



Agriculture Insurance Company of India Limited

Head Office: Plate B & C, 5th Floor, Block 1, East Kidwai Nagar, New Delhi - 110023

COFFEE RAINFALL INSURANCE POLICY

(UIN: IRDAN126RP0002V02200506)

Agriculture Insurance Company of India Limited ("AIC"), having received a Proposal and the premium from the Proposer named in the Schedule referred to herein below, and the said Proposal and Declaration together with any statement, report or other document leading to the issue of this Policy and referred to therein having been accepted and agreed to by AIC and the Proposer as the basis of this contract do, by this Policy agree, in consideration of and subject to the due receipt of the subsequent premiums, as set out in the Schedule with all its Parts, and further, subject to the terms and conditions contained in this Policy, as set out in the Schedule with all its Parts that on proof to the satisfaction of AIC of the compensation having become payable as set out in the Schedule to the title of the said person or persons claiming payment or upon the happening of an event upon which one or more benefits become payable under this Policy, the Sum Insured/appropriate benefit will be paid by AIC.

Schedule

Policy No.	Issued at	Stamp duty		
1. Name of the proposer				
2. Father's name				
3. Address with phone no. (if any)				
4. Account number, Name & Address of the Bank				
5. Insured's Trade or Business				
6. Coffee variety Cultivated		Robusta / Arabica (Tick relevant crop)		
7. Total Coffee Area under cultivation (in				
8. Acreage proposed for insurance (in				
9. Details of area where the crop is grown and proposed for insurance (Location, survey no. etc)				
10. Reference Rain gauge station				
11. Insurance options (Tick relevant ones)		a. Blossom Showers b. Backing Showers c. Monsoon showers d. Post Monsoon Showers		
Cover Options		Option (a)	Option (a + b)	Options (a + b)
12. Sum Insured (Rs)				
13. Premium (Rs)				
14. Total Premium (Rs)				
15. Subsidy if any (Rs)				
16. Net Premium (Rs)				
17. GST @ ___% (Rs)				
18. Gross Premium (Rs)				

(* Total sum insured per hectare for Robusta and Arabica varieties shall be Rs 20000 and Rs 30000 respectively)

Signed for and on behalf of Agriculture Insurance Company of India Limited, at _____ on this date _____.

Authorized Signatory



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Definitions

- 1) **“Blossom Showers”** shall mean the rainfall received between 1st March to 15th / 30th April for the bud to flower (bud enlargement and anthesis). The normal requirement of rainfall is 25 mm in seven consecutive days.
- 2) **“Backing Showers”** shall mean the rainfall received around 20 / 25 days from the completion of Blossom Showers to achieve fruit development & retention. The normal requirement of rainfall is 12 mm in two consecutive days.
- 3) **“Monsoon Showers”** shall mean the rainfall received during 1st July to 31st August for the fruit to grow in size. The rainfall within normal range is beneficial for early ripening and maturity. The rainfall beyond 25 to 40 mm in any seven consecutive days during the period is likely to adversely affect the coffee yield.
- 4) **“Post Monsoon Showers”** shall mean the rainfall received during 1st November to 31st December for normal ripening of the crop and improvement in the next year’s wood. The rainfall of 25 / 30 mm during the period is likely to be beneficial for the coffee yield.
- 5) **“Blossom Showers Trigger”** shall mean a point below which the payout triggers. The payout shall commence if the rainfall is below 25 mm during the period of (to be specified for each policy) and full payout is given if the rainfall is below 5 mm.
- 6) **“Backing Showers Trigger”** shall mean a point below which the payout triggers. The payout shall commence if the rainfall is below 12 mm, and full payout is given if the rainfall is below 5 mm. The period for Backing Shower shall commence after the completion of the Blossom Shower with 25mm. Should the requirement of 25mm fail during the period, a minimum of 16mm would be considered for fulfillment of Blossom Showers and subsequent commencement of period of Backing Showers. In case the Blossom Showers occur over a period less than 7 days, still, the period for Backing Showers will be counted only after full 7 days, counting from the 1st day of the occurrence of Blossom Showers. However, if the total rainfall is less than 12mm for Blossom Shower, full payout is made for Backing Shower. If full payout is made for Blossom Shower (i.e. the rainfall is less than 5mm), the payout made under Backing Shower is restricted to 50% of maximum payout.
- 7) **“Monsoon Showers Trigger”** shall mean a point above which the payout triggers. The payout shall commence if the daily rainfall is more thanmm (to be specified for each policy) consecutively for days (to be specified for each policy)
- 8) **“Post Monsoon Showers Trigger”** shall mean a point below which the payout triggers. The payout shall commence if the rainfall is below 25 mm (received in consecutive 3 days during the period, to be specified for each policy) or any 3 days with daily rainfall of 10 mm during the period.
- 9) **“Reference Rain gauge Station”** shall mean the India Meteorological Department (IMD) / State Government / Coffee Board’s rain gauge station (or other independent weather stations set up by private data providers) for recording the rainfall data (to be specified for each individual policy)
- 10) **“Sum Insured”** means and denotes the amount of cover available under each option as stated in the Schedule. This is the maximum indemnity that AIC will pay in all under each option under this policy.



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Scope of Cover

AIC hereby agrees, subject to the terms, conditions and exclusions herein contained, or otherwise expressed herein, to compensate the insured, in the manner specified herein, against the likelihood of diminished coffee output/yield resulting from shortfall / excess in the actual rainfall (as the case may be) for different coverage options within a specific geographical location and specified time period, subject to a maximum of the Sum Insured specified in the Schedule to the policy under each of the coverage options.

Main Exclusions

The insurance does not cover-

1. Loss by theft of any kind, including theft during or after the occurrence of any insured peril.
2. Earthquake, Volcanic eruption or other convulsions of nature other than those specifically covered by this insurance.
3. Damage or loss due to
 - i. Excess or deficiency of nutrients either in soil or by application
 - ii. Willful negligence of insured and/or his employees or any one acting on their behalf
 - iii. Human action, birds, locust, rodents
4. Loss or damage to fertilizer, manures, pesticides and insecticides stored in the insured's agricultural fields.
5. Loss of capital investment/inputs like land cost, loss or damage to structures supporting the insured crop, irrigation systems, agricultural equipments and implements.
6. Any loss or damage whilst the crop is in transit or storage.

General Exceptions

The company shall not be liable in respect of:

1. Loss or damage liability or expenses whether direct or indirect occasioned by happening through or arising from any consequences of war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion, revolution insurrection military or usurped power or civil commotion or loot or pillage in connection herewith.
2. Consequential loss of any kind or description.
3. (a) Loss or damage directly or indirectly caused by arising from or in consequence of or contributed to by nuclear weapons material.

(b) This insurance does not cover loss of damage directly or indirectly caused by or arising from or in consequence of or contributed to by ionizing radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. For the purpose of Condition 4(b) only combustion shall include any self-sustaining process of nuclear fission.



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Basis of assessment of claims:

In the event that, in the geographical location and during the time period specified in the Schedule to this policy for different options, the Actual Rainfall is deficit / excess compared to the specified trigger level, the benefit payable to the insured shall be a sum specified corresponding to the trigger level, (refer annexure -1), subject to maximum of the Sum Insured specified under various options of the Schedule hereto.

Claim Documentation:

Claims are automated; and will be settled on the basis of actual rainfall data received from the concerned agencies/ institutions. Claims when become payable, will be paid at a uniform rate to all the insured growers in the coffee zone.

The insured shall tender to AIC all reasonable information, assistance and proofs in connection with any claim hereunder.



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General Conditions

1. Limitation Period

In no case whatsoever shall AIC be liable for any loss or damage after the expiration of 12 months from the time period as specified for lodging of the claim of the loss or damage unless the claim is the subject of pending action or arbitration; it being expressly agreed and declared that if AIC shall disclaim liability for any claim hereunder and such claim shall not within 12 calendar months from the date of the disclaimer have been made the subject matter of a suit in a court of law then the claim shall for all purposes be deemed to have been abandoned and shall not thereafter be recoverable hereunder.

2. Insurable Interest

During the period of this policy, the insured should possess all rights with regard to the agricultural land and the coffee crop cultivated as specified by the insured in the Schedule to the policy. The insured shall provide to AIC such title deeds and other documents as may be required by AIC for verification of his/her interest over the insured property. The due observance and fulfillment of the above shall be a condition precedent for settlement of any claim under this policy.

3. Incontestability and Duty of Disclosure

The Policy shall be null and void and no benefit shall be payable in the event of untrue or incorrect statements, misrepresentation, misdescription or on non-disclosure of any material particular in the proposal form, personal statement, declaration and connected documents, or any material information having been withheld, or a claim being fraudulent or any fraudulent means or devices being used by the Insured or any one acting on his behalf to obtain any benefit under this Policy.

4. Observance of terms and conditions

The due observance and fulfillment of the terms, conditions and endorsement of this Policy in so far as they relate to anything to be done or complied with by the Insured, shall be a condition precedent to any liability of AIC to make any payment under this Policy.

5. Records to be maintained

The Insured shall keep an accurate record containing all relevant particulars and shall allow AIC to inspect such record. The Insured shall, within one month after the expiry of each period of insurance furnish such information as AIC may require.

6. No constructive Notice

Any of the circumstances in relation to these conditions coming to the knowledge of any official of AIC shall not be the notice to or be held to bind or prejudicially affect AIC notwithstanding subsequent acceptance of any premium.

7. Notice of charge etc.

AIC shall not be bound to notice or be affected by any notice of any trust, charge, lien, assignment or other dealing with or relating to this Policy but the receipt of the Insured or his legal personal representative shall in all cases be an effectual discharge to AIC.

8. Special Provisions

Any special provisions subject to which this Policy has been entered into and endorsed in the Policy or in any separate instrument shall be deemed to be part of this Policy and shall have effect accordingly.



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9. Fraudulent claims

If any claim is in any respect fraudulent, or if any false statement, or declaration is made or used in support thereof, or if any fraudulent means or devices are used by the Insured or anyone acting on his behalf to obtain any benefit under this Policy, or if a claim is made and rejected and no court action or suit is commenced within twelve months after such rejection or, in case of arbitration taking place as provided therein, within twelve (12) calendar months after the Arbitrator or Arbitrators have made their award, all benefits under this Policy shall be forfeited.

10. Policy Disputes

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

11. Arbitration clause

If any dispute or difference shall arise as to the quantum to be paid under this Policy (liability being otherwise admitted) such difference shall independently of all other questions be referred to the decision of a sole arbitrator to be appointed in writing by the parties to the dispute/difference, or if they cannot agree upon a single arbitrator within 30 days of any party invoking arbitration, the same shall be referred to a panel of three arbitrators, comprising of two arbitrators, one to be appointed by each of the parties to the dispute/difference and the third arbitrator to be appointed by such two arbitrators. Arbitration shall be conducted under and in accordance with the provisions of the [Indian] Arbitration and Conciliation Act, 1996.

It is clearly agreed and understood that no difference or dispute shall be referable to arbitration, as hereinbefore provided, if AIC has disputed or not accepted liability under or in respect of this Policy.

It is hereby expressly stipulated and declared that it shall be a condition precedent to any right of action or suit upon this Policy that the award by such arbitrator/ arbitrators of the amount of the loss or damage shall be first obtained.

12. Notices

Any notice, direction or instruction given under this Policy shall be in writing and delivered by hand, post, or facsimile to:

(i) In case of the Insured, at the address specified in the Schedule.

(ii) In case of **Agriculture Insurance Company of India Limited:**

HEAD OFFICE: Plate B & C, 5th Floor, Block 1, East Kidwai Nagar, New Delhi - 110023 E-mail: aicho@aicofindia.com	REGIONAL OFFICE(KARNATAKA): 3rd Floor, Karnataka Pradesh KrishikSamaj No. 18, Nrupatunga Road, Hudson Circle, Bangalore - 560 001 Ph.: [080] 22115390
REGIONAL OFFICE (TAMILNADU) Old No. 156 (New No. 323), Andhra Insurance Building, 1st Floor, ThambuChetty Street (Parry's Corner), Chennai - 600 001 Ph.: [044] 43403400	REGIONAL OFFICE (KERALA) 8th floor, Carmel Towers, Cotton Hill PO, Vazhuthacaud, Thiruvananthapuram - 695014 Ph.: [0471] 2334493



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Notice and instructions will be deemed served 7 days after posting or immediately upon receipt in the case of hand delivery, facsimile or e-mail.

13. Customer Service

If at any time the Insured requires any clarification or assistance, the Insured may contact the offices of AIC at the address specified, during normal business hours.

14. Grievances

In case the Insured is aggrieved in any way, the Insured may contact AIC at the specified address, during normal business hours.



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AGREED BANK CLAUSE

It is hereby declared and agreed: -

- (a) That upon any monies becoming payable under this policy the same shall be paid by AIC to the Bank¹ and such part of any monies so paid as may relate to the interests of other parties Insured hereunder shall be received by the Bank as Agents for such other parties.
- (b) That the receipts of the Bank shall be complete discharge of AIC therefor and shall be binding on all the parties insured hereunder.
- (c) That if and whenever any notice shall be required to be given or other communication shall be required to be made by AIC to the Insured or any of them in any matter arising under or in connection with this policy such notice or other communication shall be deemed to have been sufficiently given or made if given or made to the Bank.
- (d) That any adjustment, settlement, compromise or reference to arbitration in connection with any dispute between AIC and the Insured or any of them arising under or in connection with this policy if made by the Bank shall be valid and binding on all parties Insured hereunder but not so as to impair rights of the Bank to recover the full amount of any claim it may have on other parties Insured hereunder.
- (e) It is further agreed that whenever AIC shall pay the Bank any sum in respect of loss or damage under this policy and shall claim that as to the Mortgagor or owner no liability therefore existed, AIC shall become legally subrogated to all the rights of the Bank to the extent of such payments but not so as to impair the right of the bank to recover the full amount of any claim it may have on such Mortgagor or Owner or any other party or parties insured hereunder or from any securities or funds available.

¹ The Bank shall mean the first named Financial Institution/ Bank named in the policy.