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**IFFCO-TOKIO GENERAL INSURANCE COMPANY LIMITED
CARRIER LEGAL LIABILITY POLICY**

CARRIER LEGAL LIABILITY POLICY

Whereas the Insured named in the Schedule carrying on the business of Common Carriers and none other for the purpose of this insurance has by a proposal and declaration applied to IFFCO TOKIO GENERAL INSURANCE COMPANY LIMITED (hereinafter called "the Company") for the insurance hereinafter set forth and has paid or agreed to pay to the Company the premium, set out as consideration for such insurance for the period as mentioned in the Schedule.

Now this Policy witnesseth that during the currency of this Policy or any further period for which it may be in force, subject to the limits, terms, provisions, exclusions, exceptions and conditions contained herein or endorsed hereon, the Company hereby agrees to indemnify the Insured against his legal liability for actual physical loss of or damage to goods or merchandise directly caused by fire, explosion and/or accident to the vehicle as stated in the Schedule whilst such goods or merchandise are actually transported in the said vehicle, provided that fire, explosion or accident has arisen on account of negligence of the Insured or negligence or criminal act of his servants and further provided that the vehicle is damaged by such fire or explosion or accident, and a claim thereof is admitted under the Motor Comprehensive Insurance Policy covering the vehicle. The cover will commence with the loading of cargo on the vehicle and will be in force until unloading of the cargo at the discharge point or expiry of 3 days after the first arrival of the vehicle at the destination town, whichever may first occur.

PROVIDED THAT the liability of the Company shall not exceed the sum as stated in the Schedule in respect of any one accident or series of accidents arising out of any one event or occurrence or in respect of all claims arising during any one period of insurance.

EXCLUSIONS

PROVIDED ALWAYS that the Company shall not in any circumstances be liable under this Policy in respect of:

1. Liability under any contract or agreement, unless such liability would have arisen and the Insured would have been liable at law notwithstanding such an agreement under the Carriers Act, 1865
2. Liability in respect of damage to property:
 - (a) Belonging to the Insured or to any servant, agent or sub-contractor of the Insured or to his parties, unless such property is covered by a contract of carriage entered into by the Insured in an approved form.

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- (b) In the control of the Insured or any servant, agent, or sub-contractor of the Insured unless such property is covered by a contract of carriage entered into by the Insured in an approved form.

3. Liability for loss or damage arising from:

- (a) Inherent defect or vice, including insects, moth, vermin, mildew, mould, damp, wear and tear, deterioration, spontaneous combustion or decay of perishable goods.
- (b) Depreciation, delay, loss of market, any confiscation by a public authority. (c) Consequential loss arising from loss or damage to goods.
- (d) Any consequence whether direct or indirect of war (whether declared or not), act of foreign enemy, hostilities, civil war, rebellion, mutiny, insurrection or usurped power, civil commotion, Act of God, any change of law, refusal on the part of any Government, Government agency or other competent authority to grant any necessary permit/license or deciding to revoke or qualify any such permit. In the event of any claim hereunder, the Insured shall prove that the liability arose independently of and was in no way connected with or occasioned by or contributed to by or traceable to any of the said occurrences or causes or in consequence thereof and in default of such proof, the Company shall not be liable to make any payment in respect of such a claim.
- (e) Any consequence of strikes or riots whether direct or indirect
- (f) Loss or destruction or damage to any property whatsoever or any loss or expenses whatsoever resulting or arising therefrom or any consequential loss directly or indirectly caused by or contributed to by or arising from ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel.

4. No claim arising from a peril insured against shall be payable under this Policy unless the amount of any such claim arising out of each separate accident occurrence exceeds the figure stated as Compulsory Excess in the Schedule of the Policy, in which case this sum shall be deducted from the claim amount payable.

PROVIDED FURTHER that due observance and fulfillment of the terms, provisions, conditions and endorsements of this Policy by the Insured and / or his agents or servants in so far as they relate to anything to be done or complied with by the Insured shall be condition precedent to any liability of the Company to make any payment under this Policy. No waiver of any of the terms, provisions, conditions and endorsements of this Policy or the renewal thereof shall be valid unless made in writing and signed by authorised official of the Company.

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CONDITIONS

1. No payment in respect of any premium shall be deemed to be payment to the company unless a printed form of receipt signed by an official or duly authorised representative of the Company shall have been issued therefor. The Company shall not be bound to accept any renewal premiums, nor to give notice that such renewal is due.
2. Every notice or communication to the Company shall be in writing and sent to the office of the Company from which this Policy was issued. Notice or communication of anything relating to this Policy or any claim hereunder or with reference to any of the property or premises insured hereunder shall not be deemed to be notice to or within the knowledge of the Company unless so given. No alteration in the terms of this Policy nor any endorsement therein will be valid unless the same is signed or initialled by an authorised representative of the Company.
3. Upon the happening of any event or occurrence likely to give rise to a claim under this Policy and immediately after the same shall have come to the knowledge of the Insured or his agent, the Insured shall:
 - (i) Take all practicable steps to cause the discovery of any guilty person
 - (ii) Take steps for the safety of the goods.
 - (iii) Give to the Company a notice in writing within 10 days from the date of occurrence of the accident and shall deliver to the Company a claim in writing within 20 days from the date of occurrence of the accident and supply all such detailed particulars and proofs as may be reasonably required. In no case shall the Company be liable for any loss or damage not notified to the Company within 30 days of the happening of the event.
 - (iv) Give to the Company notice in writing with full particulars of any claim or of any other subsequent proceedings as soon as possible after the same shall have come to the notice of the Insured and /or his agent.
 - (v) At his own expense furnish all such information, explanation , voucher, proof of ownership and loss and such other evidence to substantiate the claim as may be reasonably required by the Company .
4. The details of all Contracts of Carriage issued and freight earned and of all vehicles employed or utilised to discharge such contracts shall be properly recorded and the Insured shall at all times allow the Company to inspect such accounts records.
5. The Insured shall exercise reasonable care that only steady, sober and competent employees and agents are employed, that all buildings, storage spaces, machinery, vehicles and their accessories and fittings are substantial and sound and in proper order and fit for the purpose for which they are used and that all statutory requirements and all Bye –laws and regulations imposed by any public authority are duly observed and

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complied with and that the loads carried are protected from loss or damage. If any defect shall be discovered, the Insured shall not only cause the said defect to be made good with all dispatch, but shall also in the meantime cause such additional precaution to be taken as the circumstances of the case may require. The Company shall at all reasonable time have free access to inspect any property. In the event of any defect or damage being apparent to the Company's inspector, the Company may give notice in writing to the Insured and thereupon all liability of the Company in respect thereof or arising therefrom shall be suspended until the same be cured or removed to the satisfaction of the Company.

6. No admission, offer, promise, payment or indemnity shall be made or given by or on behalf of the Insured without the prior written consent of the Company, which shall be entitled if it so desires to take over and conduct in the name of the Insured the defence or settlement of any claim or to prosecute in the name of the Insured for its own benefit any claim for indemnity or damages or otherwise and the Company shall have full discretion in the conduct of any proceedings or in the settlement of any claim and in such an event, the Insured shall give all such information and assistance and execute such documents as the Company may require in that behalf. The Insured shall co-operate with the Company and upon the Company's request shall attend hearings and trials and shall assist in effecting settlements, securing and giving evidence, obtaining the attendance of witnesses and in the conducts of suits. The Insured shall not, except at his own cost, voluntarily make any payment, assume any obligations or incur any expense.
7. Payment of claims will only be made on production of a proper discharge signed by the owners of the cargo except in cases referred to in Condition No 9 below.

In the event of any loss arising under this Policy, the Sum Insured shall be automatically reinstated as from the moment of the occurrence giving rise to such loss in consideration of the Insured paying an additional premium for the claim amount so restored, from the date of loss till the expiry date of the Policy.

8. If a payment exceeding the limit of liability under this Policy has to be made to dispose of a claim, the liability of the Company to pay any costs, charges and expenses in connection therewith shall be limited to such proportion of the said costs charges and expenses as the limit of liability under this Policy bears to the amount paid to dispose of the claim.
9. At any time after the happening of any event giving rise to a claim or series of claims under this Policy, the Company may pay to the Insured the full amount of the Company's liability under such Clauses and relinquish the conduct of any defence settlement or proceedings.
10. If at the time any claim arises under this Policy, there is any other existing insurance covering the same liability, the Company shall not be liable to pay or contribute more than its rateable proportion of any compensation costs or expenses, notwithstanding existence of any clause or condition of non- contribution or non participation in the such other insurance Policy or cover.
11. If a claim be made by or on behalf of the Insured which be in any respect unsound or fraudulent or intentionally exaggerated or if any false declaration or statement be made in

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support thereof, no claim shall be recoverable hereunder. The Insured shall not be entitled to abandon any property to the Company.

12. The Company shall not be bound to accept any renewal premium nor to give notice that such is due and the Company may at any time cancel this Policy by sending 15 day's notice to the Insured at his last known address subject and without prejudice to any rights and remedies either of the Company or the Insured arising under the Policy prior to that date.

13. The Policy shall stand cancelled with immediate effect if:

- (i) The laws relating to carriage of goods are altered in any way
- (ii) Any change occurs in the ownership or management of the insured vehicle or the area of operation
- (iii) Any material change occurs in the information provided in the Proposal Form.

Unless such change or alteration is brought to the notice of the Company in advance and any revised terms and premium required by the Company are agreed to and paid.

In the event of such cancellation after a claim has arisen during the current Policy Period, no refund of premium shall be made. In the event of such cancellation and no claim having arisen prior to the date of effect of cancellation, pro-rata refund of premium for complete unexpired months shall be allowed.

14. In the event of the Policy being cancelled at any time by the Insured and provided no claim has arisen during the current Period of Insurance, the Insured shall be entitled to a return of premium less premium at the Company's short period rates for the period the Policy has been in force as per short period scale given below:

PERIOD	RATE
Upto 30 days	25% of Annual Premium
Upto 90 days	50% of Annual Premium
Upto 180 days	75% of Annual Premium
Exceeding 180 days	Full Annual Premium

15. The Company may cancel this Policy by sending 15 days' notice by registered letter to the Insured at his last known address and in such event will return to the Insured the premium paid less the pro-rata portion thereof for the period the Policy has been in force.

16. If any dispute or difference shall arise as to the quantum to be paid under the 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 arbitrators the same shall be referred to a panel of three arbitrators, comprising of two arbitration, 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 and conciliation act,



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It is clearly agreed and understood that no difference or dispute shall referable to arbitration as herein before provided, if the insurers have 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 award by such arbitrators/arbitrators of the amount of the loss or damage shall be first obtained.

17. The Insured shall maintain a written record at each of its depots or delivery stations in which shall be entered promptly the condition and nature of goods received in an apparently damaged condition immediately at the time of receipt.
18. It is the duty of the Insured and their agents in all cases to take such measures as may be reasonable for the purpose of averting or minimizing a loss and to ensure that all rights against bailees or other third parties are properly preserved and exercised.
19. It is a condition of this insurance that the Insured shall act with reasonable dispatch in all circumstances within their control.
20. It is an express condition of this Policy that subject to Condition 16 above, the Civil Courts at Delhi will have exclusive jurisdiction to try any claim under this Policy.

WARRANTY

It is hereby warranted that the insured vehicle will be maintained in a roadworthy and fit condition at all times.