

BUSINESS INTERRUPTION (LOSS OF PROFITS) INSURANCE

To be attached to and forming part of

Policy # : TBA
In name of : TBA

In consideration of the Insured named in the Schedule hereto having opted for this section by a written proposal and paying to **THE NEW INDIA ASSURANCE COMPANY LIMITED**, (hereinafter after called the Company), the premium mentioned in the said Schedule, **THE COMPANY AGREES**, (subject to the Conditions & Exclusions contained hereon and to such other conditions as may contained herein or endorsed or otherwise expressed hereon) that, if after payment of the premium, the property described in the said Schedule or any part thereof shall be destroyed or damaged by any of the perils specified as per material damage policy during the period of insurance stated in the said Schedule, or of any subsequent period in respect of which the Insured shall have paid and the Company shall have accepted the premium required for the renewal of the Policy, and the business carried on by the Insured at the premises be in consequence thereof interrupted or interfered with then the Company shall pay to the Insured in respect of each item in the Schedule hereto the amount of loss resulting from such interruption or interference in accordance with the provisions contained herein.

Provided that at the time of the happening of the damage there shall be in force an insurance covering the interest of the Insured in the property at the premises against such damage and that the payment

Company shall in no case exceed in respect of each item the Sum expressed in the said schedule to be insured thereon or in the whole the total sum insured hereby or such other sum or sums as may hereafter be substituted therefore by memorandum duly signed by or on behalf of the company.

Provided also that the indemnity by this policy is limited to loss of Gross Profit due to reduction in Turnover and the amount payable as indemnity shall be the sum produced by applying the rate of gross profit to the amount by which the Turnover during the Indemnity period shall, in consequence of the damage, fall short of the standard turnover.

Definitions:

The Sum Insured: The gross profits herein referred to as the estimated specified standing charges plus the estimated net profit for the selected period of indemnity based on the actual figures for the last financial year modified in accordance with the trend of your business and market conditions. In case the selected period of indemnity is less than 12 months the amount insured should be based on the annual net profit and standing charges hereto referred as annual gross profits.

Rate of Gross Profit: The rate of Gross profit earned on the Turnover during the financial year immediately before the date of damage.

Standing Charges: Those charges that continue to be payable irrespective of the business activity after damage.

Period of Indemnity: The period beginning with the occurrence of the damage and ending not later than the number of months/weeks (as stated on the schedule), thereafter during which the results of the business shall be affected in consequence of the damage.



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

Annual turnover: The turnover during the twelve months immediately before the date of the damage.

Shortage in turnover: The amount by which the Turnover during a period shall in consequence of the damage fall short of the part of the standard turnover which relates to that period.

Standard turnover: The Turnover during that period in twelve months immediately before the date of the damage which corresponds with the Indemnity period 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 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.

Settlement of Losses: Claims will be adjusted by a professional loss adjuster to be nominated by the Company. In adjusting the amount of indemnity, due allowance will be made for any extraordinary circumstances in connection with the business, but always subject to the terms and conditions of the Policy.

Memo 1: 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 his behalf, the money paid or payable in respect of such sales or services shall be brought into account in arriving at

Conditions:

1. No payment in respect of any premium shall be deemed to be payment to the Company unless a printed form of receipt for the same signed by an Official or duly appointed Agent of the Company shall have been given to the insured.
2. If there be any material misdescription of any of the property hereby Insured, or of any building or place in which such property is contained, or any misrepresentation as to any fact material to be known for estimating risk, or any omission to state such fact the Company shall not be liable upon this policy.
3. If at the time of any loss or damage happening to any property hereby insured there be any other subsisting insurance or insurances whether affected 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 ratable proportion of such loss or damage.
4. If the sum hereby insured on gross profit by this policy be less than the amount produced by applying the rate of gross profit to the annual turnover, then the insured shall be considered his own insurer for the difference and he shall bear a ratable proportion of the loss accordingly.
5. The insurance by this policy shall cease:
 - a) the business be wound up or carried on by a liquidator or receiver or permanently discontinued or
 - b) the insured's interest cease otherwise than by death.
6. The insurance by this policy shall cease to attach 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 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 an insured peril.

7. On the happening of any damage, in consequence of which a claim is or may be made under this policy, the insured shall forthwith give notice thereof to the company and shall with due diligence do and concur in doing and permit to be done all things which may be reasonably practicable to minimize or check any interruption of or interference with the business or to avoid or diminish the loss, and in the event of a claim being made under the policy, shall not later than 30 days after the expiry of the period of indemnity or within such further time as the company may in writing allow, at his own expense deliver to the company in writing a statement setting forth particulars of his claim together with details of all other insurances (if any) covering the damage or any part of it or consequential loss of any kind resulting therefrom. The insured shall at his own expense produce or procure and give to the company such books of account and other business books, vouchers, invoices, balance sheets, and other documents, prove information explanation and other evidence as may reasonably be required by or on behalf of the company for the purpose of investigating or verifying the claim together with a declaration on oath or in other legal form of the truth of the claim and of any matters connected therewith. No claim under this policy shall be payable unless the terms of this condition have been complied with and the event of non compliance therewith in any respect, any payment on account of the claim already made, shall be repaid to the company forthwith.
8. In no case whatsoever shall the company be liable in respect of any claim under this policy after the expiration of :
 - a) one year from the end of the indemnity period or if later,
 - b) three months from the date of which payment shall have been made or, liability admitted by the insurers covering the damage giving rise to the said claim unless the said claim is subject to pending action or arbitration.
9. All benefits under this policy shall be forfeited 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 this Policy; or if the loss or damage be occasioned by the willful act, or with the connivance of the insured; or, if the claim be made and rejected and an action or suit be not commenced within three months after such rejection, or (in case of an arbitration taking place in pursuance of the conditions of this Policy) within three months after the Arbitrator or Arbitrators or Umpire shall have made their award,
10. 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.
11. 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 Dutch law.



It is clearly agreed and understood that no difference or dispute shall be referable to arbitration as here in before provided, if the company has disputed or not accepted liability under or in respect of this policy.

12. Every notice and other communication to the company required by these conditions must be written or printed.
13. This insurance may be terminated at any time at the request of the insured, in which case the Company will retain the 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 notice to that effect being given to the insured, in which case the Company shall be liable to repay on demand a ratable proportion of the premium for the un expired term from the date of the cancellation.
14. This section and the related policy schedule forms an integral part of this policy 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 schedules shall bear such specific meanings wherever they may appear.

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A handwritten signature in cursive script, appearing to read "Jagannath".