PREAMBLE & OPERATIVE CLAUSE

In consideration of the Insured named herein paying to GO DIGIT GENERAL INSURANCE LIMITED (herein after called the Insurer/Company), the premium as stated in the Policy Schedule and realization thereof by the Insurer and in reliance upon the statements made by the Insured in the Proposal and Declaration, the Insurer hereby agrees to indemnify the Insured named as Principal in respect of loss of gross profit actually sustained due to the reduction in turnover and the increased cost of working as defined in this policy, if at any time during the Policy Period stated in the Policy Schedule any or all the Insured Items suffer loss or damage covered and admitted under the underlying Erection All Risk or Contractor’s All Risk - Material Damage Section of the Policy Number mentioned in the Policy Schedule, unless specifically excluded, thereby causing an interference in the erection and/or construction work and/or testing schedule resulting in a delay of commencement of and/or interference with the insured business, hereinafter referred to as “the delay”.

The amount payable as indemnity hereunder shall be:

- **In respect of loss of gross profit**: the sum obtained by applying the rate of gross profit to the amount by which the actual turnover during the indemnity period falls short of the turnover which would have been achieved had the delay not occurred;
- **In respect of increased cost of working**: the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in turnover which, without such expenditure, would have taken place during the indemnity period, but not exceeding the sum obtained by applying the rate of gross profit to the amount of the reduction in turnover thereby avoided.

Provided that if the Sum Insured be less than the sum produced by applying the Rate of Gross Profit to (where the Indemnity Period exceeds 12 months insert “times” as may be appropriate e.g. for 18 months insert one and a half times) the Annual Turnover, the amount payable shall be proportionately reduced.

DEFINITIONS

1. **Annual Gross Profit** means the amount by which the value of the annual turnover and the value of closing stock exceeds the value of the opening stock and the amount of the specified working expenses. The value of the opening and closing stock shall be calculated in accordance with the insured’s normal accounting methods, due provision being made for depreciation. Specified working expenses shall be any costs incurred for the acquisition of goods, raw materials or auxiliaries as well as for supplies and services (unless required for the upkeep of operations) and any costs for packaging, carriage, freight, intermediate storage, turnover tax, purchase tax, licence fees and royalties for inventors, etc., insofar as such costs are dependent on turnover.

2. **Annual Turnover** means the turnover which, had the delay not occurred, would have been achieved during the 12 months after the scheduled date of commencement of the insured business.

3. **Indemnity Period** means the period during which the results of the business are affected in consequence of the delay, beginning on the scheduled date of commencement of the insured business and not exceeding the maximum indemnity period stated in the Schedule to this Policy.

4. **Policy Period** means the Period stated in the Policy Schedule, terminating on the date specified in the Policy Schedule or on any earlier date when the Material Damage cover ceases.

5. **Rate of Gross Profit** means the rate which, had the delay not occurred, would have been earned on the turnover during the indemnity period.
6. **Scheduled date of commencement of the insured business** means the date stated in the Policy Schedule or any revised date upon which the business would have commenced had the delay not occurred.

7. **Time Excess** means the period stated in the Policy Schedule for which the insurers are not liable. The corresponding amount shall be calculated by multiplying the average daily value of loss sustained during the indemnity period by the number of days agreed upon as time excess.

8. **Turnover** means the amount of money (less discounts allowed) paid or payable to the Insured for goods, products or services sold, delivered or rendered or accommodation rented in the course of the insured business conducted at the premises.

**EXCLUSIONS**

The Insurers shall not be liable for:

1. loss of gross profit and/or increased cost of working due to any delay caused by or resulting from
   1.1. loss or damage covered under Material Damage Policy by way of endorsement, unless it has been specifically agreed in writing;
   1.2. earthquake, volcanic eruption, tsunami, unless it has been specifically agreed in writing;
   1.3. loss of or damage to surrounding property, construction machinery, plant and equipment;
   1.4. loss of or damage to operating media or feedstock, shortage, destruction, deterioration of or damage to any materials necessary for the insured business;
   1.5. any restrictions imposed by a public authority;
   1.6. non-availability of funds;
   1.7. alterations, additions, improvements, rectification of defects or faults or elimination of any deficiencies carried out after the occurrence
2. Loss of or damage to items taken over or taken into use by the insured or for which the cover under Erection All Risk or Contractor’s All Risk – Material Damage Policy has ceased.
3. Any loss due to fines or damages for breach of contract, for late or non-completion of orders, or for any penalties of whatever nature;
4. loss of business due to causes such as suspension, lapse or cancellation of a lease, licence or order, etc. which occurs after the date of actual commencement of the business;
5. loss of or damage to erection and/or construction work of a prototype nature, unless specifically agreed by endorsement.

6. **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.

**APPLICABLE PROVISIONS**

**Memo 1 – Extension of Period**

Any extension of the Policy Period under Erection All Risk or Contractor’s All Risk Policy shall not automatically lead to an extension of the Policy Period stated in the Policy Schedule.
Any extension of the Policy Period under this Policy shall be requested in writing as early as possible by the Insured, stating the circumstances leading to the need for extension, and shall have effect for this Policy only if specifically agreed upon in writing.

Any alteration of the scheduled date of commencement of the insured business shall be reported and shall have effect for this policy only if specifically agreed upon in writing.

Memo 2 – Basis of Loss Settlement

In calculating the rate of gross profit and annual turnover, the following points shall in particular be taken into consideration:

a) the results of the insured business for the 12-month period after commencement of commercial operations,
b) variations and special circumstances which would have affected the insured business had the delay not occurred,
c) variations and special circumstances affecting the insured business after commencement of commercial operations, so that the final figures represent as closely as may be reasonably practicable the results which the insured business would have obtained after the scheduled date of commencement of commercial operations had the delay not occurred.

Memo 3 – Return of Premium

If the Insured declares (certified by the Insured’s auditors) that the gross profit earned during the accounting period of twelve months following the commencement of the insured business or the date on which but for the delay the business would have commenced was less than the sum insured thereon, a pro rata return of premium not exceeding one third of the premium paid shall be made in respect of the difference.

If any loss 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 damage.

CONDITIONS

1. The Policy and Policy 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 Policy Schedule shall bear such specific meaning wherever it may appear.

2. The Insured shall present the Company with updated progress reports of implementation of the project at intervals stated in the Policy Schedule.

3. In the event of any material change in the original risk such as:
   - Changes of the envisaged progress programme, testing procedure, etc.
   - Alteration, modification or addition to any item of machinery or work, etc.
   - Departure from prescribed construction or operation conditions
   - Changes in the Insured’s interest (such as discontinuation or liquidation of the business or its being placed in receivership) taking place,

   the Policy shall be void unless its continuance be agreed by memorandum signed by the Company.

4. In the event of any occurrence which might cause a delay and give rise to a claim under this policy:
   a. The Insured shall immediately notify the Company in writing thereof within forty-eight hours of the occurrence;
   b. The Insured shall do and concur in doing and permit to be done all such things as may be reasonably practicable to minimize or establish the extent of any interference with the erection work and/or construction work and/or testing schedule so as to avoid or diminish any delay resulting therefrom.
   c. The Company and every person authorized by the Company shall, without prejudice to any party insured by this Policy, have access to the erection and/or construction site where such loss or damage has occurred for the purpose of direct negotiation with the responsible contractor or subcontractor in order to establish the possible cause and extent of the loss or
damage, its effect on the insured items, to examine the possibilities for minimizing any delay to the scheduled date of commencement of the insured business, and if necessary to make any reasonable recommendations for the avoidance or minimization of such delay. This condition shall be evidence of the leave and license of the Insured to the Company so to do if the Insured or anyone acting on the Insured’s behalf hinders or obstructs the Company during any of the abovementioned acts or does not comply with such recommendations of the Company, all benefits under this Section shall be forfeited.

5. In the event of a claim being made under this Policy, the Insured shall at the Insured's own expense deliver to the Company not later than thirty days after the delay or within such further periods as the Company may allow in writing a written statement setting forth particulars of his claim. Furthermore, the Insured shall at his own expense produce and furnish to the Company such books of account and other business books, e.g. invoices, balance sheets and other documents, proofs, information, explanations or other evidence as may reasonably be required by the Company 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.

6. The indemnity shall be payable one month after final determination of its amount. Notwithstanding the above, the Insured may, one month after the Company have been duly notified of the loss and have acknowledged their liability, claim as advance payment(s) the minimum amount(s) payable under the prevailing circumstances.

The Company shall be entitled to postpone payment:
   a. If there are doubts as to the Insured’s right to receive payment, until the necessary proof is furnished;
   b. If, as a result of any loss or damage or any delay to the anticipated date of commencement of the insured business, police or criminal investigations have been initiated against the Insured, until the completion of such investigations the Company shall not be liable to pay interest on indemnity moneys withheld.

7. The Insurers shall have free access to inspect the books of accounts of the insured.

8. If at any time any event shall occur materially affecting the risks insured hereunder the Insured shall give notice in writing to the Insurers immediately,

9. Every letter, claim, summons and legal process pertaining to the coverage offered under this Policy and the insured items covered hereunder shall be notified or forwarded to the Insurers immediately. Notice shall also be given to the Insurers immediately after the Insured shall have knowledge of any impending prosecution, inquest or enquiry in connection with any such occurrence as aforesaid. In case of claim or generally, the Insurers may be contacted at the E-mail ID, Customer Care Number or address mentioned in the Policy Schedule.

10. The Insurers may after admission of liability pay to the Insured the maximum indemnity amount on receiving the documentary evidence and thereafter the Insurers shall not be under any further liability to the Insured in respect of such claim.

11. In the event of a claim, if there exists any other policy in favour of the Insured for the same subject matter of insurance, the Insurers shall not pay more than its rateable proportion of such claim.

12. Policy Cancellation:
   **Cancellation by Insured**: 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 mentioned in the table below for the time the policy has been in force, subject to 'No Claim' under the Policy during the period of insurance.

<table>
<thead>
<tr>
<th>Policy In Force</th>
<th>Premium Retention</th>
</tr>
</thead>
<tbody>
<tr>
<td>For a period not exceeding 15 days</td>
<td>10% of the Annual Rate</td>
</tr>
<tr>
<td>For a period not exceeding 1 month</td>
<td>15% of the Annual Rate</td>
</tr>
<tr>
<td>For a period not exceeding 2 months</td>
<td>30% of the Annual Rate</td>
</tr>
<tr>
<td>For a period not exceeding 3 months</td>
<td>40% of the Annual Rate</td>
</tr>
<tr>
<td>For a period not exceeding 4 months</td>
<td>50% of the Annual Rate</td>
</tr>
<tr>
<td>Period</td>
<td>Percentage of Annual Rate</td>
</tr>
<tr>
<td>----------------------</td>
<td>---------------------------</td>
</tr>
<tr>
<td>For a period not exceeding 5 months</td>
<td>60%</td>
</tr>
<tr>
<td>For a period not exceeding 6 months</td>
<td>70%</td>
</tr>
<tr>
<td>For a period not exceeding 7 months</td>
<td>75%</td>
</tr>
<tr>
<td>For a period not exceeding 8 months</td>
<td>80%</td>
</tr>
<tr>
<td>For a period not exceeding 9 months</td>
<td>85%</td>
</tr>
<tr>
<td>For a period exceeding 9 months</td>
<td>Full Annual Rate</td>
</tr>
</tbody>
</table>

**Cancellation by Insurer:** 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 on ground of mis-representation, fraud, non-disclosure of material facts and non-co-operation by the insured and there would be no refund of premium.

13. 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 an 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 the 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 in accordance with the provisions of the Arbitration and Conciliation Act, 1996 (with amendments, modifications and statutory re-enactments, if any, being applicable).

It is clearly agreed and understood that no difference or dispute shall be 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 arbitrator/arbitrators of the amount of the loss or damage shall be first obtained.

It is also further expressly agreed and declared that if the Insurers 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 the court of law, then the claim shall for all purposes be deemed to have been abandoned and shall not thereafter be recoverable hereunder.

14. The Insurers shall not be liable to make any payment under this Policy in respect of any claim if such claim shall be in any manner fraudulent or supported by any statement or device whether by the Insured or by any person on behalf of the Insured if the insurance have been continued in consequence of any material mis-statement or non-disclosure of any material information by or on behalf of the Insured.

15. The Insurers shall be entitled in the name of the Insured to have absolute conduct and control of all or any proceedings that it considers necessary for the purpose of securing reimbursement in respect of insured items and the Insured shall at the Insurer's expense furnish all such assistance as may reasonably be required by the Insurers in connection with such proceedings. The Insurers shall be entitled to take over and conduct in the name of Insured the defense or settlement of any claim in the name of Insured for its own benefit in pursuance of any remedies to which the Insurers shall be or would become entitled or subrogated upon its indemnifying the Insured. The Insurers shall have full discretion in conduct of any proceedings and in settlement of any claim and the Insured shall give all such assistance and information as the Insurers may require.

16. The Insured understands that if a proposal has been completed for this insurance, then the statements and all particulars provided in such proposal, and any attachments thereto, are material to the Insurer's decision to provide this insurance. The Insured further understands that the Insurer will, in its sole discretion, issue this Policy in reliance upon the truth of such statements and particulars.

17. **CUSTOMER GRIEVANCE REDRESSAL POLICY**

We hope that We never leave You dissatisfied. However, if You ever wish to lodge a complaint, please feel free to call our Toll-free number 1-800-258-5956 or email the customer service desk...
Senior citizens can now contact us on 1-800-258-5956 or write to us at seniors@godigit.com.

After investigating the matter internally and subsequent closure, We will send You Our response.

If You do not get a satisfactory response from Us and You wish to pursue other avenues for redressal of grievances, You may approach Insurance Ombudsman appointed by IRDAI under the Insurance Ombudsman Scheme. The contact details of the Insurance Ombudsman Centres are mentioned below: (Note: Address and contact number of Governing Body of Insurance Council).

<table>
<thead>
<tr>
<th>Office Location</th>
<th>Contact Details</th>
<th>Jurisdiction of Office (Union Territory, District)</th>
</tr>
</thead>
<tbody>
<tr>
<td>AHMEDABAD</td>
<td>Office of the Insurance Ombudsman, Jeevan Prakash Building, 6th floor, Tilak Marg, Relief Road, Ahmedabad – 380 001. Tel.: 079 - 25501201/02/05/06, Email: <a href="mailto:bimalokpal.ahmedabad@ecoi.co.in">bimalokpal.ahmedabad@ecoi.co.in</a></td>
<td>Gujarat, Dadra &amp; Nagar Haveli, Daman and Diu.</td>
</tr>
<tr>
<td>BENGALURU</td>
<td>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 – 560 078. Tel.: 080 - 26652048 / 26652049, Email: <a href="mailto:bimalokpal.bengaluru@ecoi.co.in">bimalokpal.bengaluru@ecoi.co.in</a></td>
<td>Karnataka.</td>
</tr>
<tr>
<td>BHOPAL</td>
<td>Office of the Insurance Ombudsman, Janak Vihar Complex, 2nd Floor, 6, Malviya Nagar, Opp. Airtel Office, Near New Market, Bhopal – 462 003. Tel.: 0755 - 2769201 / 2769202, Fax: 0755 - 2769203, Email: <a href="mailto:bimalokpal.bhopal@ecoi.co.in">bimalokpal.bhopal@ecoi.co.in</a></td>
<td>Madhya Pradesh, Chhattisgarh.</td>
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<tr>
<td>BHUBANESHWAR</td>
<td>Office of the Insurance Ombudsman, 62, Forest park, Bhubaneshwar – 751 009. Tel.: 0674 - 2596461 /2596455, Fax: 0674 - 2596429, Email: <a href="mailto:bimalokpal.bhubaneswar@ecoi.co.in">bimalokpal.bhubaneswar@ecoi.co.in</a></td>
<td>Orissa.</td>
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<tr>
<td>CHANDIGARH</td>
<td>Office of the Insurance Ombudsman, S.C.O. No. 101, 102 &amp; 103, 2nd Floor, Batra Building, Sector 17 – D, Chandigarh – 160 017. Tel.: 0172 - 2706196 / 2706468, Fax: 0172 - 2708274, Email: <a href="mailto:bimalokpal.chandigarh@ecoi.co.in">bimalokpal.chandigarh@ecoi.co.in</a></td>
<td>Punjab, Haryana, Himachal Pradesh, Jammu &amp; Kashmir, Chandigarh.</td>
</tr>
<tr>
<td>CHENNAI</td>
<td>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: <a href="mailto:bimalokpal.chennai@ecoi.co.in">bimalokpal.chennai@ecoi.co.in</a></td>
<td>Tamil Nadu, Pondicherry Town and Karaikal (which are part of Pondicherry).</td>
</tr>
<tr>
<td>DELHI</td>
<td>Office of the Insurance Ombudsman, 2/2 A, Universal Insurance Building, Asaf Ali Road, New Delhi – 110 002. Tel.: 011 - 23232481/23213504, Fax: 011 - 23230858 Email: <a href="mailto:bimalokpal.delhi@ecoi.co.in">bimalokpal.delhi@ecoi.co.in</a></td>
<td>Delhi.</td>
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<tr>
<td>GUWAHATI</td>
<td>Office of the Insurance Ombudsman, Jeevan Nivesh, 5th Floor, Nr. Panbazar over bridge, S.S. Road, Guwahati – 781001(ASSAM). Tel.: 0361 - 2132204 / 2132205, Fax: 0361 - 2732937, Email: <a href="mailto:bimalokpal.guwahati@ecoi.co.in">bimalokpal.guwahati@ecoi.co.in</a></td>
<td>Assam, Meghalaya, Manipur, Mizoram, Arunachal Pradesh, Nagaland and Tripura.</td>
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<tr>
<td>HYDERABAD</td>
<td>Office of the Insurance Ombudsman, 6-2-46, 1st floor, &quot;Moin Court&quot;, Lane Opp. Saleem Function Palace, A. C. Guards, Lakdi-Ka-Pool, Hyderabad - 500 004. Tel.: 040 - 65504123 / 23312122, Fax: 040 - 23376599, Email: <a href="mailto:bimalokpal.hyderabad@ecoi.co.in">bimalokpal.hyderabad@ecoi.co.in</a></td>
<td>Andhra Pradesh, Telangana, Yanam and part of Territory of Pondicherry.</td>
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<tr>
<td>JAIPUR</td>
<td>Office of the Insurance Ombudsman, Jeevan Nidhi – II Bldg., Gr. Floor, Bhawani Singh Marg, Jaipur - 302 005. Tel.: 0141 - 2740363, Email: <a href="mailto:Bimalokpal.jaipur@ecoi.co.in">Bimalokpal.jaipur@ecoi.co.in</a></td>
<td>Rajasthan.</td>
</tr>
<tr>
<td>ERNAKULAM</td>
<td>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: <a href="mailto:bimalokpal.ernakulam@ecoi.co.in">bimalokpal.ernakulam@ecoi.co.in</a></td>
<td>Kerala, Lakshadweep, Mahe-a part of Pondicherry.</td>
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<td>Location</td>
<td>Details</td>
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<td><strong>LUCKNOW</strong></td>
<td>Office of the Insurance Ombudsman, 6th Floor, Jeevan Bhawan, Phase-II, Naval Kishore Road, Hazratganj, Lucknow - 226 001. Tel.: 0522 - 2231330 / 2231331, Fax: 0522 - 2231310, Email: <a href="mailto:bimalokpal.lucknow@ecoi.co.in">bimalokpal.lucknow@ecoi.co.in</a></td>
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<tr>
<td><strong>MUMBAI</strong></td>
<td>Office of the Insurance Ombudsman, 3rd Floor, Jeevan Seva Annexe, S. V. Road, Santacruz (W), Mumbai - 400 054. Tel.: 022 - 26106552 / 26106960, Fax: 022 - 26106052, Email: <a href="mailto:bimalokpal.mumbai@ecoi.co.in">bimalokpal.mumbai@ecoi.co.in</a></td>
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<tr>
<td><strong>NOIDA</strong></td>
<td>Office of the Insurance Ombudsman, Bhagwan Sahai Palace 4th Floor, Main Road, Naya Bans, Sector 15, Distt: Gautam Buddh Nagar, U.P-201301. Tel.: 0120-2514250 / 2514252 / 2514253, Email: <a href="mailto:bimalokpal.noida@ecoi.co.in">bimalokpal.noida@ecoi.co.in</a></td>
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<tr>
<td><strong>PATNA</strong></td>
<td>Office of the Insurance Ombudsman, 1st Floor, Kalpana Arcade Building, Bazar Samiti Road, Bahadurpur, Patna 800 006. Tel.: 0612-2680952, Email: <a href="mailto:bimalokpal.patna@ecoi.co.in">bimalokpal.patna@ecoi.co.in</a></td>
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<tr>
<td><strong>PUNE</strong></td>
<td>Office of the Insurance Ombudsman, Jeevan Darshan Bldg., 3rd Floor, C.T.S. No.s. 195 to 198, N.C. Kelkar Road, Narayan Peth, Pune - 411 030. Tel.: 020-41312555, Email: <a href="mailto:bimalokpal.pune@ecoi.co.in">bimalokpal.pune@ecoi.co.in</a></td>
<td></td>
</tr>
</tbody>
</table>

**Note:** GOVERNING BODY OF INSURANCE COUNCIL, 3rd Floor, Jeevan Seva Annexe, S. V. Road, Santacruz (W), Mumbai - 400 054. Tel.: 022 - 26106889 / 671 / 980, Fax: 022 - 26106949, Email: inscoun@ecoi.co.in