

# Public Liability Insurance Act Policy

## POLICY WORDING

### 1. OPERATIVE CLAUSE

Upon receipt of written proposal & declaration along with premium from **the Insured** (as named in the Schedule), **SBI General Insurance Company Limited** (hereafter referred to as "**the Company**") agrees to indemnify the Insured as per the indemnity clause contained hereafter.

### 2. INDEMNITY CLAUSE

Subject to the terms, exclusions and conditions contained herein or otherwise endorsed hereon, the Company will indemnify the Insured against their legal liability to pay compensation for and/or arising out of accidents occurring during the currency of the Policy due to handling of hazardous substances as provided for in the Act as defined below, and the Rules framed there under. The indemnity only applies to claims, arising out of accident occurring during the Period of Insurance, first made in writing against the Insured and notified to the Company by the Insured in writing during the Policy period or extended reporting period.

### 3. DEFINITIONS

- 3.1 "Act" unless otherwise specifically mentioned shall mean the Public Liability Insurance Act 1991 as amended from time to time.
- 3.2 "Accident" means an accident involving a fortuitous, sudden or unintentional occurrence while handling any hazardous substance resulting in continuous, intermittent or repeated exposure to death of, or injury to any person or damage to any property but does not include an accident by reason only of war or radioactivity.
- 3.3 "Complaint" or "Grievance" "Complaint" or "Grievance" means written expression (includes communication in the form of electronic mail or other electronic scripts) of dissatisfaction by a complainant with respect to solicitation or sale of an insurance policy or related services by insurer and /or by distribution channel.
- 3.4 "Distribution Channels" "Distribution Channels" include insurance agents and intermediaries or insurance intermediaries and any persons or entities authorised by the Authority to involve in sale and service of insurance policies
- 3.5 "Handling" in relation to any hazardous substance means the manufacture, processing, treatment, package, storage, transportation by vehicle, use, collection, destruction, conversion, offering for sale, transfer or the like of such hazardous substance.
- 3.6 "Hazardous Substance" and group means any substance or preparation which is defined as hazardous substance under the Public Liability Insurance Act, 1991 and the Rules framed there under.
- 3.7 "Mis-selling" "Mis-selling" means sale or solicitation of policies by the insurer or through distribution channels, directly or indirectly by
  - a. exercising undue influence, use of dominance position or otherwise; or
  - b. making a false or misleading statement or misrepresenting the facts or benefits, or
  - c. concealing or omitting facts, features, benefits with respect to products, or
- 3.8 "Owner" or "Insured" means a person who owns, or has control over handling of any hazardous substance at the time of accident and includes in the case of:
  - 3.8.1 a firm, any of its partners
  - 3.8.2 an association, any of its members, and
  - 3.8.3 a company, any of its directors, managers, secretaries or other officers who is directly in charge of, and is responsible to the company for the conduct of the business of the company.
- 3.9 "Period of Insurance" means the period commencing from the retroactive date and terminating on the expiry date as shown in the Policy Schedule.
- 3.10 Proposal form "Proposal form" means a form to be filled in by the prospect in physical or electronic form, for furnishing the information including material information, if any, as required by the insurer in respect of a risk, in order to enable the insurer to take informed decision in the context of underwriting the risk, and in the event of acceptance of the risk, to determine the rates, advantages, terms and conditions of the cover to be granted.
- Explanation: (i) "Material Information" for the purpose of these regulations shall mean all important, essential and relevant information and documents explicitly sought by insurer in the proposal form.  
 (ii) The requirements of "disclosure of material information" regarding a proposal or policy, apply both to the insurer and the prospect.
- 3.11 "Policy Period" means the period commencing from effective date and hour as shown in the Policy Schedule and terminating at midnight on the expiry date as shown the Policy Schedule. Solicitation "Solicitation" means the act of approaching a prospect or a policyholder by an insurer or by a distribution channel with a view to persuade the prospect or a policyholder to purchase or to renew an insurance policy.
- 3.12 Salvage The amount that is assessed which the damaged asset will fetch in the open ,market. This amount is deducted from the claim amount.
- 3.13 "Turnover" shall mean in case of :
  - 3.13.1 Manufacturing Units - Entire annual gross sales turnover including all levies and taxes of manufacturing units handling hazardous substance as defined in the Public Liability Insurance Act, 1991. For the purpose of this insurance, the term "Units" shall mean all operations being carried out in the manufacturing complex in one location.
  - 3.13.2 Godowns/ Warehouse Owners – Total annual rental receipts of premises handling hazardous substance as defined in the Public Liability Insurance Act, 1991.
  - 3.13.3 Transport Operators – Total annual freight receipts.
  - 3.13.4 In all other cases – Total annual gross receipts.
- 3.14 Unfair trade practice "Unfair trade practice" shall have the meaning ascribed to such term in the Consumer Protection Act, 2019, as amended from time to time.
- 3.15 We, Us, Our, Insurer SBI General Insurance Company that has provided Insurance Cover under this Policy; of the Company.

3.16 You, Your, Insured The Insured Person/s, Company or other entity shown in the Policy Schedule who has/have purchased Insurance Cover under this Policy; of such Insured Person/s.

#### 4. INDEMNITY TO OTHERS

The indemnity granted extends to the legal liability accruing to the:

- 4.1 Officials of the Insured in their business capacity arising out of the performance of their business or in their private capacity arising out of the temporary engagement of the Insured's employees;
- 4.2 Officers, committees and members of the Insured's canteen, social, sports, medical, fire fighting and welfare organisations in their respective capacities as such;
- 4.3 Personal representatives of the estate of any person who would otherwise be indemnified by this Policy but only in respect of liability incurred by such person.

Provided always that all such persons or parties shall observe, fulfil and be subject to the terms, conditions and exclusions of this Policy as though they were the Insured.

#### 5. NOTIFICATION EXTENSION CLAUSE

Should the Assured notify the Company during the Period of Insurance in accordance with General Condition 14.1 of any specific event or circumstance which the Insured expects may give rise to a claim or claims which form the subject of indemnity by this Policy then acceptance of such notification means that Company will deal with such claim or claims as if they had first been made against the insured during the Period of Insurance.

#### 6. EXTENDED REPORTING PERIOD

In the event of non-renewal or cancellation of this Policy, either by the Company or by the Insured, the Company will allow a time limit not exceeding 60 days from the date of expiry or cancellation of the Policy provided no insurance is in force during this extended reporting period for the same interest, for notification of claims for accidents which had taken place during the Period of Insurance but claims thereof could not be made during the Policy period, provided, however, all claims made during the extended reporting period shall be handled as if they were made on the last day of the expiring Policy period and are subject to the Limit of Indemnity and the terms, conditions and exceptions of the Policy.

The extended reporting period

- a. does not extend the Policy period or change the scope of coverage provided.
- b. does not reinstate or increase the Limit of Indemnity.
- c. does not apply to claims that are covered under any subsequent insurance Insured purchase, or that would be covered but for exhaustion of the amount of insurance applicable to such claims.

#### 7. CROSS LIABILITY

Each person or party indemnified is separately indemnified in respect of claims made against any of them by any other person or party (other than the named Insured) subject to Company's total liability not exceeding the Limit of Indemnity stated in the Schedule.

#### 8. LIMIT OF INDEMNITY

Company's total liability to pay compensation, claimant's costs, fees and expenses and defence cost shall not exceed the Limit

of Indemnity stated in the Schedule. Limit of Indemnity applies to any one claim or series of claims arising from one originating cause. Limit of Indemnity shall represent the total amount of Company's liability during the Policy period.

#### 9. CLAIM SERIES CLAUSE

For the purpose of this Policy, where a series of and/or several bodily injuries and/or property damages are attributable directly or indirectly to the same cause, all such bodily injuries and/or property damages shall be added together and all such bodily injuries and/or property damages shall be treated as one claim and such claim shall be deemed to have been made at the point in time when the first of the claims was made in writing. There shall, however, be no coverage for claims made arising from one specific cause, which are made later than 3 years after the first claim of the series.

#### 10. COMPULSORY EXCESS

Compulsory excess will not be applicable under this insurance contract. It shall be considered as 'Nil'.

#### 11. VOLUNTARY EXCESS:

Not Applicable under this insurance contract.

#### 12. LIMITATION PERIOD

It is hereby expressly agreed and declared that if the Company shall disclaim liability to the Insured for any claim hereunder and such claim shall not within 12 calendar months from the date of such 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.

**In no case whatsoever shall the Company be liable for any claim for relief made after the expiry of 5 years from the date of occurrence of the accident.**

#### 13. EXCLUSIONS

The Company shall not have any liability:

- 13.1 arising out of deliberate, wilful or intentional non-compliance of any statutory requirements and/or provisions;
- 13.2 arising out of fines, penalties, punitive or exemplary damages or any other damages resulting from the multiplication of compensatory damages;
- 13.3 under any law or legislation except in so far as provided for in Section 8 (1) & 8 (2) of the Act;
- 13.4 directly or indirectly occasioned by, happening through or in consequence of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power;
- 13.5 directly or indirectly caused by or contributed to by:
  - 13.5.1 ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel;
  - 13.5.2 the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof;
- 13.6 with respect to damage to property owned, leased or hired or under hire-purchase or on loan to the Insured or otherwise in the Insured's care, custody or control;
- 13.7 with respect to injury and/or damage occurring prior to the retroactive date as mentioned in the Schedule;

13.8 Provided always that in the event of any injury or damage arising from continuous or continual inhalation, ingestion or application of any substance following the covered accident and where the Insured and Company cannot agree when the injury or damage occurred, then

13.8.1 Injury shall be deemed to have occurred when the claimant first consulted a qualified medical practitioner in respect of such injury;

13.8.2 Damage shall be deemed to have occurred when it first became evident to the claimant even if the cause was unknown.

13.9 In respect of losses/liability arising outside India.

13.10 For matter outside the scope of Public Liability Insurance Act, 1991.

be deemed to have been made at the point in time when the first of the claims was made in writing.

14.9 The Policy and the Schedule shall be read together as one contract and any word or expression to which a specific meaning has been attached in any part of this Policy or the Schedule shall bear such specific meaning wherever it

may appear. The terms, conditions and exclusions of this Policy (and any phrase or word contained therein) shall be interpreted in accordance with Indian Law.

14.10 Where the premium is based on the Insured's estimates, the Insured shall keep accurate records and after expiry of the Period of Insurance declare as soon as possible such details as the Company require. The premium shall then be adjusted and any additional premium as the case may be collected from the Insured.

14.11 In the event of liability arising under the Policy or the payment of claim under the policy, the limit of indemnity per Any One Year under the Policy shall get reduced by the extent of quantum of liability paid or to be paid in respect of such claim. Under no circumstances, it shall be permissible to reinstate the limit of indemnity to the original level, even on payment of extra premium.

14.12 If the Insured does not comply with the provisions of this Clause or other obligations cast upon the Insured under this Policy, in terms of the other clauses in the Policy documents, all benefits under the policy shall be forfeited, at the option of the Company.

14.13 No claim shall be payable under this policy unless the cause of action arises in India. All claims shall be payable in India in Indian Rupees only.

## 15. CANCELLATION

1. Cancellation by Insured a. Insured can cancel this Policy at any time during the policy period by giving the Company notice in writing, in such case, The Company shall

i. Refund the proportion premium for unexpired policy period, if the period/term of the policy is up to one year and there is no claim(s) made during the policy period.

ii. Refund premium for the unexpired policy period, in respect of policies with the policy period/term more than one year and the risk coverage for such policy years has not commenced.

2. Cancellation by Company: The Company will cancel the policy with 7 days' notice period only on grounds of established fraud and in such case no refund shall be made to Insured.

## 16. REASONABLE CARE

The Insured shall exercise reasonable care that only competent employees are employed and shall take all reasonable steps to prevent accidents and to comply with all statutory or other obligations and regulations imposed by any authority and shall maintain the premises and all ways, works, machinery and plant in sound condition. In the event of the discovery of any defect or danger the Insured shall forthwith cause such defect or danger to be made good or remedied and in the meantime shall cause such additional precautions to be taken as the circumstances may require.

a. Fraudulent/wilful act or misrepresentation of facts

The policy shall be null and void and no benefit shall be

payable in the event of untrue or incorrect statements, misrepresentation, misdescription or on non-disclosure in any material particular in the proposal form, personal statement, declaration and connected documents, or any material information having been withheld, or a claim being fraudulent or any fraudulent means or devices being used by the Insured or any one acting on his behalf or if any loss destruction or damage be occasioned by the wilful act or with the connivance of the Insured to obtain any benefit under this policy.

**b. Contribution**

If at the time of the happening of any loss or damage covered by this Policy, there shall be any Public Liability insurance or other insurance effected by the Insured or by any other person covering the same liability, then the Company shall not be liable to pay or contribute more than its rateable proportion of such liability.

**c. Subrogation**

In the event of payment under this Policy, the Company shall be subrogated to all the Insured's rights or recovery thereof against any person or organisation, and the Insured shall execute and deliver instruments and papers necessary to secure such rights.

The Insured and any claimant under this Policy 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 required by the

Company, before or after Insured's indemnification, in enforcing or endorsing any rights or remedies, or of obtaining relief or indemnity, to which the Company shall be or would become entitled or subrogated.

**d. Policy Disputes**

Any dispute concerning the interpretation of the terms, conditions, limitations and/or exclusions contained herein is understood and agreed to by both the Insured and the Company to be subject to Indian Law. Each party agrees to submit to the exclusive jurisdiction of the Courts of India and to comply with all requirements necessary to give such Court the jurisdiction. All matters arising hereunder shall be determined in accordance with the law and practice of such Court.

**TERRORISM EXCLUSION CLAUSE:**

Notwithstanding any provision to the contrary within this insurance or any endorsement thereto it is agreed that this insurance excludes any loss of or damage to Property or legal liability arising directly or indirectly as a result of or in connection with Terrorism (including, without limitation, contemporaneous or ensuing loss or damage or legal liability caused by fire and/or looting and/or theft)

Definitions that apply for purpose of this exclusion:

Terrorism means any act or acts:

- i. committed for, arises out of or relates to political, religious, ideological purposes and involves a violent act or the unlawful use of force or an unlawful act dangerous to human life or tangible property, and
- ii. carried out by any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s), and
- iii. appears to be intended to:
  1. intimidate or coerce a civilian population, or
  2. disrupt any segment of the economy of a

Government, State or Country, or

3. overthrow, influence, or affect the conduct of any government de jure or de facto by intimidation or coercion, or
4. affect the conduct of a Government by mass destruction, assassination, kidnapping or hostage taking.

In any claim and in any action, suit or other proceedings to enforce a claim under this Policy, the burden of proving that such claim does not fall within the Terrorism Exclusion set out above 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.

Subject otherwise to the terms and conditions of this Policy, except for the specific terms, conditions and exclusions made applicable herein.

### GRIEVANCE REDRESSAL MECHANISM

If you may have a grievance that requires to be redressed, you may contact the us with the details of the grievance through

**• Stage 1**

If you are dissatisfied with the resolution provided above or for lack of response, you may write to head.customercare@sbigeneral.in We will look into the matter and decide the same expeditiously within 14 days from the date of receipt of your complaint. Toll Free - 1800 22 1111 / 1800 102 1111

Monday to Saturday (Available 24/7)

**• Stage 2**

In case, you are not satisfied with the decision/resolution communicated by the above office, or have not received any response within 14 days, you may send your Appeal addressed to the Grievance Redressal Officer at : gro@sbigeneral.in or contact at 022-45138021.

List of Grievance Redressal Officers at Branch:

<https://content.sbigeneral.in/uploads/e68f903b84ef46449bc294d4bc7a1a3f.pdf/>

**• Stage 3**

In case, you are not satisfied with the decision/resolution communicated by the above office, or have not received any response within 14 days, you may Register your complaint with IRDAI on the below given link <https://bimabharosa.irdai.gov.in/Home/Home>

**• Stage 4**

If your grievance remains unresolved from the date of filing your first complaint or is partially resolved,

you may approach the Insurance Ombudsman falling in your jurisdiction for Redressal of your Grievance. The details of the Insurance Ombudsman can be accessed at (<https://www.cioins.co.in/Ombudsman>)

You may approach the nearest Insurance Ombudsman for resolution of the grievance. Please refer the Annexure I for more information on ombudsman offices & contact information.