement of the property lost, destroyed or damaged, subject to the following provisions:

i. Reinstatement or replacement shall mean:

- a) where property is lost or destroyed, the rebuilding of any buildings or the replacement of any other property by similar property, in either case in a condition equal to but not better or more extensive than its condition when new
- b) where property is damaged, the repair of the damage and the restoration of the damaged portion of the property to a condition substantially the same as but not better or more extensive than its condition when new.

ii. Special Provisions

- a) The work of reinstatement (which may be carried out upon another site and in any manner suitable to the requirements of the Insured subject to the liability of the Insurers not being thereby increased) must be commenced and carried out within

ICICI Lombard General Insurance Company Limited

IRDA Reg. No. 115

Mailing Address:

401 & 402, 4th Floor, Interface 11, New Linking Road, Malad (West), Mumbai - 400 064.

CIN: L67200MH2000PLC129408

Registered Office Address:

ICICI Lombard House, 414 Veer Savarkar Marg, Near Siddhi Vinayak Temple, Prabhadevi, Mumbai - 400 025.

UIN - IRDAN115CP0047V01201920

Toll free no. : 1800 2666

Alternate No. : 86552 22666 (chargeable)

Email : customersupport@icicilombard.com

Website : www.icicilombard.com

Industrial All Risk

12 months after the destruction or damage; otherwise, no payment beyond the amount which would have been payable under the Policy if this special provision had not been incorporated herein shall be made.

- b) Where any property is lost, destroyed or damaged in part only, the liability of the Insurers shall not exceed the sum representing the cost, which the Insurers could have been called upon to pay for reinstatement if such property had been wholly destroyed.
- c) Until the cost of reinstatement or replacement shall have been actually incurred, the amount payable under each of the items shall be calculated on the basis of the actual cash value of such items immediately before the loss, destruction or damage with due allowances for depreciation for age, use and condition.

3. Debris Removal

This Policy covers the necessary expense for removal of debris of insured property from the described premises as a result of physical loss, destruction or damage, insured against under this Policy.

The Company's total liability for debris removal is limited to the amount entered in the Schedule.

SECTION II - BUSINESS INTERRUPTION

The Insurers agree that if during the period of insurance, the business carried on by the Insured at all the premises specified and listed in the Schedule is interrupted or interfered with, in consequence of loss, destruction or damage indemnifiable under Section I, then the Insurers shall indemnify the Insured for the amount of loss as hereinafter defined resulting from such interruption or interference, provided that the liability of the Insurers, in no case, exceeds the total sum insured or such other sum as may hereinafter be substituted therefor by Endorsement, signed by or on behalf of the Insurers.

SPECIAL EXCLUSIONS TO SECTION II:

1. This Policy does not cover loss resulting from interruption of or interference with the business, directly or indirectly attributable to:
 - i. any restrictions on reconstruction or operation imposed by any public authority
 - ii. the Insured's lack of sufficient capital for timely restoration or replacement of property lost, destroyed or damaged.
 - iii. loss of business due to causes such as suspension, lapse or cancellation of a lease, licence or order etc. which occurs after the date when the items lost, destroyed or damaged are again in operating condition and the business could have been resumed, if said lease, license, order etc, had not lapsed or had not been suspended or cancelled.
 - iv. damage to boilers, economizers, turbines or other vessels, machinery or apparatus, in which pressure is used or their contents resulting from their explosion or rupture.
 - v. electronic installations, computers and data processing equipment.
 - vi. damage resulting from:
 - a. Deliberate erasure, loss, distortion or corruption of information on computer systems or other records programs or software.
 - b. Other erasure, loss, distortion or corruption of information on computer systems or other records, programs of software, unless resulting from fire, lightning, explosion, aircraft, impact by any road vehicle or animals, earthquake, hurricane, windstorm, flood, bursting, overflowing, discharging or leaking of water tanks apparatus or pipes in so far as it is not otherwise excluded:

unless caused by damage to the machine or apparatus, in which the records are mounted.
 - vii. mechanical or electrical breakdown or derangement of machinery or equipment.
2. This Policy does not cover the deductible stated in the Schedule to be borne by the Insured.

BASIS OF INSURANCE:

The cover provided under this Section shall be limited to loss of Gross Profit due to (a) Reduction in Turnover and (b) Increase in Cost of Working and the amount payable as indemnity hereunder shall be:

- i. In respect of Reduction in Turnover:

The sum produced by applying the Rate of Gross Profit to the amount by which the Turnover during the Indemnity Period shall fall short of the Standard Turnover in consequence of the loss, destruction or damage.

- ii. in respect of Increase in Cost of Working:

The additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the Reduction in Turnover, which but for that expenditure, would have taken place during the Indemnity Period in consequence of loss, destruction or damage, but not exceeding the sum produced by applying the Rate of Gross Profit to the amount of the reduction thereby avoided,

Less any sum saved during the Indemnity Period in respect of such of the charges and expenses of the business payable out of Gross Profit as may cease or be reduced, in consequence of loss, destruction or damage.

ICICI Lombard General Insurance Company Limited

IRDA Reg. No. 115

Mailing Address:

401 & 402, 4th Floor, Interface 11, New Linking Road,
Malad (West), Mumbai - 400 064.

CIN: L67200MH2000PLC129408

Registered Office Address:

ICICI Lombard House, 414 Veer Savarkar Marg,
Near Siddhi Vinayak Temple, Prabhadevi,
Mumbai - 400 025.

UIN - IRDAN115CP0047V01201920

Toll free no. : 1800 2666

Alternate No. : 86552 22666 (chargeable)

Email : customersupport@icicilombard.com

Website : www.icicilombard.com

Industrial All Risk

Provided that if the sum insured by this item be less than the sum produced by applying the Rate of Gross Profit to the Annual Turnover (or to a proportionately increased multiple thereof, where the maximum Indemnity Period exceeds twelve months) the amount payable shall be proportionately reduced.

DEFINITIONS:**1. Gross Profit**

The amount by which:

- i. The sum of the amount of the Turnover and the amount of the closing stock and work in progress shall exceed
- ii. The sum of the amounts of the opening stock and work in progress and the amount of the uninsured Working Expenses.

Note: The amounts of the opening and closing stocks and work in progress shall be arrived at in accordance with the Insured's normal accountancy methods, due provisions being made for depreciation.

2. Uninsured Working Expenses

The following variable expenses of the business are not covered by this policy:

- i. Turnover and purchase taxes
- ii. Purchases (less discounts received)
- iii. Carriage, packing and freight.

3. Turnover

The money (less discounts allowed) paid or payable to the Insured for goods sold and delivered and for services rendered, in the course of the business at the Premises.

4. Indemnity Period

The period beginning with the occurrence of loss, destruction or damage and ending not later than the maximum Indemnity Period thereafter, during which the results of the business shall be affected in consequence thereof. Provided always that the Company is not liable for the amount equivalent to the rate of gross profit applied to the standard turnover during the period of Time Exclusion of number of days as stated in the Schedule.

5. Rate of Gross Profit

The Rate of Gross Profit earned on the turnover during the financial year immediately before the date of loss, destruction or damage.

6. Annual Turnover

The Turnover during the twelve months immediately before the date of loss, destruction or damage.

7. Standard Turnover

The Turnover during the period in the twelve months immediately before the date of loss, destruction or damage, which corresponds with the Indemnity Period, appropriately adjusted where the indemnity period exceeds twelve months, to which such adjustments shall be made as may be necessary to provide for the trend of business and for variations in or other circumstances affecting the business, either before or after loss, destruction or damage or which would have affected the business, had the loss, destruction or damage not occurred, so that the figures thus adjusted shall represent, as nearly as may be reasonably practicable, the results which, but for the loss, destruction or damage would have been obtained during the relative period after the loss, destruction or damage.

PROVISIONS:**Memo 1 - Benefits from Other Premises**

If, during the indemnity period, goods are sold or services are rendered elsewhere than at the premises for the benefit of the Business either by the Insured or by others acting on his behalf, the money paid or payable in respect of such sales, or services shall be taken into account in arriving at the Turnover during the Indemnity Period.

Memo 2 - Return of Premium

If the Insured declares at the latest nine months after the expiry of any Policy Year that the Gross Profit earned during the accounting period of twelve months, most nearly concurrent with any period of insurance, was less than the sum insured thereon, a pro-rata return of premium, not exceeding one third of the premium paid on such sum insured for such period of insurance shall be made in respect of difference.

If any loss, destruction or damage has occurred giving rise to a claim under this Policy, such return shall be made in respect only of so much of said difference, as is not due to such loss, destruction or damage.

ADD ON COVERS:**IAR 04 DESIGNATION OF PROPERTY CLAUSE:**

For the purpose of determining, where necessary, the item under which any property is insured, the insurers agree to accept the designation under which the property has been entered in the insured's books.

ICICI Lombard General Insurance Company Limited

IRDA Reg. No. 115

Mailing Address:

401 & 402, 4th Floor, Interface 11, New Linking Road,
Malad (West), Mumbai - 400 064.

CIN: L67200MH2000PLC129408

Registered Office Address:

ICICI Lombard House, 414 Veer Savarkar Marg,
Near Siddhi Vinayak Temple, Prabhadevi,
Mumbai - 400 025.

UIN - IRDAN115CP0047V01201920

Toll free no. : 1800 2666

Alternate No. : 86552 22666 (chargeable)

Email : customersupport@icicilombard.com

Website : www.icicilombard.com

Industrial All Risk

IAR 14 Earthquakes (Fire and Shock)

If option to delete STFI peril is exercised

"In consideration of the payment by the Insured to the Company of the sum of 1,320.00 additional premium, it is hereby agreed and declared that notwithstanding anything stated in the printed exclusions of this policy to the contrary, this Insurance is extended to cover loss or damage (including loss or damage by fire) to any of the property insured by this policy occasioned by earthquake including Landslide / Rockslide resulting therefrom but excluding flood or overflow of the sea, lakes, reservoirs and rivers caused by Earthquake.

Provided always that all the conditions of this policy shall apply (except in so far as they may be hereby expressly varied) and that any reference therein to loss or damage by fire shall be deemed to apply also to loss or damage directly caused by any of the perils which this insurance extends to include by virtue of this endorsement."

If option to delete STFI peril is not exercised

"In consideration of the payment by the Insured to the Company of the sum of 1,320.00 additional premium, it is hereby agreed and declared that notwithstanding anything stated in the printed exclusions of this policy to the contrary, this Insurance is extended to cover loss or damage (including loss or damage by fire) to any of the property insured by this policy occasioned by or through or in consequence of earthquake including flood or overflow of the sea, lakes, reservoirs and rivers and/or Landslide / Rockslide resulting therefrom.

Provided always that all the conditions of this policy shall apply (except in so far as they may be hereby expressly varied) and that any reference therein to loss or damage by fire shall be deemed to apply also to loss or damage directly caused by any of the perils which this insurance extends to include by virtue of this endorsement."

Special Conditions

1. Excess clause
As specified in the policy schedule
2. Extension cover shall be granted only if the entire property in one complex/ compound/ location covered under the policy is extended to cover this risk and the Sum Insured for this extension is identical to the Sum Insured against the risk covered under main policy except for the value of the plinth and foundations of the building(s)..
3. Onus of proof
In the event was occasioned by or through or in consequence of earthquake.

IAR 27 Co-Insurance Clauses

It is hereby agreed and declared that the Insurers named hereunder severally and jointly agree each for the proportion set against thereto to pay/ make good to the Insured the actual loss or damage to the property insured arising from the perils covered.

Provided That:

The liability of the Insurers shall in no case exceed in respect of each item of the sum Insured thereon or in whole, the total sum Insured hereby or such other sum or sums as may be substituted thereof by Endorsement.

The liability of the Insurers individually in respect of such loss or damage shall be limited to the proportion set against its name or such other proportion as may substituted thereof by Endorsement.

IAR 43 SPECIFICATION F - AUDITORS' CLAUSE (Modifying the Company's liability under Condition 3)

The insurance this extension is limited to the reasonable charges payable by the Insured to their Auditors for producing and certifying any particulars or details contained in the Insured's books of account or other business books or documents or such other proofs, information or evidence as may be required by the company under the terms of condition 3 of this Policy. Any particulars or details contained in the Insured's books of account or other business books or documents, which may be required by the company under Condition 3 of this Policy for the purpose of investigating or verifying any claim hereunder, may be produced and certified by the Insured's Auditors and their certificate shall be prima facie evidence of the particulars and details to which such certificate relates.

Grievance Clause:**Notices**

Any notice, direction or instruction given under this Policy shall be in writing and delivered by hand, post, to-

In Your case, at the last known address specified in the Schedule

In Our case:

ICICI Lombard General Insurance Company Limited

IRDA Reg. No. 115

Mailing Address:

401 & 402, 4th Floor, Interface 11, New Linking Road,
Malad (West), Mumbai - 400 064.

CIN: L67200MH2000PLC129408

Registered Office Address:

ICICI Lombard House, 414 Veer Savarkar Marg,
Near Siddhi Vinayak Temple, Prabhadevi,
Mumbai - 400 025.

UIN - IRDAN115CP0047V01201920

Toll free no. : 1800 2666

Alternate No. : 86552 22666 (chargeable)

Email : customersupport@icicilombard.com

Website : www.icicilombard.com

Industrial All Risk

ICICI Lombard General Insurance Company Limited
 ICICI Lombard House
 414, Veer Savarkar Marg
 Near Siddhi Vinayak Temple,
 Prabhadevi, Mumbai 400 025

Notice and instructions will be deemed served 7 days after posting or immediately upon receipt in the case of hand delivery, facsimile or e-mail.

Customer Service

If at any time You require any clarification or assistance, You may contact any of Our offices at the address specified, during normal business hours.

Grievances

In case You are aggrieved in any way, You should do the following:

1. Call Us at toll free number: 1800 2 666 or email us at customersupport@icicilombard.com
2. If You are not satisfied with the resolution then You may subsequently write to the manager- service quality, corporate manager- service quality, national manager- operations & finally director-services and business development at the following address:

ICICI Lombard General Insurance Company Limited
 ICICI Lombard House
 414, Veer Savarkar Marg
 Near Siddhi Vinayak Temple,
 Prabhadevi, Mumbai 400 025

In case the Insured's complaint is not fully addressed by the Insurer, Insurer may use the Integrated Grievance Management System (IGMS) for escalating the complaint to IRDAI. Through IGMS, Insured can register the complaint online and track its status. For registration please visit IRDAI website www.irdaindia.org. If the issue still remains unresolved, You may, subject to vested jurisdiction, approach Insurance Ombudsman for the redressal of the grievance.

The details of Insurance Ombudsman are available below:

CONTACT DETAILS	JURISDICTION
AHMEDABAD: Office of the Insurance Ombudsman, Jeevan Prakash Building, 6th floor, Tilak Marg, Relief Road, Ahmedabad – 380 001. Tel.: 079 - 25501201/02/05/06 Email: bimalokpal.ahmedabad@ecoi.co.in	State of Gujarat and Union Territories of Dadra & Nagar Haveli, Daman and Diu
Bengaluru: Office of the Insurance Ombudsman, Jeevan Soudha Building, PID No. 57-27-N-19 Ground Floor, 19/19, 24th Main Road, JP Nagar, 1st Phase, Bengaluru- 560078 Tel No. 080-26652049/26652048 Email: bimalokpal.bengaluru@ecoi.co.in	State of Karnataka
Bhopal: Office of the Insurance Ombudsman, Janak Vihar Complex, 2nd Floor, 6, Malviya Nagar, Opp. Airtel, Near New Market, Bhopal - 462 003. Tel No- 0755-2769201/02 Fax No. 0755-2769203, Email: bimalokpal.bhopal@ecoi.co.in	State of Madhya Pradesh and Chattisgarh
Bhubaneshwar: Office of the Insurance Ombudsman, 62, Forest park, Bhubneshwar - 751 009. Tel no- 0674 - 2596461 /2596455 Fax No.- 0674-2596429 Email: bimalokpal.bhubaneshwar@ecoi.co.in	State of Orissa

ICICI Lombard General Insurance Company Limited

IRDA Reg. No. 115

Mailing Address:

401 & 402, 4th Floor, Interface 11, New Linking Road,
 Malad (West), Mumbai - 400 064.

CIN: L67200MH2000PLC129408

Registered Office Address:

ICICI Lombard House, 414 Veer Savarkar Marg,
 Near Siddhi Vinayak Temple, Prabhadevi,
 Mumbai - 400 025.

UIN - IRDAN115CP0047V01201920

Toll free no. : 1800 2666

Alternate No. : 86552 22666 (chargeable)

Email : customersupport@icicilombard.com

Website : www.icicilombard.com

Industrial All Risk

Chandigarh: Office of the Insurance Ombudsman, S.C.O. No. 101, 102 & 103 2nd Floor, Batra Building, Sector 17 - D Chandigarh - 160 017. Tel.: - 0172-2706468/2706196 Fax : 0172-2708274 Email: bimalokpal.chandigarh@ecoi.co.in	State of Punjab, Haryana, Himachal Pradesh, Jammu & Kashmir, Chandigarh
Chennai: Office of the Insurance Ombudsman, Fatima Akhtar Court 4th Floor, 453, Anna Salai Teynampet, Chennai 600 018 Tel.: - 044-24333668 /24335284 Fax : 044-24333664 Email: bimalokpal.chennai@ecoi.co.in	State of Tamil Nadu, Pondicherry Town and Karaikal (which are part of Pondicherry)
Delhi: Office of the Insurance Ombudsman, 2/2 A, Universal Insurance Building Asaf Ali Road, New Delhi - 110 002 Tel.: - 011 - 23232481/23213504 Email: bimalokpal.delhi@ecoi.co.in	State of Delhi
Ernakulam: Office of the Insurance Ombudsman 2nd Floor, Pulinat Bldg Opp. Cochin Shipyard, M. G. Road Ernakulam - 682 015 Tel : 0484-2358759/2359338 Fax : 0484-2359336 Email: bimalokpal.ernakulam@ecoi.co.in	State of Kerala, Lakshadweep, Mahe-a part of Pondicherry
Guwahati: Office of the Insurance Ombudsman Jeevan Nivesh, 5th Floor Nr. Panbazar over bridge, S.S. Road Guwahati - 781001(ASSAM). Tel.: - 0361-2132204/5 Fax : 0484-2359336 Email: bimalokpal.ernakulam@ecoi.co.in	State of Assam, Meghalaya, Manipur, Mizoram, Arunachal Pradesh, Nagaland and Tripura
Hyderabad: Office of the Insurance Ombudsman 6-2-46, 1st floor, 'Moin Court', Lane Opp. Saleem Function Palace, A. C. Guards Lakdi-Ka-Pool, Hyderabad - 500 004 Tel : 040-65504123/23312122 Fax: 040-23376599 Email: bimalokpal.hyderabad@ecoi.co.in	State of Andhra Pradesh, Telangana, Union territory of Yanam which is a part of Union Territory of Pondicherry
Jaipur: Office of the Insurance Ombudsman Gr. Floor, Jeevan Nidhi - II Bldg, Bhawani Singh Road Jaipur 302005 Tel: 0141-2740363 Email: bimalokpal.jaipur@ecoi.co.in	State of Rajasthan
Kolkata: Office of the Insurance Ombudsman Hindustan Building Annexe, 4th Floor, 4 C.R.Avenue, Kolkata - 700072 Tel No: 033-22124339/22124340 Fax: 22124341 Email: bimalokpal.kolkata@ecoi.co.in	State of West Bengal, Sikkim, Andaman & Nicobar Islands

ICICI Lombard General Insurance Company Limited

IRDA Reg. No. 115

Mailing Address:

401 & 402, 4th Floor, Interface 11, New Linking Road,
Malad (West), Mumbai - 400 064.

CIN: L67200MH2000PLC129408

Registered Office Address:

ICICI Lombard House, 414 Veer Savarkar Marg,
Near Siddhi Vinayak Temple, Prabhadevi,
Mumbai - 400 025.

UIN - IRDAN115CP0047V01201920
Toll free no. : 1800 2666

Alternate No. : 86552 22666 (chargeable)

Email : customersupport@icicilombard.com

Website : www.icicilombard.com

Industrial All Risk

Lucknow: Office of the Insurance Ombudsman Jeevan Bhawan, Phase-2 6th Floor, Nawal Kishore Road Hazaratganj, Lucknow - 226 001 Tel : 0522 -2231331/2231330 Fax : 0522-2231310 Email: bimalokpal.lucknow@ecoi.co.in	Districts of Uttar Pradesh: Laitpur, Jhansi, Mahoba, Hamirpur, Banda, Chitrakoot, Allahabad, Mirzapur, Sonbhadra, Fatehpur, Pratapgarh, Jaunpur, Varanasi, Gazipur, Jalaun, Kanpur, Lucknow, Unnao, Sitapur, Lakhimpur, Bahraich, Barabanki, Raebareli, Sravasti, Gonda, Faizabad, Amethi, Kaushambi, Balrampur, Basti, Ambedkarnagar, Sultanpur, Maharajgang, Santkabirnagar, Azamgarh, Kushinagar, Gorkhpur, Deoria, Mau, Ghazipur, Chandauli, Ballia, Sidharathnagar.
Mumbai: Office of the Insurance Ombudsman 3rd Floor, Jeevan Seva Annexe, S. V. Road Santacruz (W), Mumbai - 400 054. Tel : 022-26106960/26106552 Fax : 022-26106052 Email: bimalokpal.mumbai@ecoi.co.in	State of Goa, Mumbai Metropolitan Region excluding Navi Mumbai & Thane
Noida: Office of the Insurance Ombudsman 4th Floor, Bhagwan Sahai Palace, Main Road Naya Bans, Sector-15 Noida- 201301 Tel: 0120-2514250/52/53 Email: bimalokpal.noida@ecoi.co.in	State of Uttaranchal & following districts of Uttar Pradesh: Agra, Aligarh, Bagpat, Bareilly, Bijnor, Budaun, Bulandshehar, Etah, Kanooj, Mainpuri, Mathura, Meerut, Moradabad, Muzaffarnagar, Oraiyya, Pilibhit, Etawah, Farrukhabad, Firozbad, Gautambodhanagar, Ghaziabad, Hardoi, Shahjahanpur, Hapur, Shamli, Rampur, Kashganj, Sambhal, Amroha, Hathras, Kanshiramnagar, Saharanpur
Patna: Office of the Insurance Ombudsman 1st Floor, Kalpana Arcade Building, Bazar Samiti Road Bahadurpur, Patna 800 006. Tel No: 0612-2680952 Email: bimalokpal.patna@ecoi.co.in.	State of Bihar, Jharkhand
Pune: Office of the Insurance Ombudsman 3rd Floor, Jeevan Darshan C.T.S. No.s. 195 to 198 N.C. Kelkar Road Narayan peth, Pune - 411 030 Tel: 020-41312555 Email: Bimalokpal.pune@ecoi.co.in	State of Maharashtra, Area of Navi Mumbai and Thane excluding Mumbai Metropolitan

The updated details of Insurance Ombudsman are also available on IRDA website: www.irdaindia.org, on the website of Executive Council of Insurers (ECOI): <http://www.ecoi.co.in/ombudsman.html>, Our website www.icicilombard.com or from any of Our offices

ICICI Lombard General Insurance Company Limited

IRDA Reg. No. 115

Mailing Address:

401 & 402, 4th Floor, Interface 11, New Linking Road,
Malad (West), Mumbai - 400 064.

CIN: L67200MH2000PLC129408

Registered Office Address:

ICICI Lombard House, 414 Veer Savarkar Marg,
Near Siddhi Vinayak Temple, Prabhadevi,
Mumbai - 400 025.

UIN - IRDAN115CP0047V01201920

Toll free no. : 1800 2666

Alternate No. : 86552 22666 (chargeable)

Email : customersupport@icicilombard.com

Website : www.icicilombard.com

Industrial All Risk

S.R. BATLIBOI & CO. LLP
Chartered Accountants

22, Camac Street
3rd Floor, Block 'B'
Kolkata - 700 016, India
Tel: +91 33 6134 4000

Independent Auditor's Report on Asset Cover and Compliance with Covenants as at September 30, 2021 under Regulation 56(1)(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) for submission to IDBI Trusteeship Services Limited (the 'Debenture Trustee')

To
The Board of Directors
CESC Limited
CESC House, Chowringhee Square,
Kolkata – 700001

1. This Report is issued in accordance with the terms of the service scope letter dated October 28, 2021 and master engagement agreement (MEA) dated August 7, 2017 read with addendum dated August 13, 2018 with CESC Limited (hereinafter the "Company").
2. We S.R. Batliboi & CO. LLP, Chartered Accountants, are the Statutory Auditors of the Company and have been requested by the Company to examine the accompanying Statement/ showing 'Maintenance of hundred percent or higher Asset Cover as per the terms of Debenture Trust Deeds and compliance with Covenants' for non-convertible debentures as at September 30, 2021 (hereinafter the "Statement") which has been prepared by the Company from the unaudited standalone financial results and other relevant records and documents maintained by the Company as at and for the period ended September 30, 2021 pursuant to the requirements of the Regulation 56(1)(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, (hereinafter the "SEBI Regulations"), and has been initialed by us for identification purpose only.

This Report is required by the Company for the purpose of submission with IDBI Trusteeship Services Limited (hereinafter the "Debenture Trustee") to ensure compliance with the SEBI Regulations in respect of its (a) 7.75% Non-Convertible Debentures having face value of Rs. 10,00,000 each, aggregating to Rs. 300 crores and (b) 12-month T-Bill Rate + 240 bps Non-Convertible Debentures having face value of Rs. 10,00,000 each, aggregating to Rs. 200 crores (cumulatively referred to as the 'Debentures'). The Company has entered into agreement with the Debenture Trustee vide agreements dated May 20, 2020 and December 23, 2020 ('Trust Deeds') respectively in respect of such Debentures.

Management's Responsibility

3. The preparation of the Statement is the responsibility of the Management of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.



4. The Management of the Company is also responsible for ensuring that the Company complies with all the relevant requirements of the SEBI Regulations and for providing all relevant information to the Debenture Trustee and for complying with all the covenants as prescribed in the Trust Deed.

Auditor's Responsibility

5. It is our responsibility to provide limited assurance as to whether:
 - (a) the Company has maintained hundred percent or higher asset cover as per the terms of the Trust Deeds; and
 - (b) the Company is in compliance with all the covenants as mentioned in the Trust Deeds as at September 30, 2021.
6. We have performed limited review of the unaudited standalone financial results of the Company for the period ended September 30, 2021, prepared by the Company pursuant to the requirements of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and issued an unmodified conclusion dated November 11, 2021. Our review of these financial results was conducted in accordance with the Standards on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India ("ICAI").
7. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
9. Our scope of work did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial results of the Company taken as a whole. We have not performed an audit, the objective of which would be the expression of an opinion on the financial results, specified elements, accounts or items thereof, for the purpose of this report. Accordingly, we do not express such opinion.
10. A limited assurance engagement includes performing procedures to obtain sufficient appropriate evidence on the applicable criteria, mentioned in paragraph 5 above. The procedures performed vary in nature and timing from, and are less extent than for, a reasonable assurance. Consequently, the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, we have performed the following procedures in relation to the Statement:



- a) Obtained and read the Trust Deeds. Noted that as per the Trust Deeds, the Company shall at all times keep and maintain a minimum-security cover ("Minimum Security Cover") of 1.4 times the aggregate outstanding Nominal Value of the Debentures (after taking into account other debt secured against such assets).
- b) Traced and agreed the principal amount of the Debentures outstanding as on September 30, 2021 to the unaudited standalone financial results of the Company and unaudited books of account maintained by the Company as at and for the period ended September 30, 2021.
- c) Based on the representation made by the management, there is no liens, pledge on Assets of the Company other than those mentioned in the Statement.
- d) Examined and verified the arithmetical accuracy of the computation of Asset Cover in the accompanying Statement and Annexure-1 and 2.
- e) Examined and verified the arithmetical accuracy of the computation of Debt to Net Worth Ratio as per Sl.no 5 (b) (i) of the attached Statement and Annexure 3:
- f) Traced and agreed the following amounts in the attached Statement and Annexures to the unaudited standalone financial results and other relevant records and documents maintained by the Company as at and for the period ended September 30, 2021:
 - i. Profit after tax
 - ii. Property, Plant and Equipment
 - iii. Capital work-in-progress
 - iv. Non-current borrowings (including current maturities of long-term debts)
 - v. Current borrowings
 - vi. Equity Share capital
 - vii. Other Equity
- g) With respect to compliance with covenants of 7.75% Non-Convertible Debentures having face value of Rs. 10,00,000 each, aggregating to Rs. 300 crores as per Sl.no 4 of the attached Statement, the Trust Deed requires the other financial covenants to be tested annually and hence has not been computed by the management and accordingly not commented upon.
- h) With respect to compliance with covenants as per Sl.no 5 (a) (i) to 5 (a) (viii) and 5 (b) (ii) to 5 (b) (vi) of the attached Statement, the management has represented and confirmed that the Company has complied with all the covenants, as prescribed in the Trust Deed, as at September 30, 2021. We have relied on the same and not performed any independent procedures in this regard.
- i) Performed necessary inquiries with the management and obtained necessary representations.



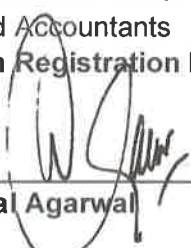
Conclusion

11. Based on the procedures performed by us, as referred to in paragraph 10 above and according to the information and explanations received and management representations obtained, nothing has come to our attention that causes us to believe that:
- a) The Company has not maintained asset cover as per the terms of the Trust Deeds; and
 - b) The Company is not in compliance with all the covenants as mentioned in the Trust Deeds as on September 30, 2021.

Restriction on Use

12. The Report has been issued at the request of the Company, solely in connection with the purpose mentioned in paragraph 2 above and to be submitted with the accompanying Statement to the Debenture Trustee and is not to be used or referred to for any other person. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come. We have no responsibility to update this certificate for events and circumstances occurring after the date of this report

For **S.R. Batliboi & CO. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005


per **Kamal Agarwal**
Partner
Membership Number: 058652

UDIN: 21058652AAAAEI3992

Place of Signature: Kolkata
Date: November 11, 2021





CIN : L31901WB1978PLC031411

Registered Office: CESC House, Chowringhee Square, Kolkata 700 001

Email ID: secretarial@rpsg.in; Website: www.cesc.co.in

Tel: (033) 6499 0049; Fax: (033) 22124262

Statement showing maintenance of hundred percent or higher Asset Cover as per the terms of Debenture Trust Deeds and compliance with covenants as per requirement of Regulation 56 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as at 30th September 2021

Statement as per Regulation 56 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as at 30th September, 2021, in respect of Debenture Trust Deeds dated 20th May, 2020 and 23rd December, 2020 ("Trust Deeds") for issue of non-convertible listed debentures of Rs 300 crore and Rs 200 crore respectively.

- 1) The Company has the following outstanding debentures as on 30th September, 2021:-
 - a) rated, listed, secured, redeemable, taxable, non-convertible, non-cumulative debentures for cash at par of Rs 300 crore at a coupon of 7.75% p.a. subscribed by ICICI Bank Limited. The said Debentures have been secured by a pari passu first charge on the Company's movable and immovable fixed assets.
 - b) rated, listed, secured, redeemable, non-convertible debentures for cash at par of Rs 200 crore at a coupon of 12 month T bill + 2.40% p.a. subscribed by Citibank N.A. The said Debentures have been secured by a pari passu first charge on the Company's movable fixed assets.
- 2) Asset Cover with respect to Rs 300 crore debentures subscribed by ICICI Bank Limited and Rs 200 crore debentures subscribed by Citibank N.A., as computed in Annexure - 1 and Annexure - 2, as at 30th September 2021 is 2.35 and 1.72, respectively, which is higher than the asset cover as required by the respective Trust Deeds.
- 3) Profit after tax of the Company for the half year ended 30th September 2021 is Rs. 373 crore.
- 4) As per Trust Deed with respect to Rs 300 crore debentures subscribed by ICICI Bank Limited, the other financial covenants are to be tested on annual basis after completion of the current financial year i.e. 2021-22 and hence, are not included in the Statement.

Ant



5) The Company is in compliance with all the following applicable covenants as per the Trust Deeds:

- a) Debenture Trust Deed dated 20th May, 2020 with respect to debentures subscribed by ICICI Bank Limited:
- i) Proceeds from debentures are used as per terms stated in Trust Deed.
 - ii) Security has been created as per terms stated in Trust Deed.
 - iii) The Company has not undertaken new project or expansion (other than normal capital expenditure exceeding Rs. 1,000 crore per year) or made any investment without prior intimation to ICICI Bank Limited or made any loans and advances (other than in the ordinary course of business).
 - iv) The Company has not raised or guaranteed any incremental debt (other than for normal capital expenditure) other than working capital in the ordinary course of business.
 - v) The Company has ensured adequate insurance cover against all risks on the security offered for the facilities.
 - vi) There has been no acquisition or merger of subsidiaries during the 6 months period ended on 30th September, 2021, without prior intimation to ICICI Bank Limited
 - vii) The Promoter group has not diluted its shareholding below the threshold limit as prescribed under the Trust Deed.
 - viii) The Promoter group has not pledged its shareholding in the Company.
- b) Debenture Trust Deed dated 23rd December, 2020 with respect to debentures subscribed by CitiBank N.A.:
- i) Debt to Net Worth Ratio as computed in Annexure – 3, is 0.59 as at 30th September, 2021.
 - ii) Proceeds from debentures are used as per terms stated in Trust Deed.
 - iii) Security has been created as per terms stated in Trust Deed.
 - iv) The Company has not sold any movable fixed asset, with a value/consideration of more than ₹ 500 crore during the 6 months period ended on 30th September, 2021.
 - v) The Company has not entered into any amalgamation, demerger, merger or corporate reconstruction.
 - vi) The Promoter group has not diluted its shareholding below the threshold limit as prescribed under the Trust Deed.

Kolkata, 11th November 2021




Executive Director & CFO

CESC Limited

Annexure -1

Asset Cover - with respect to debentures subscribed by ICICI Bank Limited (in respect of borrowings with first pari passu charge on immovable and movable fixed assets)	As on 30th September 2021 (Rs. in crore)
Property, Plant and Equipment	14076
Capital work-in-progress	122
Total (A)	14198
Total debt	
Non-current borrowings (including current maturities of long term debts)	6052
Total (B)	6052
Asset Cover (A) / (B)	2.35

Note: Current Borrowings of Rs 1252 crore (excluding current maturities of long term debts) not having first pari passu charge on immovable and movable fixed assets is not included in the above computation.

Annexure -2

Asset Cover - with respect to debentures subscribed by Citibank N.A. (in respect of borrowings with first pari passu charge on movable fixed assets)	As on 30th September 2021 (Rs. in crore)
Property, Plant and Equipment (excluding Land, Buildings and Structures and Railway Sidings)	10388
Total (A)	10388
Total debt	
Non-current borrowings (including current maturities of long term debts)	6052
Total (B)	6052
Asset Cover (A) / (B)	1.72

Note: a) Current Borrowings of Rs 1252 crore (excluding current maturities of long term debts) not having first pari passu charge on movable fixed assets is not included in the above computation.

b) Net block of Plant & Machinery amounting to Rs 3,996 crores has been considered as movable fixed assets for the purpose of above computation.

c) Capital work-in progress amounting to Rs 122 crores has not been considered as movable fixed assets for the purpose of above computation.

Kolkata, 11th November 2021



Sant
Executive Director & CFO

CESC Limited

Annexure -3

Debt to Net Worth Ratio with respect to debentures subscribed by Citibank N.A. (in respect of borrowings with first pari passu charge on movable fixed assets)	As on 30th September, 2021 (Rs. in crore)
Total debt	
Non-current borrowings (including current maturities of long term debts)	6052
Total (A)	6052
Net Worth	
(i) Equity Share Capital	133
(ii) Other Equity	10092
Total (B) (i +ii)	10225
Debt to Net Worth ratio (A) / (B)	0.59

Kolkata, 11th November 2021

Sant

Executive Director & CFO





DOC:SEC/169 /2021-22/169

November 11, 2021

National Stock Exchange of India Limited
Exchange Plaza, 5th Floor, Plot No. C/1,
G- Block, Bandra – Kurla Complex,
Bandra (East),
Mumbai – 400 051
SCRIP CODE: CESC

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001
SCRIP CODE: 500084

Dear Sir/Madam,

Sub: Outcome of Board Meeting held on November 11, 2021

We write to inform you that pursuant to Regulation 30, 33, 52 and any other applicable regulations of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the Board of Directors of the Company, at its meeting held today i.e. November 11, 2021, *inter alia*, has approved:

- (1) the Unaudited Financial Results (Standalone and Consolidated) of the Company, for the quarter and half year ended on September 30, 2021. A copy of the said results along with the Limited Review Report issued by the Statutory Auditors of the Company are enclosed herewith for your record.
- (2) the adoption of new Articles of Association to make them consistent and aligned with the provisions of the Companies Act, 2013 and the Rules framed thereunder and the provisions of Secretarial Standards on Board and General meetings, subject to the approval of the members of the Company, proposed to be taken through Postal Ballot by way of E-Voting the necessary details and information in respect of which would be provided in due course.

The Meeting of the Board of Directors of the Company commenced at 12:00 p.m. (IST) and concluded at 12:50 p.m. (IST).

This is for your information and record please.

Yours faithfully,
For **CESC Limited**

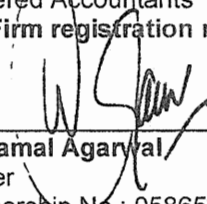

Jagdish Patra
Company Secretary & Compliance Officer

Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Standalone Financial Results of the Company Pursuant to the Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

**Review Report to
The Board of Directors
CESC Limited**

1. We have reviewed the accompanying statement of unaudited standalone financial results of CESC Limited (the "Company") for the quarter ended September 30, 2021 and year to date from April 1, 2021 to September 30, 2021 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For S.R. BATLIBOI & Co. LLP
Chartered Accountants
ICAI Firm registration number: 301003E/E300005


per Kamal Agarwal
Partner
Membership No.: 058652

UDIN: 21058652AAAAEK9687

Place: Kolkata
Date: November 11, 2021



CIN :L31901WB1978PLC031411
Registered Office: CESC House, Chowringhee Square, Kolkata 700 001
Email ID: secretarial@rpsg.in; Website: www.cesc.co.in
Tel: (033) 6499 0049; Fax: (033) 22124262

Statement of Standalone Unaudited Financial Results for the Quarter and Six Months ended 30 September 2021

Particulars	(Rs.in crore)					
	Three months ended 30.09.2021 (Unaudited)	Three months ended 30.06.2021 (Unaudited)	Three months ended 30.09.2020 (Unaudited)	Six months ended 30.09.2021 (Unaudited)	Six months ended 30.09.2020 (Unaudited)	Year ended 31.03.2021 (Audited)
	(1)	(2)	(3)	(4)	(5)	(6)
Income from operations						
Revenue from operations	2091	1931	1989	4022	3574	6921
Other income	32	14	14	46	48	180
Total income	2123	1945	2003	4068	3622	7101
Expenses						
Cost of electrical energy purchased	815	759	760	1574	1386	2649
Cost of fuel	376	345	382	721	715	1317
Purchase of Stock-in-trade	3	4	5	7	9	17
Employee benefits expense	233	245	254	478	494	900
Finance costs	124	127	121	251	257	502
Depreciation and amortisation expense	116	118	113	234	230	463
Other expenses	245	267	250	512	404	863
Total expenses	1912	1865	1885	3777	3495	6711
Profit before regulatory income/(expense) and tax	211	80	118	291	127	390
Regulatory Income/(expense) (net)	95	95	81	190	226	457
Profit before tax	306	175	199	481	353	847
Tax Expenses :-						
Current Tax	77	43	48	120	77	129
Deferred Tax	(6)	(6)	(77)	(12)	(86)	(96)
Total tax expense	71	37	(29)	108	(9)	33
Profit for the period	235	138	228	373	362	814
Other comprehensive Income						
<i>Items that will not be reclassified to profit or loss</i>						
Remeasurement of defined benefit plan	(4)	(8)	(4)	(12)	(12)	(33)
Gain on fair Valuation of investment	-	-	-	-	-	0
Deferred Tax on above	-	-	-	-	-	(0)
Other Comprehensive Income/(Expense) for the period (Net of Income Tax)	(4)	(8)	(4)	(12)	(12)	(33)
Total Comprehensive Income for the period	231	130	224	361	350	781
Paid-up Equity Share Capital (Face value of Re 1/- each) (Refer note 10)	133	133	133	133	133	133
Other Equity as per latest audited Balance Sheet as at 31 March 2021						9844
Earnings Per Share (EPS) (Rs.) - refer note 5(ii) & 10						
Basic & Diluted	1.78*	1.04*	1.72*	2.81*	2.73*	6.14
* not annualised						



Notes to financial results :-

1

Standalone Balance Sheet :

Particulars	As at 30.09.2021 (Unaudited)	As at 31.03.2021 (Audited)
	Rs. in crore	Rs. in crore
ASSETS		
Non-current Assets		
Property, Plant and Equipment	14076	14265
Capital work-in-progress	122	66
Investment Property	63	63
Intangible Assets	105	109
Financial Assets		
(i) Investments	4954	5060
(ii) Loans	4	4
(iii) Others	112	112
Other non-current assets	145	120
Total	19581	19799
Current Assets		
Inventories	350	380
Financial Assets		
(i) Investments	149	13
(ii) Trade receivables	1374	1394
(iii) Cash and cash equivalents	1006	552
(iv) Bank balances other than (iii) above	409	405
(v) Others	159	131
Other current assets	245	223
Total	3692	3098
Regulatory deferral account balances	4960	4759
TOTAL ASSETS	28233	27656
EQUITY AND LIABILITIES		
Equity		
(i) Equity Share capital	133	133
(ii) Other Equity	10092	9844
Total	10225	9977
LIABILITIES		
Non-current Liabilities		
Financial Liabilities		
(i) Borrowings	5214	5410
(i.a) Lease Liabilities	119	127
(ii) Trade Payables		
(a) Total outstanding dues to Micro Enterprises & Small Enterprises	-	-
(b) Total outstanding dues of Creditors other than Micro Enterprises & Small Enterprises	51	50
(iii) Consumers' Security Deposits	1507	1716
(iv) Others	4	4
Provisions	472	456
Deferred tax liabilities (net)	3373	3385
Other non-current liabilities	293	184
Total	11033	11332
Current Liabilities		
Financial Liabilities		
(i) Borrowings	2069	1868
(i.a) Lease Liabilities	27	27
(ii) Trade Payables		
(a) Total outstanding dues to Micro Enterprises & Small Enterprises	9	18
(b) Total outstanding dues of Creditors other than Micro Enterprises & Small Enterprises	1324	778
(iii) Others	1067	1559
Other current liabilities	753	435
Provisions	110	85
Current tax liabilities (net)	79	51
Total	5438	4821
Regulatory deferral account balances	1537	1526
TOTAL EQUITY AND LIABILITIES	28233	27656



2 Statement of Cash Flows :

Particulars	Six months ended 30.09.2021 (Unaudited)	Six months ended 30.09.2020 (Unaudited)
	Rs. in crore	Rs. in crore
A. Cash flow from Operating Activities		
Profit before tax	481	353
Adjustments to reconcile profit before tax to net operating cashflows	471	466
Operating profit before Working Capital changes	952	819
Working Capital changes	210	(766)
Net change in regulatory deferral account balances	(190)	(226)
Net cashflow from Operating Activities	972	(173)
B. Cash flow from Investing Activities	(280)	(260)
C. Cash flow from Financing Activities	(238)	(127)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	454	(560)
Cash and Cash equivalents - Opening Balance	552	1050
Cash and Cash equivalents - Closing Balance	1006	490

3 In the above standalone financial results of the Company, revenue from operations has been arrived at based on the relevant orders of the West Bengal Electricity Regulatory Commission (WBERC), the Regulator. The effect of adjustments relating to advance against depreciation, cost of fuel, purchase of power and those having bearing on revenue account, deferred taxation estimate and effect of exchange fluctuation including MTM gain, as appropriate, based on the Company's understanding of the applicable available regulatory provisions and available orders of the competent authorities have been included in Regulatory income/ (expense) (net), which may, however, necessitate further adjustments upon receipt of subsequent orders/directions in this regard, including finalisation of the underlying issues relating to mining of coal from Sarisatoli coal mine, which commenced from April, 2015. These balances have been recognised with discounting methodology, assuming recovery over a period of time using such rate in consonance with the applicable regulations and application of prudence.

4 Part A of Schedule II to the Companies Act, 2013 (the Act), inter alia, provides that depreciable amount of an asset is the cost of an asset or other amount substituted for cost. Part B of the said Schedule deals with the useful life or residual value of an asset as notified for accounting purpose by a Regulatory Authority constituted under an act of Parliament or by the Central Government for calculating depreciation to be provided for such asset irrespective of the requirement of Schedule II. In terms of applicable Regulations under the Electricity Act, 2003, depreciation on tangible assets other than freehold land is provided on straight line method on a pro-rata basis at the rates specified therein, the basis of which be considered by the West Bengal Electricity Regulatory Commission (Commission) in determining the Company's tariff for the year, which is also required to be used for accounting purpose as specified in the said Regulations. Based on legal opinions and accounting opinions obtained, the Company continues with the consistently followed practice of recouping from the retained earnings an additional charge of depreciation relatable to the increase in value of assets arising from fair valuation, which for the quarter ended 30 September 2021, quarter ended 30 June 2021, quarter ended 30 September 2020, six months ended 30 September 2021, six months ended 30 September 2020 and year ended 31 March 2021 amounts to Rs. 56 crore, Rs 57 crore, Rs 61 crore, Rs 113 crore, Rs 122 crore and Rs 245 crore respectively.

5 (i) Other expenses contained in columns (1) to (6) in the above financial results include interest on security deposit of Rs. 24 crore, Rs. 29 crore, Rs. 26 crore, Rs. 53crore, Rs. 53 crore and Rs. 114 crore for the respective periods.

(ii) EPS without Regulatory income / (expense) (net) contained in Columns (1) to (6) in the above financial results works out to Rs 1.33, Rs 0.59, Rs 1.32, Rs 1.92, Rs 1.44 and Rs 3.43 for the respective periods.

6 India and other global markets experienced significant disruption in operations resulting from uncertainty caused by the worldwide outbreak of Coronavirus pandemic. The Company's business includes Generation and Distribution of power within its licensed area in the state of West Bengal, India. Considering power supply being an essential service, management believes that there is not much of an impact likely due to this pandemic on the business of the Company, its subsidiaries and joint venture except some lower demand and its consequential impact on supply and collection from consumers, which are believed to be temporary in nature. The Company has duly ensured compliance with specific regulatory directives issued in the related matter. The Company is taking all necessary steps and precautionary measures to ensure smooth functioning of its operations/business and to ensure the safety and well-being of all its employees. The Company is closely monitoring developments, its operations, liquidity and capital resources and is actively working to minimize the impact of this unprecedented situation. The Company is also monitoring the operations of its subsidiaries and joint venture, basis which, no impairment is required to be recognised in respect of such investments.

7 The Company is primarily engaged in generation and distribution of electricity and does not operate in any other significant reportable segment.

8 The Company, together with some of its subsidiaries, has executed a Share Purchase Agreement (SPA) with Torrent Power Limited to sell and transfer the entire shareholding in Surya Vidyut limited, (a wholly owned subsidiary of the Company) at a total consideration of Rs 315.25 crore subject to such adjustments as may be mutually agreed in terms of the SPA (Closing Price Adjustments - CPA). The Enterprise value was approximately Rs 790 crore subject to CPA. The transfer is dependent on completion of Conditions Precedent as described in the SPA. Consequently, the Company's investment in this subsidiary has now been classified as Current Investments.

9 With regard to the Company's power purchase from one of its subsidiaries (provider), West Bengal Electricity Regulatory Commission (WBERC) has issued the tariff order for the years 2018-19 and 2019-20 vide its tariff order dated 8 September 2021, wherein certain underlying issues/items have been dealt with in deviation from past practices of tariff determination and kept for disposal through future true up exercise. The said provider not being in agreement with the same, has since preferred an appeal in respect of the above Tariff Order before the hon'ble Appellate Tribunal for Electricity on the grounds inter alia, that the orders have been passed after substantial period of delay and in fact after the applicable periods are long over and certain directions that have been passed in the said are impossible to comply with because of the aforesaid delay in passing the said order and also not taking into consideration the final project cost for determination of tariff which was already filed with Hon'ble WBERC. Based on legal opinion obtained, the provider is continuing with the tariff earlier determined by WBERC for the year 2017-18 and is confident of matter being adjudicated in its favour. Accordingly, necessary adjustment, if any, will be made on the matter reaching finality.

10 Pursuant to the Special Resolution passed by the Shareholders and receipt of necessary statutory approvals, the Company had sub divided its each Equity Share of face value of Rs 10/- (Rupees Ten only) fully paid-up into 10(ten) Equity Shares of face value of Re 1/- (Rupee One) each fully paid-up, effective from 21st September 2021. This has been considered for calculating weighted average number of equity shares for all comparative periods presented as per Ind AS 33. In line with the above, EPS (basic and diluted) have been adjusted for all periods presented.

11 The above results were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 11th November, 2021. The Statutory Auditors of the Company have carried out a limited review of the said results in terms of Regulations 33 and 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

12 Figures for the previous periods have been regrouped / reclassified wherever necessary to conform to current period's classification.

Dated : 11th November, 2021



By Order of the Board

Rabi Chowdhury
Managing Director
-Generation

Debasish Banerjee
Managing Director
- Distribution



CIN : L31901WB1978PLC031411

Registered Office: CESC House, Chowringhee Square, Kolkata 700 001

Email ID: secretarial@rpsg.in; Website: www.cesc.co.in

Tel : (033) 6499 0049; Fax: (033) 22124262

Statement of Ratios and Other information as per Regulation 52(4) and 54(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Company has issued (a) rated, listed, secured, redeemable, taxable, non-convertible, non-cumulative debentures of face value of INR 10,00,000 each, aggregating to INR 300 crore, subscribed by ICICI Bank Limited and (b) rated, listed, secured, redeemable, non-convertible debentures of face value of INR 10,00,000 each, aggregating to INR 200 crore, subscribed by Citibank N.A. (cumulatively referred to as the "Debentures") which have remained outstanding as on 30th September, 2021 and accordingly the following disclosures are being made as per Regulation 52(4) and 54(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

	Particulars	Three Months ended 30.09.2021 (Unaudited) (1)	Three Months ended 30.06.2021 (Unaudited) (2)	Three Months ended 30.09.2020 (Unaudited) (3)	Six months ended 30.09.2021 (Unaudited) (4)	Six months ended 30.09.2020 (Unaudited) (5)	Twelve Months ended 31.03.2021 (Audited) (6)
1	Debt Equity Ratio	0.71	0.72	0.64	0.71	0.64	0.73
2	Debt Service Coverage Ratio (net of proceeds utilised for Refinancing)	11.04	0.54	1.24	1.15	1.03	1.19
3	Interest Service Coverage Ratio	3.78	2.97	3.19	3.37	2.97	3.35
4	Net worth (Rs. crore)	10225	10051	10266	10225	10266	9977
5	Net profit after tax (Rs. crore)	235	138	228	373	362	814
6	Earnings per share (Basic and Diluted) * not annualised	1.78*	1.04*	1.72*	2.81*	2.73*	6.14
7	Current Ratio	0.68	0.64	0.64	0.68	0.64	0.64
8	Long term Debt to Working Capital	**	**	**	**	**	**
9	Bad Debt to Accounts Receivable ratio (not annualised)	0.01	0.01	0.00	0.01	0.01	0.01
10	Current Liability Ratio	0.30	0.28	0.34	0.30	0.34	0.27
11	Total Debts to Total Assets	0.26	0.26	0.24	0.26	0.24	0.26
12	Debtors Turnover (not annualised)	1.52	1.39	1.10	2.91	2.33	5.80
13	Inventory Turnover (not annualised)	2.55	1.95	2.16	4.39	3.88	6.55
14	Operating Profit Margin(%)	19.03%	14.92%	15.37%	17.06%	15.72%	16.88%
15	Net Profit Margin(%)	11.08%	7.10%	11.38%	9.17%	9.99%	11.47%
16	Asset Cover						
	in respect of borrowings with first pari passu charge on immovable and movable fixed assets	NA	NA	NA	2.35	2.94	2.24
	in respect of borrowings with first pari passu charge on movable fixed assets	NA	NA	NA	1.72	2.16	1.65

** net working capital is negative

- 17 The debentures subscribed by ICICI Bank Limited amounting to Rs 300 crore are secured by way of pari passu first charge on movable and immovable fixed assets of the Company and debentures subscribed by Citibank N.A. amounting to Rs 200 crore are secured by way of pari passu first charge on movable fixed assets of the Company.
- 18 The asset cover, as on 30th September 2021 meets the requirement of the respective Trust Deeds. In respect of the debentures subscribed by ICICI Bank Limited and Citibank N.A., security has been created as per the terms of the Information Memorandum to the Issue/ Debenture Trust Deed.
- 19 There is no deviation or variation in the use of proceeds of issue of the Debentures from the objects stated in the Information Memorandum.
- 20 The Company does not have any Outstanding redeemable preference shares as on 30th September, 2021
- 21 There is no requirement of creation of capital redemption reserve/ debenture redemption reserve as per the Companies Act, 2013
- 22 As on 30th September 2021, the Company had following issued and outstanding listed commercial papers:

ISIN	Amount (Rs. crore)
INE486A14EL5	200
INE486A14EM3	100

Formulae for computation of above ratios are as follows:

Debt Equity Ratio = Non Current Borrowings (including current maturities of long-term debts) + Current Borrowings / Total Equity

Debt Service Coverage Ratio = profit after tax + depreciation + deferred tax provisions+ finance costs / finance costs + lease rent expense (excluding short term lease rent) + debt repayments (net of proceeds utilised for Refinancing)

Interest Service Coverage Ratio = profit after tax + depreciation + deferred tax provisions+ finance costs + lease rent expense (excluding short term lease rent) / finance costs

Net worth means the aggregate of Equity Share Capital and Other Equity; Other Equity includes Retained Earnings, Fund for Unforeseen exigencies, Capital Reserve and Equity Instruments through Other comprehensive Income

Current Ratio = Total Current Assets / Total Current Liabilities

Long term Debt to Working Capital = Non-current borrowings including current maturities of non current borrowings / (Current Assets - Current Liabilities excluding current maturities of Non-current borrowings)

Bad Debt to Accounts Receivable ratio = Bad Debt (incl Provision for Bad Debts) / Average Trade Receivables

Current Liability Ratio = Total Current Liabilities/ Total Liabilities

Total Debts to Total Assets = Non Current Borrowings + Current Borrowings / Total Assets

Debtors Turnover = Revenue from Operations / Average Trade Receivables

Inventory Turnover = Cost of Fuel / Average Fuel Inventory

Operating Profit Margin(%) = (Profit Before Tax+ Finance Cost - Other Income) / Revenue from Operations

Net Profit Margin(%) = Net Profit / Total Income

Asset Cover shall mean the ratio between

(i) In respect to debentures subscribed by ICICI Bank Limited

- The aggregate of (a) Property, Plant and Equipment (b) Capital work-in-progress and Non-Current Borrowings (including current maturities of long-term debts)

(ii) In respect to debentures subscribed by Citibank N.A.

- The aggregate of (a) Property, Plant and Equipment (excluding Land, Buildings and Structures and Railway Sidings) and Non-Current Borrowings (including current maturities of long-term debts)

Rabi Chowdhury
Managing Director
Generation

Debasish Barterjee
Managing Director
Distribution

Dated: 11th November, 2021

Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

**Review Report to
The Board of Directors
CESC Limited**

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of CESC Limited (the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its joint venture for the quarter ended September 30, 2021 and year to date from April 1, 2021 to September 30, 2021 (the "Statement") attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the following entities:

Sl. No.	Name of the Company	Relationship
1	Haldia Energy Limited	Subsidiary
2	Dhariwal Infrastructure Limited	Subsidiary
3	Crescent Power Limited	Subsidiary
4	Surya Vidyut Limited	Subsidiary
5	Kota Electricity Distribution Limited	Subsidiary
6	Bikaner Electricity Supply Limited	Subsidiary
7	Bharatpur Electricity Services Limited	Subsidiary
8	Malegaon Power Supply Limited (formerly Nalanda Power Company Limited)	Subsidiary
9	Bantal Singapore Pte. Ltd.	Subsidiary
10	CESC Projects Limited	Subsidiary
11	Pachi Hydropower Projects Limited	Subsidiary
12	Papu Hydropower Projects Limited	Subsidiary
13	Jarong Hydro-Electric Power Company Limited	Subsidiary

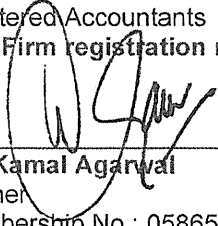
14	Ranchi Power Distribution Company Limited	Subsidiary
15	Au Bon Pain Café India Limited	Subsidiary
16	Jharkhand Electric Company Limited	Subsidiary
17	CESC Green Power Limited	Subsidiary
18	Eminent Electricity Distribution Limited	Subsidiary
19	Noida Power Company Limited	Subsidiary
20	Mahuagarhi Coal Company Private Limited	Joint Venture

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of other auditors referred to in paragraph 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. The accompanying Statement includes the unaudited interim financial results and other financial information, in respect of:
- 19 subsidiaries, whose unaudited interim financial results include total assets of Rs. 17,430.87 crores as at September 30, 2021, total revenues of Rs. 2,160.10 crores and Rs. 4,183.78 crores, total net profit after tax of Rs. 120.70 crores and Rs. 262.78 crores, total comprehensive income of Rs. 122.95 crores and Rs. 275.39 crores, for the quarter ended September 30, 2021 and the period ended on that date respectively, and net cash inflows of Rs. 651.07 crores for the period from April 1, 2021 to September 30, 2021, as considered in the Statement which have been reviewed by their respective independent auditors.
 - 1 joint venture, whose unaudited interim financial results include Group's share of net loss of Rs. 0.00 crores and Rs. 0.00 crore and Group's share of total comprehensive loss of Rs. 0.00 crore and Rs. 0.00 crore for the quarter ended September 30, 2021 and for the period from April 1, 2021 to September 30, 2021 respectively, as considered in the Statement whose interim financial results, other financial information have been reviewed by their respective independent auditors.

The independent auditor's reports on interim financial results of these entities have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures in respect of these subsidiaries and joint venture is based solely on the report of such auditors and procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement in respect of matters stated in para 6 above is not modified with respect to our reliance on the work done and the reports of the other auditors.

For **S.R. BATLIBOI & Co. LLP**
Chartered Accountants
ICAI Firm registration number: 301003E/E300005


per **Kamal Agarwal**
Partner
Membership No.: 058652

UDIN: 21058652AAAAEL4318

Place: Kolkata
Date: November 11, 2021





CIN :L31001WB1078PLC031411
Registered Office: CESC House, Chowringhee Square, Kolkata 700 001
Email ID: secretarial@rpsg.in; Website: www.cesc.co.in
Tel: (033) 6499 0049; Fax: (033) 22124262

Statement of Consolidated Unaudited Financial Results for the Quarter and Six Months ended 30 September 2021

(Rs.in crore)

Particulars	Three months ended 30.09.2021 (Unaudited)	Three months ended 30.06.2021 (Unaudited)	Three months ended 30.09.2020 (Unaudited)	Six months ended 30.09.2021 (Unaudited)	Six months ended 30.09.2020 (Unaudited)	Year ended 31.03.2021 (Audited)
			Refer note 13		Refer note 13	
	(1)	(2)	(3)	(4)	(5)	(6)
Income from operations						
Revenue from operations	3494	3213	3351	6707	5965	11632
Other income	40	29	25	69	73	242
Total Income	3534	3242	3376	6776	6038	11874
Expenses						
Cost of electrical energy purchased	1021	871	917	1892	1578	2778
Cost of fuel	855	846	860	1701	1635	3130
Purchase of Stock-in-trade	3	4	5	7	9	17
Employee benefits expense	287	286	300	573	584	1074
Finance costs	278	280	302	558	622	1214
Depreciation and amortisation expense	222	219	212	441	432	867
Other expenses	414	444	381	858	657	1466
Total expenses	3080	2950	2977	6030	5517	10546
Profit before regulatory income/(expense) and tax	454	292	399	746	521	1328
Regulatory Income/(expense) (net)	26	101	45	127	234	424
Profit before tax	480	393	444	873	755	1752
Tax Expenses :-						
Current Tax	111	83	89	194	155	272
Deferred Tax	29	30	(32)	59	4	117
Total tax expense	140	113	57	253	159	389
Profit for the period	340	280	387	620	596	1363
Other Comprehensive Income						
<i>Items that will not be reclassified to profit or loss</i>						
Remeasurement of defined benefit plan	(6)	(7)	(4)	(13)	(14)	(33)
Gain/(loss) on fair valuation of investment	4	10	0	14	9	4
Deferred Tax on above	-	-	-	-	-	(0)
Other Comprehensive Income/(Expense) for the period (Net of Income Tax)	(2)	3	(4)	1	(5)	(29)
Total Comprehensive Income for the period	338	283	383	621	591	1334
Profit attributable to						
Owners of the equity	335	271	378	606	579	1331
Non-controlling interest	5	9	9	14	17	32
	340	280	387	620	596	1363
Other Comprehensive Income attributable to						
Owners of the equity	(2)	3	(4)	1	(5)	(29)
Non-controlling interest	0	0	0	0	0	0
	(2)	3	(4)	1	(5)	(29)
Total Comprehensive Income attributable to						
Owners of the equity	333	274	374	607	574	1302
Non-controlling interest	5	9	9	14	17	32
	338	283	383	621	591	1334
Paid-up Equity Share Capital (Face value of Re 1/- each) (Refer note 12)	133	133	133	133	133	133
Other Equity as per latest audited Balance Sheet as at 31 March 2021						9740
Earnings Per Share (EPS) (Rs.-) - refer note 5(ii) & 12						
Basic & Diluted	2.53*	2.04*	2.85*	4.57*	4.37*	10.04
* not annualised						



Notes to financial results :-
1 Consolidated Balance Sheet :

Particulars	As at 30.09.2021 (Unaudited)	As at 31.03.2021 (Audited)
	Rs. in crore	Rs. in crore
ASSETS		
Non-current Assets		
Property, Plant and Equipment	22951	23971
Capital work-in-progress	245	134
Investment Property	63	63
Intangible Assets	130	163
Financial Assets		
(i) Investments	154	140
(ii) Loans	6	6
(iii) Others	103	102
Other non-current assets	220	194
Total	23872	24773
Current Assets		
Inventories	527	597
Financial Assets		
(i) Investments	139	169
(ii) Trade receivables	2352	2315
(iii) Cash and cash equivalents	1978	840
(iv) Bank balances other than (iii) above	1004	1018
(v) Loans	2	1
(vi) Others	251	237
Current Tax Assets (Net)	3	3
Other current assets	492	417
Total	6748	5597
Assets Held For Sale	786	-
Regulatory deferral account balances	5761	5492
TOTAL ASSETS	37167	35862
EQUITY AND LIABILITIES		
Equity		
(i) Equity Share capital	133	133
(ii) Other Equity	10234	9740
(iii) Non-controlling interest	402	397
Total	10769	10270
LIABILITIES		
Non-current Liabilities		
Financial Liabilities		
(i) Borrowings	10349	10899
(i.a) Lease Liabilities	194	204
(ii) Trade Payables		
(a) Total outstanding dues to Micro Enterprises & Small Enterprises	-	-
(b) Total outstanding dues of Creditors other than Micro Enterprises & Small Enterprises	63	64
(iii) Consumers' Security Deposits	1797	1998
(iv) Others	71	66
Provisions	498	476
Deferred tax liabilities (net)	4217	4159
Other non-current liabilities	296	191
Total	17485	18057
Current Liabilities		
Financial Liabilities		
(i) Borrowings	3392	3143
(i.a) Lease Liabilities	31	32
(ii) Trade Payables		
(a) Total outstanding dues to Micro Enterprises & Small Enterprises	25	30
(b) Total outstanding dues of Creditors other than Micro Enterprises & Small Enterprises	1109	909
(iii) Others	756	812
Other current liabilities	909	575
Provisions	114	92
Current tax liabilities (net)	101	70
Total	6437	5663
Liabilities associated with Assets Held For Sale	462	-
Regulatory deferral account balances	2014	1872
TOTAL EQUITY AND LIABILITIES	37167	35862



2 Statement of Consolidated Cash Flows :

Particulars	Six months ended 30.09.2021 (Unaudited)	Six months ended 30.09.2020 (Unaudited)
	Rs. in crore	Rs. in crore
A. Cash flow from Operating Activities		
Profit before tax	873	755
Adjustments to reconcile profit before tax to net operating cash flows	1001	1046
Operating profit before Working Capital changes	1874	1801
Working Capital changes	118	(999)
Net change in regulatory deferral account balances	(127)	(234)
Net cashflow from Operating Activities	1865	568
B. Cash flow from Investing Activities	(310)	(300)
C. Cash flow from Financing Activities	(413)	(683)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	1142	(415)
Cash and Cash equivalents - Opening Balance	840	1262
Cash and Cash equivalents - Closing Balance	1982	847
Cash and Cash equivalents comprise of :		
Cash and Cash equivalents	1978	847
Cash and Cash equivalents included in Assets Held For Sale	4	-
Total	1982	847

- 3 In the above consolidated financial results of the Group, earnings from revenue from operations in respect of the Parent and the subsidiaries engaged in the business of electricity has been arrived at based on the relevant orders of appropriate regulatory commission to the extent applicable. The effect of adjustments relating to advance against depreciation, cost of fuel, purchase of power and those having bearing on revenue account, deferred taxation estimate and effect of exchange fluctuation including MTM gain, as appropriate, based on the Group's understanding of the applicable available regulatory provisions and available orders of the competent authorities have been included in Regulatory income/ (expense) (net), which may, however, necessitate further adjustments upon receipt of subsequent orders/directions in this regard, including finalisation of the underlying issues relating to mining of coal from Sarisatoli coal mine, which commenced from April, 2015. These balances have been recognised with discounting methodology, assuming recovery over a period of time using such rate in consonance with the applicable regulations and application of prudence.
- 4 Part A of Schedule II to the Companies Act, 2013 (the Act), inter alia, provides that depreciable amount of an asset is the cost of an asset or other amount substituted for cost. Part B of the said Schedule deals with the useful life or residual value of an asset as notified for accounting purpose by a Regulatory Authority constituted under an act of Parliament or by the Central Government for calculating depreciation to be provided for such asset irrespective of the requirement of Schedule II. In terms of applicable Regulations under the Electricity Act, 2003, depreciation on tangible assets other than freehold land is provided on straight line method on a pro-rata basis at the rates specified therein, the basis of which be considered by the West Bengal Electricity Regulatory Commission (Commission) in determining the Parent's tariff for the year, which is also required to be used for accounting purpose as specified in the said Regulations. Based on legal opinions and accounting opinions obtained, the Parent continues with the consistently followed practice of recouping from the retained earnings an additional charge of depreciation relating to the increase in value of assets arising from fair valuation, which for the quarter ended 30 September 2021, quarter ended 30 June 2021, quarter ended 30 September 2020, six months ended 30 September 2021, six months ended 30 September 2020 and year ended 31 March 2021 amounts to Rs. 56 crore, Rs 57 crore, Rs 61 crore, Rs 113 crore, Rs 122 crore and Rs 245 crore respectively.
- 5 (i) Other expenses contained in columns (1) to (6) in the above financial results include interest on security deposit of Rs. 27 crore, Rs. 32 crore, Rs. 29 crore, Rs. 59 crore, Rs. 59 crore and Rs. 127 crore for the respective periods.
(ii) EPS without Regulatory income / (expense) (net) contained in Columns (1) to (6) in the above financial results works out to Rs 2.41, Rs 1.49, Rs 2.38, Rs 3.90, Rs 2.94 and Rs 7.25 for the respective periods.
- 6 India and other global markets experienced significant disruption in operations resulting from uncertainty caused by the worldwide outbreak of Coronavirus pandemic. The Group's business includes Generation and Distribution of power in India. Considering power supply being an essential service, management believes that there is not much of an impact likely due to this pandemic on the business of the Group except some lower demand and its consequential impact on supply and collection from consumers, which are believed to be temporary in nature. The Group has duly ensured compliance with specific regulatory directives issued in the related matter.
The Group is taking all necessary steps and precautionary measures to ensure smooth functioning of its operations/business and to ensure the safety and well-being of all its employees. The Group is closely monitoring developments, its operations, liquidity and capital resources and is actively working to minimize the impact of this unprecedented situation. The Group is also monitoring the performance of its assets, basis which, no impairment is required to be recognised in respect of such assets.
- 7 The Group is primarily engaged in generation and distribution of electricity and does not operate in any other significant reportable segment.
- 8 The Group has executed a Share Purchase Agreement (SPA) with Torrent Power Limited to sell and transfer the entire shareholding in Surya Vidyut limited (SVL), (a wholly owned subsidiary of CESC Limited, the parent company) at a total consideration of Rs 315.25 crore subject to such adjustments as may be mutually agreed in terms of the SPA (Closing Price Adjustments - CPA). The Enterprise value was approximately Rs 790 crore subject to CPA. The transfer is dependent on completion of Conditions Precedent as described in the SPA. Consequently, the assets and liabilities of SVL are now classified as Held for Sale as at 30 September 2021.
- 9 With regard to the Parent's power purchase from one of its subsidiaries (provider), West Bengal Electricity Regulatory Commission (WBERC) has issued the tariff order for the years 2018-19 and 2019-20 vide its tariff order dated 8 September 2021, wherein certain underlying issues/items have been dealt with in deviation from past practices of tariff determination and kept for disposal through future truing up exercise. The provider not being in agreement with the same, has since preferred an appeal in respect of the above Tariff Order before the Hon'ble Appellate Tribunal for Electricity on the grounds inter alia, that the orders have been passed after substantial period of delay and in fact after the applicable periods are long over and certain directions that have been passed in the said are impossible to comply with because of the aforesaid delay in passing the said order and also not taking into consideration the final project cost for determination of tariff which was already filed with Hon'ble WBERC. Based on legal opinion obtained, the provider is continuing with the tariff earlier determined by WBERC for the year 2017-18 and is confident of matter being adjudicated in its favour. Accordingly, necessary adjustment, if any, will be made on the matter reaching finality.
- 10 In respect of one of the subsidiary company, Uttar Pradesh Electricity Regulatory Commission (UPERC) has approved the ARR for F.Y 2021-22 alongwith truing-up for FY 2019-20 wherein UPERC trued up regulatory deferral account credit balance as at 31 March 2020 at Rs. 385.84 Crore as against debit balance Rs. 173.69. Since, UPERC has deviated on already settled principles, practices/ methodologies as per UPERC MYT Regulations, 2014 followed in previous orders/ true-up orders issued till 3 September 2019. The said subsidiary is not in agreement with the same and therefore, filed an appeal before Appellate Tribunal for Electricity (APTEL) against the above order on 20 October 2021. Based on the evaluation supported by legal opinion, the said subsidiary is of view that it is more likely than not the matters will be decided in its favour. Accordingly, necessary adjustment, if any, will be made on the matter reaching finality.

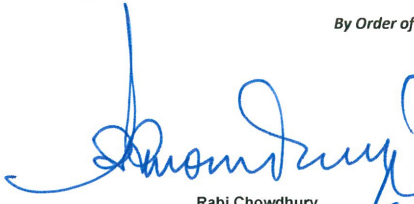


- 11 Eminent Electricity Distribution Limited, a wholly owned subsidiary of the parent company, was declared the highest Bidder for acquiring 100% stake in the power distribution company for the Union Territory of Chandigarh. The Letter of Intent and advices for completion of the necessary formalities in respect of the said acquisition are awaited.
- 12 Pursuant to the Special Resolution passed by the Shareholders and receipt of necessary statutory approvals, the Company had sub divided its each Equity Share of face value of Rs 10/- (Rupees Ten only) fully paid-up into 10(ten) Equity Shares of face value of Re 1/- (Rupee One) each fully paid-up, effective from 21st September 2021. This has been considered for calculating weighted average number of equity shares for all comparative periods presented as per Ind AS 33. In line with the above, EPS (basic and diluted) have been adjusted for all periods presented.
- 13 During the financial year 2020-21, the Group had acquired 23.18% of equity shares in Noida Power Company Limited (NPCL) thereby making NPCL a subsidiary company. The financial results in respect of corresponding previous period has been restated as if the business combination had occurred from the beginning of the previous period, irrespective of the actual date of the combination, using pooling of interest method as per requirement of Ind AS 103 for business combination for common control transaction. The increase in the total income and profit after tax of consolidated financial results of the Group in the comparative period on account of restatement are given below:

Particulars	Three months ended 30.09.2020	Six months ended 30.09.2020
	Rs. in crore	Rs. in crore
Total Income	366	563
Profit after Tax for the period	16	25

- 14 The above results were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 11th November, 2021. The Statutory Auditors have carried out a limited review of the said results in terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 15 Figures for the previous periods have been regrouped / reclassified wherever necessary to conform to current period's classification.

By Order of the Board


Rabi Chowdhury
Managing Director
-Generation


Debasish Banerjee
Managing Director
- Distribution

Dated : 11th November, 2021

