



ISO: 9001, 14001,
& 45001

नॉर्थ ईस्टर्न इलेक्ट्रिक पावर कॉर्पोरेशन लिमिटेड

(भारत सरकार का उद्यम)

NORTH EASTERN ELECTRIC POWER CORPORATION LTD.

(A Govt. of India Enterprise)

Office of the Executive Director, Contracts and Procurement
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No.: NEEPCO/QP/ED/C&P/F/C/KaHEP Mega/545/2022-23/ 627

Dated 16.06.2022.

To,

United India Insurance Co. Ltd.,
Laitumkhrah Main Road, Shillong-793003.
Tel. No. 0364-2226387,
E-mail: doleynabakamal@uiic.co.in

Kind Attention: Sri N.K Doley, SDM

Sub: Renewal of Industrial All Risk (IAR) Insurance Policy for the Assets of Kameng Hydro Power Station (600 MW), KaHPS, West Kameng District, Arunachal Pradesh, for a period of 1(one) year w.e.f. 00:00:00 Hours of 17.06.2022 - Letter of Intent (LOI) thereof.

- Ref:
1. NIB No. 416 Dated 12.04.2022.
 2. Corrigendum No. 01 Dtd. 09.05.2022, Corrigendum No. 02 Dtd. 17.05.2022 & Corrigendum No. 03 Dtd. 18.05.2022.
 3. NEEPCO's email Dtd. 22.05.2022, 25.05.2022 & 03.06.2022 on withdrawal of deviations, submission of required documents & clarifications.
 4. UIIC's email Dtd. 24.05.2022, 25.05.2022 & 03.06.2022 on extension of bid validity and submission of additional documents & clarifications.
 5. NEEPCO's email Dtd. 15.06.2022 for reducing premium quote.
 6. UIIC's email Dtd. 15.06.2021 on submission of revised premium quote.

Dear Sir,

With reference to the above, the North Eastern Electric Power Corporation Ltd. (NEEPCO) intends to place order for **Renewal of Industrial All Risk (IAR) Insurance Policy for the Assets of Kameng Hydro Power Station (600 MW), KaHPS, West Kameng District, Arunachal Pradesh, for a period of 1(one) year w.e.f. 00:00:00 Hours of 17.06.2022**, with United India Insurance Co. Ltd., for a premium of **Rs. 43,97,94,748.00 (Rupees forty three crore ninety seven lakh ninety four thousand seven hundred forty eight only) inclusive of GST @18%**, quoted vide UIIC's email Dtd.15.06.2022, against the following Sum Insured (SI):

Particulars	Sum Insured (in Rs.)
IAR Cover (Material Damage)	6489,60,00,000.00
Machinery Break Down (MBD)	1463,89,08,684.13
Earthquake (including plinth & foundation)	6489,60,00,000.00
Business Interruption - FLOP (12 months)	1125,66,27,080.00
Business Interruption - MLOP (12 months)	1125,66,27,080.00
Terrorism Cover	7615,26,27,080.00
Public Liability Industrial Risk cover for Property Damage AOA : AOY - 15 Crore : 60 Crore	60,00,00,000.00
Public Liability Industrial Risk cover for Bodily Injury/ Loss of Life AOA : AOY - 5 Crore : 15 Crore	15,00,00,000.00

[Signature]

The scope of service shall be as per the terms and conditions stipulated in the Detailed Bid Document of NIB No. 416 Dated 12.04.2022 and its subsequent Corrigenda. In addition to the in-built Coverage under IAR Insurance Policy within the guidelines of TAC/IRDA norms as applicable, the Sub-limits for Add-Ons, Deductibles & Loss limit of AOG perils etc., shall be as per the Common Terms & Conditions enclosed at Annexure-I. Any other deviations from the bid stipulation, apart from those indicated in Annexure-I, shall stand withdrawn.

In terms of Clause 19.0, Section-V: Conditions of Insurance Policy, for evaluating and assessing the risks associated with the insurance policy, the Insurer shall conduct a Risk Inspection of the Kameng Hydro Power Station at no extra cost to the Corporation, in consultation with the Head of Plant, Kameng Hydro Power Station, KaHPS, West Kameng District, Arunachal Pradesh, and shall submit its Report to the Head of Plant, KaHPS, with a copy to CGM(C), i/c Contracts & Procurement, NEEPCO, Shillong, Meghalaya, atleast 3(three) months prior to expiry of the proposed renewal of the IAR insurance policy.

You are requested to submit the following to enable us issue the Detailed Order:

1. Unconditional acceptance of the LOI.
2. Undertaking confirming full placement of Re-insurance support within 7(seven) days from the date of issue of this LOI as indicated under Forms F-3A: Certificate regarding Re-Insurance Arrangement Details by Insurer and at F-3C: Certificate regarding Re-Insurance Support by Follow Re-Insurer(s), of your Techno-Commercials bids.
3. Premium Bill / Invoice in triplicate indicating your GSTIN No. & SAC Code for releasing the premium. NEEPCO's GST Number may please be noted as **GSTIN No. 12AAACN9991J3Z1**.

This LOI shall be treated as instruction for commencement of insurance cover for the Plant w.e.f. 00:00:00 Hours of 17.06.2022, for which premium shall be released before due date of the renewal of the policy on fulfilment of the conditions in preceding para. You are therefore requested to take needful actions accordingly.

Yours sincerely,


**Chief General Manager (C),
i/c Contracts & Procurement**

Terms & Conditions of the Policy

1. The insurance policy shall commence w.e.f. 00:00:00 Hours of 17.06.2022. The Sum Insured and corresponding premiums are as below.

Policy Cover	Sum Insured (in Rs.)	Rate of Premium per mille (Rupees per Thousand)	Premium excluding GST (in Rs.)
IAR Cover (Material Damage)	6489,60,00,000.00	3.726602	24,18,41,592.00
Machinery Breakdown (MBD)	1463,89,08,684.13	1.00000	1,46,38,908.68
Earthquake (including plinth & foundation)	6489,60,00,000.00	0.50000	3,24,48,000.00
Business Interruption- FLOP (12 months)	1125,66,27,080.00	4.4007272	4,95,37,344.97
Business Interruption- MLOP (12 months)	1125,66,27,080.00	2.50000	2,81,41,567.70
Terrorism Cover	7615,26,27,080.00	0.038081418	29,00,000.00
Public Liability Industrial Risk Cover for Property Damage (AOA : AOY -15 Crore : 60 Crore)	60,00,00,000.00	2.6666667	16,00,000.00
Public Liability Industrial Risk Cover for Bodily Injury/ Loss of Life: (AOA : AOY - 5 Crore : 15 Crore)	15,00,00,000.00	10.6666667	16,00,000.00
Total Premium excluding GST			37,27,07,413.35
Add GST @ 18%			6,70,87,334.40
Total Premium including GST			43,97,94,747.75

2. The following quoted Deductibles shall apply.

PD/MBD	10% of the claim amount subject to minimum of Rs. 7.25 Crore.
FLOP	75 days of Standard Gross Profit (SGP).
MLOP	75 days of Standard Gross Profit (SGP).
Deductible for Burglary / Theft / RSMD (Riots, strike, malicious damage)	10% of the claim amount subject to minimum of Rs. 7.25 Crore.
Deductible for Electronic equipment	10% of claim amount for PD/MBD subject to minimum of Rs. 7.25 Crs.
Deductible for property under course of Construction / erection	10% of the claim amount subject to minimum of Rs. 7.25 Crore.
Deductible under Inland transit.	5% of claim amount subject to a minimum of Rs. 1 lakh for each & every occurrence.
Deductible for add-on covers operating in isolation	10% of the claim amount subject to minimum of Rs. 2.00 Crore.

3. The following Conditions shall apply:

For all claims arising out of AOG perils including Business Interruption.	Loss limit of Rs. 750 Crore in aggregate.
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4. In addition to the In-built coverage under IAR Insurance Policy within the guidelines of TAC/IRDA norms as applicable, following Sub-limits for Add-ons shall also apply.

Sl. No.	Add-ons	Sub-Limit
1.	Expediting expenses including Airfreight	Rs. 5 Crore.
2.	Architects, Surveyors, & Consulting Engineers fees	Rs. 1 Crore (in excess of 3%) of the claim amount.
3.	Cost of Demolition and/or Removal of	Rs. 15 Crore in aggregate. Foreign debris and

Sl. No.	Add-ons	Sub-Limit
	Debris including Foreign Debris / dewatering expenses.	dewatering expenses agreed up to 30% of ROD limit.
4.	Loss minimization / Loss prevention expenses	Rs. 5 Crore in aggregate
5.	Capital additions / Newly Acquired Property / Interest	Rs. 5 Crore in aggregate
6.	Underinsurance	15% for Property/ Material Damage portion.
7.	Escalation Clause	5% for Material Damage (excluding Stock).
8.	Omission to Insure, Additions, Alterations or Extensions	Rs. 5 Crore in aggregate.
9.	Immediate repair/relief/Minor Repairs	Rs. 5 Crore in aggregate.
10.	Temporary removal of Stocks Clause	Rs. 10 Crore in aggregate.
11.	Inland Transit of Equipment (within premises)	Rs. 5 Crore (single carrying limit).
12.	Property in the course of construction / erection/ minor works	Rs. 10 Crore.
13.	Plans, Documents & Computer Records	Rs. 1 Crore in aggregate.
14.	Additional Customs Duty	Rs. 1 Crore in aggregate.
15.	Deliberate damage	Rs. 5 Crore in aggregate.
16.	Property not on Insured Premises/Off Premises	Rs. 5 Crore in aggregate.
17.	Shut down / Start up Expenses	Upto Rs. 5 Crore EEL and in aggregate.
18.	Professional Accountants Clause	Rs. 50 Lakhs in aggregate.
19.	Additional increased Cost of Working	Rs. 5 Crore in aggregate.
20.	Prevention of Access	Agreed for prevention of access as per the CBI wordings.
21.	Claims Preparation cost for BI	Rs. 50 Lakhs in aggregate.
22.	Pair & Set Clause	Rs. 5 Crore in aggregate.
23.	Reinstatement values clause	Agreed by M/s UIICL.
24.	Designation of Property Clause	Agreed by M/s UIICL.
25.	Local authority clause	Agreed upto Rs. 50 Crore in aggregate by M/s UIICL.
26.	Goods held in trust clause	Agreed by M/s UIICL as long as the same is included in the total sum insured declared.
27.	Impact Damage due to own vehicles, forklifts , including overhead and all type of cranes and construction equipment	Agreed by M/s UIICL.
28.	72 hours clause	Agreed by M/s UIICL.
29.	Waiver of Subrogation Clause	Agreed by M/s UIICL.
30.	On Account Payment Clause	On recommendation of loss adjustor.
31.	Departmental clause	Agreed by M/s UIICL.
32.	Alternative Basis Clause	Agreed by M/s UIICL.
33.	Agreed Bank clause (names to be furnished).	Agreed by M/s UIICL.
34.	Changes in Sum Insured:	Upward revision in SI is allowed with pro rata premium. In case of reduction of sum insured, it will be applicable from the date of receipt of information by the insurer and pro-rata premium shall be refunded to NEEPCO within 7 days from date of receipt of such intimation by Insurer, subject to Auditor's report of revision in Sums Insured is shared with Insurer.

XXXXX

Handwritten signatures and dates:
 16/06/22
 16/06/2022