

Introduction:

This policy is a comprehensive insurance designed to protect construction projects from financial loss due to sudden and unforeseen physical damages or third-party liability.

Who can avail of "Annual Contractor's All Risks Insurance Policy"?

This Policy is suitable for covering Civil Engineering projects where the civil construction work is more than 50% of project cost. For example, for projects such as residential, office buildings, hospitals, schools, theatres, roads, railways, bridges, factories, warehouses, interior decoration works, irrigation and drainage facilities. The policy can be availed by Contractors, Builders, Building Owners (Principals), Subcontractors, and Suppliers.

What is the coverage under the policy?

There are two sections under the policy: -

Section I – Material Damage: Covers any sudden and unforeseen physical loss or damage to the property insured other than those specifically mentioned under the exclusions of the policy. The sudden and unforeseen damages/loss should happen during the **contract period**.

The Company will also reimburse the Insured for the cost of clearance and removal of debris following upon any event giving rise to an admissible claim under this Section of the policy.

Section II – Third Party - covers Bodily Injury and Property Damage of Third Party happening on the Contract Site during the **Contract Period** and directly consequent upon or solely due to the carrying out of the Contract.

Contract Period shall mean the **Construction period**, followed immediately by the Maintenance Period, if any, applicable to the same contract.

Construction period shall mean the period beginning with the commencement of the construction of the Contract Works at the Contract Site, or with the first delivery to the Contract Site of any plant, machinery, equipment or materials for incorporation into the Contract Works (whichever happens first), and ending with the Completion of the Contract.

Completion of the Contract will be deemed to have occurred, in respect of the Contract Works or of any part thereof, on the earliest of the following dates:

- the date when such Contract Works or such part thereof are first taken into use or occupation by any principal, or by the Contractor in the case of Speculative Projects.
- the effective date of any certificate of completion issued to the Contractor by the principal in respect of such Contract Works or such part thereof.
- in respect of Speculative Projects, when the only work remaining relates to the prospective purchaser's choice of decoration, fixtures, and fittings.
- after 12 months from the beginning of the Construction period, unless otherwise expressly agreed by endorsement to this policy.

What is the Sum Insured in the Policy?

Section I: Sum Insured should not be less than the complete erected value of the property, inclusive of freight, customs duty, erection cost.



Section II: The Sum insured amount for Third party should be declared by the insured based on the following:

1. Limit of indemnity in respect of any one accident or series of accidents arising out of one event
2. Total limit of Section II during policy period

What are the exclusions under the policy?

Section I:

The Company shall not, however, be liable for:

1. the first amount of the loss arising out of each and every occurrence shown as the Excess in the Schedule.
2. loss discovered only at the time of taking an inventory.
3. normal wear and tear, gradual deterioration due to atmospheric conditions or lack of use or obsolescence or otherwise, rust, scratching of painted or polished surfaces or breakage of glass.
4. loss destruction or damage due to faulty or defective design.
5. 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.
6. loss or destruction of or damage to files, drawings, accounts, bills, currency, stamps, deeds, evidence of debt, notes, securities, cheques, packing materials of any kind.
7. any damage or penalties on account of the Insured's non-fulfilment of the terms of delivery or completion under any contract or of any obligations assumed thereunder nor lack of performance including consequential loss of any kind or description nor for any aesthetic defects or operational deficiencies
8. loss or destruction of or damage to
 - a) any vehicle licensed for general road use, nor any vehicle which can be attached thereto.
 - b) any aircraft, locomotive or water-borne vessel or craft, nor any plant, machinery, equipment or materials carried by, stored in, mounted or fixed upon or operated on any such aircraft, locomotive or water-borne vessel or craft
9. loss, destruction or damage to the Contract Works or any part thereof after completion of the Contract, unless such loss, destruction or damaged be occasioned
 - a) during the Maintenance Period applicable to such Contract, arising from a cause which occurred during the Construction period, or
 - b) by the Contractor in the course of any operations carried out by him for the purposes of complying with the Maintenance Clauses of the Contract.

Section II:

The Company will not indemnify the Insured in respect of –

1. The Excess stated in the Schedule is to be borne by the Insured in any one occurrence related to property damage.
2. Expenditure incurred in doing or redoing or making good or repairing or replacing anything covered or coverable under Section I of this Policy
3. Liability consequent upon
 - a. bodily injury to or illness of employees or workmen of the Contractor (s) or the Principal (s) or any other firm connected with the project, which or part of which is insured under Section I, or members of their families;
 - b. loss of or damage to property belonging to or held in care, custody or control of the Contractor (s), the Principal (s) or any other firm connected with the project, which or part of which is insured under section I, or an employee or workman of one of the aforesaid;
 - c. loss of or damage to any building, structure or land due or alleged to be due to vibration or withdrawal or



weakening of support.

- d. any accident caused by vehicles licensed for general road use or by waterborne vessels or aircraft;
- e. any agreement by the Insured to pay any sum by way of indemnity or otherwise unless such liability would have attached also in the absence of such agreement.
- f. injury (whether fatal or non-fatal), loss or damage which occurs during any Maintenance Period unless
 - i. arising from a cause which occurred during the Erection period, or
 - ii. caused by the Contractor in the course of any operations carried out by him for the purpose of complying with the Maintenance Clauses of the Contract

General Exclusions:

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

- 1. War, invasion, act of foreign enemy, hostilities or war like operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, mutiny, civil commotion, military or usurped power, martial law, conspiracy, confiscation, commandeering a group of malicious persons or persons acting on behalf of or in connection with any political organisation, requisition or destruction or damage by order of any government de jure or de facto or by any public, municipal or local authority
- 2. loss, destruction, damage, cost or expense or liability of whatever nature directly or indirectly caused by or arising from or in consequence of or contributed to by any act of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to such loss, destruction, damage, cost or expense or liability
- 3. notwithstanding any provision to the contrary in any Section of the policy or in any endorsement thereto, it is understood and agreed as follows:
 - a. this policy does not insure:
 - i. total or partial destruction, distortion, erasure, corruption, alteration, misinterpretation or misappropriation of ELECTRONIC DATA,
 - ii. error in creating, amending, entering, deleting or using ELECTRONIC DATA, or
 - iii. total or partial inability or failure to receive, send, access or use ELECTRONIC DATA for any time or at all,

from any cause whatsoever, regardless of any other contributing cause or event whenever it may occur, nor any liability, cost or expense arising from or in any way related to any such event.

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

- b. however, in the event that a peril listed below (being a peril which but for this General Exception is insured by the Section of this policy under which any claim is made) is caused by any of the matters described in paragraph (a) above, then such Section of the policy, subject to all its provisions, shall not exclude physical loss or destruction or nor damage to the Property Insured under such Section of the policy directly caused by such listed peril.

Further, this exclusion does not apply in the event that a peril listed below (being a peril insured by any Section of this policy, but for this General Exception) causes any of the matters described in paragraph (a) above:

Fire, Explosion, Lightning, Windstorm, Hail, Tornado, Cyclone, Hurricane, Earthquake, Volcano, Tsunami, Flood, Freezing, Weight of Snow, Impact by Aircraft or other aerial objects dropped therefrom, Impact by



any Road Vehicle or animal, bursting overflowing discharging or leaking of water tanks apparatus or pipes, or theft of Electronic Data solely where such Theft is accompanied by theft of the computer hardware, firmware, medium, microchip, integrated circuit or similar device containing such Electronic Data.

- c. In the event of any conflict between this General Exception 3, regarding electronic risks, and General Exception 2, regarding acts of terrorism, then the terms of General Exception 2, regarding acts of terrorism, will take precedence over the terms of this General Exception 3.

4. Nuclear reaction, nuclear radiation or radioactive contamination
5. Wilful act or wilful negligence of the Insured or of his responsible representative.
6. Cessation of work whether total or partial.
7. Terrorism Damage Exclusion Warranty –

This Policy excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any act of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

For the purpose of this exclusion, 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 organisation(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.

This exclusion also includes 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 the above.

In any action suit or other proceedings where the company allege that by reason of the provisions of General Exception 1 above any loss, destruction, damage or liability is not covered by this insurance the burden of proving that such loss, destruction, damage or liability is covered shall be upon the insured.

What is the Claims procedure?

Intimation: Insured can call 18602580000 /18604250000 or write to us at care@royalsundaram.in

Submission: The Claim documents to be submitted by the insured are given below:

1. Claim form
2. FIR/Final Report
3. Meteorological Report in case of Act of God Perils
4. Proof in support of the Cause of Loss/Operation of Insured peril
5. Books of Accounts
6. Stock Register
7. Repair/Reinstatement Bills
8. Proof of Reinstatement
9. CKYC documents PAN, ROC certificate, Aadhaar, GST Registration Certificate
10. Any other document: There may be specific requirements depending upon the merits of each case

Process: The company will assign a surveyor to assess and evaluate the loss. If the claim is found to be in order, as per the policy terms, conditions, or warranties, and does not fall under the policy exclusions, we will offer a settlement of the claim to the insured. The claim will be processed, and payment will be made by online fund transfer.

Cancellation

This insurance may be terminated at any time at the request of the Insured, in which case the Company will retain the premium at customary short period 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. The Premium adjustment shall be calculated in accordance with Condition 11 below, except that in the event of a return Premium being due to the Insured, such return Premium shall not exceed 50% of the Premium or Renewal Premium.

Conditions No.11

The Turnover under the policy shall be the aggregate value of the Contract works made during the currency of the policy. It is permissible to increase the Sum Insured under the policy mid-term by payment of additional Premium. Once the Sum Insured under this policy is exhausted the insurance under this policy shall cease to operate.

Grievance Redressal Procedure:

1. In case of any grievance the insured person may contact the company through

Website: <https://www.royalsundaram.in/customer-service>

Contact Numbers: 1860 258 0000, 1860 425 0000

E-mail: manager.care@royalsundaram.in

Sr. Citizen can email us at: seniorcitizengrievances@royalsundaram.in

Fax: 044-7117 7140

Courier: Grievance Redressal Unit

Royal Sundaram General Insurance Co. Limited

Vishranthi Melaram Towers,

No.2/319, Rajiv Gandhi Salai (OMR) Karapakkam,

Chennai – 600097.

The insured may also approach the grievance cell at any of the company's branches with the details of the grievance. If the insured is not satisfied with the redressal of the grievance through one of the above methods, the insured may contact the grievance officer

Mr. T M Shyamsunder

Grievance Redressal Officer,

Royal Sundaram General Insurance Co. Limited,

Vishranthi Melaram Towers, No.2/319, Rajiv Gandhi Salai (OMR),

Karapakkam, Chennai – 600097.

For updated details of the grievance officer, kindly refer the link <http://www.royalsundaram.in>.

If Insured is not satisfied with the redressal of the grievance through above methods, the insured may also approach the office of Insurance Ombudsman of the respective area/region for redressal of the grievance as per Insurance Ombudsman Rules 2017. Grievance may also be lodged at IRDAI Integrated Grievance Management system <https://bimabharosa.irdai.gov.in>.



2. Consumer Affairs Department of IRDAI

- a. In case it is not resolved within 15 days or if You are unhappy with the resolution, You can approach the Grievance Redressal Cell of the Consumer Affairs Department of IRDAI by calling Toll Free Number 155255 (or) 1800 4254 732 or sending an e-mail to complaints@irdai.gov.in. You can also make use of IRDAI's online portal – Bima Bharosa Portal by registering Your complaint at <https://bimabharosa.irdai.gov.in/>
- b. You can send a letter to IRDAI with Your complaint on a Complaint Registration Form available by clicking here. You must fill and send the Complaint Registration Form along with any documents by post or courier to General Manager, Insurance Regulatory and Development Authority of India (IRDAI), Consumer Affairs Department - Grievance Redressal Cell, Sy.No.115/1, Financial District, Nanakramguda, Gachibowli, Hyderabad- 500032.
- c. You can visit the portal <https://bimabharosa.irdai.gov.in/> for more details.

3. Insurance Ombudsman

If the **Insured** is not satisfied with the redressal of grievance through the above methods, the **insured** may also approach the office of Insurance Ombudsman of the respective area/region for redressal of grievance as per Insurance Ombudsman Rules 2017. You can approach the Council for Insurance Ombudsman depending on the nature of grievance and financial implication, if any. Information about Insurance Ombudsmen, their jurisdiction and powers are available on the website of the Insurance Regulatory and Development Authority of India (IRDAI) at www.irdai.gov.in. For the updated list of the offices of the Insurance Ombudsman, request you to visit the website of the Council for Insurance Ombudsman at <https://www.cioins.co.in/ombudsman> or on our company website at www.royalsundaram.in. You can also lodge online complaint with the Council for Insurance Ombudsman through the website of Council for Insurance Ombudsmen (CIO) at www.cioins.co.in

Section 41 in the Insurance Act, 1938

41. Prohibition of rebates

(1) No person shall allow or offer to allow, either directly or indirectly, as an inducement to any person to take out or renew or continue an insurance in respect of any kind of risk relating to lives or property in India, any rebate of the whole or part of the commission payable or any rebate of the premium shown on the policy, nor shall any person taking out or renewing or continuing a policy accept any rebate, except such rebate as may be allowed in accordance with the published prospectuses or tables of the insurer: Provided that acceptance by an insurance agent of commission in connection with a policy of life insurance taken out by himself on his own life shall not be deemed to be acceptance of a rebate of premium within the meaning of this sub-section if at the time of such acceptance the insurance agent satisfies the prescribed conditions establishing that he is a bona fide insurance agent employed by the insurer.

(2) Any person making default in complying with the provisions of this section shall be liable for a penalty which may extend to ten lakh rupees.

Note: In case of any conflict, the terms and conditions mentioned in the policy document shall prevail.