

TARIFF ADVISORY COMMITTEE
MUMBAI

TEA TARIFF
(REVISED AS ON 1-4-1999)

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GENERAL REGULATIONS

GENERAL REGULATIONS

1. THIS TARIFF APPLIES TO TEA GROWN IN INDIA ONLY.
2. THIS TARIFF APPLIES TO ALL FRESH AND RENEWAL RISKS IN RESPECT OF :-
 - (A) TEA CROP INSURANCE.
 - (B) TEA CROP HAIL INSURANCE (RENEWALS ONLY)
 - (C) INLAND AND OVERSEAS TRANSITS OF TEA, INCLUDING STORAGE.
 - (D) TRANSITS, INCLUDING STORAGE, FOR BLENDING, PROCESSING, PACKING ETC. OF MADE TEA. *
3. INSURERS ARE PROHIBITED FROM ISSUING ANY POLICY COVERING TEA IN TRANSIT WITH OR WITHOUT STORAGE, BLENDING, PROCESSING, PACKING ETC. OTHER THAN AS PER THE RATES, TERMS, CONDITIONS, EXCLUSIONS ETC. PRESCRIBED IN THIS TARIFF.

4. CONTINUATION OF OLD (PRE-TARIFF) RATES :

With the introduction of the Tea Tariff effective 1-4-1990, the rates, terms, conditions, exclusions etc., as existing on 31-3-90 under Tea Crop Policies, which were not in conformity with the revised rates, terms, conditions, exclusions etc. under the appropriate Section of the Tea Tariff were to be withdrawn and the rates, terms, conditions, exclusions etc. were to be applied as per the appropriate Section of the Tea Tariff effective from such renewal date, with modifications as might have been required by the provisions of the Bonus/Malus Clause, wherever provided, on the basis of relevant statistics (with finally adjusted premium and claims paid and outstanding less recovery represented by Carriers' Legal Liability Insurance premium net of discount/agency commission) for 3 years immediately preceding the expiring year (e.g. for renewal effective 1-4-90, the claims experience to be submitted would have been for 1986/87, 1987/88 and 1988/89).

* *This Tariff should be read in conjunction with TAC Circular No.Tea/Cir-1/99 dated 20-8-1999 which, inter alia, stipulates the date from which different sections of this Tariff take effect.*

*

However, in respect of such Policies which existed as on 1-4-90 and **where loss ratio for the three years immediately preceding the expiring year was less than 60%**, applications were to be made by the Insurers to the appropriate authorities * every year enclosing copies of the :

- i. Proposal Form (**ANNEXURE `A'**) for the renewal year.
- ii. Policies issued alongwith all Clauses and Endorsements attached thereto for the year **preceding the current year and for the current year.**
- iii. Schedule showing premium rates charged in respect of the Policies described in (ii) above.

AND

iv. Finally adjusted premium and claims paid and outstanding less recovery represented by Carriers' Legal Liability Insurance premium net of discount/agency commission for the 3 years immediately preceding the expiry year.

RENEWAL OF OLD (PRE-TARIFF) POLICIES :

The Rates, Terms and Conditions were to be allowed to be continued by the appropriate authorities* subject to the conditions that :

- i. the loss ratio for the 3 years immediately preceding the expiring year or for a lesser period for which experience had been generated, was less than 60%;

AND

ii the terms and conditions under the Policy were within the Tariff provisions (including extensions permitted) under the appropriate Section of the Tea Tariff.

* For the period 1-4-90 to 31-3-93, these applications had been processed by the TAC. For the period 1-4-93 to 31-3-99, such applications had been processed by the respective Head Offices of Insurers.

DISCOUNT AS PROVIDED UNDER THE BONUS CLAUSES UNDER THE VARIOUS SECTIONS OR FOR HAVING GOOD CLAIMS EXPERIENCE WERE NOT TO BE GRANTED ON SUCH OLD RATES.

PROCEDURE & TIME-LIMIT FOR SUBMISSION OF APPLICATIONS RELATING TO RENEWAL OF OLD (PRE-TARIFF) POLICIES :

- i. With effect from 1-4-93,* all applications for continuation of old rates were to be submitted by the Insureds to their respective Insurers prior to the date of renewal with an Advance Copy of the application to the concerned Head Office of the Company.
- ii Advance Copies of such applications were to be received by the concerned Head Offices within 45 days of commencement of the Policies for which applications were being made.
- iii Original applications were to be forwarded by the Insurers to their respective Head Offices, after filling in all relevant details (like claims experience etc.), within 90 days from the date of renewal of the Policy.
- iv Head Offices of the Insurers were required to dispose of the cases within two months from the date of receipt of the completed applications from their underwriting Offices.

Insurers may note that the provisions regarding :

- a. **CONTINUATION OF OLD (PRE-TARIFF) RATES;**
- b. **RENEWAL OF PRE-TARIFF POLICIES; AND**
- c. **PROCEDURE & TIME-LIMIT FOR SUBMISSION OF APPLICATIONS RELATING TO RENEWAL OF OLD (PRE-TARIFF) POLICIES, AS STIPULATED ABOVE, WOULD REMAIN UNALTERED UNDER THIS REVISED TARIFF.**

* For the period 1-4-90 to 31-3-93, such applications had been submitted to and rates fixed by the Committee.

5. TEA CROP HAIL INSURANCE (RENEWALS ONLY) :

Tea Crop Hail Insurance available under Section II of the previous Tea Tariff stands withdrawn for new proposals. However, Insureds having Tea Crop Hail Insurance Policies as per the provisions, terms, conditions and rates contained in Section II of the erstwhile Tea Tariff (in force prior to 1-4-1999) and who would opt to continue with the same provisions, terms, conditions and rates, might be allowed to do so provided continuity in Policies is maintained.

For terms, conditions and rates in force prior to 1-4-1999 and subject to which renewals are henceforth to be effected, reference may be made to Annexure 'O'.

6. CARRIERS' LEGAL LIABILITY (TEA CROP) INSURANCE

Insurers may grant Carriers' Legal Liability (Tea Crop) Insurance cover to Road Carriers in respect of tea transported by them provided such tea is insured under the Tea Crop Policy.

For terms, conditions and rates, reference may be made to Annexures 'M' and 'N'.

SECTION I
TEA CROP INSURANCE

SECTION - I

TEA CROP INSURANCE

1.1 Since the introduction of Tea Tariff on 1-4-90, Tea Crop Insurance Policies are required to be issued 'Gardenwise' only. Insurers are prohibited from issuing a Tea Crop Policy on 'Accountwise' or any other basis, other than on Gardenwise basis. An 'Account' for this purpose will mean all Gardens of an Insured as a Company or a separate legal entity. For those insureds who do not own Tea Gardens but have Factories, Policies may be issued 'Factorywise' as specifically provided for in this Section of the Tariff under para 13(D).

1.2 RATING OF APPLICATIONS :

- i. All proposals in respect of initial/renewal rating of Tea Gardens, pertaining to Policies commencing on or after 1-4-99, * *are to be considered by the authorised offices of the Insurers.*
- ii All applications for continuation of old Special Rates (which existed prior to 1-4-90), pertaining to Policies being renewed on or after 1-4-99,* are to be considered by the respective Head Offices of the Companies.

* For the period 1-4-90 to 31-3-93, these applications had been processed by the TAC. For the period 1-4-93 to 31-3-99 such applications had been processed by the respective Head Offices of Insurers.

1.3 PROCEDURE & TIME-LIMIT FOR SUBMISSION OF RENEWAL APPLICATIONS RELATING TO CASES WHERE CONTINUATION OF OLD (PRE-TARIFF) RATES ARE NOT INVOLVED

- i. With effect from 1-4-99, all such applications for renewal ratings shall be submitted by the Insureds to their respective Insurers prior to the date of renewal.
- ii Appropriate authorised offices of the Insurers shall dispose of the cases within two months from the date of receipt of the renewal applications from the Insureds.

1.4 SUBMISSION OF STATISTICS TO THE TARIFF ADVISORY COMMITTEE (TAC) :

THE HEAD OFFICES OF INSURERS SHALL FORWARD TO THE T.A.C. CONSOLIDATED PREMIUM AND CLAIM STATISTICS IN RESPECT OF THE TEA GARDENS INSURED WITH THEM DURING A FINANCIAL YEAR, ***LATEST BY THE END OF DECEMBER THE FOLLOWING FINANCIAL YEAR***, AS PER FORMATS SPECIFIED IN ***ANNEXURE 'B'***.

1.5 TRANSFER OF BUSINESS FROM ONE INSURER TO ANOTHER

When taking over any business rateable under this Tariff, which business was previously with another Insurer, the acquiring Insurer shall do so only on the clear understanding that they are accepting the business on terms and at the rates indicated in the immediately expiring Policy, provided the previous Insurer had not called for any increase in rates of premium or had not imposed any restrictions/alterations as to the terms of cover for the relevant renewal.

The acquiring Insurer must submit the copy of Proposal to the previous Insurer within 7 working days from the date of acceptance of the business.

The acquiring Insurer must also call for, by Registered A.D. Post or Recorded Delivery, the necessary statistics from the previous Insurer within 7 working days from the date of acceptance. The previous Insurer will be obliged to provide through A.D. Post or Recorded Delivery the relevant statistics within **1 month** from the date of receipt of such request to the acquiring Insurer. Till such time, the acquiring Insurer shall treat the premium charged and the terms and conditions offered as 'provisional'. However, if for any reason, response from the previous Insurer is not received within 30 days, information and statistics submitted by the Proposer in the Proposal Form will be considered for final rating of the current policy by the acquiring Insurer.

NON-COMPLIANCE OF THIS PROVISION BY THE ACQUIRING INSURER SHALL BE TREATED AS A BREACH OF TARIFF AND SO DEALT WITH.

2. BASIS OF VALUATION

Policy may be issued on the Agreed Value basis or on Provisional Value Basis on the basis of the value per kilogram of tea declared at the commencement of the Policy.

The options for Basis of Valuation would be as stated in the Basis of Valuation Clause of the Tea Crop Insurance Clauses (Clause No.4). The Insured shall opt for any one of the **options (A) or (B) or (C) and (D) at inception. The value(s) so opted for shall remain unchanged during the currency of the Policy.**

Insurers are prohibited from issuing any Tea Crop Policy without incorporating the values in the blank spaces provided therefor in the Basis of Valuation Clause.

The Agreed Value or Provisional Value as opted for at inception for all categories of tea including those of ex-Garden sale, gift tea etc. are to be taken into account in computing the Sum Insured.

Separate Agreed Value may be declared for Tea Waste.

BASIS OF VALUATION [Option A or B or C (Delete options not required) AND 'D']

A.1. The Valuation of Tea for the purpose of this Insurance is agreed to be Rs. _____ per kg. of Made Tea to be disposed of in India, including FOB and C & F Sales.

A.2. For the purpose of this Insurance, tea to be disposed of in Overseas Countries is provisionally valued at Rs. _____ per k.g. of Made Tea being an **average price** obtaining for the Garden **during the 3 completed and adjusted years immediately preceding the expiring year** but liable to final adjustments as per Clause 5 in terms of the following stipulations :

- a. For tea sold at Overseas Auctions and tea shipped on Consignment Basis to Overseas Countries, the actual amount realised on the same shall be treated as the insured value.
- b. For tea sold and shipped (against firm C.I.F. Sale Contracts) to the Overseas Countries, the value declared in accordance with the terms of the Contract of Sale (maximum C.I.F. value + 10%) shall be taken as the insured value, subject to final adjustment as per Clause 5.

B. The valuation of tea for the purpose of this Insurance is agreed to be Rs..... per kg. of made tea, excluding CIF Sales. For tea sold and shipped CIF to Overseas Countries, the value declared in accordance with the terms of the Contract of Sale (maximum C.I.F. value + 10%) should be taken as the insured value, subject to final adjustment as per Clause 5.

C. For the purpose of this insurance, tea is valued provisionally at Rs..... per kg. of made tea being an average price obtaining from the Garden during three completed and adjusted years immediately preceding the expiring year subject to final adjustment as mentioned in Clause 5 on the basis of actual production and actual amount realised on same.

AND

D. Tea Waste (Agreed Value).

3. PROPOSAL FORM

A completed Proposal Form must be obtained in respect of each Garden as per proforma (ANNEXURE `A'). Unless there is change in ownership, such Proposal Forms need not be obtained at every renewal. However, fresh Proposal Forms are to be obtained at every fourth renewal.

4. PAYMENT OF PREMIUM

In accordance with Rules 59 (f) and 59 (k) of the Insurance Rules 1939 (as amended up-to-date) issued under the Insurance Act 1938, the premium in respect of Tea Crop Insurance shall be payable at the inception of cover based on a `fair estimate' of the expected crop and value opted as per Basis of Valuation Clause (item 2 above) during the period of Insurance and *instalment facility must not be granted.*

"Fair estimate" shall mean the quantity of the crop pertaining to the policy period but being not less than the average of the crop turnover of the Garden for the three years immediately preceding the expiring year (e.g. fair estimate for the renewal year 1997/98 will be the average of the crop turnover pertaining to the policy periods 1993/94, 1994/95 and 1995/96). However, if the fair estimate for a certain policy period appears to be less than the average of the said 3 years, the Insurer shall obtain satisfactory explanation from the Insureds in this regard.

5. ADJUSTMENT OF PREMIUM

5.1 In accordance with Clause 7 of the Tea Crop Insurance Clauses, the premium collected shall be subject to adjustment on the basis of tea actually produced, sold, unsold or otherwise disposed of.

The Insured shall submit to the Insurer a Final Premium Adjustment Statement (ANNEXURE 'C') furnishing particulars of actual total crop and sale proceeds togetherwith a certificate from the **Auditor** or the **Chief Executive of the Company** or a **certified copy of the Excise Assessment** or the **Balance Sheet** for the concerned year, within 180 days from the date of expiry of the Policy. The Final Premium Adjustment Statement should specify the quantity of all tea produced, whether sold by auction, sold privately, ex-Garden or otherwise disposed of, including gift tea, sample tea, tea consumed at the Estate, tea waste and tea totally lost/destroyed/damaged, howsoever caused, and tea remaining unsold and Held Back at the Garden.

Depending on the provisional premium collected and the actual premium payable, the Insured is required to pay the difference in premium or may become entitled to a refund of premium, as the case may be. If the total turnover for the current year exceeds or falls short of the estimated quantity of made tea, then the difference is to be met by a further proportionate payment of premium to the Insurer or by refund of premium by the Insurer to the Insured, as the case may be, in terms of the Final Premium Adjustment Statement received by the Insurer.

5.2 Final Adjustment of the premium under the Policy issued on Agreed-Value basis shall be done for the actual crop/ turnover as against the estimated crop/turnover proposed at the inception. For Policies issued on Provisional-Value basis, the adjustment shall be done for both the actual crop/turnover and for the actual value realised as against the estimated crop/turnover and value proposed at the inception.

5.3 Where Insurance has been effected on Agreed-Value basis for disposals in India and Provisional-Value basis for disposals overseas, the adjustment for entire crop and value shall be made as aforementioned, separately for the respective disposals on Agreed-Value basis and Provisional-Value basis.

5.4 Should the Insured fail to comply with the requirements laid down under para 2 of Rule 5.1 given hereinabove, the Insurer will adjust final premium under such Policies and close such Policies in the following manner :-

a. Where insurance has been effected on Agreed-Value basis, for the purpose of arriving at the actual turnover of made tea during the period of Insurance, the estimated turnover declared by the Insured under various heads will be loaded by 30% and Sum Insured and premium adjusted accordingly.

b. In case of tea insured on Provisional-Value basis, both the provisional quantities of tea and the Provisional Value per kilogram of tea estimated and declared by the Insured, will be loaded by 30% and the Sum Insured and the premium adjusted accordingly.

5.5 After receipt of the Final Premium Adjustment Statement, it shall be incumbent on the part of the Insured to pay the difference in premium, if any, due and demanded by the Insurer in writing on the basis of the said Final Premium Adjustment Statement, within 30 days from the date of demand being made. **Failure to pay the Premium being demanded will entail automatic cancellation of the policy for the current period immediately on expiry of the said 30 days without any further notice.**

In addition to the usual provision for Cancellation by Notice under the Cancellation Clause of the Policy, the said Clause also provides for invoking similar Notice of Cancellation in the event of the Insured failing to pay within 30 days additional premium, as demanded by the Insurer in writing, on account of automatic adjustment, consequent upon non-receipt of the statements for adjustment within the stipulated time.

Note : The Insurer shall incorporate the first para of item 5.5 above in the Premium Adjustment Notice which shall be sent to the Insured by Registered A.D. Post or by Recorded Delivery.

5.6 In the event of non-payment of balance premium on account of adjustment, as demanded by the previous Insurer, the previous Insurer shall intimate the current Insurer of the same immediately and the latter shall cancel the current Policy forthwith in terms of the Cancellation Clause (Clause 10).

N.B. In case of any doubt, Insurers will have the discretion to call for appropriate documents/certificates/information/clarification etc. from the Insureds to substantiate the facts as provided in the Final Premium Adjustment Statement certified by their Chief Executives.

6. PERIOD OF INSURANCE

a. Period of Insurance for the Tea Crop Policy to be issued under this Tariff would for be for 12 months commencing from 1st April. However, in cases where Garden-owners are in a position to furnish proof that they are permitted to have different financial year, Policies may be issued for a period coinciding with their financial year. In such cases, the figures submitted to the Insurers for adjustment should correspond only to their financial year and should be so certified by their Auditors.

b. Moreover, if for some genuine reason, Policy is to commence from a date falling after the date of commencement of the financial year, the Policy shall expire on the last day of the Insured's financial year from which date a fresh Annual Policy is to be issued. In such cases, full premium for the estimated annual crop for Insured's financial year shall be paid though the risk shall attach only from the date of payment of premium. The Final Premium Adjustment shall also be made on the actual total crop/turnover of the Garden for the financial year.

7. TERMS OF COVER

7.1 Cover should be granted only in accordance with the standard Policy Form, incorporating the Tea Crop Insurance Clauses (**ANNEXURE 'D'**). In such cases, where the Insured desires to have extended storage cover, appropriate specific Endorsement must be issued and attached to the Policy.

7.2 No cover wider than that provided for in terms of the Tea Crop Policy shall be granted. Even when, for some reasons, any restricted or limited form of cover is granted, no reduction in premium shall be allowed.

8. EXCLUSIONS

8.1 No cover shall be granted under this Section for loss of or damage to Standing Crops or Tea Bushes/Plants arising out of whatsoever peril.

8.2 No trade loss, including chest/other packaging allowance, even if admitted by Brokers, shall be payable under the Tea Crop Policy.

9. RENEWALS

9.1 Since 1-4-1990, the renewal of Tea Crop Insurance Policies, where continuation of old (pre-Tariff) rates are not involved, are to be effected by charging premium arrived at by applying the provisions of the Bonus/Malus Clause contained under Rule 9.2 hereinafter, on the applicable Tariff rate for the Garden, including Tariff extras.

9.2 The following Clause is to be incorporated in the Tea Crop Policies :

“BONUS/MALUS CLAUSE

Notwithstanding anything to the contrary contained in the withinmentioned Policy, it is hereby agreed that rate of premium chargeable at each renewal of the Policy covering the Garden insured hereunder shall be arrived at by applying on the Basic Rate (ref.Note 2 below) the following Bonus/Malus Scale, based on the loss ratio relevant for the particular renewal :

BONUS (DISCOUNT)

Loss Ratio	Percentage of Discount on Basic Rate
Not exceeding 10%	35%
Exceeding 10% but not exceeding 20%	30%
Exceeding 20% but not exceeding 30%	25%
Exceeding 30% but not exceeding 40%	20%
Exceeding 40% but not exceeding 50%	15%
Exceeding 50% but not exceeding 60%	10%
Exceeding 60% but not exceeding 70%	Basic Rate (i.e no discount)

MALUS (LOADING)

Loss Ratio	Percentage of Loading on Basic Rate
Exceeding 70% but not exceeding 80%	10%
Exceeding 80% but not exceeding 90%	20%
Exceeding 90% but not exceeding 100%	30%
Exceeding 100% but not exceeding 110%	40%
Exceeding 110% but not exceeding 125%	50%
Exceeding 125% but not exceeding 150%	75%
Exceeding 150% but not exceeding 175%	90%
Exceeding 175% but not exceeding 200%	100%
Exceeding 200% but not exceeding 250%	125%
Exceeding 250% but not exceeding 300%	150%
Exceeding 300% but not exceeding 400%	175%
Exceeding 400% but not exceeding 500%	225%
Exceeding 500% but not exceeding 750%	300%
Exceeding 750%	400%

NOTE 1: To arrive at the Loss Ratio for application of the Bonus/Malus provision as above, finally adjusted net premium and all claims (i.e Paid and Outstanding) including claims on account of catastrophic losses (excluding War & SRCC premium & claims) will be taken into account in respect of 3 underwriting years immediately preceding the expiring year.

NOTE 2 : The claim amount referred to in NOTE 1 above shall be net of recovery represented by Carriers' Legal Liability Insurance (Tea Crop) Premium, net of Discount/Agency Commission.

NOTE 3 : For the purpose of this Clause, 'Basic Rate' shall mean aggregate of the rate(s) and extra(s), excluding War & SRCC rates, as applicable, for the cover granted for the Garden insured hereunder.

NOTE 4 : In case of change in ownership of a Tea Garden, Proposal will be treated as a fresh risk. In such cases, Bonus/Malus will be applicable only after 4 years from the date of taking out insurance cover by the the new owners on the basis of experience generated for 3 years immediately preceding the expiring year.”

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10. SCHEDULE OF PREMIUM RATES

INLAND TRANSIT

(A) DESPATCHES TO AUCTION CENTRES :

(a) Auction Centres situated beyond 750 Kms. from the Estate	0.325%
(b) Auction Centres situated beyond 300 Kms. upto 750 Kms. from the Estate	0.240%
(c) Auction Centres situated beyond 80 Kms. upto 300 Kms. from the Estate	0.200%
(d) Auction Centres situated beyond 25 Kms. upto 80 Kms. from the Estate	0.160%
(e) Auction Centres situated upto 25 Kms. from the Estate	0.140%

(B) DESPATCHES TO DESTINATIONS OTHER THAN AUCTION CENTRES :

(a) Destinations situated beyond 750 Kms. from the Estate	0.370%
(b) Destinations situated beyond 300 Kms. upto 750 Kms. from the Estate	0.280%
(c) Destinations situated beyond 80 Kms. upto 300 Kms. from the Estate	0.220%
(d) Destinations situated beyond 25 Kms. upto 80 Kms. from the Estate	0.190%
(e) Destinations situated upto 25 Kms. from the Estate	0.150%

N.B. If Tea is taken to places which happen to be Auction Centres but the purpose of tea being taken to those places is not auctioning, rates should be charged as per 10(B) above *on the basis of distances* from the Garden to these places. Thus, if tea from a Garden were to come to Calcutta, *but not for auction*, then rate should be charged as per item 10(B) above based on the distance between the Garden and Calcutta.

11. OTHER PARAMETERS :

i. DISCOUNT FOR CONTAINERISED CARGO :

If Tea is sent in Containers for the purposes of **Inland Transit Insurance**, a discount of 10% shall be granted on the Basic rates as provided under 10 (A) or 10 (B) above.

ii CHANGE IN PORT OF SHIPMENT

The declaration for Export Tea must specify the Port of Shipment and if there is any diversion from that Port to another, after reaching the first Port, the Insured must notify the Insurer in advance of the same and for this an Additional Premium @ 50% of the rate applicable for transit from Garden to the new Port; duly modified by Bonus/Malus, under item 10 above, shall be charged.

The total period of Storage, at both the Ports taken together, shall not exceed the period of Storage Extension opted for the original Port at the inception.

iii RATING OF TEA DIVERTED FROM AUCTION CENTRES TO OTHER AUCTION CENTRES/UPCOUNTRY DESTINATIONS :

a. If Tea is diverted from a notified Auction Centre to any other Auction Centre in India, after reaching the first Auction Centre, the Insured must notify the Insurer in advance of the same and pay Additional Premium @ 50% of the rate applicable for transit from Garden to the new Auction Centre, duly modified by Bonus/Malus, under item 10 above.

The total period of Storage at both the Auction Centres taken together shall not exceed the number of days of Storage Extension opted for the original Auction Centre at inception.

b. If Tea is diverted from a notified Auction Centre to any other destination in India, after reaching the Auction Centre, the Insured must notify the Insurer in advance of the same and for

this an Additional Premium @ 50% of the applicable rate for transit from Garden to the new destination, duly modified by Bonus/Malus, under item 10 above shall be charged.

Storage period under Clause 1(ii) can be extended by payment of Additional Premium @ 0.02% for every 7 days or part thereof, but not exceeding 28 days, whereafter the cover shall cease, provided the Insured opts for such Storage Extension at the inception of the Policy.

iv EXTENSIONS

a. For extending Storage Cover in respect of Clause 1 (i), 1 (iv) and 1 (v) of the Tea Crop Insurance Clauses attached to the Policy, beyond 30 days provided in the Clauses, Additional Premium at the following rates shall be charged :

30 days	: 0.04%
60 days	: 0.05%
90 days	: 0.06%
120 days	: 0.065%
150 days	: 0.07%

N.B. 1 : For extension of Storage Cover for each stage of transit provided for in Clause 1 (i), 1(iv) and 1(v), extra shall be charged as above separately. Where storage extensions for identical periods are required at two stages of transit in the context of Clause 1(i), 1(iii), 1(iv) and 1(v), the same can be granted by charging 150% of the appropriate storage extra for both the extensions.

N. B. 2 : Cover for Storage beyond 30 days provided for in the Policy under Clause 1(i), 1(iii), 1(iv) and 1(v) may be opted for at the inception of the cover.

N. B. 3 : Cover for Storage beyond the period opted at the inception may be granted only under special circumstances at the request of the Insured before the expiry of the insurance and on receipt of the separate declaration giving particulars of the invoice and the places of storage at an

Additional Premium of 0.01% per 7 days or part thereof but for a period not exceeding 56 days in excess of what has been provided in the Policy.

	Additional Premium Rates
(b) For extending the Storage Cover in respect of Clause 1(ii) of the Tea Crop Insurance Clause attached to the Policy, in excess of 7 days (for all Gardens per 7 days or part thereof but not exceeding 28 days, whereafter the cover shall cease)	0.02%
(c) To include to and fro journey from Estate to a Neighbouring Garden for manufacture	0.04%
(d) To include single journey from an Estate to a Neighbouring Garden for manufacture or vice-versa	0.02%
(e) Tea Stored in Garden in Excess of 15% (To be charged on the surplus quantity only)	0.04% per month or part thereof
(f) For extension of cover under a Tea Crop Policy upto on board overseas vessel at ports subject to the following F.O.B. Clause : "This insurance is extended to cover the interest insured until the goods are placed on board the ocean-going vessel or lash barges (including Sling Loss) or until expiry of two weeks after arrival of goods at the place of storage at the port town and/or docks awaiting shipment, whichever shall first occur."	0.025%

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(g) SHUT-OUT CARGO

Additional rates for Shut-Out Cargo - Coastal & Overseas

Ex-Craft/Raft/Lighter : 0.10% to cover whilst on board Craft, Raft or Lighter until loaded on ocean-going vessel but not exceeding 48 hours or return to loading point and discharge.

Shut-out Midstream due to : 0.03% for each period of two weeks or part thereof while strike/lock-out awaiting shipment by another vessel.

N.B.: When the goods are returned to shipper's warehouse involving rail or road transit, appropriate full premium as per Section II of this Tariff shall become chargeable for the return journey, in addition to the above.

(v) **S R & C C** : (as per the applicable standard Clause provided under ANNEXURE `E')

150% of the rate current on the date of despatch from the Estate in the normal times while apprehensive extra shall be chargeable when declared.

(vi) **EXTENSION OF STORAGE COVER AFTER PROMPT DATE ***

Extension may be granted for 15 days or part thereof from the Date of Prompt * subject to Additional Premium of 0.02% .

* Prompt Date is the date specified in the respective Account Sales within which the Buyer is required to take delivery of the consignments from the Seller's Warehouse at Auction Centres.

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(vii) **ISSUANCE OF MULTI-TRANSIT POLICIES :**

Multi-Transit Policies may be issued under Section I to those Garden-owners who send part of their produce to the Packeting Centres located at the Gardens and, thence, to the Distribution Centres where packeted Teas are stored for allocation and from these Distribution Centres they are despatched to the Retailers at the final destinations.

The basis of rating in such cases would be as under :

(a) To arrive at the **final rate(s)** for the various destinations (after applying the Bonus/Malus provision) under Section I.

(b) For that portion of the produce which would be subjected to multi-transit, a loading of 10% to be imposed on the rate arrived at under (a) above for **each** distribution point involved.

(c) To load the rate so arrived at under (b) by 0.01% for **each** place of storage for a period of **one week or part thereof** subject to a maximum period of storage for all places put together not exceeding 8 weeks.

12. SCHEDULE OF PREMIUM RATES

OVERSEAS SHIPMENTS/SENDINGS FROM INDIA

	Rate
(A) For shipments/sendings to any country other than Afghanistan and Commonwealth of Independent States (C.I.S.)	0.50%
(B) For shipments/sendings to Afghanistan or Commonwealth of Independent States (C.I.S.)	1.00%

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12.1 OTHER PARAMETERS :

(i) DISCOUNT FOR CONTAINERISED CARGO

For Containerised shipments, if specifically declared by the Insured as such	Discount at 10% is to be granted on the applicable rate appearing under 12(A) and 12(B) above.
--	--

(ii) **EXTENSIONS**

(a) Extension of storage cover in respect of Clause 1(iii) & 1(iv) of the Tea Crop Insurance Clause attached to the Policy	Rates and stipulations as given hereinabove, under 11(iv) (a) is to be applied.
(b) For extending the period beyond the period of 60 days mentioned under Clause 8 of the Institute Cargo Clauses dt.1-1-82. upto 30 days upto 120 days	0.03% 0.05%

(iii) War & S R & C C as per the Institute War & Strike Clause : 150% of the War & SR & C C current as on the date of sailing. rate current as on the date of sailing.

13. **GENERAL**

(A) HELD BACK TEA OR TEA OTHERWISE DISPOSED OF IN THE GARDEN

For the purpose of adjustment of a Policy, Tea Held Back at the Garden or otherwise disposed of at the Garden shall be rated at 0.125%. 100% S R & C C premium, as applicable on the date of expiry of the Policy, shall be charged thereon.

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(B) TEA HELD BACK - TRANSIT BEYOND THE POLICY PERIOD

Insured will be required to declare Tea Held Back at the Garden beyond the last date specified in the Policy on 'Provisional' basis at the time of renewal. Insurers, in such cases, shall charge applicable package rate under the renewal Policy but shall give credit at the rate of 0.125% on the quantity which has already been charged under the previous Policy.

(C) EXCESS CLAUSE

All Tea Crop Policies issued on or after 1-4-2000 shall contain the following 'Excess Clause' :-

"Warranted that :

Claims for losses, if any, under this Policy, shall be subject to an Excess of Rs.2000/- per consignment/per occurrence.

(D) POLICIES FOR FACTORIES

For those insureds who do not own Tea Gardens but have factories and buy Green Leaf from Neighbouring Estates, Tea Crop Policies may be issued on Factorywise basis. The following Endorsement is to be attached to the Duration Clause of the Tea Crop Policy in cases where Policies are issued on Factorywise basis :

ENDORSEMENT WORDING :

"Notwithstanding anything stated to the contrary in the Duration of Cover Clause (Clause 1 of the Tea Crop Clauses) attached to this Policy, it is hereby understood and agreed that this Insurance attaches only from the time the green leaf is received at the Assured's Factory named herein".

[**Note :** All other terms and conditions of the Tea Crop Policy attached would remain unaltered. However, wherever the word "Garden" appears in the Policy and Proposal Form, the word "Factory" will have to be substituted for it.]

On such Policies, a discount of 0.02% may be allowed on the rate chargeable. Transit of bought green leaves into Factory may be insured under Section II of this Tariff.

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(E) CANCELLATION :

A Policy may be cancelled by giving 30 days' Notice of Cancellation in writing by either side subject to provisions of Clause 10 of the Tea Crop Insurance Clauses.

(F) MINIMUM RETENTION OF PREMIUM :

The Minimum Retention Premium in respect of each Policy issued under this Section shall be Rs.5000/-

SECTION - II

INLAND AND OVERSEAS TRANSIT OF TEA INCLUDING STORAGE

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SECTION - II

INLAND AND OVERSEAS TRANSIT OF TEA, INCLUDING STORAGE

(A) TRANSIT OF MADE TEA :

1. (a) Transit Policies may be issued to individuals or Companies, who purchase made teas sold at Gardens and/or the various Auction Centres of India and/or from any other source with a view to despatching the same to various places in India or abroad to buyers or distribution centres.

(b) Garden-owners who take Tea Crop Policy as per Section I and also buy Made Teas separately from various Auction Centres or from other Gardens not belonging to them may have transit of such Made Teas covered separately under this Section.

(c) Those Garden-owners who do not opt for Tea Crop Policy as per Section I can avail of Transit Policies for their Made Tea on the basis of Garden Invoice on an Agreed-Value basis.

2. (a) Transit Policies are to be granted only as per (i) Inland Transit (Rail or Road) Clause `B' (Basic Cover) or Inland Transit (Rail or Road) Clause `A' (ALL Risks) and/or (ii) Inland Transit (Inland Vessels) Clause `A' (All Risks) or Inland Transit (Inland Vessels) Clause `B' (Basic Cover). (For Clause wordings, refer to **ANNEXURES `F' `G' `H' and `I'** respectively.)

(b) No Special Declaration Policy can, however, be issued.

3. S R & C C cover can also be allowed, which will be as per the wordings given in **Annexure `E'**.

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(B) TRANSIT OF GREEN LEAF FOR GARDEN-OWNERS WHO DO NOT OWN ANY FACTORY :

Transit Policy for green leaf may be issued under this Section to those Garden-owners who do not own any Factories. Transit Policy would be for covering Green Leaf after plucking and till the time they are delivered at the Factory premises. Such Policy can be issued to Garden-owners fulfilling the following conditions :-

- i. Total annual production of the Garden has to be declared for insurance.
- ii. Entire sale of Green Leaf to the Factories has to be documented by Invoices and Certificates of Purchase issued by Factories.
- iii. All transits from the Garden must be documented by either Challan or Consignment Note denoting the weight.
- iv. The Open Transit Policy issued to such Garden-owners can be granted only as per Inland Transit (Rail or Road) Clause 'B'. Insurers will be prohibited from granting cover for Wider than Basic Cover. SR & CC cover is allowable.
- v. The premium rate for the Transit Policy issued for the Garden shall not be less than 0.12%. (50% reduction if transit is for less than 80 kms.)
- vi. Basis of Valuation for Transit Policy issued to the Garden-owners has to be Agreed Value basis to be declared on the basis of per kilogram of Green Leaf.

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(C) GENERAL :

1. Valuation for such Transit Policies shall be on the basis of the CIF Value or Invoice Value plus 10% to cover incidental expenses.
2. All Transit Policies shall be issued on Standard Marine Policy Form and at the rates prescribed hereinafter in this Tariff other than those cases where continuation of old (pre-Tariff) rates would be involved.

3. SUBMISSION OF STATISTICS TO THE TARIFF ADVISORY COMMITTEE

THE HEAD OFFICES OF INSURERS SHALL FORWARD TO THE T.A.C. CONSOLIDATED PREMIUM AND CLAIM STATISTICS IN RESPECT OF THE POLICIES ISSUED BY THEM UNDER THIS SECTION DURING A FINANCIAL YEAR, **LATEST BY THE END OF DECEMBER THE FOLLOWING FINANCIAL YEAR** AS PER FORMATS SPECIFIED IN ANNEXURE 'J'.

4. Policies shall be subject to Standard Clauses issued by the Institute of London Underwriters or as per the Clauses provided in the various Annexures incorporated in this Tariff. No other cover except as provided under the applicable Clauses as follows shall be granted :

INLAND TRANSITS :

Insurances will be granted subject to current -

- i. Inland Transit (Rail or Road) Clause - B (Basic Cover) -- (ANNEXURE 'F')
- ii. Inland Transit (Rail or Road) Clause - A (All Risks) -- (ANNEXURE 'G')
- iii. Inland Transit (Inland Vessels) Clause - A -- (ANNEXURE 'H')
- iv. Inland Transit (Inland Vessels) Clause - B -- (ANNEXURE 'I')
- v. Strikes, Riots and Civil Commotions Clause -- (ANNEXURE 'E')

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OVERSEAS SHIPMENTS :

Insurances will be granted subject to current -

- i. Institute Cargo Clauses (A) *
- ii. Institute Classification Clause *

- iii. Institute War Clauses (Cargo) * : subject to 7 days' Notice of Cancellation
- iv. Institute Strikes Clauses (Cargo) * : subject to 48 hours' Notice of Cancellation
- v. Institute Radioactive Contamination Exclusion Clause *

(D) RATING STRUCTURE

INLAND TRANSIT

Packing	Mode	Rate	
		Inland Transit (Rail or Road) Clause 'B' (Basic Cover)	Inland Transit (Rail or Road) Clause 'A' (All Risks)
a. Tea in Chests or in Polylined Hessian/Gunny/Canvas/Paper Bags	Rail/Road	0.15%	0.20%
b. Tea in Chests or in Polylined Hessian/Gunny/Canvas/Paper Bags	Rivers/ Canals/ Waterways	0.20%	0.30%
c. Tea in consumable small packets/Sacks/Containers, further packed in suitable containers such as Cases/Cartons etc.	Rail/Road	0.15%	0.25%
d. Tea in consumable small packets/Sacks/Containers, further packed in suitable containers such as Cases/Cartons etc.	Rivers/ Canals/ Waterways	0.20%	0.32%

 * Institute Clauses referred to above are international Clauses and hence are not annexed to the Tariff.

NOTE :

- i. Where transit involves journey by two modes, viz. Rail/Road and River/Canal/Waterways, higher of two applicable rates will be charged.
- ii. For journeys not exceeding 80 Kilometers, discount @ 50% will be allowed on the above applicable rates.

2. EXTENSION OF COVER BEYOND THE PERIOD OF 7 DAYS PROVIDED UNDER THE INLAND TRANSIT (RAIL OR ROAD) CLAUSE 'B' or 'A'

(a) The period of seven days provided in the Inland Transit Clause may be extended whilst Teas are lying in the Railway/Road Carriers' premises or any other Warehouse, affording identical cover as provided in the Policy, for a period not exceeding 8 weeks (in addition to 7 days already provided) at rates specified hereunder subject to the following Clause :

"The cover provided under the Policy, notwithstanding anything contained herein to the contrary, is extended to include a further period of weeks whilst Teas are lying in the Railway/Road Carriers' premises or in Clearing and Forwarding Agents' Warehouse or Bonded Warehouse at the destination beyond the period of seven days mentioned in the Inland Transit Clause".

Rates :

Extra for Teas whilst stored at any Warehouse or place of storage at final destination, such as Carrier's Warehouse, Clearing and Forwarding Agent's Warehouse and Bonded Warehouse.	For Basic Cover	: 0.01%	per week or part thereof
	For Wider than Basic Cover	: 0.03%	

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3 COVER FOR SR & CC ONLY may be granted to cover transit risks (including stationary risks in the normal course of transit, e.g. stay in Customs or Port Warehouse), in respect of ocean voyages or for canal or river voyages or for land transits only, **at a minimum rate of ...0.025%**

FOR WAR & S.R.C.C. RISKS, premium shall be collected as per the Rating Schedule issued periodically by the War Risks Rating Committee of the Institute of London Underwriters, London.

4. For F.O.B. extension, the terms and conditions shall be governed by the F.O.B. Clause provided at **ANNEXURE ‘K’**

The rates chargeable will be as follows :

SCHEDULE OF RATES

The following extras are chargeable for extension of cover upto on board overseas vessel in addition to appropriate premium chargeable for Inland Transit Risks :

a. For direct loading into ocean-going vessel or lash barges or involving transit by craft, raft or lighter :	0.03%			
b. Loading by craft, raft or lighter :	Port Categories *			
	<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>
Inland Transit (Rail or Road) Clause - B	0.05%	0.07%	0.09%	0.11%
Inland Transit (Rail or Road) Clause - A	0.09%	0.11%	0.13%	0.15%

* **Categorisation of Ports :**

i. Category ‘A’ includes Mumbai, Calcutta, Kochi, Kandla, Chennai, Nhava Sheva, Visakhapatnam, Haldia, Mangalore, Marmugao and Tuticorin.

ii. Category ‘B’ includes Alleppey, Bedi including Rozi, Calicut, Kakinada, Mandvi, Navlakhi, Panaji, Paradeep, Porbandar, Port Blair, Port Okha, Sikka and Veraval.

iii. Category ‘C’ includes Bhatkal, Bhavnagar, Coondapur, Honavar, Karwar, Machlipatnam, Pondicherry, Port Redi, Tallicherry and Thiruvananthapuram

iv. Category ‘D’ includes all ports on the Indian Coast other than those mentioned under Category ‘A’, ‘B’ and ‘C’, Andaman and Nicobar Islands, Lakshadweep, Nagapatnam and Neendakara.

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(c) For inclusion of jettisoning risk in conjunction with Inland Transit (Rail or Road) Clause B (Basic Cover)	0.03%
(d) For extension of storage risk at the Port Town/Docks [in addition to two weeks cover already provided under the Clause]	0.03% for a period of two weeks or part thereof.

SHUT-OUT CARGO

Additional rates for Shut-out Cargo (Coastal and Overseas)

i. Ex craft/raft/lighter in mid-stream	100% of Clause 'B' or Clause 'A' rates as per item (b) above to cover whilst on board craft, raft or lighter until loaded on ocean-going vessels but not exceeding 48 hours or return to loading point and discharge. 0.03% for each period of two weeks or part thereof while awaiting shipment by another vessel.
ii. Ex Dock/Port Warehouse or Shut-Out Midstream due to Strike/lock-out	

N.B. When the goods are returned to Shipper's Warehouse involving Rail Transit, appropriate full premium as per this Section shall become chargeable for the return journey in addition to the above.

5. MULTI-TRANSIT POLICIES :

Inland transit would commence from the time the goods leave the place mentioned in the Policy for the commencement of the transit and continues during the ordinary course of transit until delivered at the place mentioned in the policy for the termination of the transit. At intermediate stations, if the insured goods come under control of the Assured or his Agents for allocation, redistribution, processing etc. the transit will be deemed to have come to an end and further transit shall become a second transit. However, the Insureds may submit

proposals for transits involving intermediate storage for allocation, redistribution, processing etc. and obtain Special Rating for such multi-transits and storages as under :

- i. The Rate as provided in this Section, with applicable discounts/loadings, to be loaded by 50% to cover multi-transits, irrespective of the number of transits involved.
- ii. A rate of 0.01% per week or part thereof to be added to the rate computed as in (i) above to cover Intermediate Storage(s), irrespective of the number of storage points. **However, the period of Storage at all intermediate points put together must not exceed 8 weeks.**
- iii. A rate of 0.02% to be added to the rate computed as in (ii) above to cover Processing Risk if processing is being carried on at the intermediate storage points.

6. INLAND AND OVERSEAS TRANSITS OF TEA INCLUDING STORAGE : LOSS RATIO

Inland Transit Policies issued under this Section are required to maintain a loss ratio of 70% after they have generated experience for four years. If the loss ratio for the previous 3 years, excluding the expiring year exceeds 70%, the premium is required to be loaded in such a way that the loss ratio on the loaded rate comes down to 70%. However, the maximum loading should not exceed 500% of the appropriate Tariff rate.

However, if the loss ratio for the relevant period is less than 60%, discount will be allowed as follows :

Loss Ratio	Discount(s) on the Tariff rates
Less than 60% upto 40%	20%
Less than 40% upto 20%	30%
Less than 20%	50%

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7. OVERSEAS SHIPMENTS/SENDINGS FROM INDIA SUBJECT TO I.C.C. (A) TERMS

	RATES
i. For shipments/sendings to all countries other than Afghanistan and Commonwealth of Independent States (C.I.S.)	0.30%
ii. For shipments/sendings to Afghanistan or Commonwealth of Independent States (C.I.S.)	1.00%

iii. No reduction in Premium Rates given above shall be allowed for covers less than I.C.C.(A)

iv For War and S R & C C cover, Additional Premium rate shall be the one prevailing on the date of sailing as per the Scale Rate provided by the War Risks Rating Committee, London.

v. Overage, Under tonnage and Non-Classification Extras shall be charged as provided in the Schedule incorporating "SCALE OF ADDITIONAL PREMIUM APPLICABLE ON VESSELS NOT COMPLYING WITH THE INSTITUTE CLASSIFICATION CLAUSE" issued by the Joint Cargo Committee of the Institute of London Underwriters, London, from time-to-time and in force on the date of sailing.

Similarly, additional premium as per Insurers' norms shall be charged if Tea is sent by vessels whose operations have not been approved by the GIC.

8. DISCOUNT FOR CONTAINERISED CARGO :

If Tea is sent by Containers, 10% discount on the **Gross applicable rate**, can be granted **provided transportation is on door-to-door basis and the quantity being carried is Full Container Load (FCL basis).**

SECTION - III

TRANSIT INCLUDING STORAGE FOR BLENDING, PROCESSING, PACKING ETC. OF MADE TEA

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SECTION - III

TRANSIT INCLUDING STORAGE FOR BLENDING, PROCESSING, PACKING ETC. OF MADE TEA.

1. (a) Policies under this Section may be issued to cover transits within India between purchase centres and F.O.B. points/Inland Sale Outlets/Wholesalers' Depots/Distributors, including cover during Processing, Blending and Packing at various places including incidental storages at Godowns/Warehouses.

(b) Such Policies may be issued to individuals or Corporate Bodies or Garden-Owners.

2. This Policy will be subject to :

- i. Inland Transit (Rail or Road) - Clause A (All Risks) only. (ANNEXURE 'G') ; and/or
- ii. Inland Transit (Inland Vessels) - Clause A (All Risks) (ANNEXURE 'H') ; and
- iii. The following 'Process' Clause :

"No Claims to attach hereto for loss or damage except where caused by fire and allied perils, burglary and theft, whilst the interest insured is undergoing any process or directly resulting therefrom".

3. The Minimum Premium for a Policy to be issued under this Section will be Rs.15,000/-

4. Insurers are prohibited from issuing any other type of Policy covering the risks envisaged under this Section at rates other than those prescribed herein except in respect of cases where continuation of old (pre-Tariff) rates would be involved.

5.1 RATING OF APPLICATIONS :

All proposals in respect of initial/renewal ratings pertaining to Policies commencing on or after 1-4-99,* shall be considered by the authorised offices of the Insurers.

* For the period 1-4-90 to 31-3-93, these applications have been rated by the T.A.C.

For the period 1-4-93 to 30-9-99, these applications are to be rated by the Head Offices of Insurers.

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5.2 SUBMISSION OF STATISTICS TO THE TARIFF ADVISORY COMMITTEE

THE HEAD OFFICES OF INSURERS SHALL FORWARD TO THE T.A.C. CONSOLIDATED PREMIUM AND CLAIM STATISTICS IN RESPECT OF THE POLICIES ISSUED BY THEM UNDER THIS SECTION DURING A FINANCIAL

YEAR, LATEST BY THE END OF DECEMBER THE FOLLOWING FINANCIAL YEAR AS PER FORMAT SPECIFIED IN ANNEXURE 'L'.

6. The Sum Insured under the Policy will be the estimated turnover based on final Sale Value or Sale Price for the policy period but not less than the previous year's turnover. The Premium calculated on such estimated turnover shall be collected in full in advance, and shall be considered Provisional, to be adjusted at the end of the policy year on the basis of actual turnover to be declared by the Assured.

7. The following Premium Adjustment Clause shall be incorporated in the Transit Policy issued under this Section of the Tariff :

"Depending upon the Provisional premium collected and the actual premium payable, Insured may be required to pay the difference in premium or may become entitled to a refund of premium, as the case may be. If the total turnover for the current year shall exceed or fall short of the estimated turnover, then the difference shall be met by a further proportionate payment of premium to the Insurer or by refund of premium by the Insurer to the Insured subject to a minimum retention premium of Rs.15,000/-"

8. Insurance for Transits including Storages for Blending, Processing, Packing etc. against All Risks, as envisaged under this Section, shall be granted at a rate of 0.50%.

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9. The Loss Ratio of Policies should be monitored in such a way that the same is maintained at 70% once a Policy generates experience of three years excluding the expiring year. If the loss ratio so generated exceeds 70%, the premium will have to be loaded in such a way that the same comes down to 70% . However, the maximum loading should not exceed 500% of the appropriate Tariff rate.

However, if the loss ratio for the relevant period is less than 60%, discount will be allowed as follows :

Loss Ratio	Discount(s) on the Tariff rates
Less than 60% upto 40%	20%
Less than 40% upto 20%	30%
Less than 20%	50%

10. For F.O.B. extension, the terms, and conditions shall be governed by the F.O.B. Clause provided below :

"This insurance is extended to cover the interest insured until the goods are placed on board the ocean-going vessel or lash barge (including Sling Loss) or until expiry of two weeks after arrival of goods at the place of storage at the port town and/or docks awaiting shipment, whichever shall first occur."

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The rates chargeable will be as follows :

SCHEDULE OF RATES

The following extras are chargeable for extension of cover upto on board overseas vessel in addition to appropriate premium chargeable for Inland Transit Risks :

a. For direct loading into ocean-going vessel or lash barge or involving transit by	0.03%
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craft, raft or lighter									
b. Loading by craft, raft or lighter Inland Transit (Rail or Road) Clause - A	<p style="text-align: center;">Port Categories *</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center;"><u>A</u></td> <td style="text-align: center;"><u>B</u></td> <td style="text-align: center;"><u>C</u></td> <td style="text-align: center;"><u>D</u></td> </tr> <tr> <td style="text-align: center;">0.09%</td> <td style="text-align: center;">0.11%</td> <td style="text-align: center;">0.13%</td> <td style="text-align: center;">0.15%</td> </tr> </table>	<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	0.09%	0.11%	0.13%	0.15%
<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>						
0.09%	0.11%	0.13%	0.15%						
c. For extension of storage risk at the Port Town/Docks [in addition to two weeks cover already provided under the Clause]	0.03% for a period of two weeks or part thereof.								

* **Categorisation of Ports :**

- i. Category 'A' includes Mumbai, Calcutta, Kochi, Kandla, Chennai, Nhava Sheva, Visakhapatnam, Haldia, Mangalore, Marmugao and Tuticorin.
- ii. Category 'B' includes Alleppey, Bedi including Rozi, Calicut, Kakinada, Mandvi, Navlakhi, Panaji, Paradeep, Porbandar, Port Blair, Port Okha, Sikka and Veraval.
- iii. Category 'C' includes Bhatkal, Bhavnagar, Coondapur, Honavar, Karwar, Machlipatnam, Pondicherry, Port Redi, Tallicherry and Thiruvananthapuram.
- iv. Category 'D' includes all Ports on the Indian Coast other than those mentioned under Category 'A', 'B' and 'C', Andaman & Nicobar Islands, Lakshadweep, Nagapatnam and Neendakara.

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SHUT-OUT CARGO	
<p>Additional rates for Shut-Out Cargo (Coastal and Overseas)</p> <p>(i) Ex craft/raft/lighter in mid-stream.</p> <p>(ii) Ex Docks/Port Warehouse or Shut-Out Midstream due to strike/lockout</p>	<p>100% of Clause - B or Clause - A rates as per item (b) above to cover whilst on board craft, raft or lighter until loaded on ocean-going vessels but not exceeding 48 hours or return to loading point and discharge.</p> <p>0.03% for each period of two weeks or part thereof while awaiting shipment by another</p>

vessel.

N.B. : When the goods are returned to Shipper's Warehouse involving Rail Transit, appropriate full premium as per this Section shall become chargeable for the return journey in addition to the above.

11. **COVER FOR SR & CC ONLY** may be granted to cover transit risks (including stationary risks in the normal course of transit, e.g. stay in Customs or Port Warehouse), in respect of ocean voyages or for canal or river voyages or for land transits only, **at a minimum rate of ...0.025%**

12. Basis of Claim Settlement in respect of Section III, for claims arising before raising of Final Invoice, should be the actual cost incurred till the time of loss.

ANNEXURES

ANNEXURE 'A'

[Refer General Regulation 3(i) &
Section I ; Item 3]

PROPOSAL FOR TEA INSURANCE

(PERIOD : TO)

1. NAME & ADDRESS OF THE PROPOSER	
2. PARTICULARS OF TEA ESTATE PROPOSED FOR INSURANCE a. Name of the Tea Estate	

<p>b. Location and Address (including name of the State)</p> <p>c. Total Crop area in Hectares (excluding Nursery Crop Area) :</p>																			
<p>3. PARTICULARS OF PRODUCTION</p> <p>b. Made Tea produced during the last 3 years excluding the expiring year</p> <p>c. Estimated quantity of Made Tea during the period to (Green leaf converted into Made Tea at the ratio of 4:1)</p>	<table border="0"> <thead> <tr> <th style="text-align: left;"><u>Year</u></th> <th style="text-align: left;"><u>Production</u></th> </tr> </thead> <tbody> <tr> <td>i.</td> <td>..... Kgs. (Actual)</td> </tr> <tr> <td>ii.</td> <td>----- Kgs. (Actual)</td> </tr> <tr> <td>iii.</td> <td>----- Kgs. (Actual)</td> </tr> <tr> <td colspan="2"> </td> </tr> <tr> <td>i)</td> <td>Made Tea from own produce : Kgs.</td> </tr> <tr> <td>ii)</td> <td>Made Tea from tea leaf purchased from other Garden(s) :Kgs.</td> </tr> <tr> <td colspan="2"> </td> </tr> <tr> <td></td> <td style="text-align: right;">Total :Kgs.</td> </tr> </tbody> </table>	<u>Year</u>	<u>Production</u>	i. Kgs. (Actual)	ii.	----- Kgs. (Actual)	iii.	----- Kgs. (Actual)			i)	Made Tea from own produce : Kgs.	ii)	Made Tea from tea leaf purchased from other Garden(s) :Kgs.				Total :Kgs.
<u>Year</u>	<u>Production</u>																		
i. Kgs. (Actual)																		
ii.	----- Kgs. (Actual)																		
iii.	----- Kgs. (Actual)																		
i)	Made Tea from own produce : Kgs.																		
ii)	Made Tea from tea leaf purchased from other Garden(s) :Kgs.																		
	Total :Kgs.																		

4. DISPOSAL PARTICULARS OF MADE TEA AND STORAGE COVER REQUIREMENTS, WHEREVER APPLICABLE :

(A) INLAND DISPOSALS :

TEA TO BE SENT TO AUCTION CENTRES

AUCTION CENTRES						
	(1)	(2)	(3)	(4)	(5)	(6)
a. Name						
b. Distance involved from the Estate						

c. Estimated Quantity						
d. Storage cover required (in days)						

TEA TO BE SENT TO DESTINATIONS OTHER THAN AUCTION CENTRES

	Transits upto 80 Kms. from the Garden (1)	Transits beyond 80 Kms. upto 300 Kms. from the Garden (2)	Transits beyond 300 Kms. upto 750 Kms. from the Garden (3)
a. Estimated Quantity			
b. Storage cover required (in days)			

	Transits beyond 750 Kms. from the Garden (4)	FOB/C & F Shipments (5)	Tea Waste (6)	Tea otherwise disposed of at the Garden (7)
a. Estimated Quantity				
b. Storage cover required (in days)			Not Applicable	Not Applicable

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(B) DISPOSALS ABROAD :

	OVERSEAS AUCTION CENTRES	C I F SALES	
		Afghanistan & C.I.S. (1)	All other Countries (2)
a. Estimated Quantity			
b. Storage cover required (in days)			

5. BASIS OF VALUATION OF MADE TEA :

		Rs. per kg.
A. OPTION I	Inland (Agreed Value) Overseas (Provisional Value)	
B. OPTION II	i. Inland & Overseas (Agreed Value other than C. I. F. Sales) ii. C. I. F. Sales (Provisional Value)	
C. OPTION III	Inland & Overseas (Provisional Value)	
D. -----	Tea Waste (Agreed Value)	

NOTES :

- i. Any one of the three options provided above (i.e. 'A' or 'B' or 'C') is to be selected.
- ii. For arriving at the Provisional Value, average realised value for three completed and adjusted years immediately preceding the expiring year should be taken into account.
- iii. Agreed/Provisional Value opted above shall remain unchanged throughout the period of insurance.
- iv. For CIF Sales, Sum Insured should not be more than CIF value (+) 10%

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6. ESTIMATED QUANTITY OF TEA DESPATCHED THROUGH CONTAINERS Kgs.
7. STATE MAXIMUM VALUE OF ANY ONE SENDING PER ANY ONE CONVEYANCE	Rs. _____
8. PROPOSED QUANTITY OF GREEN LEAF TO BE SENT TO NEIGHBOURING TEA ESTATE FOR MANUFACTURE	a) One Way : Kgs. b) Both Ways : Kgs.
9. IS COVER REQUIRED FOR TEA LYING IN THE ESTATE BEYOND 15% OF THE ESTIMATED ANNUAL CROP ?	Surplus Quantity : Kgs. Period :
IF SO, THE SURPLUS QUANTITY AND MONTH (S) FOR WHICH COVER IS REQUIRED	Months

10. IS COVER REQUIRED FOR TEA HELD BACK RELATING TO THE PREVIOUS PERIOD ?

IF SO, SPECIFY QUANTITY AND DISPOSAL PARTICULARS OF THE SAME

	DISPOSAL PARTICULARS				
	1	2	3	4	5
QUANTITY (in Kgs.)					

11. IS COVER REQUIRED AGAINST

a) Strikes, Riots & Civil Commotion : Yes / No

b) War & SRCC (for Overseas shipments) : Yes / No

12. IS STORAGE EXTENSION OF 15 DAYS

FROM THE DATE OF 'PROMPT' *

REQUIRED (For auctions within India only) : Yes / No

 * PROMPT DATE IS THE DATE SPECIFIED IN THE RESPECTIVE ACCOUNT SALES WITHIN WHICH THE BUYER IS REQUIRED TO TAKE DELIVERY OF THE CONSIGNMENTS FROM THE SELLER'S WAREHOUSE AT AUCTION CENTRES.

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13. INSURANCE DETAILS OF THE GARDEN FOR THE 3 YEARS IMMEDIATELY PRECEDING THE EXPIRING YEAR :

Period of Insurance	Insurer's Name with Full Address	Premium (Excluding War & SRCC Premium)	Claims & SRCC (Excluding War Claim)		
			Paid	Outstanding	Total

14. IN THE PAST, HAS ANY INSURER DECLINED TO ACCEPT OR RENEW AND/OR CANCELLED AND/OR IMPOSED ANY SPECIAL RESTRICTIVE CONDITIONS FOR SIMILAR INSURANCES? : Yes / No

IF SO, PLEASE GIVE DETAILS :

DECLARATION

I/We hereby declare that all the above statements and particulars are true and that I/We have not withheld any material information. I/We agree that this declaration shall be the basis of the contract between me/us and _____ Company Limited and I/We agree to abide by the terms and conditions of the policy to be issued on the basis of the proposal.

Date : SIGNATURE OF PROPOSER
(Under official stamp in case
Place : of a Company)

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ANNEXURE - 'B'
(Ref Section I; Item 1.4)

FORMAT FOR SUBMISSION OF PREMIUM & CLAIM STATISTICS TO THE T.A.C. RELATING TO TEA INSURANCE

SECTION I ; PART (A) : TEA CROP INSURANCE

(STATISTICS RELATING TO DISPOSALS WITHIN INDIA INCLUDING TEA STORED IN EXCESS OF 15% AND TEA HELD BACK OR OTHERWISE DISPOSED OF)

ANNEXURE - 'C'
(Refer Section 1 ; Item 5.1)

FINAL PREMIUM ADJUSTMENT STATEMENT

(Applicable to Tea Crop Insurance)

Name of Division/Branch _____ Policy No. _____

Name of the Insured :

Name of the Garden :

The Garden is situated at : _____
(including Name of State/Union Territory)

Estimated Crop declared at inception _____

Provisional Value declared Rs. _____ per kg of Made Tea

Agreed Value fixed Rs. _____ per kg. of Made Tea

Total quantity of Black Tea produced during the period : _____ Kgs.

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Break-up

(I) Total quantity of Tea despatched to various Auction Centres in India & Sold :

Name of Auction Centre	Quantity (Kgs.)	Value Realised (Rs.)	Particulars of Tea diverted from one Auction Centre to another, if any	Particulars of Tea diverted from one Auction Centre to destination(s) other than Auction	Storage extension opted under 1 (i) (in days)	Particulars for storage extension required beyond the Prompt Date, if any	Whether Cargo sent in Container
------------------------	-----------------	----------------------	--	--	---	---	---------------------------------

(II) Total Quantity of Tea despatched to Overseas Auction Centres/Destinations other than Auction Centres on Consignment Basis : (CONTD.)

	Rate of Premium Chargeable (%) --				Premium Chargeable (Rs.) (A)	WAR & SRCC Premium Chargeable, if any (Rs.) (B)	Total Premium Chargeable (Rs.) (A + B)
	Basic for Storage	Additional Additionals	Other Rate	Aggregate			
(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
Auction Centres							
Consignment Sales							

(III) Total Quantity of Tea despatched Overseas on C.I.F. basis :

Destination Country	Quantity (Kgs.)	Value Realised (Rs.)	Particulars of Tea shifted from one Port of Shipment to another, if any	Storage extension availed under 1 (iii) (in days)	Storage extension availed under Clause 8 of ICC (A) (in days)	Whether Cargo sent in Container
(1)	(2)	(3)	(4)	(5)	(6)	(7)

(VI) Total Quantity of Tea despatched to various Auction Centres in India but not sold : (CONTD.)

Rate of Premium Chargeable (%) -----				Premium Chargeable (Rs.) (A)	SRCC Premium Chargeable, if any (Rs.) (B)	Total Premium Chargeable (Rs.) (A+B)
Basic for Storage	Additional Additional	Other Rate	Aggregate			
(7)	(8)	(9)	(10)	(11)	(12)	(13)

(VII) Total Quantity of Tea despatched to various Destinations in India other than Auction Centres but not sold :

Name of other Centre	Destination than Auction	Quantity (in Kgs)	Value Realised (Rs.)	Storage as per Clause 1 (i)	Particulars of Storage Extn. required after Prompt Date, if any	Whether Cargo sent in Container
(1)	(2)	(3)	(4)	(5)	(6)	

(VII) Total Quantity of Tea despatched to various Destinations in India other than Auction Centres but not sold : (CONTD.)

Rate of Premium Chargeable (%) ----- ----- Basic Additional Other Aggregate for Additional's Rate Storage				Premium Chargeable (Rs.) (A)	SRCC Premium Chargeable, if any (Rs.) (B)	Total Premium Chargeable (Rs.) (A+B)
(7)	(8)	(9)	(10)	(11)	(12)	(13)

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(VIII) Total Quantity of Tea despatched to Overseas Auction Centres/ Destinations other than Auction Centres on Consignment Basis but not sold :

Name of Overseas Auction Centre/Destination other than Auction Centre	Quantity (in Kgs)	Value (Rs.)	Particulars of Storage Extn. required under Clause 1 (iii) (in days)	Whether Cargo sent in Container
(1)	(2)	(3)	(4)	(5)

(VIII) Total Quantity of Tea despatched to Overseas Auction Centres/ Destinations other than Auction Centres on Consignment Basis but not sold : (CONTD.)

Rate of Premium Chargeable (%) -----				Premium Chargeable (Rs.) (A)	WAR & SRCC Premium Chargeable, if any (Rs.) (B)	Total Premium Chargeable (Rs.) (A+B)
Basic for Storage	Additional Additional	Other Rate	Aggregate			
(6)	(7)	(8)	(9)	(10)	(11)	(12)

(IX) Total Quantity of Tea disposed of at the Garden (other than Tea Waste):

Sold Ex-Garden (Kgs.)	Held back at Garden (Kgs.)	Gift Tea (Kgs.)	Tea used by Garden Staff (Kgs.)	Total (Kgs.)	Sum Insured (Agreed Value) (Rs.)
(1)	(2)	(3)	(4)	(5)	(6)

(IX) Total Quantity of Tea disposed of at the Garden (other than Tea Waste) : (CONTD.)

Rate of Premium Chargeable (%) -----				Premium Chargeable (Rs.) (A)	SRCC Premium Chargeable, if any (Rs.) (B)	Total Premium Chargeable (Rs.) (A+B)
Basic for Storage	Additional Additional	Other Rate	Aggregate			
(7)	(8)	(9)	(10)	(11)	(12)	(13)

(X) Tea sent to neighbouring Garden(s) for manufacture :

	Quantity (in Kgs)	Value Realised (Rs.)
(a) One way transit		

Whether sold through Auction or otherwise	Destination	Quantity (in Kgs)	Value Realised (Rs.)	Claims Paid (Rs.)	Whether Cargo sent in Container
(1)	(2)	(3)	(4)	(5)	(6)

(XII) Held Back Tea of previous policy period sold during the current policy : (CONTD.)

Rate of Premium Chargeable (%) -----				Premium Chargeable (Rs.) (A)	SRCC Premium Chargeable, if any (Rs.) (B)	Total Premium Chargeable (Rs.) (A+B)
Basic for Storage	Additional Additionals	Other Rate	Aggregate			
(7)	(8)	(9)	(10)	(11)	(12)	(13)

(XIII) Tea Waste :

Quantity (in Kgs)	Value (Rs.)	Premium (Rs.)	
		Marine	SRCC
(1)	(2)	(3)	(4)

(XIV) Claims :

Claims Paid (Rs.) (1)	Claims Outstanding (Rs.) (2)	Total Claims (Rs.) (3)	Premium Chargeable on (3) (Rs.) (4)	SRCC Premium Chargeable (Rs.) (5)

(XV) Premium :

Marine (A) (Rs.)	SRCC/WAR & SRCC (B) (Rs.)	Total (A+B) (Rs.)	(Add) Other Disposals not mentioned hereinabove, if any, (Premium collected on extension specifically requested for) (Rs.)	(Less) Amount collected as Provisional Premium (Rs.)	(Less) Credit for last year's Held Back Tea (Rs.)	Balance (Rs.)

PREMIUM ADJUSTMENT STATEMENT

Detailed breakdown of Black Tea as mentioned above would be obtained together with a certificate from the Auditor or the Chief Executive of the Company or a Certified copy of the Excise Assessment or the Balance Sheet.

Premium

Marine : Rs.

SRCC/War &
SRCC : Rs.

Total : Rs.

(Add) Other Disposals not mentioned
hereinabove, if any.

(Premium collected on extension
specifically requested for) : Rs.

Rs.

(Less) Amount collected as provisional
premium

: Rs.

Rs.

(Less) Credit for last year's
Held Back Tea

: Rs.

Rs.

Balance : Rs.

(ANNEXURE - 'D')
(Refer Section 1; Item 7.1)

Issuing
Office

WHEREAS THE ASSURED named in the Schedule hereto has applied to (hereinafter called the `Company') for the insurance mentioned and described hereinafter and has made a written Proposal and Declaration which shall be the basis of this contract and is deemed to be incorporated herein and has paid or agreed to pay the premium as consideration for such insurance.

THE COMPANY HEREBY PROMISES AND AGREES with the Assured, their Executors, Administrators and Assigns that the Company insures against loss, damage, liability or expenses subject to the Clauses, Endorsements, Conditions and Warranties contained in the Schedule.

Issued in lieu of Cover Note No. Policy No.

SCHEDULE

Name of the Tea Estate :

Subject matter Insured : On Tea produced and despatched by the Assured's Tea Estate during the period of Insurance

Period of Insurance : From to

Estimated Crop for the period of Insurance : Made Tea.....kgs.

Amount Insured per Kg. of Made Tea : Rs.....
(in words) Rupees

Provisional Amount Insured : Rs
(in words) Rupees

Vessel and/or Conveyance : Lorry and/or Country Boat and/or Ropeway and/or Rail and/or Inland Vessels and/or Steamers and/or Air

Transits/Voyages Covered :

Terms of Cover : As per Tea Crop Insurance Clauses attached hereto. Including/Excluding the risk of Hail Damage on Standing Tea Crops.(If the risk of Hail Damage on Standing Tea Crops is covered, the Tea Crop Hail Clauses attached hereto shall apply).

P R E M I U M

	Provisional Premium (Rs.)
Transit, etc. @	
Other Extras @	
War and/or S.R. & C.C. @	
Total	
Stamp Duty	
Total	

Special Conditions and Warranties :

THE ATTACHED CLAUSES AND ENDORSEMENTS FORM PART OF THIS POLICY

Agency : : No. of copies issued including original

Code : :

IN THE EVENT OF CLAIM

Survey by : Claims payable by :

Inland Claims : Policy Issuing Office in India
in Indian Rupees.

Overseas Claims :

IN WITNESS THEREOF signed for and on behalf of the Company

Place :

Date :

Examined :

TEA CROP INSURANCE CLAUSES

1. DURATION OF COVER :

This insurance attaches from the time the Green Leaf is plucked at the Assured 's Estate named herein and whilst being processed at the Factory and further continues whilst in transit by approved conveyance(s) and/or vessel(s) (as specified in the Schedule to the relative Policy) until :

i. Sold at Auction Centres in India but not exceeding 30 days from the date of arrival at an approved Tea Warehouse at the place of Auction, unless the period of Storage is extended by payment of Additional Premium at the inception of cover, always provided that the teas remain at the risk of the Assured, but in any event, cover is not to extend beyond 15 days from the date of Auction.

ii. Delivered to Agents/Buyers anywhere in India, but not exceeding 7 days from the date of arrival at the destination Road/Railway Station.

iii. Sold at the Auctions in Overseas Country (shipped via a named Indian Port) but not exceeding 30 days period of Storage either at the Port of Shipment or any recognised Tea Warehouses at destination, (subject in any case to the provisions of Transit Clause No.8 of the Institute Cargo Clauses), unless the periods of Storage in Warehouses at Ports of Shipment and in the Tea Warehouses located in the Overseas Country are extended by payment of Additional Premium at the inception of cover.

iv. Delivered to the Buyers' or Consignees' Warehouse (shipped via a named Indian Port against firm C.I.F. Sale Contracts) in the overseas country but not exceeding 30 days period of storage at the port of shipment (subject in any case to the provisions of Transit Clause No.8 of the Institute Cargo Clauses), unless the period of storage at the Port of Shipment is extended by payment of additional premium at the inception of cover

v. Placed on board the overseas vessel at a named Indian Port when sold on F.O.B. terms, but not exceeding a total period of 30 days from the date of arrival at a Tea Warehouse/Warehouses at the Port of Shipment, unless the period of storage in such Warehouse(s) is extended by payment of additional premium at the inception of cover.

Shipments via Indian Ports or to overseas Ports/final destinations other than those declared at inception will be covered at the specific request of the Assured on payment of additional premium.

This insurance may be extended to cover Tea which is manufactured at any Neighbouring Estate including the risk of transit, to and fro, on payment of Additional Premium before inception of cover.

This insurance is only to cover despatches effected from the concerned Tea Garden within the policy period and any Tea Held Back on the Estate beyond the policy period will be completely outside the scope of the said Policy.

2. TERMS OF COVER

This insurance is against All Risks of physical loss of or damage to the subject-matter insured but shall in no case be deemed to cover loss, damage or expense proximately caused by inherent vice or nature of the subject-matter insured or delay even if delay is caused by the operation of an insured peril.

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TRANSITS/SHIPMENTS WILL BE SUBJECT TO THE FOLLOWING CLAUSES :

INLAND TRANSITS :

- i. Inland Transit (Rail or Road) Clause - A (All Risks) attached hereto
- ii. Inland Transit (Inland Vessels) Clause - A (All Risks) attached hereto
- iii. Strikes, Riots and Civil Commotions Clause

OVERSEAS SHIPMENTS :

- i. Institute Cargo Clauses (A) attached hereto
- ii. Institute Cargo Clauses (Air) (Excluding sendings by Post) attached hereto
- iii. Institute Classification Clause attached hereto
- iv. Institute War Clauses (Cargo) attached hereto subject to 7 days' Notice of Cancellation
- v. Institute War Clauses (Air Cargo) (Excluding sendings by Post) attached hereto subject to 7 days' Notice of Cancellation
- vi. Institute Strikes Clauses (Cargo) attached hereto subject to 48 hours' Notice of Cancellation
- vii. Institute Strikes Clauses (Air Cargo) attached hereto subject to 48 hours' Notice of Cancellation
- viii. Institute Radioactive Contamination Exclusion Clause

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15% ON GARDEN CLAUSE :

This insurance covers Made Tea of the period of insurance whilst at the Assured's Estate and/or Neighbouring Estate (when sent for manufacture) for any purpose whatsoever, but

insurance against the risk of Fire, Earthquake and other convulsions of nature and also the risks of Strikes, Riots and Civil Commotions, when covered as per Institute Strike Clauses, shall be limited to 15% of the estimated annual total weight of Made Tea of the Garden insured, valued in accordance with the Agreed Value provision of this Clause. For the purpose of this Clause, the value declared at the inception of cover (either on Agreed Value basis or Provisional Value basis) in respect of tea to be disposed of in India shall be deemed to be the Agreed Value. The Assured is to bear a rateable proportion of the loss, if the total amount of the tea lying at the Estate and any Neighbouring Estates when sent for manufacture, is more than 15% or as may be declared to the Insurers.

The risks of Explosion, Aircraft Damage and Impact Damage are also covered.

Teas in excess of 15%, as stated above, which may be lying cumulatively at the Garden and the Neighbouring Estates for reasons beyond the control of the Assured will be covered at the specific request of the Assured, subject to payment of Additional Premium.

3. EXCLUSIONS :

- i. Notwithstanding anything herein contained to the contrary, this Policy is warranted free of claims for loss of or damage to the subject-matter insured, whether Green Leaf or partly/wholly manufactured Tea, directly or indirectly caused by the absence or shortage, withholding or withdrawal of labour of any description whatsoever under any circumstance.
- ii. Loss or damage attributable to any fault, neglect or defect in the manufacturing process and/or packing materials used.
- iii. Loss due to interruption in manufacture consequent upon stoppage of Power Supply and/or Breakdown of Machinery, howsoever arising.
- iv. Any trade loss, including chest allowance, as agreed to by the Tea Brokers.
- v. Any loss or damage pertaining to previous season's Manufactured Tea Held Back at Garden, unless specifically covered under this Policy.

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4. BASIS OF VALUATION

(Option 'A' or 'B' or 'C' and 'D' - Delete options not required)

A.1 The Valuation of Tea for the purpose of this insurance is agreed to be Rs..... per Kg. of Made Tea to be disposed of in India, including FOB and C & F Sales.

A.2 For the purpose of this insurance, tea to be disposed of in Overseas Countries is provisionally valued at Rs.... per kg. of Made Tea, being an *average price* obtaining for the Garden *during the preceding 3 completed and adjusted years excluding the expiring year* but liable to final adjustments as per Clause 7 in terms of the following stipulations :

(a) for tea sold at Overseas Auctions and tea shipped on Consignment Basis to Overseas Countries, the actual amount realised on same shall be treated as the insured value.

(b) for tea sold and shipped (against firm C.I.F. Sale Contracts) to the Overseas Countries, the value declared in accordance with the terms of the Contract of Sale (maximum C.I.F. value + 10%) shall be taken as the Insured Value, subject to final adjustment as per Clause 7.

B. The valuation of Tea for the purpose of this insurance is agreed to be Rs..... per kg. of Made Tea, excluding C.I.F. Sales. For tea sold and shipped C.I.F. to Overseas Countries, the value declared in accordance with the terms of the Contract of Sale (maximum C.I.F. value + 10%) should be taken as the insured value, subject to final adjustment as per Clause 7.

C. For the purpose of this insurance, tea is valued provisionally at Rs..... per kg. of Made Tea being an average price obtaining from the Garden during preceding three completed and adjusted years, excluding the expiring year subject to final adjustment as mentioned in Clause 7 on the basis of actual production and actual amount realised on same.

AND

D. Tea Waste (Agreed Value)

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5. LIMITS

a) **Single Despatch/Shipment Limit** : Rs..... any one Despatch/Shipment per any one Conveyance/Vessel.

b) **Location Limit** : Twenty times the single Despatch/Shipment limit referred to in (a) above on any one location other than on Garden for which limit has been

specified in the "On Garden Clause" in Clause 2 hereinabove or Held Covered.

Claims for loss, damage to Tea whilst in transit from the Assured's Garden to Agents/Buyers in any place in India or other than Auction Centres including FOB and C & F Shipments where no Brokers are involved, shall be settled on the basis of the Carrier's Certificate of loss/damage and/or independent Surveor's Report and Account Sales/Sale Invoice.

6. BASIS OF SETTLEMENT OF CLAIMS

6.1 In the event of loss in weight from apparently sound chests, the Insurer's liability shall be limited to 75% of such loss. Notwithstanding the above, no liability shall attach to Insurers hereunder in respect of sound chests/bags arriving with shortages of 5% in net weight per packing or less subject also to the following Excess Clause :

“Claims for losses, if any, under this Policy, shall be subject to an Excess of Rs.2000/- per consignment/per occurrence”.

Brokers' Certificate shall be accepted as proof of loss/claim in case of shortages from apparently tampered chests/bags and short delivery of complete chests/bags. Brokers' Certificates must be supported by a Certificate of Shortage/Damage issued by the Carriers or their authorised representatives. The Insurers, however, reserve the right of appointing independent licensed Surveyors.

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6.2 AT THE GARDEN :

In the event of loss before manufacture, 4 kgs. of Green Leaf to be considered equal to 1 kg. of Made Tea. Claims for loss of or damage to tea by an insured peril, while on the Insured's Garden and/or Neighbouring Garden for manufacture, shall be settled either for the Agreed

Value or Provisional Value, as applicable to teas to be disposed of in India, Less all unincurred expenses, whether in respect of Green Leaf or partly/wholly Manufactured Tea.

6.3 IN RESPECT OF TEA INSURED HEREIN ON PROVISIONAL VALUE BASIS - FOLLOWING SHALL APPLY :

6.3.1 DURING INLAND TRANSITS :

Claims for partial loss of or damage to tea whilst in transit from the Assured's Garden to warehouses at Auction Centres anywhere in India or any Port of Shipment in India and/or prior to and/or during loading on to the overseas vessels shall be settled on the basis of the Brokers' Certificates, Account Sales and Invoice. Claims for loss or damage to Tea whilst in transit from the Assured's Garden to Agents/Buyers in any place in India other than Auction Centres, including FOB and C & F Shipments, where no Brokers are involved, shall be settled on the basis of Carrier's Certificates of loss/damage and/or independent Survey Report and Account Sales/Sale Invoice.

In the event of loss of or damage to one or more complete chests/bags of tea (forming part of an Overseas Shipment Invoice), whilst in transit from the Assured's Garden to the Ports of Shipment in India, claims in respect thereof shall be settled on the basis of either :

a) In respect of teas on Consignment Sale abroad, the Estate's Average Rate on the date of arrival in the warehouses at the Ports of Shipment of the remainder of the chests covered by the relative Shipment Invoice.

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b) In respect of tea on Firm Sale Contract, the insured valuation in respect of tea appropriated against Firm Sale Contracts.

Less : all unincurred expenses in respect of (a) & (b) above.

In the event of loss of or damage to a whole invoice prior to sale whilst in transit from the Assured's Estate to Warehouse anywhere in India or any other Port of Shipment in India, claims in respect thereof shall be settled on the basis of either :

- i. In respect of tea on Consignment Sale Basis, claim shall be settled on the basis of the average gross sound values realised on the previous and next succeeding invoices for similar sale of like tea of the Assured's Garden, but in the event of one being non-existent, the value of the other shall be taken as the basis of settlement.
- ii. In respect of tea on Firm Sale Contract, Claim shall be settled on the basis of the Insured Valuation in the case of tea appropriated against Firm Sale Contracts.

Less : All unincurred expenses in respect (i) and (ii) above.

If Teas despatched from the Gardens are carried by own vehicle or private carriers/other modes of transportation where the Insurer may not have recovery rights, claims in respect of such despatches should be paid to the extent of 90% of the Assessed Loss and the balance 10% of the Assessed Loss shall be borne by the Insureds.

6.3.2 DURING STORAGE WITHIN INDIA

In the event of loss of or damage to tea during storage in warehouses anywhere in India or any Port of Shipment in India, claims for such loss or damage shall be settled on the basis of the Garden's Average Prices on the dates of occurrence of such loss or damage or on

the basis of the Broker's Account Sales/Sales Invoice in the case of tea which has already been sold.

6.3.3 DURING OVERSEAS SHIPMENTS INCLUDING STORAGE OVERSEAS

Claims in respect of “Consignment Tea”, AuctionSales shall be settled on the basis of the Brokers' Valuation Certificates and Account Sales or other acceptable evidence of the actual sale values realised as per custom of the trade. Where, however, parent break prices are not available, the Insurer's liability under this Policy shall be limited to 130% of the provisional value *less* all unincurred expenses.

Claims in respect of Private Sale Tea, shall be settled on the basis of the Sum Insured specified in the relative Certificates of Insurance, which shall be deemed to be the Agreed Values.

6.3.4 UNSOLD TEA AT AUCTION CENTRES

Teas despatched from the Garden within the policy period for sale at Auction Centres in India or Overseas and lying unsold at the time of submission of the Final Premium Adjustment Statement within 180 days as provided for hereinafter shall be valued at 130% of the Provisional Value both for adjustment of the premium and settlement of claims arising during the period of storage opted for.

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7. PREMIUM ADJUSTMENT CLAUSE

7.1 The premium collected shall be subject to adjustment on the basis of tea actually produced, sold, unsold or otherwise disposed of.

The Insured shall submit to the Insurer a Final Premium Adjustment Statement furnishing particulars of actual total crop and sale proceeds togetherwith a certificate from the **Auditor or the Chief Executive of the Company or a certified copy of the Excise Assessment or the Balance Sheet** for the concerned year, within 180 days from the date of expiry of the Policy. The Final Premium Adjustment Statement should specify the quantity of all tea produced, whether sold by auction, sold privately, ex-Garden or otherwise disposed of, including gift tea, sample tea, tea consumed at the Estate, tea wastes and tea totally lost/destroyed/damaged, howsoever caused, and tea remaining unsold and Held Back at the Garden.

Depending on the provisional premium collected and the actual premium payable, the Insured may be required to pay the difference in premium or may become entitled to a refund of premium, as the case may be. If the total turnover for the current year shall exceed or fall short of the estimated quantity of made tea, then the difference shall be met by a further proportionate payment of premium to the Insurer or by refund of premium by the Insurer to the Insured, as the case may be, in terms of the Final Premium Adjustment Statement received by the Insurer.

7.2 Final Adjustment of the premium under the Policy issued on Agreed-Value basis shall be done for the actual crop/turnover as against the estimated crop/turnover proposed at the inception. For Policies issued on Provisional-Value basis, the adjustment shall be done for both the actual crop/turnover and for the actual value realised as against the estimated crop/turnover and value proposed at the inception.

7.3 Where insurance has been effected on Agreed-Value basis for disposals in India and Provisional-Value basis for disposals overseas, the adjustment for entire crop and value shall be made as aforementioned, separately for the respective disposals on Agreed-Value basis and the Provisional-Value basis.

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7.4 Should the Insured fail to comply with the requirements laid down under para 2 of Rule 7.1 given hereinabove, the Insurer will adjust final premium under such Policies and close such Policies in the following manner :-

a. Where insurance has been effected on Agreed-Value basis, for the purpose of arriving at the actual turnover of made tea during the period of Insurance, the estimated turnover declared by the Insured under various heads will be loaded by 30% and Sum Insured and premium adjusted accordingly.

b. In case of tea insured on Provisional-Value basis, both the provisional quantities of tea and the Provisional Value per kilogram of tea estimated and declared by the Insured, will be loaded by 30% and the Sum Insured and the premium adjusted accordingly.

7.5 After receipt of the Final Premium Adjustment Statement, it shall be incumbent on the part of the Insured to pay the difference in premium, if any, due and demanded by the Insurer in writing on the basis of the said Final Premium Adjustment Statement, within 30 days from the date of demand being made. **Failure to pay the Premium being demanded will entail automatic cancellation of the Policy for the current period immediately on expiry of the said 30 days without any further notice.**

7.6 In the event of non-payment of balance premium on account of adjustment, as demanded by the previous Insurer, this Policy shall stand automatically cancelled in terms of the Cancellation Clause (Clause 10).

8. **BONUS/MALUS CLAUSE**

Notwithstanding anything to the contrary contained in the withinmentioned Policy, it is hereby agreed that rate of premium chargeable at each renewal of the Policy covering the Garden insured hereunder shall be arrived at by applying on the Basic Rate (ref. Note 3 below) the following Bonus/Malus Scale, based on the loss ratio relevant for the particular renewal :

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BONUS (DISCOUNT)

Loss Ratio	Percentage of Discount on Basic Rate
-------------------	---

Not exceeding 10%	35%
Exceeding 10% but not exceeding 20%	30%
Exceeding 20% but not exceeding 30%	25%
Exceeding 30% but not exceeding 40%	20%
Exceeding 40% but not exceeding 50%	15%
Exceeding 50% but not exceeding 60%	10%
Exceeding 60% but not exceeding 70%	Basic Rate (i.e. no discount)

MALUS (LOADING)

Loss Ratio	Percentage of Loading on Basic Rate
Exceeding 70% but not exceeding 80%	10%
Exceeding 80% but not exceeding 90%	20%
Exceeding 90% but not exceeding 100%	30%
Exceeding 100% but not exceeding 110%	40%
Exceeding 110% but not exceeding 125%	50%
Exceeding 125% but not exceeding 150%	75%
Exceeding 150% but not exceeding 175%	90%
Exceeding 175% but not exceeding 200%	100%
Exceeding 200% but not exceeding 250%	125%
Exceeding 250% but not exceeding 300%	150%
Exceeding 300% but not exceeding 400%	175%
Exceeding 400% but not exceeding 500%	225%
Exceeding 500% but not exceeding 750%	300%
Exceeding 750%	400%

NOTE 1: To arrive at the Loss Ratio for application of the Bonus/Malus provision as above, finally adjusted net premium and all claims (i.e Paid and Outstanding) including claims on account of catastrophic losses (excluding War & SRCC premium & claims) will be taken into account in respect of 3 underwriting years immediately preceding the expiring year.

NOTE 2 : The claim amount referred to in NOTE 1 above shall be net of recovery represented by Carriers' Legal Liability Insurance (Tea Crop) Premium, net of Discount/Agency Commission.

NOTE 3 : For the purpose of this Clause, 'Basic Rate' shall mean aggregate of the rate(s) and extra(s), excluding War & SRCC rates, as applicable, for the cover granted for the Garden insured hereunder.

NOTE 4 : In case of change in ownership of a Tea Garden, Proposal will be treated as a fresh risk. In such cases, Bonus/Malus will be applicable only after 4 years from the date of taking out insurance cover by the the new owners on the basis of experience generated for 3 years immediately preceding the expiring year.”

9. **REASONABLE DESPATCH CLAUSE**

It is a condition of this insurance that the Assured shall act with reasonable despatch in all circumstances within their control. Further, it is necessary for the Assured to give prompt notice to the Company of any event

- a) which is held covered under this Insurance
- b) giving rise to a claim under this Insurance,

as soon as they have obtained information of loss/damage from the Carriers/Brokers/Warehouse-keepers concerned and the right of recovery hereunder is dependent on compliance with this obligation.

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10. **CANCELLATION CLAUSE**

- a. This Policy may be cancelled by giving 30 days' Notice of Cancellation in writing by either side. In the event of such cancellation, Insured shall submit within 60 days of cancellation, the Final Premium Adjustment Statement, duly certified by their Auditors, for the period the Policy

was in force for adjustment of premium for the period of cover. However, this provision for adjustment does not apply to cancellation of Policies as provided for in 10 b, 10 c & 10 d.

b. Consequent upon non-receipt of the Final Premium Adjustment Statement, as required under Clause (7) above, for adjustment within the stipulated time by the Company, it shall be incumbent on part of the Insured to pay the Additional Premium demanded by the Insurer within 30 days from the date of demand so made in writing. Failure to pay the Final Premium demanded will entail automatic cancellation of the Policy immediately on expiry of the said 30 days *without giving any further notice.*

c. It is further agreed that after receipt of the Model Premium Statement, it shall be incumbent on the part of the Insured to pay the difference in premium, if any, due and demanded by the Company in writing after adjustment of premium on the basis of the said Model Premium Statement, within 30 days from the date of demand being made. Failure to pay the Additional Premium so demanded will entail automatic cancellation of this Policy immediately on expiry of the said period of 30 days *without any further notice to the Insured.*

d. Provision for Cancellation as provided for in 10 b & 10 c above shall also apply when expired Policy is with one Insurer and the current Policy is with another Insurer.

11. **WARRANTIES**

It is the duty of the Assured and their servants and agents in respect of loss recoverable hereunder :

- a. To take measures as may be reasonable for the purpose of averting or minimising such loss,
and
- b. To ensure that all rights against Carriers, Bailees or other Third Parties are properly preserved
and exercised by lodging a monetary claim against Railway/Road Carriers/Bailees within six
months from the date of Railway/Lorry Receipt or as prescribed by the relevant Statute,

and the Underwriters will, in addition to any loss recoverable hereunder, reimburse the
Assured for any charges properly and reasonable incurred in pursuance of these duties.

Measures taken by the Assured or the Underwriters with the object of saving, protecting
or recovering the subject-matter insured shall not be considered as a waiver or acceptance
of abandonment or otherwise prejudice the rights of either party.

Claims for losses, if any, under this Policy occurring after the tea leaves the Garden,
shall be subject to an Excess of Rs.2000/- per consignment/per occurrence.

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ANNEXURE - 'E'

[Refer Section I : Item No.11(v)

Refer Section II : Item No.C 4(v)]

Strikes Riots and Civil Commotions Clause

(Inland Transit not in conjunction with Ocean-going Voyage)

Risks Covered :

<p>1. Subject otherwise to the terms, conditions and warranties of Policy on goods against transit risks, this insurance covers, except as provided in Clause 2 below loss or damage to the subject matter insured caused by</p> <p>1.1 Strikers, Locked-out workmen or persons taking part in labour disturbances, riots or civil commotions;</p> <p>1.2 any terrorist or any person acting from a political motive.</p>	Risk Clause
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Exclusions :

<p>2. In no case shall this insurance cover</p> <p>2.1 loss damage or expense proximately caused by delay, inherent vice or nature of the subject matter insured</p> <p>2.2 loss damage or expense proximately caused by the absence, shortage or withholding of labour of any description whatsoever during any strike, lock-out, labour disturbances, riot or civil commotion.</p> <p>2.3 any claim for expenses arising from delay or other consequential or indirect loss or damage of any kind</p> <p>2.4 loss damage or expense caused by war, civil war, revolution, rebellion, insurrection or civil strife arising therefrom or any hostile act by or against a belligerent power.</p>	General Exclusion Clause
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ANNEXURE 'F'

[Refer Section II ; Item (A)2(a)(i)

Refer Section II ; Item (C)4(i)]

Inland Transit (Rail or Road) Clause - B (Basic Cover)

Risks Covered

<p>1. This insurance covers, except as provided in Clauses 2, 3 and 4 below, the risks of physical loss or damage to the insured goods caused by</p>	Risks Clause
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<p>a. (i) fire (ii) lightning (iii) breakage of the bridges</p> <p>b. (i) collision with or by the carrying vehicle (ii) overturning of the carrying vehicle (iii) derailment or accidents of like nature to the carrying railway wagon/vehicle.</p>	
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Exclusions

<p>2. In no case shall this insurance cover</p> <p>2.1 loss damage or expense attributable to wilful misconduct of the Assured</p> <p>2.2 ordinary leakage, ordinary loss in weight or volume or ordinary wear and tear of the subject matter insured</p> <p>2.3 loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject matter insured (for the purpose of this Clause 2.3 "packing" shall be deemed to include stowage in a container or liftvan but only when such stowage is carried out prior to attachment of this insurance or by the Assured or their servants)</p> <p>2.4 loss damage or expense proximately caused by delay, even though the delay be caused by a risk insured against</p> <p>2.5 loss damage or expense caused by inherent vice or nature of the subject matter insured.</p>	
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<p>General Exclusion Clause</p>
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<p>3. In no case shall this insurance cover loss damage or expense caused by</p> <p>3.1 war civil war revolution rebellion insurrection or civil strife arising therefrom or any hostile act by or against a belligerent power.</p> <p>3.2 capture seizure arrest restraint or detainment and the consequences thereof or any attempt thereat</p> <p>3.3 derelict mines bombs or other derelict weapons of war.</p>	
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<p>War Exclusion Clause Strike Exclusion Clause</p>
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<p>4. In no case shall this insurance cover loss damage or expense</p> <p>4.1 caused by strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions</p> <p>4.2 resulting from strikes, lock-outs, labour disturbances, riots or civil commotions</p> <p>4.3 caused by any terrorist or any person acting from a political motive</p> <p>4.4 deliberate damage to or deliberate destruction of the subject matter insured or any part thereof by the wrongful act of any person or persons.</p>	
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Duration

<p>5. This insurance attaches from the time the goods leave the warehouse and/or the store at the place named in the policy for the commencement of transit and continues during the ordinary course of transit including customary transshipment, if any,</p> <p>a. until delivery to the final warehouse at the destination named in the policy, or</p> <p>b. in respect of transits by Rail only or Rail and Road, until expiry of 7 days after arrival of the railway wagon at the final destination railway station, or</p> <p>c. in respect of transits by Road only, until expiry of 7 days after arrival of</p>	<p>Transit Clause</p>
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<p>the vehicle at the destination town named in the Policy</p> <p>whichever shall first occur</p> <p>N.B. 1.The period of 7 days referred to above shall be reckoned from the midnight of the day of arrival of railway wagon at the destination railway station or vehicle at the destination town named in the Policy.</p> <p>2.Transit by Rail only shall include incidental transit by Road performed by Railway Authorities to or from Railway Out-Agency.</p>	
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Claims

<p>6. 6.1 In order to recover under this insurance the Assured must have an insurable interest in the subject matter insured at the time of loss.</p> <p>6.2 subject to 6.1 above the Assured shall be entitled to recover for insured loss occurring during the period covered by this insurance, notwithstanding that the loss occurred before the contract of insurance was concluded unless the Assured were aware of the loss and the underwriters were not</p>	<p>Insurable Interest Clause</p>
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Benefit of Insurance

<p>7. This insurance shall not inure to the benefit of the carrier or other bailees.</p>	<p>Not to Inure Clause</p>
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Minimising Losses

<p>8. It is the duty of the Assured and their servants and agents in respect of loss recoverable hereunder</p> <p>8.1to take such measures as may be reasonable for the purpose of averting or minimising such loss and</p> <p>8.2 to ensure that all rights against carriers, bailees or other third parties are properly preserved and exercised by lodging a monetary claim against railway/road carriers/bailees within six months from the date of railway/lorry receipt or as prescribed by the relevant statute</p>	<p>Duty of Assured Clause Waiver Clause</p>
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<p>and the Underwriters will, in addition to any loss recoverable hereunder, reimburse the Assured for any charges properly and reasonably incurred in pursuance of these duties.</p> <p>9. Measures taken by the Assured or the Underwriters with the object of saving protecting or recovering the subject matter insured shall not be considered as a waiver or acceptance of abandonment or otherwise prejudice the rights of either party.</p>	
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Avoidance of Delay

<p>10. It is a condition of this insurance that the Assured shall act with reasonable despatch in all circumstances within their control.</p>	<p>Reasonable Despatch Clause</p>
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ANNEXURE - ‘G’

[Refer Section II ; Item A 2(a)(i)

Refer Section II ; Item C 4(ii)

Refer Section III ; Item 2(i)]

Inland Transit (Rail or Road) - Clause A (All Risks)

Risks Covered

<p>1. This insurance covers all risks of loss or damage to the subject matter insured except as provided in clause nos.2, 3 and 4 below.</p>	<p>Risks Clause</p>
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Exclusions

<p>2. In no case shall this insurance cover</p>	<p>General Exclusion Clause</p>
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<p>2.1 loss, damage or expense attributable to wilful misconduct of the Assured</p> <p>2.2 ordinary leakage, ordinary loss in weight or volume or ordinary wear and tear of the subject matter insured</p> <p>2.3 loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject matter insured (for the purpose of this Clause 2.3 "Packing" shall be deemed to include stowage in a container or liftvan but only when such stowage is carried out prior to attachment of this insurance or by the Assured or their servants)</p> <p>2.4 loss damage or expense proximately caused by delay even though the delay be caused by a risk insured against</p> <p>2.5 loss damage or expense caused by inherent vice or nature of the subject matter insured</p>	
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<p>3. In no case shall this insurance cover loss damage or expense caused by</p> <p>3.1 war civil war revolution rebellion insurrection or civil strife arising therefrom or any hostile act by or against a belligerent power</p> <p>3.2 capture seizure arrest restraint or detainment and the consequences thereof or any attempt thereat</p> <p>3.3 derelict mines bombs or other derelict weapons of war</p> <p>4. In no case shall this insurance cover loss damage or expense</p> <p>4.1 caused by strikers, locked-out workmen or persons taking part in labour disturbances, riots or civil commotions</p>	<p>War Exclusion Clause Strike Exclusion Clause</p>
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4.2 resulting from strikes, lock-outs, labour disturbances, riots or civil commotions

4.3 caused by any terrorist or any person acting from a political motive.

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Duration

5. This insurance attaches from the time the goods leave the warehouse and/or the store at the place named in the policy for the commencement of transit and continues during the ordinary course of transit including customary transshipment, if any,

- i. until delivery to the final warehouse at the destination named in the policy, or
- ii. in respect of transits by Rail only or Rail and Road, until expiry of 7 days after arrival of the railway wagon at the final destination railway station, or
- iii. in respect of transits by Road only, until expiry of 7 days after arrival of the vehicle at the destination town named in the Policy

whichever shall first occur

N.B. 1. The period of 7 days referred to above shall be reckoned

Transit Clause

from the midnight of the day of arrival of railway wagon at the destination railway station or vehicle at the destination town named in the Policy.

2. Transit by Rail only shall include incidental transit by Road performed by Railway Authorities to or from Railway Out-Agency.

Claims

6. 6.1 In order to recover under this insurance the Assured must have an insurable interest in the subject matter insured at the time of loss.

6.2 subject to 6.1 above the Assured shall be entitled to recover for insured loss occurring during the period covered by this insurance, notwithstanding that the loss occurred before the contract of insurance was concluded unless the Assured were aware of the loss and the underwriters were not

Insurable Interest Clause

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Benefit of Insurance

7. This insurance shall not inure to the benefit of the carrier or other bailees.

Not to Inure Clause

Minimising Losses

8. It is the duty of the Assured and their servants and agents in respect of loss recoverable hereunder

8.1 to take such measures as may be reasonable for the purpose of averting or minimising such loss and

8.2 to ensure that all rights against carriers, bailees or other third parties are properly preserved and exercised by lodging a monetary claim against railway/road carriers/bailees within six months from the date of railway/lorry receipt or as prescribed by the relevant statute

and the Underwriters will, in addition to any loss recoverable hereunder,

Duty of Assured Clause Waiver Clause

<p>reimburse the Assured for any charges properly and reasonably incurred in pursuance of these duties.</p> <p>9. Measures taken by the Assured or the Underwriters with the object of saving protecting or recovering the subject matter insured shall not be considered as a waiver or acceptance of abandonment or otherwise prejudice the rights of either party.</p>	
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Avoidance of Delay

<p>10. It is a condition of this insurance that the Assured shall act with reasonable despatch in all circumstances within their control.</p>	<p>Reasonable Despatch Clause</p>
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ANNEXURE 'H'

[Refer Section II ; Item A 2(a) (ii)

Refer Section II ; Item C 4(iii)

Refer Section III ; Item 2(ii)]

Inland Transit (Inland Vessels) Clause 'A' (All Risks)

(Applicable to all Teas carried in Rivers, Canals or other smooth water, including any land transit incidental thereto, including F.O.B. Shipment)

Risks Covered

<p>1. This insurance covers all risks of loss or damage to the subject matter insured except as provided in clause nos.2, 3, 4 and 5 below.</p>	<p>Risks Clause</p>
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Exclusions

<p>2. In no case shall this insurance cover</p> <p>2.1loss, damage or expense attributable to wilful misconduct of the Assured</p>	<p>General Exclusion Clause Unseaworth- iness and Unfitn Exclusion Clause War Exclusion Clause</p>
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Strike Exclusion Clause

2.2 ordinary leakage, ordinary loss in weight or volume or ordinary wear and tear of the subject matter insured

2.3 loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject matter insured (for the purpose of this Clause 2.3 "packing" shall be deemed to include stowage in a container or liftvan but only when such stowage is carried out prior to attachment of this insurance or by the Assured or their servants)

2.4 loss damage or expense caused by inherent vice or nature of the subject matter insured

2.5 loss damage or expense proximately caused by delay even though the delay be caused by a risk insured against

2.6 loss damage or expense arising from the use of any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.

2.7 deliberate damage to or deliberate destruction of the subject matter insured or any part thereof by the wrongful act of any person or persons.

3. 3.1 In no case shall this insurance cover loss damage or expense arising from unseaworthiness or unfitness of vessel container or liftvan for the safe carriage of the subject matter insured, where the Assured or their servants are privy to such unseaworthiness or unfitness at the time the subject matter insured is loaded therein.

3.2 The Underwriters waive any breach of the implied warranties of seaworthiness of the vessel and fitness of the vessel to carry the subject matter insured to destination unless the Assured or their servants are privy to such unseaworthiness or unfitness.

4. In no case shall this insurance cover loss damage or expense caused by

4.1 war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power.

4.2 capture seizure arrest restraint or detainment and the consequences thereof or any attempt thereat.

4.3 derelict mines torpedoes bombs or other derelict weapons of war.

<p>5. In no case shall this insurance cover loss damage or expense</p> <p>5.1 caused by strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions.</p> <p>5.2resulting from strikes, lock-outs, labour disturbances, riots or civil commotions.</p> <p>5.3 caused by any terrorist or any person acting from a political motive.</p>	
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Duration

<p>6. The risk hereunder attaches from the time the goods are handed over to the inland carriers against receipt and continues during the ordinary course of transit and shall cease unless otherwise specified, on expiry of 7 days from the time of arrival of the vessel at destination named in the policy or on delivery, whichever shall first occur. The period of 7 days referred to shall be reckoned from the midnight of the day of arrival of the vessel at the destination.</p> <p>7.Where, after attachment of this insurance, the destination is changed by the Assured, held covered at a premium and on conditions to be arranged subject to prompt notice being given to Underwriters.</p>	<p>Transit Clause Change of Voyage Clause</p>
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Claims

<p>8. 8.1 In order to recover under this insurance the Assured must have an insurable interest in the subject matter insured at the time of loss.</p> <p>8.2Subject to 8.1 above, the Assured shall be entitled to recover for insured loss occurring during the period covered by this insurance, notwithstanding that the loss occurred before the contract of insurance was concluded, unless the Assured were aware of the loss and the</p>	<p>Insurable Interest Clause</p>
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Underwriters were not.

Benefit of Insurance :

9. This insurance shall not inure to the benefit of the carrier or other bailee.

Not to Inure Clause

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Minimising Losses

10. It is the duty of the Assured and their servants and agents in respect of loss recoverable hereunder

10.1 to take such measures as may be reasonable for the purpose of averting or minimising such loss and

10.2 to ensure that all rights against carriers are properly preserved and exercised by lodging a monetary claim against carriers within six months from the date of issue of bill of lading or as prescribed by the relevant statute and the Underwriters will, in addition to any loss recoverable hereunder, reimburse the Assured for any charges properly and reasonably incurred in pursuance of these duties.

11. Measures taken by the Assured or the Underwriters with the object of saving protecting or recovering the subject matter insured shall not be considered as waiver or acceptance of abandonment or otherwise prejudice the rights of either party.

**Duty of Assured Clause
Waiver Clause**

Avoidance of Delay

12. It is a condition of this insurance that the Assured shall act with reasonable despatch in all circumstances within their control.	Reasonable Despatch Clause
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13. Sailing Warranty :

“Warranted that the voyage shall commence within 7 days from the date of handing over of the cargo to the inland water carrier. If it does not so commence, the risk under the Policy shall cease on expiry of 7 days mentioned as above but shall reattach from the moment the vessel commences the voyage as stated in the Policy”.

ANNEXURE ‘I’

[Refer Section II ; Item (A)2(a) (ii)

Refer Section II ; Item (C)4(iv)]

Inland Transit (Inland Vessels) Clause ‘B’ (Basic Cover)

(Applicable to all Teas carried in Rivers, Canals or other smooth water, including any land transit incidental thereto, including F.O.B. Shipment)

Risks Covered

<p>1. This insurance covers except as provided in clause nos.2, 3, 4 and 5 below loss of or damage to the subject matter insured reasonably attributable</p> <p>1.1 fire or explosion</p> <p>1.2 vessel or craft being stranded grounded sunk or capsized</p> <p>1.3 overturning collision or derailment of land conveyance (where policy is subject to Warehouse to Warehouse Clause - to be attached)</p> <p>1.4 collision or contract of vessel craft or conveyance with any external object other than water</p>	<p>Risks Clause</p>
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1.5 discharge of cargo at a port of distress.

Exclusions

2. In no case shall this insurance cover

2.1 loss, damage or expense attributable to wilful misconduct of the Assured

2.2 ordinary leakage, ordinary loss in weight or volume or ordinary wear and tear of the subject matter insured

2.3 loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject matter insured (for the purpose of this Clause 2.3 "packing" shall be deemed to include stowage in a container or liftvan but only when such stowage is carried out prior to attachment of this insurance or by the Assured or their servants)

2.4 loss damage or expense caused by inherent vice or nature of the subject matter insured

2.5 loss damage or expense proximately caused by delay even though the delay be caused by a risk insured against

2.6 loss damage or expense arising from the use of any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.

General Exclusion Clause
Unseaworth- iness and Unfitn
Exclusion Clause

War Exclusion Clause

Strike Exclusion Clause

2.7deliberate damage to or deliberate destruction of the subject matter insured or any part thereof by the wrongful act of any person or persons.

3. 3.1 In no case shall this insurance cover loss damage or expense arising from unseaworthiness or unfitness of vessel container or liftvan for the safe carriage of the subject matter insured, where the Assured or their servants are privy to such unseaworthiness or unfitness at the time the subject matter insured is loaded therein.

3.2The Underwriters waive any breach of the implied warranties of seaworthiness of the vessel and fitness of the vessel to carry the subject matter insured to destination unless the Assured or their servants are privy to such unseaworthiness or unfitness.

4. In no case shall this insurance cover loss damage or expense caused by

4.1war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power.

4.2capture seizure arrest restraint or detainment and the consequences thereof or any attempt thereat.

4.3derelict mines torpedoes bombs or other derelict weapons of war.

5. In no case shall this insurance cover loss damage or expense

5.1 caused by strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions.

5.2resulting from strikes, lock-outs, labour disturbances, riots or civil commotions.

5.3 caused by any terrorist or any person acting from a political motive.

Duration

<p>6. The risk hereunder attaches from the time the goods are handed over to the inland carriers against receipt and continues during the ordinary course of transit and shall cease unless otherwise specified, on expiry of 7 days from the time of arrival of the vessel at destination named in the policy or on delivery, whichever shall first occur. The period of 7 days referred to shall be reckoned from the midnight of the day of arrival of the vessel at the destination.</p> <p>7. Where, after attachment of this insurance, the destination is changed by the Assured, held covered at a premium and on conditions to be arranged subject to prompt notice being given to Underwriters.</p>	<p>Transit Clause Change of Voyage Clause</p>
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Claims

<p>8. 8.1 In order to recover under this insurance the Assured must have an insurable interest in the subject matter insured at the time of loss.</p> <p>8.2 Subject to 8.1 above, the Assured shall be entitled to recover for insured loss occurring during the period covered by this insurance, notwithstanding that the loss occurred before the contract of insurance was concluded, unless the Assured were aware of the loss and the Underwriters were not.</p>	<p>Insurable Interest Clause</p>
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Benefit of Insurance :

9. This insurance shall not inure to the benefit of the carrier or other bailee.	Not to Inure Clause
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Minimising Losses

<p>10. It is the duty of the Assured and their servants and agents in respect of loss recoverable hereunder</p> <p style="padding-left: 40px;">10.1 to take such measures as may be reasonable for the purpose of averting or minimising such loss and</p> <p>10.2 to ensure that all rights against carriers are properly preserved and exercised by lodging a monetary claim against carriers within six months from the date of issue of bill of lading or as prescribed by the relevant statute and the Underwriters will, in addition to any loss recoverable hereunder, reimburse the Assured for any charges properly and reasonably incurred in pursuance of these duties.</p> <p>11. Measures taken by the Assured or the Underwriters with the object of saving protecting or recovering the subject matter insured shall not be considered as waiver or acceptance of abandonment or otherwise prejudice the rights of either party.</p>	Duty of Assured Clause Waiver Clause
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Avoidance of Delay

12. It is a condition of this insurance that the Assured shall act with reasonable despatch in all circumstances within their control.	Reasonable Despatch Clause
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13. Sailing Warranty :

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ANNEXURE - 'K'

[Refer Section II ; (D) (4)]

FREE-ON-BOARD CLAUSES

The cover is to be granted as an extension of Tea Crop Policy/Inland Transit Policy subject to the following Clauses, as applicable :

A. When loading is done directly from Wharf/Quay :

"This insurance is extended to cover the interest insured until the goods are placed on board the oceangoing vessel or lash barges (including Sling Loss) or until expiry of two weeks after arrival of goods at the place of storage at the port town and/or docks awaiting shipment, whichever shall first occur."

B. When loading is done midstream by craft, raft or lighter :

(i)When the Tea Crop Policy/Inland Transit Policy is subject to Inland Transit (Rail or Road) Clause-B with or without extraneous risks, then,

(a) in addition to Clause stated under item (A) above, the following Clause shall be applicable whilst the insured interest is waterborne in the course of transit to the vessel :

“ This insurance also covers loss of or damage to the subject matter insured reasonably attributable to :

- i. Craft, raft or lighter being stranded, grounded, sunk or capsized
- ii. fire, lightning, collision or contact of the craft, raft or lighter or conveyance with any external object other than water

iii. total loss of any package lost in loading, transshipment or discharge.”

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(b) Risk of jettisoning may be covered in conjunction with Basic Cover as above in which event the following Clause shall apply :

"including the risk of jettisoning due to stress of weather only".

(ii) When the Tea Crop Policy/Inland Transit Policy is subject to Inland Transit (Rail or Road) Clause-A, the Clause stated under item (A) above only will apply.

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ANNEXURE - 'M'
(Refer : General Regulation No.6)

CARRIERS' LEGAL LIABILITY (TEA CROP) INSURANCE (THIS RELATES ONLY TO TEA WHICH IS ALSO INSURED UNDER A TEA CROP POLICY.)

Insurers are allowed to grant Carriers' Legal Liability Insurance Cover in the prescribed Policy Form (Annexure 'N') to Road Carriers, in respect of Tea transported by them provided such Tea is insured under Tea Crop Policy.

NOTE : Insurers are required to attach a copy of the Contract entered into between Carriers and Garden-Owners alongwith the Proposal.

Carriers' Legal Liability Insurance Policy in respect of Tea must be issued by the same Division/Branch Office of the Insurer which issued the Tea Crop Policy. The Carriers' Legal Liability Policy shall be issued on the basis of annual turnover or turnover for the contract period declared by the Carrier(s) and accepted by the Insurer at the commencement of the policy and premium will be charged thereon. Premium earned net of Discount or Agency Commission under this Policy shall be deducted from the claims under the Tea Crop Policy in working out the overall loss ratio for the purpose of considering renewal rate.

The minimum rate of premium for Carriers' Legal Liability Cover shall be 0.20%. The entire premium is required to be realised before the commencement of the cover.

S.R.C.C. premium need not be charged separately under Carriers' Legal Liability Policy.

No instalment facility shall be allowed.

If a Carrier approaches an Insurer for the issuance of a Carriers' Legal Liability Insurance cover in the middle of his contract period, Insurer will charge full premium, as would be payable for the entire contract period, but cover shall be granted only for the balance unexpired period of the contract.

Insurers are prohibited from granting Carriers' Legal Liability Insurance cover in respect of Tea in transit rated under Sections II & III of this Tariff.

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ANNEXURE 'N'
(Refer Annexure 'M')

SCHEDULE ATTACHED TO CARRIERS' LEGAL LIABILITY (TEA CROP) POLICY NO ...

WHEREAS

(hereinafter called "the Insured") carrying on the business of common carriers and none other for the purpose of this Insurance has by a Proposal and Declaration applied to 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 fromday of to day of (both days inclusive).

NOW THIS POLICY WITNESSETH that during the currency of the 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 loss or damage to Tea, where such loss or damage shall have arisen from the negligence of the Insured or of his agents or servants in respect of Tea carried by the insurance in pursuance of Contract of Carriage between the Insured and the Owner of the goods during the period of Insurance specified in the Schedule or during any period for which the Company may accept further premium for the renewal of this Policy.

PROVIDED THAT the liability of the Company shall not exceed :

(a) in respect at any one Chest Rs. per kilogram of Made Tea.

(b) in respect of all Chests in any one vehicle and/or Trailer and/or Location in respect of any one accident or series of accidents arising out of any one event/occurrence Rs.

but the Company will, in addition, pay all costs and expenses incurred with its written consent in defending any claim against the Insured.

EXCEPTIONS

Unless otherwise specially stated hereon, the Company shall not, in any circumstance, be liable under the 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 loss of or damage to Tea

- A. Belonging to the Insured or to any servant, agent or sub-contractor of the Insured or to third parties unless such property is covered by a Contract of Carriage entered into by the Insured.

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- B. In the control of the Insured or any servant, agent or sub-contractor of the Insured or to third parties unless such property is covered by Contract of Carriage entered into by the Insurer.
- C. Directly arising out of or due to any wilful misconduct or criminal act on the part of the Insured or his agents or servants.

(3) Liability for loss or damage arising from :-

- i. Inherent defect or vice, including insects, moth, vermin, mildew, mould, damp, wear and tear, deterioration, spontaneous combustion or decay.
- ii. Depreciation, delay, loss of market, any confiscation by a public authority.
- iii. Consequential loss arising from loss of or damage to goods
- iv. 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, licence or sanction or decisioning 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.
- v. Any consequence whether direct or indirect of strikes or riots.
- vi. Loss or destruction of or damage to any property whatsoever or any loss or expense 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 radio activity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel.
- vii. Explosives or goods of dangerous nature carried by the vehicle.

PROVIDED FURTHER that due observance and fulfilment of the terms, provisions, conditions and Endorsement of this Policy by the Insured and/or his agents or servants insofar as they relate to anything to be done or complied with by the Insured, shall be conditions 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 an authorised official of the Company.

IN WITNESS WHEREOF the undersigned duly authorised by the Directors of the Company and on behalf of the Company has hereunto set his hand at this day of

FOR THE
DULY CONSTITUTED ATTORNEYS

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CONDITIONS

1. It is a condition of this insurance that the Assured is bound to declare hereunder each and every Contract of Carriage coming within the scope of the Policy. Declaration of each and every Contract of Carriage to be forwarded to this office in weekly/monthly statement mentioning the Consignment Note No. with Date, Garden Invoice Number, Number of Packages and Value for the purpose of insurance.
2. 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 an authorised representative of the Company shall have been issued therefor. The Company shall not be bound to accept any renewal premium and not to give notice that such renewal is due.
3. No alterations in the terms of the Policy, nor an Endorsement therein, will be valid unless the same is signed or initialled by an authorised representative of the Company.
4. 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 and notice/acknowledgement of anything relating to this Policy or any claim hereunder or with reference to the Goods/Merchandise insured hereunder shall not be deemed to be notice to or within the knowledge of the Company unless so given.
5. 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 :
 - a. take all practical steps to cause the discovery of any guilty person.
 - b. take steps for the safety of the goods.
6. The Insured shall exercise reasonable care that only steady, sober and competent employees and agents are employed and all storage spaces/buildings, vehicles and their accessories are substantial and sound and in proper order and fit for the purpose for which they are used and all the statutory requirements and all bye laws and regulations imposed by any public authority are duly observed and complied with and that the goods 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 despatch but shall also, in the meantime, cause such additional precautions 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.

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7. 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 damage of 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 affecting settlements, acquiring and giving evidence, obtaining the attendance of witness and in the conduct of suits. The Insured shall not, except at his own cost, voluntarily make any payment, assume any obligations or incur any expense.
8. Payment of claim will only be made on production of proper discharge signed by the owners of the Goods/Merchandise except in case referred to in Condition No.10 below.
9. 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 herewith 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 said to dispose of the claim.
10. 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 and the Company shall not be responsible for any damage alleged to have been caused to the Insured, the consequence of any alleged action or omission of the Company in connection with such defence, settlement or proceedings of the Company relinquishing such conducts nor shall the Company be liable for any costs or expense whatsoever incurred by the Insured or any claimant or other person after the Company shall have relinquished such conduct.
11. If at the time of any claim arising 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 the existence of any Clauses or Conditions of Non-Contribution or Non-Participation in the contract of such other insurance policy or cover.
12. If a claim be made by or on behalf of the Insured which shall be, in any respect, unsound or fraudulent or intentionally exaggerated or if any false declaration or statement be

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

13. If any difference shall arise as to the quantum to be paid under this Policy (liability being otherwise admitted), such difference shall be referred to Arbitration in accordance with the provision of the Indian Arbitration Act 1940, as amended from time to time and for time being in force. It is clearly agreed and understood that no difference or dispute shall be referable to Arbitration as hereinbefore provided, if the Company has disputed or not accepted liability under or in respect of this Policy.

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It is also hereby further 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 Court of Law, then the claim shall, for all purposes, be deemed to have been abandoned and shall not thereafter be recoverable hereunder.

14. If at any time or from time to time any damage shall occur materially varying any of the facts existing on the date of Proposal, the Insured shall immediately give notice to the Company and shall pay such Additional Premium as the Company may require.
15. The Policy may be cancelled at any time by sending seven days' Notice by Registered letter to Insured at his last known address and, in such event, the premium shall be adjusted in accordance with the actual despatches made.
16. The Insured shall maintain a written record at each of its depots/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.
17. It is the duty of the Assured and their agents, in all cases, to take such measures as may be reasonable for the purpose of averting or minimising a loss and to ensure that all rights against Bailees or other Third Parties are properly preserved and exercised.
18. It is a condition of this insurance that the Insured shall act with reasonable despatch in all circumstances within their control.
19. It is an express condition of this Policy that subject to condition No.11 above, the Civil Courts at will have exclusive jurisdiction to try any claim under this Policy.

ANNEXURE - 'O'
(Refer General Regulation No.5)

TEA CROP HAIL INSURANCE

1) GENERAL

ii. Cover against the risk of Hail Damage to standing Tea Crops may be granted only as an extension of Tea Crop Policy.

iii. For this purpose, application for renewal shall be made by the Proposer as per the prescribed Format (Annexure 'P'). Unless there is a change in ownership, such Proposal Forms need not be obtained at every renewal. However, fresh Proposal Forms are to be obtained at every fourth renewal.

iv. The cover shall be in terms of the standard 'Tea Crop Hail Extension Endorsement' attached hereto (Annexure - 'Q') and at rates, terms, conditions, exclusions etc. laid down under this Annexure.

v. Both the Hail Insurance cover and the Tea Crop Insurance cover should be granted by the same Branch/Division of the same Insurer.

1) BASIS OF VALUATION FOR ARRIVING AT SUM INSURED, COMPUTATION OF PREMIUM AND SETTLEMENT OF CLAIM:

The agreed value for the purpose of Hail Insurance must be lower than the value agreed for Tea Crop Insurance as mentioned under Clause 4(A) of the Tea Crop Policy. In any event, the agreed value for Hail Insurance shall not be more than 70% but not less than 50% of the previous Season's price of Made Tea. **The value agreed upon must remain constant during the period of insurance and no other basis of valuation whatsoever is permitted.**

2) LIMIT OF LIABILITY :

Cover may be granted in respect of Hail Damage to standing Tea Crops limiting the liability of the Company either to 50% or 25% of the agreed insured value of the crop so damaged, calculated on the basis of 4 kilograms of Green Leaf being equivalent to 1 kilogram of Made Tea for the year under the Tea Crop Policy.

It is not permissible to grant any cover with the Insurer's Liability fixed at any percentage between 50% and 25% of the agreed insured value of the crop so damaged, calculated on the basis of 4 kilograms of Green Leaf being equivalent to 1 kilogram of Made Tea for the year under the Tea Crop Policy.

The Limit of Liability i.e. the percentage of coinsurance by the Insured must be opted for by the Insured before inception of cover. However, the Company's total liability for all losses occurring during the period of Insurance hereby insured shall not exceed ... (50% or 25%) of the current insured value of 20% of the out-turn for the previous period of Insurance in weight from the garden insured (including the weight of any assessed loss of crop of that season through Hail Damage) to which shall be added, in respect of any area of young bearing tea in the same garden, where there has been no previous plucking, 2 quintals of Green Leaf per hectare in respect of Darjeeling, Cachar, Terai and Tripura Gardens and 3.25 quintals of Green Leaf per hectare in respect of gardens in other areas.

3) RATES OF PREMIUM

Gardens situated in	Rates for 50% Hail Cover	Rates for 25% Ha
Darjeeling, West Bengal	2.00%	1.20%
Terai, Dooars & Cachar	1.50%	0.90%
Assam -Districts on the North Bank of the River Brahmaputra	1.25%	0.75%

Assam - Dibrugarh Division	1.00%	0.60%
Assam - Districts on the South Bank of River Brahmaputra	0.75%	0.45%
Any other garden situated anywhere else in India	1.00%	0.60%

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NOTE :

1. The above rates are to be applied on the value of the estimated total crop of Made Tea for the year under the Tea Crop Policy for the garden concerned which is to be arrived at as per provisions of Rule 2 of this Section.
2. Full premium based on the estimated crop of Made Tea has to be collected in advance and this will be subject to adjustment on the basis of final statement of Declaration to be submitted by the Insured in connection with Tea Crop Insurance in respect of each Garden.
3. The Minimum Retention Premium in respect of each policy issued under this Section is Rs.5000/-

Example :

An example as to how the premium is to be calculated is given below :

Supposition :

The previous season's average price of Made Tea for a garden situated in Darjeeling	Rs. 30/- per kg.
Total turnover of Made Tea for the Policy year.	1,00,000/- kgs.
Agreed Price for the purpose of insurance	70% in terms of Rule-2 of this annexure.
Insured elects for 50% Hail Cover	

Premium Computation :

a. The rate applicable for the garden situated in Darjeeling as per Rule-4 of this annexure	Rs.2/- %
b. Agreed Value as per Rule -2 of this annexure	Rs.21 per Kg.

	(i.e.70% of Rs.30/-)
c. Premium payable will be 1,00,000 X Rs.21(Rs.21,00,000) @ Rs.2/- %	Rs.42,000/-

Thus, the premium to be charged is Rs.42,000/-

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1) **DEDUCTIBLE**

No reduction in premium shall be allowed even if the insured elects to bear a deductible on any loss admissible under this extension.

2) **NO CLAIM REFUND**

It is not permissible to grant any 'No Claim Refund'.

3) **RENEWAL**

7.1 All Proposals in respect of renewal rating of Tea Crop Hail Insurance Policies commencing on or after 1-4-99 * are to be considered by the authorised offices of the Insurers.

7.2 All applications for continuation of old special rates (which existed prior to 1-4-1990), pertaining to policies being renewed on or after 1-4-99 * are to be considered by the respective Head Offices of the Companies.

7.3 Effective from 1-4-1999, the renewal of Tea Crop Hail Insurance Policies or Extensions under Tea Crop Hail Insurance Policies will be effected by charging provisional premium arrived at by applying the provision of the Bonus/Malus Clause contained under Rule - 8 hereinafter, on the applicable Tariff Rates for the Garden. Such provisional rate shall be subject to final rating by the authorised offices of the Insurers.

Where cover has been granted by charging Provisional rate, Insurers are required to incorporate the following in the Policy/Cover documents :

“Rate charged hereunder is Provisional and is subject to final rating by the authorised office of the Insurer.”

* For the period 1-4-90 to 31-3-93, these applications had been processed by the TAC.
For the period 1-4-93 to 31-3-99 these applications had been processed by the Head Offices of Insurers.

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7.4 RATING OF APPLICATIONS :

- ii. All applications in respect of renewal ratings pertaining to Policies commencing on or after 1-4-99 * shall be considered by the authorised offices of the Insurers.
- iii. All applications for continuation of old Special Rates (which existed prior to 1-4-90), pertaining to Policies being renewed on or after 1-4-99,* shall be considered by the respective Head Offices of the Insurer.

7.5 PROCEDURE & TIME-LIMIT FOR SUBMISSION OF RENEWAL APPLICATIONS :

- iv. With effect from 1-4-99, all renewal rating applications, including special Rating applications, are to be submitted by the Insureds to their Insurers prior to the date of renewal with an Advance Copy of the application to the appropriate Head Office of the Company.
 - v. Advance Copies of such applications must be received by the concerned Head Offices within 45 days of commencement of the policies for which applications are being made.
 - vi. Original applications are to be forwarded by the Insurers to their respective Authorised Offices/Head Offices, after filling in all relevant details (like claims experience etc.), within 90 days from the date of renewal of the policy.
 - vii. Authorised Offices/ Head Offices of the Insurers shall dispose of the cases within two months from the date of receipt of the completed applications from their underwriting Offices.
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* For the period 1-4-90 to 31-3-93, these applications had been processed by the TAC and for the period 1-4-93 to 31-3-99 the applications were proceed by the respective Offices of the Insurers.

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7.6 SUBMISSION OF STATISTICS TO THE TARIFF ADVISORY COMMITTEE

THE HEAD OFFICES OF INSURERS SHALL FORWARD TO THE T.A.C. CONSOLIDATED PREMIUM AND CLAIM STATISTICS IN RESPECT OF THE TEA GARDENS RATED BY THEM UNDER THIS ANNEXURE DURING A FINANCIAL YEAR, **LATEST BY THE END OF DECEMBER THE FOLLOWING FINANCIAL YEAR AS PER THE FORMAT SPECIFIED IN ANNEXURE ‘R’.**

1) BONUS/MALUS CLAUSE

The following Clause shall be incorporated in the Tea Crop Hail Insurance Extension Endorsement :

“BONUS/MALUS CLAUSE

Notwithstanding anything to the contrary contained in the withmentioned Tea Crop Hail Insurance Extension Endorsement, it is hereby agreed that the rate of premium chargeable at each renewal of the Hail Insurance Extension covering the garden insured hereunder shall be arrived at by applying on the Basic Rate the following Bonus/Malus Scale, based on the loss ratio relevant for the particular renewal :

BONUS (DISCOUNT)

LOSS RATIO	PERCENTAGE OF DISCOUNT ON BASIC RATE
Not exceeding 10%	40%
Exceeding 10% but not exceeding 20%	35%
Exceeding 20% but not exceeding 30%	30%
Exceeding 30% but not exceeding 40%	25%
Exceeding 40% but not exceeding 50%	20%
Exceeding 50% but not exceeding 60%	Basic Rate (i.e. no discount)

MALUS (LOADING)

LOSS RATIO	PERCENTAGE OF LOADING ON BASIC RATE
Exceeding 60% but not exceeding 70%	20%
Exceeding 70% but not exceeding 75%	25%
Exceeding 75% but not exceeding 80%	30%
Exceeding 80% but not exceeding 85%	35%
Exceeding 85% but not exceeding 90%	40%
Exceeding 90% but not exceeding 95%	45%
Exceeding 95% but not exceeding 105%	50%
Exceeding 105% but not exceeding 125%	55%
Exceeding 125% but not exceeding 175%	60%
Exceeding 175%	70%

NOTE :

1. To arrive at the loss ratio for application of the Bonus/Malus provision as above, final adjusted net premium and all claims paid and outstanding will be taken into account in respect of 3 underwriting years immediately preceding the expiring year.
2. For the purpose of this Clause, Basic Rate shall mean the rates given under **Rule 4 - Rates of Premium** of this Annexure for the garden insured hereunder”

1) PERIOD OF INSURANCE

The period of insurance for the Tea Crop Hail Insurance extension shall be from 1st April to 31st March. However, in cases where garden-owners are in a position to furnish proof that they are permitted to have a different financial year, policies may be issued for a period coinciding with their financial year. In such cases the figures submitted to the insurers for adjustment should correspond only to their financial year and should be so certified by their auditors.

Moreover, if for some genuine reasons policy is to commence from a date, falling after the date of commencement of the financial year, the policy shall expire on the last day of the Insured's financial year from which date a fresh annual policy is to be issued. In such cases, full premium for the estimated annual crop for insured's financial year shall be paid though the risk shall attach only from the date of payment of premium. The final premium adjustment shall also be made on the actual total crop turnover of the garden for the financial year.

2) MID-TERM ALTERATION

Mid-term alteration in the agreed value of the percentage of liability is not permitted. No refund of premium for mid-term cancellation of the policy shall be allowed.

3) PREMIUM ADJUSTMENT CLAUSE

Premium collected on the Provisional Sum Insured determined on the basis of estimated production of Made Tea of the garden for the year, is to be collected in advance. This premium will be treated as Deposit Premium and the same will be adjusted on expiry of the policy on the basis of actual quantity of Made Tea produced (including any Tea that may have been destroyed by Hail and on which claim has been paid) and declared to the company by the Assured.

If the actual total declared quantity differs from the estimated production of Made Tea upon which premium has been paid, the premium on the difference shall be paid by or refunded to the Assured depending on whether the total quantity of Tea produced has exceeded or fallen short of the estimated production of Made Tea.

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ANNEXURE 'P'

(Refer ANNEXURE 'O' ; Para 1(b))

PROPOSAL FOR RENEWAL OF TEA CROP HAIL INSURANCE EXTENSION

(Period : From To)

3. Name and Address of the Proposer :
4. Particulars of the Tea Garden proposed for Insurance :
 - a. Name :
 - b. Location and Address (including Name of State) :
 - c. Total Crop Area in Hectares :
 - d. Nursery crop Area in Hectares :
 - e. Approximate date of commencement of plucking :
 - f. Approximate date of termination of plucking :
 - g. Expected crop of Made Tea during the period of insurance in Kgs.
 - h. Crop of Made Tea produced during the last four years
 - ii. 19..... Kgs
 - iii. 19..... Kgs
 - iv. 19..... Kgs
 - v. 19..... Kgs

- a. Particulars of claims for the 3 years immediately preceding the expiring year :

Period of Insurance	Number of Hailstorms	Loss of Green Leaf in Kgs.	Insured Value of Made Tea	Amount of Claim Recovered

1. Proposed Period of Insurance : From To

2. Particulars of the Tea Crop Policy for the period of insurance :
 - B. Policy No.
 - C. Date of Commencement of Risk
 - D. Value of Made Tea : Rs..... per Kg.

1. a) How many gardens are owned/managed by you and with whom are these insured ?

b) Have you taken Hail Insurance cover in respect of all these gardens ?

I/We hereby warrant that all the above statements and particulars are true and that I/We have not withheld any material information. I/We agree that this warranty and Declaration shall be the basis of the contract between me/us and the and I/We agree to abide by the terms and conditions of the policy to be issued in answer to this Proposal.

Date : -----

Agent : Signature of Proposer

ATTENTION IS DRAWN TO

Section 41 of the Insurance Act 1938, which reads as follows :

II. No person shall allow or offer to allow, either directly or indirectly, as an inducement to any person to effect or renew 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 by rebate of the premium shown on the policy nor shall any person taking out or renewing a policy accept any rebate, except such rebate as may be allowed in accordance with the published prospectuses or tables of the Insurer.

III. Any person making a default in complying with provisions of this Section shall be punishable with a fine which may extend to five hundred rupees.

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ANNEXURE - 'Q'

(Refer Annexure 'O'; Para 1(c))

TEA CROP HAIL EXTENSION ENDORSEMENT

Endorsement attaching to and forming part of Tea Crop Policy No. _____

1. Where the Assured named in the Schedule hereto of the Tea Crop Policy has applied to COMPANY LIMITED (hereinafter called the Company) for the insurance mentioned and

described hereinafter and has made a written Proposal and Declaration which shall be the basis of this contract for Hail Damage Extension and is deemed to be incorporated herein and has paid or agreed to pay the premium as consideration for such extension.

The Company hereby agrees with the Assured to extend the above Tea Crop Policy to cover damage to growing Tea Crop of the current season on the Assured's Tea Garden mentioned below, directly attributable to Hail to the extent of _____ % of the Agreed Insured Value of the crop so damaged, calculated on the basis of 4 kilograms of Green Leaf being equivalent to 1 kilogram of Made Tea.

Garden	Estimated Production of Made Tea in kgs.	Agreed Insured Value per kg. of Made Tea	Provisional Sum Insured on the Basis of Estimated Total Production of Made Tea

The Agreed Value for the purpose of Hail Insurance must be lower than the value agreed for Tea Crop Insurance as mentioned under Clause 4 (A) of the Tea Crop Policy. In any event, the Agreed Value for Hail Insurance shall not be more than 70% but not less than 50% of the previous Season's price of Made Tea.

The Value agreed for Hail Insurance on the above basis is Rs..... per kilogram of Made Tea for the purpose of Insurance.

THE VALUE SO AGREED HEREIN SHALL REMAIN CONSTANT DURING THE PERIOD OF INSURANCE.

- The original estimate of loss of the neighbouring planters, if agreed to and accepted by the Company, shall form the basis of claim hereunder. The Company, however, reserves the right to appoint an independent Surveyor to inspect, assess and report upon the damaged areas and the extent of loss and such Surveyor's assessment of loss shall be final and binding both on the Company as well as the Assured.

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- It is agreed that the amount recoverable hereunder is limited to % of the finally assessed loss in terms of Clause 1 above.

Provided, however, that the Company's total liability for all losses occurring during the season hereby insured shall not exceed(50% or 25%)..... of the current insured value of 20% of the out-turn for the previous period of insurance in weight from the Garden insured (including the weight of any assessed loss of crop of that season through Hail Damage) to which shall be added, in respect of any area of young bearing tea in the same Garden, where there has been no previous plucking, 2 quintals of Green Leaf per Hectare in respect of

BONUS (DISCOUNT)

LOSS RATIO	PERCENTAGE OF DISCOUNT ON BASIC RATE
Not exceeding 10%	40%
Exceeding 10% but not exceeding 20%	35%
Exceeding 20% but not exceeding 30%	30%
Exceeding 30% but not exceeding 40%	25%
Exceeding 40% but not exceeding 50%	20%
Exceeding 50% but not exceeding 60%	Basic Rate (i.e.no discount)

MALUS (LOADING)

LOSS RATIO	PERCENTAGE OF LOADING ON BASIC RATE
Exceeding 60% but not exceeding 70%	20%
Exceeding 70% but not exceeding 75%	25%
Exceeding 75% but not exceeding 80%	30%
Exceeding 80% but not exceeding 85%	35%
Exceeding 85% but not exceeding 90%	40%
Exceeding 90% but not exceeding 95%	45%
Exceeding 95% but not exceeding 105%	50%
Exceeding 105% but not exceeding 125%	55%
Exceeding 125% but not exceeding 175%	60%
Exceeding 175%	70%

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NOTE :

1. To arrive at the loss ratio for application of the Bonus/Malus provision as above, final adjusted net premium and all claims paid and outstanding will be taken into account in respect of 3 underwriting years immediately preceding the expiring year.
2. For the purpose of this Clause, Basic Rate shall mean the rate(s) given under **Clause 8 - Rates of Premium** hereinabove.

10. CONTRIBUTION CLAUSE

If at the time of any claim arising under this policy there be any other existing insurance(s) covering the same peril(s), the Company shall be liable to pay or contribute only such amount as

is payable after deducting the compensation, if any, payable under such other existing insurance(s), notwithstanding the existence of any Clause or condition of Non-Contribution or Non-Participation in the contract of such other insurance policy(ies) or cover(s).

11.This Policy will remain in force for 12 months from 1-4- to 31-3-

12.No refund of premium shall be allowed for mid-term cancellation of this cover.

13.No alteration in the agreed value of the percentage of liability is permitted during the currency of the policy.

14.Due observance of the terms and conditions of this cover on the part of the Assured shall be precedent to the Company's liability.

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ANNEXURE - 'R'
(Refer Annexure 'O'; Item 7.6)

**FORMAT FOR SUBMISSION OF PREMIUM & CLAIM STATISTICS
TO THE T.A.C. RELATING TO TEA INSURANCE**

SECTION II : TEA CROP HAIL INSURANCE

Period of Insurance	Net Premium (Rs.)	CLAIMS		
		Paid	Outstanding	Total
