

## CROP INSURANCE POLICY

Whereas the insured in the schedule hereto has made to Atlas Insurance Limited, herein after called the Company a proposal and Declaration which shall be the basis of this contract and be deemed to be incorporated herein for the insurance hereinafter contained and has paid or agreed to pay premium stated herein. The Insurers hereby agree with the insured that in the event of loss of the insured Crop or part thereof specified in the schedule due to the perils as named in this policy and occurring during the period of insurance stated; whilst at the location as specified in the schedule the insurers shall indemnify the insured in respect to such loss. Such indemnification shall be provided by payment in case and to the extent as specified in this policy but not exceeding in all the sum insured expressed in the Schedule less the deductible applicable and agreed.

### PERILS COVERED:

The cover provided under this policy is against unavoidable loss of crop or part thereof resulting directly from the peril(s) named and defined in this policy.

1. Flood
2. Excessive Rain
3. Hail Storm
4. Frost
5. Drought
6. Locust Attack
7. Disease and Insect attack caused by excessive rain and flood preventing spraying.

### INDEMNITY:

In case of a loss to the Insured's Crop, the indemnity shall become payable provided that the said crop is situated in any area declared as calamity affected by the Government (competent authority) and damage to the crop was due to any of the insured perils, subject to:

1. The declaration is notified in the gazette.
2. The name of the farmer and the insured crop has been entered in the ushr/land revenue Jamabaandi at the village/deh./chak level.

### SPECIFIED INPUTS:

Means the seed, Fertilizers & Pesticides used for the crop.

### PERIOD OF INSURANCE:

As stated in the schedule attached to this policy.

### THE SUM INSURED:

As stated in the schedule attached to this policy.

### EXCLUSION:

The Insurer shall not indemnify the insured in respect of:

1. Crop sown and not notified to the Company.
2. The deductible stated in the policy is to be borne by the Insured'
3. Loss directly or indirectly caused by' arising out of or aggravated by:
  - 3.1. War, invasion. act of foreign enemies. hostilities (whether war be declared or not). Civil War, Rebellion, Revolution, Insurrection, Mutiny, Riot, Strike, Lockout, Civil Commotion, Military or usurped Power of Malicious persons or persons acting on Behalf of or in connection with any political organization, Conspiracy, Confiscation, Commandeering, requisition or loss by order of any Government de-jure or de-facto or by any authority whether public or private in any action, suit or other proceeding where the insurers allege that by reason of the above exclusions, any loss destruction' damage or liability is riot covered by this policy, the burden of proving that such [loss, destruction, damage or liability is covered shall be upon the insured'.
  - 3.2. Nuclear reaction, nuclear radiation or radioactive contamination'
  - 3.3. Willful action, willful negligence of the insured or his representatives'
  - 3.4. Any Act of Terrorism
4. Loss due to theft. robbery, malicious act, spillage, sequestration, vandalism or any cause or any cause of loss not specified as an insured peril under this policy'.
5. Loss due to mysterious or unexplained disappearance or loss discovered only at time of harvesting.
6. Loss due to earthquake. volcanic eruption or other convulsion of nature. subsidence. Landslide or erosion.
7. Loss caused by or arising out of inherent defects. wear and tear or gradual deterioration of all mechanical or electrical equipment and installation whether insured or not.
8. Loss caused by or arising out of or aggravated by failure of the Insured to keep and maintain all mechanical or electrical equipment and installations in good working order. whether insured or not.
9. Loss due to poor seed quality and/or poor seed treatment due to whatever reason or late sowing. late re-sowing or late transplanting or re-transplanting unless the insurers specifically agrees to it.

10. Loss due to non-observance of the manufacturer's and/or the Government of Agricultural Department's recommendation(s) for the application of pesticides which are registered for the disease(s) and Insect Pests of the cultivated species or the control of weed in it.

11. loss caused by inappropriate formulation or the inappropriate storage of pesticides at the manufacturer's or the insured's location or elsewhere. or by spray drift from a cultivated plot next to the insured location.

12. Loss due to available causes such as neglect and/or malfeasance of the insured member of his Family, his employee, poor farming practices or failure to re-seed or re-plant if it is feasible to do so under the circumstances.

13. Loss due to the insured's neglect or failure to harvest the portion of the crop which is recoverable and mature.

**EXPLANATION/ GENERAL CONDITIONS:**

1. FLOOD shall be understood as an incident where the insured crop is damaged due to inundation and/or current of flowing water as consequence of an overflow of the irrigation system(s) and/or River and/or breach of canal due to rainfall and/or unusually quick snow melting or high tide or collapse of dam.

2. DROUGHT shall be understood as a scarcity of irrigation water as consequence of prolonged shortage of rain fall either in the area of the insured location or in the catchment area.

3. SUBROGATION Any Claimant under this policy shall at the request and at the expense of the insurers do and concur in doing and permit to be done all such acts and things as may be necessary or reasonably by the insurers for the purpose enforcing any rights and remedies or of obtaining relief or indemnity from other parties to which the Insurers are or would become entitled or which is or would be subrogated to them upon their paying for or making good any under this policy. whether such acts and things have become necessary or required before or after indemnification by the Insurers.

4. RIGHTS OF INSURERS Representatives for the insurers shall at any reasonable time have the right to inspect and examine the risk and the insured shall provide the representatives of the Insurers with all details and information necessary relating to the risk.

5. AREA AVERAGE YIELD means the average yield per acre of the last 3 years that has been achieved by yields of the same variety of crop, grown on soils of different quality at different levels of intensity by the farmer in the reference region.

6. INDIVIDUAL AVERAGE YIELD means the average yield per acre of the variety of crop to be insured that has been harvested at the insured's location(s) in the last 3 years.

7. NORMAL YIELD shall be the individual average yields. except where the individual average Yield cannot be ascertained due to absence or inadequacy of record or otherwise in which event the area average yield shall be applied.

8. LOSS RATIO shall be such proportion of the normal yield as the difference between that normal yield and the actual yield and the actual bears to the normal yield.

9. TOTAL LOSS shall be a loss of crop to such an extent that only less than 25% of the normal yield would become mature and/or recoverable.

10. DEDUCTIBLE shall be the part of the loss that has to be borne by the Insured expressed as 20% of the normal yield or 5% of sum insured whichever is less.

11. NON PAYMENT OF PREMIUM In the event of non-payment of premium by the insured in the Agreed period, the insurers shall reserve the right to cancel this policy from inception.

12. REASONABLE PRECAUTIONS The Insured shall at his own expense take all reasonable precautions and comply with all reasonable recommendations of the insurers to prevent loss or damage and comply with statutory requirements and manufacturer's recommendations.

13. FULL PREMIUM IN CASE OF CLAIM In the event of a claim hereunder, the insurers shall be entitled to full premium.

14. PROPER MANAGEMENT The Insured shall follow generally accepted farming practices and shall keep up with the schedule in respect of timely sowing fertilizers, watering, harrowing, mechanical or chemical pest and weed control and harvesting in such a manner so as to achieve a good yield for the insured crops.

15. MATERIAL CHANGE The insured shall immediately notify the insurers if the number of plots planned to come into production at the insured location during the period of this policy is increased or decreased so that the sum insured on which the indemnity and provisions are based is altered. the same change shall be declared. The Insurers reserve the right to amend terms and conditions of this policy accordingly.

16. ARBITRATION If any difference shall arise as to the quantum to be paid under this policy such difference shall be referred to arbitration mutually agreed upon. It is clearly agreed and understood



that no difference or dispute shall be referable to arbitration as herein before provided. if the Company has disputed or not accepted liability under or in respect of this policy. 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 within 12 calendar months from the date of which disclaimer have been made the subject matter of a suit in a court of law. then claim shall be all purpose be deemed to have been abandoned and shall not hereafter be recoverable hereunder.

17 . CLAIM PROCEDURE: It is a condition precedent to any liability under this policy that in event Of any loss or damage to the insured crop the insured shall:

- a. Immediately, but not later than 72 hours after the discovery of loss, notify the insurers.
- b. Discuss the intended loss minimization action with the insurers or their representative.
- c. Preserve evidence of the loss and make the effected crop available for inspection by a representative or loss adjuster of the insurers.
- d. Where there has been a partial loss, the insured should not commence harvesting unless the insurers or their representatives have the chance to inspect the crop to assess the actual yield to calculate the loss ratio.
- e. Furnish all such information and documentary evidence as the insurers may require.
- f. Inform the police authorities in the event of loss due to theft or burglary.

SPECIMEN