

VIZAG STEEL

PRIDE OF STEEL

**TENDER FOR INSURANCE COVERAGE OF ASSETS OF
VISAKHAPATNAM STEEL PLANT**

Competitive Bids are invited from Insurance Companies for Insurance coverage of Assets of Visakhapatnam Steel Plant including Captive Mines, Group Mediclaim Insurance and Group Personal Accident Insurance (GPAI) and other policies listed in the tender document.

For Tender details visit our Website – <http://www.vizagsteel.com/tenders/others>.

Interested Insurance Companies registered with Insurance Regulatory & Development Authority (IRDA) of India may download the tender documents or collect the same and participate in the tender by submitting their competitive bid at the following address

Asst. General Manager-Finance & Accounts
RASHTRIYA ISPAT NIGAM LIMITED
VISAKHAPATNAM STEEL PLANT
INSURANCE SECTION
FINANCE & ACCOUNTS DEPARTMENT
II FLOOR, ROOM NO.357, ADMINISTRATION BUILDING
VISAKHAPATNAM – 530 031.
Mobile-7702777457
E-Mail: hkjha@vizagsteel.com

Insurance Tender

The tender documents comprise the following:

1. Enclosure-A: Notice inviting bids for Insurance risk coverage of assets of RINL, Group Medclaim Insurance Policy, Group Personal Accident Insurance (GPAI) Policy etc. along with terms & conditions No. VSP/FIN/Insurance/2018-19/02 dated 03-01-2019 (page Nos. 4 to 19).
2. Enclosure-B: Technical Bid detailing the different assets to be covered, Risks being covered and applicable policy excess. (Enclosure-B with list of Insurance Policies for Mega Risk with Business Interruption following Property Damage (Consequential Loss of Profits) Insurance Policy, Stand Alone Terrorism, Burglary & Theft Risks, Public Liability, Marine Declaration Policies, Group Medclaim Policy for Retired Employees, etc. of RINL/VSP, Group Personal Accident Insurance Policy for Employees of RINL/VSP along with 20 Annexures (page Nos. 20 to 100).
3. Enclosure-C: Claims Statistics (Enclosure-C at page Nos. 101 to 102) (Ref: Clause No. 13.1 of Enclosure-A).
4. Enclosure-D: Declaration for compliance with IRDA guidelines (Enclosure-D at page No.103). (Also refer Clause No.6.0 of Enclosure-A).
5. Enclosure-E: Declaration confirming Reinsurance arrangement or self-insurance (Enclosure-E at page No.104). (Also refer Clause No.9.5 of Enclosure-A).
6. Enclosure-F: Declaration confirming that they have gone through the statement of ITC Benefit (at page Nos.105 to 107) and understood the impact of GST on evaluation of their price bids. (Enclosure-F at page No.108). (Also refer Clause No.9.6 of Enclosure-A).
7. Enclosure-G: Declaration stating Compliance with ratings of re-insurer (Enclosure-G at page No.109). (Also refer Clause No.10.2.2 of Enclosure-A).

8. Enclosure-H: Price Bid Format (Enclosure-H-1) containing details of Insurance Policies, against which premium is to be quoted at page No.110. Price Bid Format(Enclosure-H-2) containing details of Top Up Policy for GMIP at page no. 111.
9. Appendix-I: Integrity Pact (page Nos.112 to 119).
10. Appendix-II: Copy of Inspection Report for the Risk Assessment done on 17.11.18, by the consultants M/s. KM Dastur Re-insurance Brokers Pvt. Ltd is appended for ready reference (page Nos.120 to 163).

The Tender documents are to be submitted in time, complete in all respects initialed on each page & signed with Official Seal at specified place(s). RINL cannot take any responsibility for postal delay and /or misplacement of tender.

For RINL/Visakhapatnam Steel Plant

(H K Jha)
AGM (F & A)

RASHTRIYA ISPAT NIGAM LIMITED

VISAKHAPATNAM STEEL PLANT
VISAKHAPATNAM-530031

Tender No.VSP/Fin/30/Insurance/2018-19/02, Dated 03-01-2019

Notice inviting bids for Insurance Coverage of Risks of RINL

Rashtriya Ispat Nigam Limited (RINL) wishes to obtain insurance cover for Fire, Boiler, etc under Mega Policy, Business Interruption following Property Damage (Consequential Loss of Profits) Insurance Policy for the risks covered under Mega Policy, Stand Alone Terrorism, Motor (Third Party Liability), Marine Declaration policy, Burglary & House Breaking, Public Liability (Act & Industrial) Policy, Cash and Other Miscellaneous Risks for its units located at Visakhapatnam, Marketing outlets and Mines spread across the country; Group Mediclaim Policy for its Retired Employees etc; and Group Personal Accident Insurance (GPAI) for its Employees. Sealed quotations are invited on or **before 16.00 hrs of 24-01-2019** addressed to **AGM (F&A), Insurance Section, Room No.357, Finance & Accounts Department, RINL, Visakhapatnam Steel Plant, Administration Building, Visakhapatnam-530 031** as per the details, terms and conditions given below:

1.0 SCOPE OF RISK COVERAGE

Insurance Policies shall cover all the Risks, as per details enclosed, under Mega Policy except for exclusions; Business Interruption following Property Damage (Consequential Loss of Profits-LOP) for the risks covered under Mega Policy & Terrorism Policy, Motor Vehicles (Third Party Liability), Marine, Burglary & House Breaking, Public Liability(Act & Industrial), Cash and Other Miscellaneous risks / policies for Visakhapatnam Steel Plant, Marketing outlets & Mines, Group Mediclaim Policy for Retired Employees etc., and Group Personal Accident Insurance (GPAI) for Employees. The coverage details are enclosed to Technical Bid at Enclosure B.

2.0 **PERIOD OF RISK COVERAGE:**

The insurance policies cover under this Tender shall be for a period of one year commencing from 00.00 hrs of 01.04.2019 to 24.00 hrs of 31.03.2020.

3.0 **PAYMENT OF PREMIUM:**

3.1 Annual premium for all the Policies except for Marine (excluding Marine Cargo Open Policy for inland purchases), All Risks Insurance (including terrorism) Policy (Declaration) during repairs for 2nd Hand Machinery, Mega, Business Interruption following Property Damage (Consequential Loss of Profits) and Terrorism Policies shall be paid on or before 31.03.2019.

3.2 **Payment of Insurance Premium for Marine Policies :**

3.2.1 In respect of Marine Cargo Open Policy for inland purchases annual premium shall be paid for which open policy will be issued by the Insurance Company and the policy premium shall be subject to adjustment as detailed below:

Marine Cargo Open policy for inland purchases shall be issued for the sum insured as per tender. Monthly inland purchase declarations (where ever insurance is to RINL/VSP Account) shall be submitted duly indicating the sum insured. In case, the sum insured is exhausted during the pendency of the policy period, then the sum insured is increased appropriately and further premium as per the quoted rate for the policy shall be paid for the increased sum insured and policy endorsement shall be issued accordingly. In case the sum insured is excess/surplus after declaring the purchases for the entire policy period, the premium for the excess/surplus sum insured shall be refunded under Marine Cargo Open Policy (Inland).

3.2.2 For rest of the Marine Policies/Cover three months advance premium (deposit) shall be paid, combined for all marine policies: Marine Open Cover -Third Country Imports & Customs Duty, Marine Open Cover for all types of Coal & Coke, Marine Open Cover for Lime Stone, Marine - Inland-Second Hand Machinery Policy and Marine Open Cover -Export & Import-Second Hand Machinery. Thereafter on receipt of declarations, the Insurance Company shall raise bills periodically and adjust the premium so paid in advance and while issuing the cover notes/policies, shall indicate balance deposit available. Further deposit/remittance shall be made on or before 7th day from the date of receipt of statements, which are in order. After expiry of the policy period, the balance deposit shall be refunded by the Insurance Company.

3.3 Payment of Insurance premium in respect of All Risks Insurance (including terrorism) Policy (Declaration) during repairs for 2nd Hand Machinery at Customers' Premises.

- 3.3.1 For All Risks Insurance (including terrorism) Policy (Declaration) for 2nd Hand Machinery during repairs at Customers' Premises (with in India) as per Annexure No.15, three months advance premium (deposit) shall be paid. Based on the declaration furnished, Prorata premium shall be charged depending up on the estimated repair period, before the 2nd hand machinery is sent for repair and accordingly, cover note/policy shall be issued, as per the details indicated in the declaration, duly deducting the premium from the deposit.
- 3.3.2 Adjustment of premium for extension /reduction of repair period shall be on pro-rata basis for the repair period as determined by the Customer (Repairing Agency) and agreed by RINL. The Insurance Company shall raise bills periodically and adjust the premium against the advance premium deposit and while issuing the cover notes/policy, shall indicate balance deposit available. If required, further deposit/remittance shall be made on or before 7th day from the date of receipt of statements, which are in order.
- 3.3.3 In case the repair period is extended beyond the existing coverage/policy period, the cover shall be extended by the insurance company on payment of pro-rata premium for the extended period also at the same rate of premium as quoted in this tender.
- 3.3.4 The unutilized advance premium deposit shall be refunded on expiry of existing/extended coverage as the case may be.

3.4 Payment of Insurance premium and policy cover in respect of Burglary Policy and Special Contingency Policy for Coal storage:

For the Burglary Policy as per Annexure No.3, the Insurance cover required is on "First Loss Basis" for 10% value of full value at risk. For the Special contingency Policy for Coal and Coke storage risk, Insurer's liability for the year is limited to Rs 436 Crores only. Premium is to be quoted accordingly.

- 3.5 For Mega & BI and Terrorism Policies mentioned at Annexures-1 & 2, the Insurance Company shall extend credit against Bank Guarantee for an amount equal to the agreed & due premium to be arranged by RINL for the period from 01.04.2019 to 31.05.2019. Premium quoted against these policies will be paid, on or before the date of expiry of bank guarantee period.

- 3.6 Mode of Payment for all premiums shall be through NEFT/RTGS/Account Transfer/any other mode of e-payment implemented by Banks as per RBI Guidelines from time to time. Successful Insurer shall submit details of Bank Account Number, etc., as per prescribed format of RINL.
- 4.0 **Claim settlement as per IRDA guidelines:**
- 4.1 An insured or the claimant shall give notice to the insurer of any loss arising under contract of insurance at the earliest or within such extended time as may be allowed by the insurer. On receipt of such a communication, a general insurer shall respond immediately and give clear indication to the insured on the procedures that he should follow. In cases where a surveyor has to be appointed for assessing a loss / claim, it shall be so done within 72 hours of the receipt of intimation from the insured.
- 4.2 Where the insured is unable to furnish all the particulars required by the surveyor or where the surveyor does not receive the full cooperation of the insured, the insurer or the surveyor as the case may be, shall inform in writing the insured about the delay that may result in the assessment of the claim. The surveyor shall be subjected to the code of conduct laid down by the Authority while assessing the loss, and shall communicate his findings to the insurer within 30 days of his appointment with a copy of the report being furnished to the insured, if he so desires. Where, in special circumstances of the case, either due to its special and complicated nature, the surveyor shall under intimation to the insured, seek an extension from the insurer for submission of his report. In no case shall a surveyor take more than six months from the date of his appointment to furnish his report.
- 4.3 If an insurer, on the receipt of a survey report, finds that it is incomplete in any respect, he shall require the surveyor under intimation to the insured, to furnish an additional report on certain specific issues as may be required by the insurer. Such a request may be made by the insurer within 15 days of the receipt of the original survey report. Provided that, the facility of calling for an additional report by the insurer shall not be resorted to more than once in the case of a claim.
- 4.4 The surveyor on receipt of this communication shall furnish an additional report within three weeks of the date of receipt of communication from the insurer.
- 4.5 On receipt of the survey report or the additional survey report, as the case may be, an insurer shall within a period of 30 days offer a settlement of the claim to the insured. If the insurer, for any reasons to be recorded in writing and communicated to the insured, decides to reject a claim under the policy, it shall do so within a period of 30 days from the receipt of the survey report or the additional survey report, as the case may be.

- 4.6 Upon acceptance of an offer of settlement as stated in sub-regulation (5) by the insured, the payment of the amount due shall be made within 7 days from the date of acceptance of the offer by the insured. In the cases of delay in the payment, the insurer shall be liable to pay interest at a rate which is 2% above the bank rate prevalent at the beginning of the financial year in which the claim is reviewed by it.

5.0 **ADDITIONS/DELETIONS OF ITEMS/SUM INSURED/LOCATIONS:**

- 5.1 RINL is modernizing some of its existing facilities. These assets are likely to be commissioned in the financial year 2019-20. For any modernization facility resulting in capacity addition, pro-rata premium will be paid for the unexpired period of insurance for the additional value of modernization only. The assets etc. that may come into existence in any additional or existing location shall also be included, if desired by VSP, under any of the policies on payment of pro-rata premium for the unexpired period of insurance.
- 5.2 Similarly, when an item is added or the scope of coverage/sum insured is increased / included during the policy period, the proportionate premium for the unexpired period of insurance will be paid to the insurance company by RINL. Premium payable by RINL shall be made as per clause 3.0 (except 3.5 BG part) above.
- 5.3 RINL reserves the right to withdraw the items/sum insured from the scope of coverage during the policy period. When the item(s) or sum insured from the scope of coverage is/are withdrawn during the policy period, the proportionate premium shall be refunded by the insurance company to RINL. Insurance Company shall refund the premium within seven (7) working days from the date of withdrawal or change of coverage intimation.
- 5.4 Insurance cover under third party liability for RINL/VSP owned vehicles/heavy vehicles like dumpers, dozers, fire tenders etc. shall be from date of expiry of existing insurance cover. Insurance Company may also note that some of the existing vehicles may be discarded for which no coverage is required and some new vehicles may be added afresh for which third party coverage is required. The insurance company shall provide third party liability cover for all the vehicles as would be indicated by RINL/VSP for a year from the date of expiry of existing coverage. The existing coverage for majority of the vehicles is up to 30.09.2019.

6.0 The Insurance Company may, in their own interest, quote the rates and premium for Policy items in line with rules, regulations and guidelines of applicable Statutory Bodies viz., IRDA of India/TAC. Accordingly, Insurance Company to furnish a declaration as per enclosure-D (Page No.103) stating compliance with IRDA of India/TAC Guidelines, Rules & Regulations. The Insurance Company shall also submit copies of Certificate of Registration and latest certificate of Renewal of Registration issued by IRDA of India. In case of any deviation, violation and/or discrepancy (how so ever described) is observed by any Authority on the rates or discounts or premium quoted or terms & conditions etc., of this contract with the rules and regulations of IRDA of India, responsibility to address/resolve the issues will be solely that of the Insurance Company. RINL shall not be responsible and liable for any implications whatsoever i.e. additional premium or penalty, consequential delays or penalty etc. The Policy cannot be revoked/cancelled by the Insurance Company for the afore-stated reasons. Insurance Company will be solely responsible / liable for any implications, financial or otherwise arising out of any such eventuality.

7.0 **ALTERNATE ARRANGEMENTS AT RISK & COST OF THE INSURANCE COMPANY**

If the Insurer fails to perform his obligations agreed upon or fails to fulfill any part of this contract, it shall be open to RINL to make alternate arrangements through any other Insurance Company at the risk and cost of the Insurance Company without any notice. In such case, the Insurance Company shall, in addition, be responsible for any losses which RINL may suffer due to Insurance Company's failure. This will be without prejudice to the rights of RINL under the contract for any other action(s) including termination of the policy or policies.

8.0 **ASSIGNMENT OF RISK COVERAGE**

No part of the policy or policies, other than Re-insurance permissible as per guidelines/directions of IRDA of India, shall in any manner, directly or indirectly be shared with any other insurance Company except as per clause no 9.3.

9.0 **FINALISATION OF TENDER**

9.1 Tenders will be evaluated after adding the applicable GST (currently 18 %) to the total premium at column No.5 of Sl. No.21 at page No.110 and then deducting ITC credit available to RINL/VSP on GST payable against each policy/annexure as indicated at page no.105 to 107.

9.2 The ranking of the bidders shall be based on the evaluation at 9.1 above with the lowest quote ranked as L-1, next as L-2, and so on. In case of more than

one tenderer being ranked as L-1, revised reduced bids shall be invited from the L-1 bidders and their ranking inter-se shall be determined based on their revised reduced bids as at 9.1 above.

- 9.3 On finalization of ranking of the bidders as above and after finalization of L1 price, the L2 bidder will be asked to match his total premium quote with final price of L1 so as to enable RINL to direct the L1 bidder to share 40% of premium and corresponding risk cover with L2 bidder. In case L2 bidder does not match the final price of L1 bidder, then bidders from L3 onwards would be asked for matching with final price of L1 and so on.
- 9.4 The L1 bidder is required to retain 60% share and part with 40% share of premium and the corresponding risk cover with other bidder who has matched the total final price of L1 as stated above. However, the L1 bidder will be the Lead Insurer.
- 9.5 In case, none of the Insurance Companies (L2 bidder onwards) are willing to match with L1 final price, then L1 Insurer shall be awarded 100% coverage. In such an instance, L1 insurance company should be in a position to arrange 100% insurance cover from the effective date mentioned in the tender and shall have prior arrangement with their re-insurers, if any, accordingly. Confirmation to this effect shall be given in the technical bid. If no re-insurance arrangement is required, confirmation of self-insurance is to be furnished. Pro-forma declaration is placed at Enclosure-E at page no.104. Bids shall be rejected, if such confirmation is not furnished.
- 9.6 The quantum of ITC benefit to be considered for evaluation of bids would be based on percentage of ITC credit available to RINL/VSP on GST payable against each policy/annexure as indicated at page nos.105 to 107. Bidders are required to furnish a declaration stating that they have gone through the statement of ITC credit and understood the impact of the same on the evaluation of their price bids. Pro-forma declaration is placed at Enclosure-F at page no.108.
- 9.7 Price bid quoted for the Top up cover as quoted in second Price bid for Group Mediclaim Insurance Policy at page no. 111 will be opened for L-1 Tenderer only and it will not be considered for price comparison.
- 9.8 No intermediate agency/brokers/consultants have been appointed by RINL to deal with the Insurance Company for policy servicing. RINL would deal directly only with Insurance Companies. No brokers are entertained.

10.0 Qualification Criteria

- 10.1.0 The tender is open only to Insurance Companies (Non-life category) registered with Insurance Regulatory and Development Authority (IRDA) of India. The Insurance Company should be in the insurance business of Non-life category at least for last 3 financial years i.e. 2015-16, 2016-17 and 2017-18. Offers from Intermediaries, Brokers and Insurance Consultants will not be considered.
- 10.2.0 Insurance companies shall indicate solvency ratio submitted to IRDA of India for the financial year ending 31.03.2018 and for the 1st & 2nd quarters of 2018-2019. The minimum solvency ratio shall be 150%. Bids shall be rejected, if the solvency ratio is less than 150% for the Financial Year 2017-18 or for the 1st quarter or 2nd quarter of Financial Year 2018-19. As a proof of this, insurance company shall enclose copies of the documents submitted to IRDA of India.
- 10.2.1 Insurance companies shall indicate rating given by an accrediting agency to the Insurance Company. The Rating shall be at least BBB of Standard & Poor's (accrediting agency) or equivalent (reflecting adequate capacity to meet its financial commitments) given by other accrediting agencies. As a proof of this the insurance company should enclose copy of the latest rating certificate issued by accrediting agency. However, date of such rating certificate shall not be on or prior to 31-12-2017. Bids shall be rejected, if the rating given by the accrediting agency is less than 'BBB' of Standard & Poor's (accrediting agency) or equivalent; or if there is no rating or the rating is issued on or prior to 31-12-2017.
- 10.2.2 In case Insurance Company has reinsurance arrangement for subject tender, indicate name(s) of the re-insurer and risks re-insured & rating given by an accrediting agency to the re-insurer. Insurance companies to ensure that the Rating of their re-insurers be at least BBB of Standard & Poor's (accrediting agency) or equivalent (reflecting adequate capacity to meet its financial commitments) given by other accrediting agencies. Further, Insurance Company to ensure that such ratings by the accrediting agency shall not be on or prior to 31-12-2017. Insurance Company shall furnish a declaration of compliance to this effect. Pro-forma declaration is placed at Enclosure-G at page no.109. In case of no re-insurance requirement, such fact is to be stated.

10.3.0 **PLACE OF OFFICE:** For this purpose Office would be defined as a premises located in Visakhapatnam City or Ukkunagaram from where policy administration work i.e., Policy underwriting, claims settlement etc., would be carried out. For this purpose printed Company letter head clearly showing the address and telephone number or office premises lease document or ownership title document is to be submitted.

10.3.1 Any communication sent to or served on this office would be deemed to be served on the Insurance Company on that date.

10.3.2 It should have the facilities of Telephone, Fax, Computer with Internet connection etc.,

10.3.3 If Insurance Company has Offices in different places in India and also at Visakhapatnam or at Ukkunagaram, the Bidder may preferably submit the tender through their Office at Visakhapatnam or Ukkunagaram.

11.0 **OTHER TERMS & CONDITIONS**

11.1 The successful Insurance Company shall make its own arrangement to ensure collection of declarations, collection of premium on submission of bills and claim bills along with documents from respective departments of RINL and also for handing over the insurance policies, proceeds of claim settlement and other documents from insurance company. The successful Insurance Company shall appoint one individual/agency for the above purpose who will visit VSP on all VSP working days.

11.2 The insurance Company shall appoint a surveyor immediately on receipt of claim(s) intimation from RINL and shall coordinate for immediate settlement of claim as per 4.0 above.

11.3 The Insurance Co. shall promptly attend the meeting(s) called by RINL at Finance and Accounts Department, Visakhapatnam Steel Plant, Administration Building, Visakhapatnam-530031 to review the issues pertaining to insurance or claims settlement. RINL would endeavor to inform about such meetings 24 hours prior to the time of the meeting.

11.4 Interested Insurance Companies can inspect various plant assets of Visakhapatnam Steel Plant units and its Mines, if they so desire at their cost, for which insurance cover is proposed to be obtained with prior permission of AGM (F&A)-Insurance on any date from 10-01-2019 to 12.01.2018 & they may seek clarifications if any, in respect of this tender up to 23-01-2019. No requests for clarifications thereafter will be entertained.

12.0 **Submission of Bids:**

- 12.1 The tender is a two bid system. The tender shall be submitted in two parts i.e. (1) Technical Bid; and (2) Price Bids. The details of these bids shall be as given hereunder.
- 12.2 The information and documents sought from the bidders in the tender document shall be submitted in sealed envelopes separately for Technical bid & Price bids, indicating on envelop with words “Technical Bid for Tender No. VSP/Fin/30/Insurance/2018-19/02, dated 03-01-2019 for Insurance” and two separate envelopes for Price Bids, indicating on first envelop with words “Price Bid for Tender No. VSP/Fin/30/Insurance/2018-19/02, dated 03-01-2019 for Insurance” and second envelop for Top up cover of Group Mediclaim with the words, “Price bid for Top up cover”. All the three sealed envelopes are to be kept in another sealed envelope, indicating on envelop with words “Quotations for Tender No. VSP/Fin/30/Insurance/2018-19/02, Dated 03-01-2019 for Insurance”.
- 12.3 **Technical Bid:** The Technical Bid shall confirm bidder’s acceptance of Terms & Conditions, details of policies including policy excesses stipulated by RINL in the List of Insurance Policies. Therefore, the bidders have to submit the entire tender documents together with copy of Blank Price Bids (Enclosure-H-1 & H-2) at page number 110 and 111 enclosed to the tender documents, duly signed in token of acceptance. The premium is **not to be quoted** in the documents submitted in **Technical Bid**. The premium is to be quoted only in price bid, the details of which are given elsewhere in this document. The bidder shall sign on all the pages of these tender documents in token of acceptance of terms and conditions and submit as part of technical bid.

12.4 Price Bids:

- 12.4.1 The bidder shall quote individual risk-wise premium against insurance policies given at Sl no. 1 to 20 and total premium at Sl no. 21 at column 5 of price bid at page no.110 (Price bid envelope 1). Bidder shall quote rate per lakh for Top up cover of GMIP at page no. 111 (Price bid envelope 2). The bidder shall quote premium net of discounts. The premium amount shall be quoted both in figures and words. In case of discrepancy between words & figures, words would prevail. In case of arithmetical error in lump sum premium quoted at column 5 of sl no.21 of the price bid, the correct lump sum premium shall be arrived based on the individual premium quoted by the insurer (duly corrected as stated herein wherever applicable) for tender evaluation. Bidders are advised to ensure that there are no over-writing/corrections in any of the figures quoted/words written in the price bid. However, any correction and overwriting should be duly signed and dated.
GST shall be paid extra at applicable rate (currently 18%) over the above total premium at Sl no.21. However, bidders may indicate the applicable GST amount at Sl no.22 and Grand Total at Sl no.23 of column no.5 of the price bid envelop 1.
- 12.4.2 Bidders may also note that no other document what so ever shall be enclosed with the cover containing price bids. Documents enclosed with price bids shall not be considered for any purpose or evaluation. The information other than price quote if any contained in the price bid cover shall not be binding on RINL/VSP.
- 12.4.3 The interested Insurance Companies shall quote for all the policies at Page No.110 and Page 111(Enclosure-H-1 & H-2) for all risks indicated in the annexure 1 to 20. Bids without quotation for any risk(s)/annexure(s) shall be rejected. The premium quoted shall be for the sum insured indicated against each annexure. Failure to quote as above shall be treated as incomplete bid and shall be rejected.
- 12.4.4 *The premium quoted by the Insurance Company shall be binding on them and it should remain firm for the period of policy including any extended period under terms and conditions of this tender.*
- 12.5 Last date and time for receipt of tender is 24-01-2019 **at 16.00hrs.**The Technical bid will be opened on **same day at 16.15 hrs** at F&A Conference Hall, Administration Building. Bidder shall ensure that the quotation is submitted in the format duly signed and sealed and sent well in time, either in person or through registered post/courier to reach the undersigned on or before the due date and time. No postal delay or any

other delay what-so-ever will be entertained. Tenders received after the due date and time will be rejected.

- 12.6 If any of the dates mentioned in the tender is a holiday or becomes holiday for Visakhapatnam Steel Plant / RINL, then the same time of the next working day for Visakhapatnam Steel Plant will be considered.
- 12.7 Bidders are to note that clauses contained herein, will form part of insurance Policy/Cover that would be obtained under this Tender. The bidder shall strictly quote as **per the specifications and terms & conditions of the tender.**
- 12.8 The details of Risks proposed to be covered along with Sum Insured against each such risk and Policy excess is annexed to List of policies at enclosure– B.
- 12.9 The value of indigenous cargo covered for Marine risks is inclusive of taxes & duties, packing and freight charges paid/payable and incidental charges @ 10% on landed cost.
- 12.10 Rates and discount quoted by the insurance company for all items shall remain firm and net premium arrived at, shall remain unchanged during the currency/pendency of policy subject to clause 5.0.This will not obstruct the settlement of the claims.
- 12.11 Rates to be quoted shall be with “Policy excess clause” at annexure 1 to 20 as indicated by RINL.
- 13.0 **Details for offering Discounts-Claim statistics & other details:**
- 13.1 Details of Claims Statistics (wherever applicable) is enclosed, vide ***Enclosure-C*** for calculating the claim experience discount.
- 13.2 Copy of Risk Inspection Report submitted by the consultants is placed at Appendix-II (page nos.120 to 163), addressing the areas of Physical features and Process description, PML, Fire safety & prevention measures employed by RINL.
- 14.0 Insurance companies may offer Add-on covers at their cost in-addition-to the coverage sought in this Tender. No weightage will be given to such Free Add-on covers in evaluation of Tenders.
- 15.0 Errors & omissions in this bid would be to the account of the Insurance Company.

- 16.0 Imposition of any fresh levies in taxes & duties or enhancement in existing taxes & duties after the last date for submission of Bids shall be to VSP Account. Similarly, in case of withdrawal of any taxes & duties or decrease in taxes & duties, after the last date for submission of Bids, the consequential benefit shall be passed on to VSP by the Insurance Company.
- 17.0 The insurance Company shall submit in the 1st week of every month a statement of “Claims pending for settlement” (with reasons/requirements) as well as “Claims settled in the previous month” as per format mutually agreed between the Insurance Company and RINL.
- 18.0 The cargo movement against Marine Policy/Cover shall be either by road/rail/sea/air/post package/personal luggage/courier service. Service provider may be registered / unregistered.

19.0 **VALIDITY OF QUOTATION/BID**

The offer is to be kept valid for acceptance by RINL for a period of 90 days from the date of opening of the technical bid or till the date of commencement of fresh policies covered under this tender, which ever is earlier. The validity of the price quoted in respect of Mega Policy (Annexure-1 of tender document i.e. property damage and business interruption) is firm subject to the condition that fresh claims experience for events occurring during the validity period of 90 days does not exceed Rs 8 Crores. If such claims experience during the validity period is more than Rs 8 Crores, then the price quoted may change. For the rest of the policies the price quoted remains firm during the validity period.

20.0 **RIGHT TO REJECT QUOTATION**

RINL reserves the right to reject any one or all tenders without assigning any reason, thereof.

- 21.0 In case the Contract is terminated for any reason, the Insurance Company shall be under obligation to refund pro-rata premium for the un-expired period apart from settling all pending claims.
- 22.0 The tender terms and conditions put forth by VSP shall prevail over the clauses/conditions mentioned in the policies issued by the Insurance Company.
- 23.0 Bidders are free to down load the tender document from the website for the purpose of perusal and to use the same as the tender document, if so desired for submitting their offer. If the offer of any bidder who has submitted the tender document down loaded from the website is accepted, the contract agreement will be prepared based on the master copy of the document and will be binding on the Insurance Company. RINL does not own any

responsibility for any alteration/omission in the contents of the Tender form uploaded on the website or purported to be downloaded from the website. No claim on this account will be entertained. RINL will not own any responsibility, if website is not opened for downloading the tender documents due to any technical snag.

24.0 MEDICLAIM POLICY FOR RETIRED EMPLOYEES Etc.

- 24.1 The additional terms and conditions for Mediclaim Policy for Retired Employees of RINL/VSP are at Annexure-19, which shall form part of this tender. These additional terms & conditions will override the other terms & conditions to the extent they are not applicable or in conflict with the terms given above.
- 24.2 The quality of service rendered under this policy by the Insurance Company shall be comparable to the services rendered by any reputed Third Party Administrator (TPA) under similar policies. For this purpose, the Insurance Company may utilize their in house resources or engage one or more reputed TPAs registered with IRDA, without levying any additional charges on this account either on RINL or on its members covered under the scheme.

25.0 GROUP PERSONAL ACCIDENT INSURANCE POLICY FOR VSP/RINL EMPLOYEES

The additional terms and conditions for Group Personal Accident Insurance (GPAI) for Employees of RINL/VSP are at Annexure-20 which shall form part of this tender. These additional terms & conditions will override the other terms & conditions to the extent they are not applicable or in conflict with the terms given above.

- 26.0 Bidders are required to unconditionally accept the “Integrity Pact” enclosed to this tender at Appendix-I (Page Nos.112 to 119) and shall submit the same duly signed by the authorized signatory along with their offer. Offers of the bidders received without Integrity Pact duly signed, shall not be considered and rejected.

27.0 **CONCILIATION**

All questions, claims, disputes and/or difference of any kind what so ever arising out of or in connection with or concerning this contract, at any time, whether before or after determination of the contract, shall be referred by the parties hereto for conciliation before a Conciliatory Forum/Body.

The conciliatory forum or body will comprise of the following members:

- a) Nominee of RINL/VSP Corporate Office/Visakhapatnam–Independent of Officer Handling the contract. (to be nominated by the Head of the Finance Department, Corporate Office, RINL/VSP).
- b) Nominee of the Contractor/Insurer.

The Parties in dispute would place their facts in writing before the Body/Forum and the process of conciliation would be completed within a period of three months from the date of reference to the Conciliatory forum/Body.

On Failure of the conciliation, the aforesaid question, claims, disputes and/or differences shall be referred to by the parties hereto for the decision by Arbitrators to be appointed as herein-after mentioned.

28.0 **ARBITRATION**

28.1 For NON PSU Insurance Companies:- If any dispute or difference shall arise as to the quantum to be paid under this contract / any policy covered under this contract, such difference shall independent of all other questions be referred to the decision of a sole arbitrator in writing by the parties to or if they cannot agree upon a single arbitrator within 30 days of any party involving arbitration, the same shall be referred to a panel of three arbitrator, comprising of two arbitrators, one to be appointed by each of the parties to the dispute / difference and the third arbitrator to be appointed by such two arbitrators and arbitration shall be conducted under and in accordance with the provisions of Arbitration and Conciliation Act, 1996. The proceedings of arbitration will be held in Visakhapatnam.

28.2 For PSU Insurance Companies:- In the event of any dispute or difference relating to the interpretation and application of the provisions of the contracts, such dispute or difference shall be referred by either party for Arbitration to the sole Arbitrator in the department of Public Enterprises to be nominated by the Secretary to the Government of India in-charge of the Department of Public Enterprises. The Arbitration and Conciliation Act, 1996 and The Arbitration and conciliation Act 2015 shall not be applicable to arbitration

under this clause. The award of the Arbitrator shall be binding upon the parties to the dispute, provided, however, any party aggrieved by such award may make a further reference for setting aside or revision of the award to the Law Secretary, Department of Legal Affairs, Ministry of Law & Justice, Government of India. Upon such reference the dispute shall be decided by the Law-Secretary or the Special Secretary/Additional Secretary, when so authorized by the Law- Secretary, whose decision shall bind the parties finally and conclusively. The parties to the dispute will share equally the cost of arbitration as intimated by the Arbitrators.

29.0 **JURISDICTION**

All matters in respect of this tender shall fall within the jurisdiction of Visakhapatnam Courts only.

(HK Jha)
AGM (F & A)
Visakhapatnam Steel Plant

TECHNICAL BID

TENDER NOTICE No: VSP/FIN/Insurance/30/2018-19/02,
dated 03-01-2019.

Tender documents for Mega Policy, Business Interruption following Property Damage (Consequential Loss of Profits) Insurance Policy for the risks covered under Mega Policy, Stand Alone Terrorism, Motor (Third Party Liability), Marine, Burglary & House Breaking, Public Liability Policy, Cash and Other Miscellaneous Risks for its units located at Visakhapatnam Steel Plant, Marketing outlets and Mines, Group Mediclaim Policy for its Retired Employees etc and Group Personal Accident Insurance (GPAI) for its employees, for the financial year 2019-2020 i.e. 01-04-2019 to 31-03-2020.

(To be filled in by the Bidder)

1. Offer of M/s

(Name and complete address of the bidder)

Fax No:

Telephone No.:

Mobile No.:

E-Mail address:

2. Details of the dealing officer of Insurance company:

Name:

Designation:

Address

Telephone No.:

Mobile Phone No.:

E-Mail address:

Fax No:

3. Bank account details for ensuring e- payments:

- Name of the Bank:
- Name of the Branch:
- Address of the Branch:
- Type of Account:
- Account Number:
- IFS Code

4. Confirm that the offer is strictly as per the tender terms & conditions (State confirmed or not)

5. Validity of the offer (Refer clause No.19)

6. Furnish turnover particulars for the last three years.

7. Confirm that quoted premium will remain firm and fixed till end of the policy period i.e. 31-03-2020 (State confirmed or not confirmed).

8. Nature of Taxes payable on the premium quoted.

9. Rate(s) (%) of Tax payable on the premium quoted.

10. Claims Settlement details for the past 3 years (in the format as given below for claims in excess of Rs.3Crores) (may enclose separate sheet if required)

- Name of insured
- date of loss
- nature of loss
- date & amount of on account payment made (if any)
- date of completion of all formalities
- final settlement date
- amount settled

*For PSU companies, the above data should be for the Regional Office, whose representative office is submitting the quote. For private insurers, the data should be for the entire Company.

11. Confirm compliance with IRDA of India/TAC Guidelines, Rules & Regulations (Refer clause No.6; Refer Enclosure-D at Page No.103).
12. Confirm submission of copies certificate of Registration and latest Certificate of Renewal of Registration issued by IRDA of India (Refer clause No.6)
13. Please state whether prior re-insurance arrangement was made or self-retention, in case of award of 100% of coverage. (Refer clause No.9.5; Refer Enclosure-E at page No.104).

14. Solvency Ratio of Insurer (Total ASM / Total RSM), as submitted to the IRDA of India for the year 2017-18 & for the 1st & 2nd quarters of 2018-19 (enclose copies of solvency ratio submitted to IRDA of India)(Refer clause No.10.2.0).
15. Rating of the insurer(enclose certificate of rating given by an accrediting agency) **(Refer clause No.10.2.1)**
16. Confirm compliance with rating of requirement of Re-insurers, if Re-insurance arrangement was made. (Refer clause No.10.2.2; Enclosure-G at page No.109).
17. Confirm whether any TPA is engaged or the insurance company utilizes its in house resources for servicing of Group Mediclaim Policy for Retired Employees etc. (Ref. Clause No.24.2 and Anx-19).
18. If TPA is engaged furnish details of TPA.
19. Please confirm that the un-priced copy of the price bid (Enclosure-H at page No.110) with price figures blanked has been submitted as required under the tender notice along with copy of terms & conditions duly signed in token of acceptance of the same.

Note: (Please ensure that summation of the premium quote for arriving total premium in the price bid (Enclosure-H at page No.110) is correct. The filled in price bid is to be submitted in a separate cover as per clause No.12.2).

Place:

Signature of the bidder
Name & Designation with official seal
(Authorized signatory of the Insurance Company)

Date

LIST OF INSURANCE POLICIES

Policy Particulars	Sum to be Insured/ Liability Limit (Rs. Lakhs)	Risk Coverage & Other Details as per
Mega Policy for VSP Assets (a) Property Damage– All Risks – Excluding Machinery Breakdown (b) Business Interruption following Property Damage	42,38,000.00 6,10,853.00	Annexure:1
Terrorism Insurance Policy (Property Damage & Business interruption Risks)	2,00,500.00	Annexure:2
Burglary & Theft Insurance Policy For All Stores items@ please see note below	1,10,251.00	Annexure:3
Electronic Equipment Insurance Policy	2,436.36	Annexure:4
Medical Establishment Indemnity Package Policy	150.00	Annexure:5
All Risks Policy for Platinum Crucibles, Photography & Video Equipment, Fogging Machine & Thermal Imaging Camera	91.12	Annexure:6
Money Insurance Policy –Head Office-Cash Section, VSGH-Medical Department,	150.00	Annexure:7
Public Liability (Act & Industrial Risk) Policies: Act Industrial Risks	1,500.00 500.00	Annexure:8
Marine Cargo Policy-Inland Purchases (Declaration)	20,000.00	Annexure:9
Marine Open Cover for Third Country Imports & Custom Duty (Declaration)	11,500.00	Annexure:10
Marine Open Cover for Coal (Declaration)	8,64,700.00	Annexure:11
Marine Open Cover for Limestone (Declaration)	17,200.00	Annexure:12
Marine -Inland-Second Hand Machinery Policy (Declaration)	4,000.00	Annexure:13
Marine Open Cover - Second Hand Machinery (Export & Import -Declaration)	500.00	Annexure:14

Policy Particulars	Sum to be Insured/ Liability Limit (Rs. Lakhs)	Risk Coverage & Other Details as per
All risks insurance (including terrorism) Policy during repairs for 2 nd hand machinery at Customers Premises with in India	4,000.00	Annexure:15
Special Contingency Policy for Coal & Coke Storage (@ please see note below) Transit risk	1,31,100.00 4,300.00	Annexure:16
Group Personal Accident Insurance (GPAI) Policy for Service Contracts	100.00	Annexure:17
Group Personal Accident Insurance (GPAI) Policy for TRWs & PRWs working at Garbham Manganese Mines (GMM) - on duty cover only	50.00	Annexure:18
Group Medi-claim Insurance Policy For Retired Employees of RINL/VSP & Their Spouses with Optional Top up	20,103.00	Annexure:19
Group Personal Accident Insurance (GPAI) Policy for VSP Employees	6,35,000.00	Annexure:20
<p>@Note:1. Represents value of stores at risk. However, Insurance coverage is required on "First loss basis" for 10% of this value. Accordingly premium needs to be quoted. Please refer clause no.3.4 of terms & conditions.</p> <p>@Note:2. Represents value of stocks at risk. However, Liability of the Insurer for the year is limited to Rs 436 Crores only. Accordingly premium needs to be quoted. Please refer clause no. 3.4 of terms & conditions.</p>		

VISAKHAPATNAM STEEL PLANT
FINANCE & ACCOUNTS DEPTT
INSURANCE SECTION

<p>Details of Insurance Policies</p>

1. Mega Risk Insurance Policy for RINL-VSP Assets

Type of cover	Comprehensive Mega Risk Policy
Insured	Rashtriya Ispat Nigam Ltd.
Address of the Insured	Rashtriya Ispat Nigam Ltd. Visakhapatnam Steel Plant, Visakhapatnam - 530 031. Andhra Pradesh
Risk Locations	Visakhapatnam Steel Plant Complex, Visakhapatnam and Its Mines and Branch& liaison Offices across the country.
Insured Property	All real and personal properties of every kind and description located inside and outside works (Other than properties referred under Excluded Properties) including railway locomotives, rolling stock, vehicles, construction equipment, roads, bridges, culverts, reservoirs, property held in consignment, care, custody and / or control of the insured whilst in operation or repair(s) or maintenance or in storage or during movement within the site or in transit (as defined in Proviso or while carrying out Minor Works as defined in Proviso) and residential buildings, townships, outside offices, branch offices excluding Iron Ore, Coal, Limestone, Dolomite, Sinter, Hot Metal, BF Slag, Pig Iron, Finished Goods, Work in Process, Cement & Steel.
Insured Property also to include	1) All Stores within plant complex, mines (excluding Iron Ore, Coal, Limestone, Dolomite, Sinter, Hot Metal, BF Slag, Pig Iron, Finished Goods, Work in Process, Cement & Steel) 2) Stock of By-Products in Plant Complex. 3) All Stores at Mines offices. 4) All Medical stores in hospitals & first aid centers in plant complex and in RINL premises.
Property under Exclusion	Land, Mining Lease Rights

ADDITIONAL INFORMATION	<ul style="list-style-type: none"> • The expansion of the plant is currently covered under project policy. During the financial year 2019-20, some of the units under expansion project are expected to be commissioned / capitalized. Modernization of the existing facilities resulting in capacity addition would also be added to the value of assets. The sum insured under the policy shall be enhanced as and when the assets are commissioned / capitalized during the currency of the policy period on payment of pro-rata premium for the enhanced sum insured for the unexpired policy period. 	
Coverage	<ul style="list-style-type: none"> ➤ Property Damage – All Risks – Excluding Machinery Breakdown ➤ Business Interruption – Following Property Damage 	
Coverage also to include	Damage to the Boilers and/or other Pressure Plant/s; to surrounding property of the insured or to property held by the insured in trust or on commission or for which he is responsible; caused by and solely due to Explosion or Collapse occurring in the course of ordinary working (cover as per Boiler & Pressure Plant Insurance Policy).	
Period	12 months - 01.04.2019 to 31.03.2020	
Sum Insured	Property Damage	Rs. 42,380.00Crores (The sum insured has been taken based on capacity creation basis.)
	Business Interruption (Details of estimation as per Annexure-1-3/10 & 4/10)	Rs.6,108.53Crores (Estimated)
Limits of Liability	Sum Insured	
Indemnity Period	12 months	
Deductibles	<ol style="list-style-type: none"> 1. Property Damage – 5% of claim amount, subject to minimum of Rs 50 Lakhs, for all assets. 2. Time Excess under BI Section -14 days of loss 	

Note: 1:- RINL has intimated M/s NIA about estimated damage of assets valuing Rs.150 Crores due to Hudhud cyclone occurred on 12th Oct 14. Further, Loss of profits claim due to business interruption to the tune of Rs 151 Crores also lodged. All the claims are under discussion / finalization. Major loss of assets is reported for Sheds, Reservoir and Township.

2:- RINL has reported to NIA, about estimated damage of Rs 1.54 Crores due to inundation of Pump house in TPP, due to water pipeline burst on 27th Oct 14.

3:- Claim lodged for fire in SMS for an estimated damage of RS 1.51 Crores on 8.8.16.

**Statement of Estimated Sum Insured under Business Interruption Policy
for the period from 01-04-2019 to 31-03-2020 (Estimate based on projected
MOU/Sustainability Plan for the year 2019-20)**

WORKED OUT BASED ON ESTIMATES AS PER MOU SUBMITTED TO DPE AND SUSTINABLILITY PLAN 2019-20			
Description	Reference: - Notes to Balance Sheet in case of claim	Rs. In Crores	Rs. In Crores
Net Profit	P&L A/c		139.11
Less: Interest Earned	Note-22		46.00
Dividend Income	Note-22		00.00
Other Revenue not relating to trade	Note-22		150.00
Estimated Net Business Income			-56.89
Add: Standing Charges/Fixed Expenses*			6,165.42
Sum Insured under Business Interruption Policy			6,108.53
Add 10% for contingent variation			0
Sum to be insured			6,108.53

***STANDING/FIXED CHARGES STATEMENT**

<u>Standing Charges/Fixed Expenses</u>	Reference:- Notes to Balance Sheet in case of claim	Estimate of Standing Charge/Fix ed Exp. 2018-19*
Employees' remuneration & benefits	Note-25	2,800.00
Repair & Maintenance	Note 27.04	600.00
Tech services	Note 27.06	12.00
Rent	Note 27.00	2.56
Rates & taxes	Note 27.00	5.86
Insurance	Note 27.00	29.13
Travelling exp	Note 27.06	68.97
Printing & Stationery	Note 27.06	2.17
Postage Etc	Note 27.06	4.29
Legal Exp	Note 27.06	4.42
Bank charges	Note 27.06	9.08
Community Dev & Donation	Note 27.06	14.38
Security	Note 27.06	93.96
Advt	Note 27.06	18.81
Audit Fees	Note 27.05	0.30
Sundries	Note 27.00	0.00
Interest	Note 26.00	1,305.00
Depreciation	Note 11.00	1,194.49
Total Standing Charges		6,165.42

Add on covers & clauses applicable to Material Damage Section

A	Material Damage	Limit
1	Expediting expenses	Rs.25Crores in any one accident and in aggregate during the policy period for express freight and Air freight etc.
2	Minor Works	Up to Rs. 50Crores per project and in aggregate during the policy period
3	Temporary Removal	Rs. 25Crores
4	Off Premises: This Insurance shall extend to cover property (Machineries, Mining Equipments & Movable Machinery excluding underground equipment) of the Insured kept outside the insured premises anywhere in India up to a limit of Rs.50Crores any one loss and in the aggregate subject to these properties being part of the declared Sum Insured.	Rs. 50Crores
5	Civil Authorities / Public Authorities	Rs. 25Crores
6	Fire Fighting Expenses, Foam or any other chemical consumption	Actual
7	Additional Expenses: In the event of loss hereunder, the Insurer shall pay all expenses attributable to efforts, whether successful or not, made by or on behalf of the Insured <ul style="list-style-type: none"> • To expedite the repairs or replacement or reinstatement of any property damaged due to such peril or the recoupment of such loss or damage as aforesaid. 	Rs. 25Crores in any one accident and in aggregate during the policy period.
8	Removal of Debris & Demolition	7.5% of the claim amount subject to maximum Rs 20 Crores
9	Plans, Documents & Computer Records	Rs. 25 Crores
10	Shut down / Start up Costs	Rs. 15Crores

11	Inadvertent Omission	Rs. 25Crores
12	Loss Minimization/ Loss Prevention Expenses	Rs 25 Crores
13	Properties under consignment, care, custody & control (like contractors)	Actual
14	Professional Fees	Rs. 10Crores
15	Deliberate Damage	Rs. 10Crores in any one accident and in aggregate during the policy period
16	Decontamination expense & Pollutant Clean up	Rs. 10Crores in aggregate
17	Newly acquired property	Rs. 25Crores
18	Property in transit except for Raw Materials, Semi Finished or Finished goods	Rs. 25Crores any one sending / per bottom limit
19	Leakage & Overflowing	Rs. 25Crores
20	Contamination & Co-mingling of stocks	Rs. 25Crores
21	Explosives, refractory linings whilst in process	Rs. 10Crores
22	Boiler, Economizers, Turbines, Vessels or pressure apparatus due to explosion, implosion or rupture	Actual
23	Subsidence / Landslide	Actual
24	Repair & Removal Cost including dewatering & removal of slush / foreign objects	Rs. 10 Crores each & every loss
25	Obsolete Equipment / Parts clause	Actual
26	Underground Equipment - Damage to underground equipments/accessories/supporting facilities lying at open cast mines and/or at plant premises	Actual
27	Non Owned Assets under Insured's care and custody	Actual
28	Molten Metal Cover	Rs. 50Crores
29	Spontaneous Combustion	Rs. 100Crores

30	Collapse or cracking of any factory or non factory building: Collapse/Cracking of Building is not covered under the policy but Resultant collapse or Cracking due to Operation of Insured perils per se is covered. Agreed for the following wording related to Boilers: “Collapse in case of Boilers shall mean the sudden and dangerous distortion of any part of Boiler or Pressure Plant by bending or crushing caused by steam Gas or Fluid Pressure whether attended by rupture or not. It shall not mean by slowly developing deformation due to any cause. The Insured shall be in possession of the unqualified permission in writing of the competent inspecting Authority to operate the said Boilers and Pressure Plant. If the maximum pressure or load upon safety valve immediately prior to any explosion or collapse was in excess of that stipulated by the said Authority the Insured shall not be entitled to any compensation or indemnity under this policy in respect of such explosion or collapse.	Within sum insured
31	Unrepaired Damages: In event of the loss of or damage to an item insured hereunder which results in a decision by the Insured to either, not to replace or repair with a redesign or new design and where construction of the redesigned or newly designed item serving the same purpose of the lost or damaged items is actually commenced and no repairs (other than those required to make the items safe) or replacement are carried out to the item which sustained loss or damage, Insurers agree that the Insured shall be indemnified on the basis of the reasonable cost of repairs in respect of such loss or damage plus any amounts expended in making the item safe. Such reasonable cost of repair would be arrived at on the basis as mentioned in the Indemnification clauses “Cost of Repair” and “Reinstatement Value Conditions”.	Within sum insured
32	The Policy shall cover amounts representing any increase in money value of the sum insured under the policy whether due to value fluctuation or escalation not exceeding 5% of the sum insured for all the assets excluding stock.	5% of sum insured

33	<p>Increased Cost of Construction & Demolishing Clause: In the event of loss or damage under this policy that causes the enforcement of any law, ordinance or other regulation, regulating the construction, repair, or use of property, Underwriters shall be liable for the following subject to a sublimit of Rs 10Crores.</p> <p>A. The cost of demolishing the undamaged property;</p> <p>B. The Proportion that the value of the undamaged part of the property bore to the value of the entire property prior to loss;</p> <p>C. Increased cost of repair or re-construction of the damaged and undamaged property on the same or another site and limited to the costs that would have been incurred in order to comply with the minimum requirements of such law or ordinance regulating the repair or reconstruction of the damaged property on the same site. However, Underwriters shall not be liable for any increased cost of construction loss unless the damaged property is actually rebuilt or replaced;</p>	Rs. 10Crores
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Add on covers & clauses applicable for Business Interruption (BI)

B	Business Interruption	Limit
1	Direct and First Tier Named Customers, Suppliers, Fabricators & Utility Extension covering risks FLEXA and AOG perils in case of Indian entities and FLEXA in case of Overseas entities.	10% of Business Interruption sum insured subject to a maximum of Rs.100Crores.
2	Interdependency	At actual subject to 1. Independent units covered under Mega 2. Underground mines cover limited to Rs 100 Crores (PD+BI)
3	Ingress / Egress – cover for 4 weeks in excess of policy time excess or Rs.100Crores whichever is less for the loss occurred within maximum radius of 5 Kms from the insured inland premises Except Port blockage and blockage by Civil Authority	Rs. 100Crores
4	Professional Fees	Actual
5	Loss suffered due to damage to Boiler, Economizers, Turbines, Vessels or pressure apparatus due to explosion or rupture or any other covered peril	Actual
6	Loss suffered due to damage to Electronic installations, computers or Data processing equipments	Actual
7	Accumulated Stock clause	
8	Departmental Clause	
9	Alternative Basis Clause	
10	Premium Adjustment Clause	
11	Agreed Bank Clause	
12	Refund of Premium Clause	

	Insurance Clauses Applicable to both Sections of property damage and PDBI
1	Arbitration Clause – Applicable for difference in quantum as well as liability – Ref. Clause no.28 of Enclosure-A
2	Designation of Property Clause
3	72 Hours Clause in respect of Flood / Windstorm, cyclone, storm, inundation, typhoon, tornado and or Rainstorm , Earthquake, Tsunami & any atmospheric disturbances by Act of God, landslides.
4	No Control Clause
5	Aggravation clause
6	Agreed Bank clause
7	Hire purchase or lease agreement (interest of the lesser or financial institutions)
8	Surveyors Clause – Insurer shall appoint the surveyor/s in consultation with the insured

The above clauses should be covered in the Mega policy quoted by the bidders

2. Stand Alone Terrorism Insurance Policy

1	Type of Risks to be covered	Property Damage – T3 Wordings Business Interruption – T3A
2	Location of Assets	VIZAG Steel Plant including Mines & Branches
3	Sum Insured Corresponding to Mega Insurance Policy of Annexure-I	(1) Property Damage : Rs.42,380 Crores and the Assets that would come into existence and to be included/added from time to time during the policy period under Mega Policy covered under Annexure-I. (2) Business Interruption : Rs.6,108.53 Crores (Details at Annexure-I)
4	Deductible	<ul style="list-style-type: none"> •Property damage – 5% of claim amount subject to a minimum of Rs.50 lakhs (Rupees fifty lakhs) for each and every claim/loss. •Time excess for BI 14 days of loss
5	Limit of Liability	Rs.2,005 Crores Any One Occurrence and in the Annual Aggregate. Property damage and Business Interruption combined.
6	Indemnity Period	12 Months
7	Claims Ratio	Nil

(As per Wordings Attached herewith in this tender document)

The definition of terrorism used in T3 is:

“For the purpose of this Insurance, an Act of Terrorism means an act or series of acts, including the use of force or violence, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organization(s), committed for political, religious or ideological purposes including the intention to influence any government and/or to put the public in fear for such purposes.”

ENCLOSURE-I
TERRORISM INSURANCE – T3
PROPERTY DAMAGE WORDING

Insuring Clause

Subject to the exclusions, limits and conditions hereinafter contained, this Insurance insures buildings and contents against physical loss or physical damage by an Act of Terrorism, as herein defined, occurring during the period of this Policy as stated in the Schedule attaching to and forming part hereof, (hereinafter referred to as the “Schedule”).

Definition of “Act of Terrorism”

For the purpose of this Insurance, an Act of Terrorism means an act, including the use of force or violence, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organization(s), committed for political, religious or ideological purposes including the intention to influence any government and/or to put the public in fear for such purposes.

LOSSES EXCLUDED

This Policy DOES NOT INSURE AGAINST:-

1. Loss or damage arising directly or indirectly from nuclear detonation, reaction, nuclear radiation or radioactive contamination, however such nuclear detonation, reaction, nuclear radiation or radioactive contamination may have been caused.
2. Loss or damage occasioned directly or indirectly by war, invasion or warlike operations (whether war be declared or not), hostile acts of sovereign or government entities, civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power or martial law or confiscation by order of any Government or public authority.
3. Loss by seizure or illegal occupation, but this exclusion not to apply with respect to damage to property caused by or attributable to a Terrorist Act and directly resulting there from.
4. Loss or damage caused by confiscation, requisition, detention, legal occupation, embargo, quarantine, or the result of any order of public or government authority which deprives the Insured of the use or value of its property, nor for loss or damage arising from acts of contraband or illegal transportation or illegal trade.

5. Loss or damage directly or indirectly arising from or in consequence of the discharge of pollutants or contaminants, which pollutants and contaminants shall include but not be limited to any solid, liquid, gaseous or thermal irritant, contaminant of toxic or hazardous substance or any substance the presence, existence or release of which endangers or threatens to endanger the health, safety or welfare of persons or the environment.
6. Loss or damage by chemical or biological release or exposure of any kind.
7. Loss or damage by attacks by electronic means including computer hacking or the introduction of any form of computer virus.
8. Loss or damage caused by vandals or other persons acting maliciously or by way of protest or strikes, riots or civil commotion unless physical loss or damage is caused directly by an Act of Terrorism.
9. Loss or increased cost occasioned by any Public or Civil Authority's enforcement of any ordinance or law regulating the reconstruction, repair or demolition of any property insured hereunder.
10. Any consequential loss or damage caused by any other ensuing cause, except where such ensuing cause is directly caused by any Act of Terrorism, or where Business Interruption / Extra Expense / Rental Value coverage is provided in addition hereunder.
11. Loss of use, delay or loss of markets, however caused or arising, and despite any preceding loss insured hereunder.
12. Loss or damage caused by cessation, fluctuation or variation in, or insufficiency of, water, gas or electricity supplies and telecommunications of any type or service.
13. Loss or increased cost as a result of threat or hoax, in the absence of physical damage due to an act of terrorism.
14. Loss or damage caused by or arising out of burglary, house - breaking, theft or larceny or caused by any person taking part therein.

PROPERTY EXCLUDED

THIS POLICY DOES NOT COVER: -

1. Land or land values excepting underground caverns, salt dome excavations or other subterranean facilities.
2. Power transmission or feeder lines not on the Insured's premises.

3. Any building or structure, or property contained therein, while whole building or structure is vacant or unoccupied or inoperative for more than thirty days.
4. Aircraft or any other aerial device, or watercraft.
5. Any land conveyance, including vehicles, locomotives or rolling stock, unless such land conveyance is responsibility of the insured and insured hereon.
6. Animals, plants and living things of all types.
7. Property in transit not on the Insured's premises.

CONDITIONS

1. ONUS OF PROOF

In any claim and/or action, suit or proceeding to enforce a claim for loss under this policy, the burden of proving that the loss is recoverable under this Policy and that no limitation or exclusion of this policy applies and the quantum of loss shall fall upon the Insured.

2. OTHER INSURANCE

This Policy does not cover any loss or damage, which at the time of the happening of such loss or damage is insured by, or would, but for the existence of this Policy, be insured by any other insurance policy or policies either primary or excess.

3. TERRITORIAL LIMITS

This Policy insures property owned by the Insured and located as described in the Schedule.

4. SUM INSURED

The Underwriters hereon shall not be liable for more than the sum insured stated in the Schedule in respect of each occurrence and in the aggregate.

5. DEDUCTIBLE

Each occurrence shall be adjusted separately and this policy is only to pay the excess of the sum stated in the Schedule as Deductible and which sum shall be retained by the Insured at their own risk and uninsured.

6. OCCURRENCE

The term "Occurrence" shall mean any one loss and/or series of losses arising out of and directly occasioned by one Act or series of Acts of Terrorism for the same purpose or cause. The duration and extent of any one "Occurrence" shall be limited to all losses sustained by the Insured at the property insured herein during any period of 72 consecutive hours arising out of the same purpose or cause. However no such period of 72 consecutive hours may extend beyond the expiration of this policy unless the Insured shall first sustain direct physical damage by an Act of Terrorism prior to expiration and within said period of 72 consecutive hours nor shall any period of 72 consecutive hours commence prior to the attachment of this Policy.

7. DEBRIS REMOVAL

This Policy also covers, within the sum insured, expenses incurred in the removal of debris of property covered hereunder which may be directly destroyed or damaged by an Act of Terrorism.

The cost of removal of debris shall not be considered in determination of the valuation of the property covered.

8. DUE DILIGENCE

The Insured (and any agent, sub or co-contractor of the Insured) shall at all times and at his own expense use due diligence and do (and concur in doing and permit to be done) all things reasonably practicable (including but not limited to precautions to protect or remove the property and interests insured herein) to avoid or diminish any loss herein insured.

9. PROTECTION MAINTENANCE

It is agreed that any protection provided for the safety of the insured property shall be maintained in good order throughout the currency of this Policy and shall be in use at all relevant times, and that such protection shall not be withdrawn or varied to the detriment of the interests of the Underwriters without their consent.

10. VALUATION

It is understood that, in the event of damage, settlement shall be based upon the cost of repairing, replacing or reinstating (whichever is the least) on the same site, or nearest available site (whichever incurs the least cost) with material of like kind and quality without deduction for depreciation, subject to the following provisions: -

- (a) The repairs, replacement or reinstatement (all hereinafter referred to as “replacement”) must be executed with due diligence and dispatch;
- (b) Until replacement has been effected the amount of liability under this policy in respect of loss shall be limited to the actual cash value at the time of loss;
- (c) If replacement with material of like kind and quality is restricted or prohibited by any by-laws, ordinance or law, any increased cost of replacement due thereto shall not be covered by this Policy.

The Underwriters’ liability for loss under this Policy including this endorsement shall not exceed the smallest of the following amounts: -

- (i) The amount of the Policy applicable to the destroyed or damaged property,
- (ii) The replacement cost of the property or any part thereof identical with such property and intended for the same occupancy and use,
- (iii) The amount actually and necessarily expended in replacing said property or any part thereof.

11. INCORRECT DECLARATION PENALTY

If the values declared as stated in the Schedule are less than the correct insured values as determined above, then any recovery otherwise due hereunder shall be reduced in the same proportion that the values declared bear to the values that should have been declared, and the Insured shall co-insure for the balance.

12. NOTIFICATION OF CLAIMS

The Insured, upon knowledge of any occurrence likely to give rise to a claim hereunder, shall give immediate written advice thereof to the Underwriters and or the Broker, named for that purpose in the Schedule, who is promptly to advise Underwriters of the circumstances.

13. PROOF OF LOSS

The Insured shall render a signed and sworn proof of loss within sixty (60) days after the occurrence of a loss (unless such period be extended by the written agreement of Underwriters) stating the time, place and cause of loss, the interest of the Insured and all others in the property, the sound value thereof and the amount of loss or damage thereto. If Underwriters have not received such proof of loss within two years of the expiry date of this policy, they shall be discharged from all liability hereunder.

14. SUBROGATION

If the Underwriters become liable for any payment under this Policy in respect of loss or damage the Underwriters shall be subrogated, to the extent of such payment, to all the rights and remedies of the Insured against any party in respect of such loss or damage and shall be entitled at their own expense to sue in the name of the Insured. The Insured shall give to the Underwriters all such assistance in his power as the Underwriters may require to secure their rights and remedies and, at Underwriters' request shall execute all documents necessary to enable Underwriters effectively to bring suit in the name of the Insured including the execution and delivery of the customary form of loan receipt.

15. SALVAGE AND RECOVERIES

All salvages, recoveries and payments recovered or received subsequent to a loss settlement under this Policy shall be applied as if recovered or received prior to the said settlement and all necessary adjustments shall be made by the parties hereto.

16. FALSE OR FRAUDULENT CLAIMS

If the Insured shall make any claim knowing the same to be false or fraudulent, as regards amount or otherwise, this Policy shall become void and all claim hereunder shall be forfeited.

17. ABANDONMENT

There shall be no abandonment to the Underwriters of any property.

18. INSPECTION AND AUDIT

The Underwriters shall be permitted but not obligated to inspect the Insured's property at any time. Neither the Underwriters' right to make inspections nor the making thereof nor any report thereon shall constitute an undertaking, on behalf of or for the benefit of the Insured or others, to determine or warrant that such property is safe.

The Underwriters may examine and audit the Insured's books and records at any time during the Policy period and extensions thereof and within two years after the final termination of this Policy, as far as they relate to the subject matter of this Insurance.

19. ASSIGNMENT

Assignment or transfer of this Policy shall not be valid except with the written consent of Underwriters.

20. RIGHTS OF THIRD PARTIES EXCLUSION

This Policy is affected solely between the Insured and Underwriters.

This Policy shall not confer any benefits on any third parties, including shareholders, and no such third party may enforce any term of this Policy. The Contract (Rights of Third Parties) Act 1999 is expressly excluded from this Policy.

This clause shall not affect the rights of the Insured.

This clause shall not construe to exclude any Lenders rights as Insured's under this Policy, which shall automatically be included as required by written contract.

21. CANCELLATION

This Policy is non-cancelable by the Insured or Underwriters, except for non-payment of premium, as per Premium Payment Clause (LSW 3000).

22. SEVERAL LIABILITY

The subscribing insurers' obligations under contracts of insurance to which they subscribe are several and not joint and are limited solely to their individual subscriptions. The subscribing insurers are not responsible for the subscription of any co-subscribing insurer who for any reason does not satisfy all or part of its obligations.

23. ARBITRATION

Refer Clause No.28 at enclosure A

24. JURISDICTION

Refer Clause No.29 at enclosure A

ENCLOSURE-II
TERRORISM INSURANCE - T3a

BUSINESS INTERRUPTION EXTENSION

In consideration of the premium paid, and subject to the EXCLUSIONS, CONDITIONS AND LIMITATIONS of the Policy to which this extension is attached, and also to the FOLLOWING ADDITIONAL CONDITIONS, EXCLUSIONS, DEDUCTIBLE AND LIMITATIONS, this Policy is extended to cover loss resulting from necessary Interruption of Business caused by direct physical loss or damage by an Act of Terrorism, as covered by the Policy to which this extension is attached, to property insured by this Policy.

In the event of such direct physical loss or damage, Underwriters shall be liable for the actual loss sustained by the Insured resulting directly from such necessary Interruption of Business, but not exceeding the reduction in Gross Earnings, as defined hereafter, less charges and expenses which are not necessary during the Interruption of Business, for a period not to exceed the lesser of:-

Period of Indemnity

- a) such length of time as would be required, with the exercise of due diligence and dispatch, to repair, rebuild or replace such part of the property as has been destroyed or damaged,
- or
- b) Twelve (12) calendar months,

Commencing with the date of such direct physical loss or damage and not limited by the expiration of this Policy.

Due consideration shall be given to the continuation of normal charges and expenses, including payroll expenses, to the extent necessary to resume operations of the Insured with the same operational capability as existed immediately before the loss.

CONDITIONS

1. DIRECT DAMAGE

No claim shall be payable under this extension unless and until a claim has been paid, or liability admitted, in respect of direct physical loss or damage by an Act of Terrorism to property insured under the Policy to which this extension is attached and which gave rise to Interruption of Business.

This Condition shall not apply if no such payment shall have been made, or liability admitted, solely owing to the operation of a deductible in said Policy which excludes liability for losses below a specified amount.

2. RESUMPTION OF OPERATIONS

If the Insured could reduce the loss resulting from the Interruption of Business,

a) by complete or partial resumption of operation of the property,
and/or

b) by making use of merchandise, stock (raw, in process or finished), or any other property at the Insured's locations or elsewhere,
and/or

c) by using or increasing operations elsewhere,

then such possible reduction shall be taken into account in arriving at the amount of loss hereunder.

3. EXPENSES TO REDUCE LOSS

This extension also covers such expenses as are necessarily incurred for the purpose of reducing loss under this extension (except expenses incurred to extinguish a fire), and, in respect of manufacturing risks, such expense, in excess of normal, as would necessarily be incurred in replacing any finished stock used by the Insured to reduce loss under this extension; but in no event to exceed the amount by which loss under this extension is thereby reduced. Such expenses shall not be subject to the application of any contribution clause.

4. ON ACCOUNT PAYMENTS

Underwriters agree that on account payments in respect of a valid claim hereon are permitted.

EXCLUSIONS

THIS EXTENSION DOES NOT INSURE AGAINST:-

1. Increase in loss resulting from interference at the insured premises, by strikers or other persons, with rebuilding, repairing or replacing the property or with the resumption or continuation of operation.
2. Increase in loss caused by the suspension, lapse, or cancellation of any lease, license, contract, or order, unless such results directly from the insured Interruption of Business, and then Underwriters shall be liable for only such loss as affects the Insured's earnings during, and limited to, the Period of Indemnity covered under this Policy.

3. Increase in loss caused by the enforcement of any ordinance or law regulating the use, reconstruction, repair or demolition of any property insured hereunder.
4. Loss of market or any other consequential loss.

LIMITATIONS

1. Underwriters shall not be liable for more than the smaller of either:-
 - a) any Specific Business Interruption Sum Insured stated in the Schedule,
or
 - b) the Sum Insured stated in the Schedule, where such includes Business Interruption, if such is a combined limit,
in respect of such loss, regardless of the number of locations suffering an interruption of business as a result of any one occurrence.
2. With respect to loss resulting from damage to or destruction of media for, or programming records pertaining to, electronic data processing or electronically controlled equipment, including data thereon, by the perils insured against, the length of time for which underwriters shall be liable hereunder shall not exceed:-
 - a) 30 consecutive calendar days or the time required with exercise of due diligence and dispatch to reproduce the data thereon from duplicates or from originals of the previous generation, whichever is less; or,
 - b) the length of time that would be required to rebuild, repair or replace such other property herein described as has been damaged or destroyed, not exceeding eighteen (18) calendar months, whichever is less.

DEFINITIONS

1. **GROSS EARNINGS** are for the assessment of premium and for adjustment in the event of loss defined as,

The sum of:-

- a) Total net sales value of production or sales of merchandise,
and
- b) Other earnings derived from the operations of the business.

LESS THE COST OF

- c) Raw stock from which production is derived,
- d) Supplies consisting of materials consumed directly in the conversion of such raw stock into finished stock, or in supplying the services sold by the Insured,
- e) Merchandise sold including packaging materials there for,

- f) Materials and supplies consumed directly in supplying the service(s) sold by the Insured,
- g) Service(s) purchased from outsiders (not employees of the Insured) for resale which do not continue under contract,
- h) The difference between the cost of production and the net selling price of finished stock which has been sold but not delivered,

No other costs shall be deducted in determining Gross Earnings.

In determining Gross Earnings due consideration shall be given to the experience of the business before the date of loss or damage and the probable experience thereafter had loss not occurred.

2. RAW STOCK

Material in the state in which the Insured receives it for conversion into finished stock.

3. STOCK IN PROCESS

Raw stock which has undergone any ageing, seasoning, mechanical or other process of manufacture at the Insured's premises but which has not become finished stock.

4. FINISHED STOCK

Stock manufactured by the Insured which in the ordinary course of the Insured's business is ready for packing, shipment or sale.

5. MERCHANDISE

Goods kept for sale by the Insured which are not the product of manufacturing operations conducted by the Insured.

6. NORMAL

The condition that would have existed had no loss occurred.

EXTRA EXPENSE EXTENSION

1. INSURING AGREEMENT

This Policy, subject to its terms, exclusions, limits, deductible and conditions herein or endorsed hereon, extends to cover the necessary Extra Expense incurred by the Insured during the “period of restoration” in order to continue as nearly as practicable the Normal operations of the Insured’s business following direct physical loss or damage by an Act of Terrorism to property, as covered by the Policy to which this extension is attached.

2. SUBLIMIT

Underwriters shall not be liable under this Extra Expense extension for more than the amount specified in the schedule of this Policy as the Sublimit for Extra Expense. This Sublimit shall apply to all losses arising out of one Occurrence.

3. DEFINITION OF EXTRA EXPENSE

For the purposes of this extension, the term Extra Expense is defined as the excess (if any) of the total cost incurred during the “period of restoration” chargeable to the operation of the Insured’s business, over and above the total cost that would normally have been incurred to conduct the business during the same period had no loss or damage occurred. Any salvage value of property obtained for temporary use during the “period of restoration”, which remains after the resumption of normal operation, shall be taken into consideration in the adjustment of any loss hereunder.

4. ADDITIONAL EXCLUSIONS WHICH APPLY TO THIS COVERAGE

Underwriters shall not be liable under this Extra Expense extension for:

- a. loss of income;
- b. the cost of repairing or replacing any real or personal property, or the cost of research or other expense necessary to replace or restore books of account, abstracts, drawings, card index systems or other records (including film, tape, disc, drum, cell and other magnetic recording or storage media for electronic data processing) that have been lost or damaged by peril(s) insured against by this Policy, except cost in excess of the normal cost of such repair, replacement or restoration necessarily incurred for the purpose of reducing loss under this Policy. In no event shall such excess cost exceed the amount by which the total Extra Expense loss otherwise payable under this Policy is thereby reduced; or
- c. any other consequential or remote loss.

RENTAL VALUE EXTENSION

1. INSURING AGREEMENT

This Policy, subject to its terms, exclusions, limits, Deductible and conditions contained herein or endorsed hereon, insures against loss of Rental Value resulting directly from necessary un-tenability caused by direct physical loss or damage by an Act of Terrorism, as covered by the Policy to which this extension is attached, to property insured by this Policy.

2. DEFINITION OF RENTAL VALUE

For the purposes of this extension, the term “Rental Value” is defined as the sum of:

- a. the total anticipated gross rental income from tenant occupancy of the “insured locations” as furnished and equipped by the Insured; and
- b. the amount of all charges which are the legal obligation of the tenant(s) and which would otherwise be obligations of the Insured; and
- c. the fair rental value of any portion of said property which is occupied by the Insured.

Note: Terrorism cover should be as per T3 & T3a wording being practiced in India and it should be in line with the policies taken by RINL.

3. BURGLARY & THEFT INSURANCE POLICY FOR ALL STORES ITEMS

1	Type of Risk to be covered	Burglary and Theft risks, SRCC - All Stores items
2	Assets to be covered	<ul style="list-style-type: none"> • All Stores within plant complex excluding Limestone, Iron Ore, FG, SIP & Coal, steel and cement. • All Stores in Mines. • All medical stores in Hospitals & first aid centers in plant complex and in RINL premises.
3	Location of the Assets	Stores/Stocks located at a. Main Plant Complex, Visakha Steel General Hospital & First Aid Centers at RINL HQ. b. Garbham Manganese Mines (GMM), Village Garbham, District Vizianagaram, AP. c. Jaggayyapeta Lime Stone Mines (JLM), Jaggayyapeta, District: Krishna, AP. d. Madharam Dolomite Mines (Mines) Village Madharam, District: Khammam, AP.
4	Policy Excess	Nil
5	Claims Ratio	As given in claims statistics.
6	Sum Insured	Rs. 1,10,251.00 lakhs (as per details given below). However, Insurance coverage is required on "First loss basis" for 10% of this value. Accordingly premium needs to be quoted.

Schedule for Burglary Insurance Policy

Sl No	Particulars	Stores / Contents
		SUM INSURED Rs. in Lakhs
1	ALL STORES WITH IN PLANT and at Mines Excluding Limestone, Iron Ore, FG, SIP & Coal, steel and cement	1,09,194.00
2	Contents in VSP General Hospital, Medical Stores at Hospital, and first aid centers inside plant/outside the plant & Stock of medicines	220.00
3	Mobile Equipment in Visakha Steel General Hospital, Medical Stores at Hospital, Health Centers, First Aid Centers & Dispensaries inside/outside the plant etc.	827.00
4	Contents in Pump Houses at Hilltop Guest House & Administration Building, Dibbapalem Printing press	10.00
5	Total Rs.	1,10,251.00

4. Electronic Equipment Insurance Policy

1	Type of Risks to be covered	ALL Risks of Unforeseen and sudden physical loss or damage from Fire and allied perils, breakdown, short circuiting etc. for Central Computer System and Peripherals of VSP. However, these assets are included under Mega Policy of Annexure-I covering the risks specified there in.
2	Assets to be covered	Zonal Switches, Servers etc. as per enclosure (3 Pages).
3	Location of the assets	Within the boundary of Visakhapatnam Steel Plant and VSP offices located at various places with in India
4	Sum Insured (@Please see note below)	Rs.2436.36 Lakhs (Details as per enclosure)
5	Policy Excess	Standard minimum policy excess as per IRDA of India
6	Claims Ratio	Nil

@Note: The above Assets (value) are included in Mega cover of Annexure-I covering risks under mega policy.

Insurance Coverage Details of VSP Central Computer System and Peripherals of VSP - 2018-19 Policy			
Sl No	Item Description	Date of Commissioning	Value in Rs. Lakhs
1	Zonal Switch at SP ASO	NOV' 2016	5.00
2	Zonal Switch at Light & Medium Merchant Mills ASO	Oct, 2018	10.00
3	Zonal Switch at Medium Merchant & Structural Mills ASO	July, 2009	46.50
4	Zonal Switch at Administration Building	October, 2016	10.00
5	Zonal Switch at Township Telephone Exchange	Aug ,2018	5.00
6	Zonal Switch at VSGH	JAN , 2017	5.00
7	Zonal switches at CCC	July, 2018	60.00
8	WAN Equipment's at CCC(Firewalls & Routers)	June'2011	10.00
9	WAN Equipment's at CCC(Routers)	Jan 2017	24.00
10	Concentrator at Township Telephone Exchange	June, 2007	5.10
11	48 SFP Module at CO ASO	June, 2011	5.55
12	48 SFP Module at SMS ASO	June, 2011	5.55
13	Down Linking Switches	Jan 2018	45.00
14	Accessory Switches & Equipments at CCC	March, 2010	20.00
15	WAN (Up linking Switch)Equipment at CCC Communication Room	Nov, 2018	40.00
16	IBM 9117.570 RISC Server 2 Nos. Dat Tapes	August, 2005	18.72
17	IBM 9113-550 RISC Server 2 Nos. Data Tapes	October, 2005	18.00
18	IBM X226 Intel Server at VSGH	January 2006	4.94
19	NAS & Ultrium tape drive	October, 2006	11.70
20	NAS at TDIS, Administration Bldg.	October, 2006	10.40

Sl No	Item Description	Date of Commissioning	Value in Rs. Lakhs
21	HP DL 380G4 Intel Xeon processor based servers 1 no	August 2006	3.77
22	IBM 9131-52A RISC Servers – 4 Nos. (Data warehousing & Marketing)	November-2007	22.00
23	FC Switch & 1 TB SAN Storage, IBM DS6800 Model 1750-522 – 2 Nos.	December-2007	63.47
24	IBM 9113-52A RISC Servers – 1 No. (Standby Server)	April-2007	9.50
25	Material Management Server	May, 2008	6.00
26	HP NAS Servers 3 & 4 (D&E)	April, 2009	28.66
27	HP – DL 180G5 Servers (Along with OS Soft ware) – 3 Nos.	June, 2009	4.88
28	HP Proliant ML 350 G6 2 Nos. EPM Medical Stand by	December, 2010	2.07
29	HP Proliant ML 150 G6	October, 2010	0.62
30	LTO-3 Tape Drives – 2 Nos.	October 2011	3.65
31	HP DL 180 – 3 Nos. (network servers)	June, 2012	3.61
32	HP DL 580 – 2 Nos. (intranet servers)	June, 2012	6.08
33	HP DL 180 – 2 Nos. (mines)	June, 2012	2.07
34	HP DL 180 - 4 Nos. (3 for En MD and 1 for server consolidation)	June, 2012	4.15
35	HP DL 580 – 1 No. (international STD)	May, 2012	2.87
36	IBM 3850 X5 – 8 Nos.	April, 2012	23.16
37	HP DL 380 – 2 Nos. (EPM)	February, 2012	6.44
38	IBM SAN DS 3500	March, 2013	8.79
39	HP NAS (OHSRC - 5 & 6)	May, 2013	6.30
40	DAT 72 Tape Drives - 3 Nos	August, 2013	0.88

Sl No	Item Description	Date of Commissioning	Value in Rs. Lakhs
41	IBM 3650M4 - 6 Nos	December, 2013	15.59
42	IBM 3650M4 - 8 Nos (ISMS)	August, 2014	16.73
43	IBM LTO-5 Tape Drives 2 nos. (ISMS)	August, 2014	3.47
44	DAX CCTV Cameras 10 nos. (ISMS)	August, 2014	16.33
45	BIG Display Screens 2 nos. (ISMS)	August, 2014	5.42
46	PC 5 Nos (ISMS)	August, 2014	1.48
47	NAS Storage (ISMS)	August, 2014	4.44
48	MATRIX Biometric systems 5 Nos (ISMS)	August, 2014	2.17
49	42U Rack, ATEN foldable monitors, and KVM switch 2 sets (ISMS)	August, 2014	2.81
50	IBM LTO-5 Tape Drives 3 nos.	November, 2014	6.02
51	Corporate Communications HP NAS 2 Nos.	November, 2014	9.75
52	HP DL 380 -3 nos	May, 2015	11.19
53	IBM 3650 M4-4Nos.	July 2016	16.53
54	DL580 G8 5 Nos.	Sept 2016	42.50
55	Email server with Archival Solution	Sept 2017	73.70
56	Database Servers and SAN storage	Nov 2017	133.46
57	DL 180 G9-5 nos	May 2018	9.66
58	DL 580 G10- 1 no	Aug 2018	12.44
59	HP Hardware ERP DC1	May ,2014	528.42
60	HP Hardware ERP DC2	May, 2014	369.89

Sl No	Item Description	Date of Commissioning	Value in Rs. Lakhs
61	HP Hardware ERP DC3 DR(New Delhi)	May 2014	158.53
62	Cisco Ironport ESA – 2 nos	May 2014	10.93
63	Cisco Ironport WSAs -2 Nos.	May ,2014	21.02
64	Link Proof 1000 Radwar Link Load Balancers-2 Nos.	May, 2014	22.83
65	UPS	May, 2014	20.80
64	Cisco Equipment	May , 2014	350.82
	Total		2436.36

5. MEDICAL ESTABLISHMENT INDEMNITY PACKAGE POLICY

1	Type of Risks to be covered	Professional Indemnity policy for Doctors/Surgeon/Anesthetist, Nurses & other supporting Staff, Medical Practitioners, and VSP Hospital.
2	Location	Visakhapatnam Steel Plant General hospital, Emergency Medical Care Unit I, II, VSP owned Hospitals at various places, and its Medical dispensaries.
3	Limit of Indemnity / Sum Insured	Rs.1.5Crore AOA and Rs. 1.5Crore AOY (AOA: AOY is 1:1).
4	Policy Excess	Nil
5	Other conditions if any	As per Professional Indemnity Policy for Doctors and Medical Establishment.
6	Required Retroactive Date	01.12.2005
7	Claims Ratio	Nil

6. All Risks Policy-Platinum Crucibles, Fogging Machine, Thermal Imaging Camera, Faro Focus 3D Laser Scanner

1	Type of Risk to be covered	All Risks Policy including Fire and allied Perils cover, RSMD, Theft, Electrical & Mechanical Break downs, Accidental Damage for Platinum Crucibles, Photography & Video Equipment, Fogging Machine, Thermal Imaging Camera & FARO FOCUS 3D Laser Scanner system.
2	Location of the assets	Within the boundary of Visakhapatnam Steel Plant.
3	Sum Insured	Rs. 91,11,694 on agreed value basis
4	Policy Excess	Nil
5	Claims Ratio	Nil
6	Assets to be covered	as per details given below

Particulars of Platinum Crucibles					
Sl No	Description	Capacity (ml)	Quantity (Nos)	Approximate Wt (gms)	Total Weight (gms)
1	Crucible with Lid	30	8	30	240
2	Crucible without Lid	30	3	24	72
3	Crucible with Lid	50	4	50	200
4	Crucible without Lid	50	3	42	126
5	Dish	200	1	74	74
6	Crucible with Lid (95% Platinum & 5% Gold)	35	6	100	600
7	Crucible with Lid	25	2	25	50
8	Crucible without Lid	50	3	44	142
9	Crucible with plain rim without Lid	50	2	42	84
	Total Value in Rs.				13,12,000

Schedule for All Risks Policy - FOR PHOTOGRAPHIC & VIDEO EQUIPMENT			
Sl No	Particulars	Quantity	Amount in Rs.
1	Digital camera Nikon model no. D-750 body sl no. 8823525 along with Nikon AFS 24-120/4GED VR lens sl no. 62438978	1	1,50,000
2	NIKON DIGITALCAMERA D3200(18-105VR) KIT, S.NO.808389; CAMERA S.NO.35272482	1	40,500
3	SONY HDR PJ 200 HANDY CAM S.NO.1591897	1	23,000
4	PROLINELITE-23 (STUDIO LIGHTS)	2	15,900
5	NIKON L-320 DIGITAL CAMERA	2	24,210
6	EPSON PM-310 PRINTERS	1	15,000
	Total value in Rs		2,68,610

Fogging Machine

1	Assets to be covered	Thermal Fogging Machine-Model (IGEBA TF 160 HD Jumbo) of Visakhapatnam steel Plant.
2	Location of the Assets	It is mounted on VSP owned Pickup Truck which is already covered under Motor Act Policy.
3	Value in Rs.	Rs.5,80,000/-.

Thermal Imaging Camera Used In SMS

1	Assets to be covered	Thermal Imaging Camera Used in Steel Melt Shop (SMS).
2	Location of the Assets	SMS -Visakhapatnam Steel Plant.
3	Value in Rs.	14,51,084/-

FARO Focus 3D Laser Scanner System Used in Stock Verification

1	Assets to be covered	Faro focus 3D Laser scanner system
2	Location of the asset	Movable, owned by Stock Verification department
3	Value in Rs	55,00,000

**7. MONEY INSURANCE POLICY – HEAD OFFICE-TREASURY SECTION,
VSGH-MEDICAL DEPARTMENT**

1	Type of Risk to be covered	1. Cash-in-transit 2. Cash in safe 3. Fidelity
2	Assets to be covered	Cash in safe and Cash in transit.
3	Location of the assets	A – HO - Treasury – F & A Dept, Administrative Building B - VSGH Medical Dept.
	Coverage	Money in transit from the Bank / cash counter / post office or any other premises to the Insured's premises by the Insured's employee until delivered at the Premises or other place of disbursement & vice versa and whilst there until paid out / outside business hours, secured in cashbox / safe / strong room.
4	Sum Insured	a) Cash Carrying Limit: Rs.5,00,000/-. b) Cash in safe: Rs.5,00,000/-. c) Estimated Cash in-transit per Annum Rs.1.50Crores.
5	Policy Excess	NIL
6	Claims Ratio	Nil

8. PUBLIC LIABILITY (ACT & INDUSTRIAL RISK) POLICIES

1	Type of Risk to be covered	1. Public Liability Act Policy 2. Public Liability (Industrial risk) Policy
2	Description of Risk	<p><u>For Public Liability Act Policy</u></p> <p>Manufacturing of Steel & related By-products.</p> <p><u>For Public Liability (Industrial risk) Policy</u></p> <p>Liability insurance for Steel & related By-products manufacturing.</p>
3	Annual Total Turnover (2017-18)	Rs.14,60,718.00 lakhs
4	Sum Insured	<p><u>For Public Liability (Act) Policy</u></p> <p>Limit of indemnity-Any One Accident (AOA):Rs.5,00,00,000/-</p> <p>Limit of indemnity-Aggregate during the Policy period: Rs.15,00,00,000/-.</p> <p><u>For Public Liability (Industrial risk) Policy</u></p> <p>Limit of indemnity-Any One Accident (AOA) Rs.5,00,00,000/-.</p> <p>Limit of indemnity-Aggregate during the Policy period: Rs.5,00,00,000/-.</p> <p>Note: Liability under Industrial risk policy coverage shall be over and above Rs.5Crores of Public Liability (Act) Policy.</p>
5	Retroactive date	01.12.2005
6	Policy Excess	Nil
7	Claims Ratio	Nil

Separate policies shall be issued by insurance company for *Public Liability (Act) Policy & Public Liability (Industrial risk) Policy*.

Details of Public Liability/Industrial risks policy

Sl No		Policy Period		Insurer	Claims Reported
1	Policy	01.04.2012	31.03.2013	New India*	Nil
2	Policy	01.04.2013	31.03.2014	New India*	Nil
3	Policy	01.04.2014	31.03.2015	New India*	Nil
4	Policy	01.04.2015	31.03.2016	New India*	Nil
5	Policy	01.04.2016	31.03.2017	New India*	Nil
6	Policy	01.04.2017	31.03.2018	BAGICL @	Nil
6	Policy	01.04.2018	30.11.2018	New India*	Nil

* **New India: M/s. The New India Assurance Co. Ltd.**

@ **Bajaj Allianz General Insurance Company Limited**

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9. Marine Cargo Open Policy - Inland Purchases (Declaration Policy)

1	Type of Risk to be covered	Open Policy under ITC-A including SRCC.
2	Assets to be covered	All types of Mechanical, Electrical & Electronic machinery & spare parts, Machine Tools, consumables, Oils & Lubricants, precision instruments, Medical & Office Equipment & All other indigenous purchases Excluding Steel, Cement, Refractories, Raw Materials & Local purchases.
3	Location of the Assets	Anywhere in India to Visakhapatnam Steel Plant.
4	Sum Insured	Rs.20,000.00 lakhs.
	Other Terms & conditions	<p>b) In case of material delivered at transporters Godown at destination stations, the coverage shall be till collection of the consignments by VSP authorized collection agent/contractor/transporter or for a period of 180 days from the date of receipt of material at transporters Godown, whichever is earlier. Service provider may be registered or unregistered.</p> <p>b) VSP provides the following documents which includes:</p> <ol style="list-style-type: none"> 1. Survey report or other documentary evidence to show the extent of the loss or damage. 2. Correspondence exchanged with the carriers and other parties regarding their liability for the loss or damage. 3. Claim form. 4. Copy of Invoice, LR, Acceptance to Tender (AT) claim Bill.
5	Time limit for Lodging claims/notice of loss	6 months from the date of RR/LR/Airway bill/Bill of lading or any other document evidencing title to the goods as per Rules.
6	Policy Excess	0.25% of Consignment Value
7	Claims Ratio	As per details given below

Period	Claim amount in Rs.‘000s	Claims Ratio (%)
01-04-2012 to 31-03-2013	280	241%
01-04-2013 to 31-03-2014	400	200%
01-04-2014 to 31-03-2015	621	277%
01.04.2015 to 31.03.2016	884	590%
01.04.2016 to 31.03.2017	329	137%
01.04.2017 to 31.03.2018	723	246%
01.04.2018 to 30.11.2018	933	405%

Interested insurance Co. may contact Sr. Divisional Manager, The New India Assurance Co. Ltd, Divisional Office: III, Door No.49-01-09, IInd Floor Dali Raju Super Market, Sangam Office Bus Stop, Akkayyapalem Main Road, Visakhapatnam – 530 016, at Telephone No.2504849/2517737/ 2591977 and Fax No.2517781 for the period from 01.04.2012 to 30.09.2017 and 01.04.2018 to till date and Branch Manager, M/s Bajaj Allianz Insurance Company Private Limited, 3rd floor, Peejay plaza, VIP road CBM Compound, Visakhapatnam 530003 for the period 01.04.2017 to 31.03.2018.

10. Marine Open Cover for Third Country Imports and Customs Duty
(Declaration)

1	Type of Risk to be covered	Open cover under ICC-A including War & SRCC.
2	Assets to be covered	All types of material imported (excluding items Covered at Annexure No 12, 13 & 14)
3	Location of the Assets	Any country to Visakhapatnam Steel Plant.
4	Sum Insured	Rs.11,500.00 lakhs.
	Other Terms & conditions	<p>a) <u>Marine Declarations:</u></p> <ol style="list-style-type: none"> 1. Day-to-day Operation of this Policy is under T&S Section of Material Management Department. Insurance company has to comply with the requirements of T&S Section. 2. The Insurance Company must respond on the Fax/Email declaration particulars of the consignment as and when the loading commences at Load Port and send Insurance cover note by Fax/Email within 2 hours. The original cover-note may be sent by courier to T&S Section of Material Management Department with a copy to Finance Insurance section. <p>b) <u>Documentation of Claims:</u></p> <p>VSP provides the following documents :</p> <ol style="list-style-type: none"> 1. Original Policy or Certificate of insurance. 2. Original or copy of shipping invoices, together with shipping specification and/or weight notes. 3. Original or Copy of Bill of lading /Airway Bill or other contract of carriage. 4. Claim bill. 5. Correspondence exchanged with the carriers and other parties regarding their liability for the loss or damage (if necessary). 6. Copy of Bank Advice. 7. Copy of Freight Bill. 8. Copy of Bill of Entry. 9. Copy of Invoice.

5	Time limit for Lodging claims/ notice of loss	6 months from the date of RR/LR/Airway bill/Bill of lading or any other document evidencing title to the goods as per Rules.
6	Policy Excess	0.25% of Consignment Value
7	Claims Ratio	As per details given below.

Period	Claim amount in Rs. '000s	Claims Ratio (%)
01-04-2012 to 31-03-2013	Nil	-
01-04-2013 to 31-03-2014	Nil	-
01-04-2014 to 31-03-2015	Nil	-
01-04-2015 to 31-03-2016	Nil	-
01-04-2016 to 31-03-2017	Nil	-
01-04-2017 to 31-03-2018	135	34%
01-04-2017 to 30-11-2018	Nil	-

Interested insurance Co. may contact Sr. Divisional Manager, The New India Assurance Co. Ltd, Divisional Office: III, Door No.49-01-09, IInd Floor Dali Raju Super Market, Sangam Office Bus Stop, Akkayyapalem Main Road, Visakhapatnam – 530 016, at Telephone No.2504849/2517737/ 2591977 and Fax No.2517781 for the period from 01.04.2012 to 30.09.2017 and 01.04.2018 to till date and Branch Manager, M/s Bajaj Allianz Insurance Company Private Limited, 3rd floor, Peejay plaza, VIP road CBM Compound, Visakhapatnam 530003 for the period 01.04.2017 to 31.03.2018.

11. Marine Cover for Coal & Coke (Declaration)

1	Type of Risk to be covered	Open cover under ICC-A including War & SRCC.
2	Assets to be covered	Marine imports of all types of Coal & Coke.
3	Location of the Assets	Anywhere in the World to Destination port.
4	Sum Insured (Estimated)	Import of all types of Coal, and Coke. Rs. 8,64,700.00 lakhs.
	Other Terms & conditions	<ol style="list-style-type: none"> 1. The value of single shipment shall not exceed Rs. 30,000.00 lakhs. 2. The risk shall commence from the time of commencement of loading of material into the vessel at load port. 3. Day-to-day Operation of this Policy is under T&S Section of Material Management Deptt. Insurance Company has to comply with the requirements of T&S Section. 4. The Insurance Company must act on the Fax/Email Declaration particulars of the consignment on completion of loading at Load Port and send Insurance cover note by Fax/Email within 2 hours. The original cover-note shall be sent by courier to T&S Section of MM Department with a copy to Finance-Insurance Section. However insurance coverage shall be from the time of commencement of loading.
5	Policy Excess	0.25% of Consignment Value
6	Claims Ratio	Nil

12. Marine Open Cover for Limestone (Declaration)

1	Type of Risk to be covered	Open cover under ICC-B excluding War & SRCC for Marine imports of Limestone for Visakhapatnam Steel Plant.
2	Assets to be covered	Imported Limestone.
3	Location of the Assets	Anywhere in the World to destination port.
4	Sum Insured (Estimated)	Rs.17,200.00 lakhs.
	Other Terms & conditions	<ol style="list-style-type: none">1) The value of single shipment shall not exceed Rs. 848 lakhs.2) The risk shall commence from the time of commencement of loading of material into the vessel at load port.3) Day-to-day Operation of this Policy is under T&S Section of Material Management Department. Insurance Company has to comply with the requirements of T&S Section.4) The Insurance company must act on the Fax/Email Declaration particulars of the consignment on completion of loading at Load Port and send Insurance cover note by Fax/Email within 2 hours. The original cover-note will be sent by courier to T&S Section of MM Department with a copy to Finance Insurance Section. However insurance coverage shall from the time of commencement of loading.
5	Policy Excess	0.25% of Consignment Value
6	Claims Ratio	Nil

13. Marine Inland –Second Hand Machinery(Declaration) Policy

1	Type of Risk to be covered	Open policy under Marine ITC-A including SRCC and including cover under personal Baggage policy.
2	Assets to be covered	Transit Cover (including personal baggage) for All types used Second Hand Machinery (All types of used machinery, Equipment, Material/goods for repairs/reconditioning/fitment/tests etc.).
3	Location of the Assets	From Visakhapatnam Steel Plant (including Mines) to anywhere in India.(and back) by road/Rail/Air /courier/personal baggage.
4	Sum Insured	Rs.4000.00 lakhs at Market value.
	Other Terms & conditions	<p>a) Concerned Department whoever willing to send the Second Machinery for repairs/reconditioning/ fitment/ tests etc., will give intimation to Insurance Company and copy to Insurance claims section of F&A Department.</p> <p>b) Before sending material/Machinery for jobs mentioned above the insurance company will survey the material at their own cost.</p>
5	Policy Excess	0.25% of Consignment Value
6	Claims Ratio	Nil

Annexure: 14**14. Marine Open Cover –Second Hand Machinery (Export & Import - Declaration)**

1	Type of Risk to be covered	Open cover under Marine ICC-A including War & SRCC.
2	Assets to be covered	Transit Cover for All types of used Second Hand Machinery (Export & Import) (All types of used machinery, Equipment, Material/goods for repairs/reconditioning/fitment/tests etc.,).
3	Location of the Assets	From Visakhapatnam Steel Plant (including Mines) to anywhere in the World (and back) by Ship/Air/any other means.
4	Sum Insured	Rs.500 Lakhs at Market value.
5	Other Terms & conditions	<p>a) Concerned Department whoever willing to send the Second hand Machinery for repairs/ reconditioning/ fitment/tests etc will give intimation to Insurance Company and copy to Insurance claims section of F&A Department.</p> <p>b) Before sending material/Machinery for above referred jobs the insurance company will survey the material at their own cost.</p>
6	Policy Excess	0.25% of Consignment Value
7	Claims Ratio	Nil

15. ALL RISKS (DECLARATION) POLICY (INCLUDING TERROSIM)
FOR 2ND HAND MACHINERY Etc. DURING REPAIRS AT
CUSTOMERS PREMISES (WITH IN INDIA)

Type of Risk to be covered	All Risks Policy including Fire and allied Perils cover, theft, Electrical & Mechanical Break downs, Accidental Damage, Terrorism etc. during repair at Customers Premises
Location of the assets	Anywhere in India at Customers Premises
Sum Insured	Rs.4,000.00 lakhs on agreed value basis
Policy Excess	Nil
Claims Ratio	Nil
Assets to be covered	The asset will be declared as and when sent to our customer's premises for repair.
Policy Excess	5% of claim amount subject to a minimum of Rs.10,000/-
Claims Ratio	Nil

16.SPECIAL CONTINGENCY POLICY FOR COAL

1	Type of Risk to be covered	1. Storage Risk - Fire & Allied Perils including spontaneous Combustion Risk at Visakhapatnam Port (VPT), Gangavaram Port (GPL) & coal yard of VSP. 2. Transit Risk ITC-C by Rail/Road from Vizag port and Gangaravaram Port to Coal Yard of VSP through Rail/conveyor belt. 3. Transit Risk ITC-C for movement of Coal from Coal yard to consumption points by Conveyor Belts.
2	Assets to be covered	Coking Coal, Boiler Coal and Coke.
3	Location of the Assets	Coal Stocks at Coal Yard of VSP, Visakhapatnam Port, Gangavaram Port (on termination of transit insurance cover), and Material in transit from port to Coal yard of VSP, coal yard of VSP to consumption points.
4	Maximum Value of Stocks at any single location	Rs. 131,100.00 lakhs. (Maximum value at risk at single location).
5	Other Terms & conditions	Extent of coverage is as follows: 1. For Storage AOA limit Rs.145 Crores and AOY limit Rs.436 Crores 2. For transit AOA Limit Rs 14.00 Crore / AOY Limit Rs.43.00 Crores.
6	Policy Excess	NIL
7	Claims Ratio	As stated below*

***Note:** 1. Apart from above, RINL has intimated M/s New India Assurance Company Ltd on 17.10.2014 about loss of Coking Coal to the tune of Rs 4.17 Crores, stacked at RMHP Stockyard of Steel Plant premises due to Hudhud super cyclonic winds occurred on 12th October, 2014.

17. Group Personal Accident Policy (GPAI) for Service Contracts

1	Policy & type of Risks to be covered	<p>Group personal Accident Insurance Policy for Sum Insured Rs.5,00,000/- per each person for 20 unnamed persons working under various contracts.</p> <p>Please note that the existing contracts, on expiry of contract period, may or may not be renewed or new Agencies appointed and the same shall replace the existing.</p>
2	Persons to be covered	<p>20 persons.</p> <p>Authorized employees/Consultants belonging to Authorized Service agents or OEM's or any other agency under various contracts of servicing, testing and calibration.</p>
4	Sum Insured	<p>Rs.100 lakhs (Rs.5,00,000/-per person under GPAI)</p>
5	Policy Excess	<p>NIL</p>
6	Claims Ratio	<p>Nil</p>
7	Other Conditions	<p>1. During the policy period</p> <p>a) Contracts will be either renewed or closed.</p> <p>b) New contracts may be awarded as per requirement.</p>

18. Group Personal Accident Policy (GPAI) for Time Rated Workers (TRWs)& Piece Rated Workers(PRWs) working in Garbham Manganese Mines (on duty cover including on official tours from any place to any place in India)

1	Policy & type of Risks to be covered	Group personal Accident Insurance Policy for Sum Insured Rs.5,00,000/- per each person for 10 named persons working as TRWs & PRWs in Garbham Manganese Mines. Only on duty cover including on official tours to any place in India.
2	Persons to be covered	10 persons.
4	Sum Insured	Rs.50lakhs (Rs.5,00,000/-per person under GPAI) on duty cover including on official tours to any place in India.
5	Policy Excess	NIL
6	Claims Ratio	NIL
7	Other Conditions	NIL

**19. GROUP MEDICLAIM INSURANCE POLICY FOR RINL/VSP
RETIRED EMPLOYEES & THEIR SPOUSES WITH FLOATER AND
THEIR MENTALLY & PHYSICALLY CHALLENGED CHILDREN**

- 1.0 **Type of Risks & Coverage:** Hospitalization, Domiciliary Hospitalization and OPD Treatment, Pre & Post hospitalization, pre-existing diseases, (all the above covers with 30 days exclusion waiver) with floater for retired employees & their spouses covered at a, b, c, d and e of para 2 below and Optional Top up cover.

- 2.0 **Coverage:**
- a. Retired employees of RINL/VSP and their spouses.
 - b. The employees who have taken Voluntary retirement and their spouses.
 - c. The employees who cease to be in employment on account of permanent total disablement and their spouses.
 - d. The spouse of an employee who dies while in service.
 - e. Mentally/Physically challenged children of employees separated on account of superannuation, death, total permanent disablement and voluntary retirement.

As per policy in operation around 5590 (882 single + 2354 couples) are Mediclaim policy members, held with M/s. New India Assurance Co Ltd. It may be noted that 874 more members may likely to join during next 12 months.

Around 50 members have subscribed for Optional Top up cover of Rs 200000/- each.

- 3.0 **Sum to be Insured (CSI):** Rs. 20,103 lakhs with a ceiling of Rs.3,00,000/- (CSI) hospitalization charges per member and Rs.6,00,000/- **with floater** for member and spouse. Additional Top up cover of Rs 2 lakh per single member and Rs 4 lakh per couple member will be provided by the Insurance company on demand, for which premium will be paid by the members directly to the Insurance company at the commencement of the coverage. Top up cover has to be taken in full i.e. Rs 2 lakh for single and Rs 4 lakh for couple, if opted. Actual sum insured & number of members for 2019-20 (from 01.04.2019) will depend upon option of members. As per options received, premium will be paid before commencement of risk.

- 4.0 **Policy Excess :** Nil

5.0 Period of coverage : 01.04.2019 - 00.00 hrs to 31.03.2020 Mid-night 24.00 hrs.

6.0 Following is the claims ratio for last 5 years (including OPD Treatment):

Period		Ratio %	Name of the Insurance Co.
From	To		
01.04.2012	31.03.2013	105.05	M/s. NIA
01.04.2013	31.03.2014	49.20	M/s. NIA
01.04.2014	31.03.2015	70.03	M/s. NIA
01.04.2015	31.03.2016	88.00	M/s NIA
01.04.2016	31.03.2017	125.56	M/s NIA
01.04.2017	31.03.2018	111.00	M/s BAGICL
01.04.2018	30.11.2018	116.28	M/s NIA

- BAGICL: Bajaj Allianz General Insurance Co. Ltd.
- NIA: M/s. The New India Assurance Co. Ltd.

7.0 No. of expected members in each age group:

Age Group	Total	Below 36	36-45	46-55	56-65	66-70	71-75	76-80	Above 80
No. of members (single)	953	43	118	351	330	55	39	8	9
No. of members (couples)	5748	2	8	236	4402	696	270	96	38

*higher age of either wife or husband is considered

** Employees retiring during 2019-20 and likely to join the scheme.

Total Number of expected members would be: 6701 (953+5748)

8.0 Expected members for Top up policy :- Total 20 members opted for the Top Up cover under the scheme and claim experience for the same is placed in the documents at page number 102.

9.0 Pro-rata premium shall be charged for the balance risk period, in case of members joining afresh (new joining) (as specified at para 2 above) during the policy period.

10.0 In case, the Insurance Company provides any other benefit other than those detailed hereunder within the premium quoted, may detail. (However this

shall not be considered in tender evaluation but will be binding on the Insurance Company in case the policy is obtained from such Insurance Company).

11.0 The quality of service rendered under this policy by the Insurance Company shall be comparable to the services rendered by any reputed Third Party Administrator (TPA) under similar policies. For this purpose, the Insurance Company may utilize their in house resources or engage one or more reputed TPAs registered with IRDA, without levying any additional charges on this account either on RINL or on its members covered under the scheme.

12.0 The insurance company shall issue medicaid policy forthwith and arrange for printing and binding of sufficient quantity of hard copies of Booklet of terms and conditions of medicaid policy, List of hospitals with cashless facility for hospitalization including details of TPA if engaged by the insurance company, within 10 days of payment of premium. Insurance Company shall also arrange for dispatch of one copy each to member family covered under the scheme of the Booklet of terms and conditions of Medicaid policy, List of hospitals with cashless facility for hospitalization including details of TPA and Identity card. RINL/VSP will furnish the list of members along with details of spouse, address etc. to the insurance company on monthly basis.

The insurance company shall share the changes in particulars of members i.e. address, phone number etc, if any, on monthly basis to Welfare section of HR department of RINL/VSP for data updation purpose.

Access to members of the data related to RINL/VSP uploaded in the Website of the insurance company shall be allowed through VSP Internet site through 'file link' and 'click' method.

13 Claims Settlement:

13.1 Time Limit for settlement of claim bills from the time of Lodgment of claim:

The Claim bills of the members under this policy shall be settled within 15 days from the date of submission of all the documents to the insurance company or to the TPA. Delay if any, on the part of TPA in settling the claim bills shall be to the account of insurance company and the insurance company shall solely be responsible for the delay in settling the claims.

13.2 In case claims are not settled by the Insurance Company or the TPA within the prescribed time limit as specified above subject to submission of required documents, the Insurance Company shall pay interest at the rate of 20% p.a. The claim status report shall be sent to RINL/VSP on monthly basis.

- 13.3 The Insurance Company shall also extend cashless settlement in respect of all Corporate Hospitals and other hospitals as mutually agreed to, subject to ceiling of balance available CSI.
- 13.4 In case of OPD Claims, date of consultation shall be the criteria for determining policy period. Accordingly, the claims shall be settled by the Insurance Company under the respective policy periods in line with the policy terms and conditions.
- 13.5 In case of post hospitalization treatment, relevant medical expenses up to 60 days after the period of hospitalization, even if such period of 60 days falls beyond the policy period, shall be settled by the Insurance Company under whose policy period the hospitalization has occurred.
- 13.6 RINL is not responsible for any fraudulent claims made by the Members of Mediclaim Policy.
- 14 An MOU will be entered between RINL/VSP and Insurance Company for operational/working arrangement of the Scheme.
- 15 All other terms and conditions shall be as per enclosure.

Other terms & Conditions of Group Medclaim Policy

1.0 OBJECTIVE OF THE SCHEME :

To extend the Medical Benefits to the Retired Employees of RINL/VSP and their Spouses and mentally / physically challenged children.

2.0 PERSONS COVERED :

- Retired employees of RINL/VSP and their spouses.
- The employees who have taken Voluntary retirement and their spouses.
- The employees who cease to be in employment on account of permanent total disablement and their spouses.
- The spouse of an employee who dies while in service.
- Mentally/Physically challenged children of employees separated on account of superannuation, death, total permanent disablement and voluntary retirement

This scheme is optional and those who opt for this scheme will hereinafter be referred to as “**members**”.

3.0 SCHEME:

The members will be covered through Group Medclaim Insurance Policy of the Insurance Company and will be operated through Insurance Co. The period of the policy is from 01.04.2019 to 31.03.2020. Members will be covered for Top up cover as well, for which payment has to be made at the prescribed rate by the members to the Insurance Company directly.

4.0 PROCEDURE FOR JOINING THE SCHEME :

- i) As per the arrangement to be made with RINL, all retiring employees shall be given enrolment form by HR department of RINL/VSP or alternatively can be downloaded from the VSP Website of intranet portal.
- ii) This enrolment form should be filled in by the employee and his/her spouse desiring to join the scheme.

The enrolment fee is Rs.1300/- per person for the policy period. The complete enrolment form along with total enrolment fee (@ Rs 1300/- per person) by way of single Demand Draft in favour of RINL/VSP or salary

deduction / NEFT / Payment Gateway should be submitted to Mediclaim Cell of Welfare Section, HR Department, RINL/VSP.

- iii) On receipt of completed enrolment form by Mediclaim Cell of Welfare Section, RINL/VSP, Mediclaim Index No. (MIN) for each individual shall be allotted.

NOTE: Any change of address must be intimated to Welfare Section and to M/s. _____ (Insurance Co.) giving the Mediclaim Index No. (MIN) and Mediclaim Policy No. _____.

5.0 **POLICY COVERAGE :**

The policy covers reimbursement of Hospitalization charges and/or Domiciliary Hospitalization charges and/or Out-patient Department (OPD) expenses for illness/diseases contracted or injury sustained by the injured person. In the event of any claim becoming admissible under the policy, the Insurance company will pay to the insured member/Corporate Hospital/any other Hospital (as mutually agreed) in which the insured member is admitted, the amount of such expenses as reasonably and necessarily incurred anywhere in India, but not exceeding, in any one period of insurance, the amount under the respective category in the TABLE OF BENEFITS mentioned at Clause-8.

6.0 **DEFINITIONS :**

- 6.1 **HOSPITAL/NURSING HOME** means any institution in India established for indoor care or domiciliary treatment and treatment of sickness and injuries and which has been registered either as a Hospital or Nursing Home with the local authorities and is under the supervision of a registered and qualified Medical Practitioner. For the purpose of OPD treatment, Hospital shall mean a Government Hospital/RINL Hospital/Registered Hospital/Nursing Home/Clinic/Premises of Registered Medical Practitioner having minimum degree in Allopathic/Homeopathic Medicine.

The terms “Hospital” shall not include an establishment which is a place of rest, a place for the aged, a place for drug addicts or alcoholic, a hotel or a similar place.

- 6.2 **SURGICAL OPERATION** means manual and operative procedures for correction of deformities and defects, repair of injuries, diagnosis and cure of diseases, relief of suffering and prolongation of life.

6.3 DOMICILIARY HOSPITALIZATION BENEFIT means medical treatment for a period exceeding 3 days for such illness/disease/injury which in the normal course would require care and treatment at a Hospital/Nursing home but actually taken whilst confined at home in India under any of the following circumstances namely :

The condition of the patient is such that he/she cannot be removed to the Hospital/Nursing Home.

However, the Domiciliary Hospitalization Benefits shall not cover:

- i) Expenses incurred for pre and post hospitalization treatment; and
- ii) Expenses incurred for treatment of any of the following diseases:

1. Asthma
2. Bronchitis
3. Chronic Nephritis and Nephritic Syndrome.
4. Diarrhea and all types of dysenteries including Gastroenteritis.
5. Diabetes Mellitus and Insipidus.
6. Epilepsy
7. Hypertension
8. Influenza, Cough and Cold
9. All psychiatric or psychosomatic disorders.
10. Pyrexia of unknown origin for less than 10 days.
11. Tonsillitis and Upper Respiratory Track infection including laryngitis and Pharyngitis.
12. Arthritis, Gout and Rheumatism.

However, treatment for the above is admissible, when the patient is admitted in a hospital or if the treatment is taken in O.P.D. of the defined hospital/Clinic.

NOTE: When treatment such as Dialysis, Chemotherapy, Radiotherapy, Microsurgery, Ophthalmic Surgery, Cancer related treatment, etc., is taken in the Hospital/Nursing Home and the insured is discharged on the same day, the treatment taken by the insured is considered under the Hospitalization Benefit Section.

6.4 **O.P.D. Treatment:**

Means treatment taken as an out-patient in any Government Hospital/RINL Hospital/Any Registered Hospital/Nursing Home/Clinic. The charges incurred for treatment taken from Registered Medical Practitioners having minimum Degree in Allopathic/Homeopathic Medicine will also be reimbursed. The medicines should be prescribed by Doctors on letter heads of Hospitals/Nursing Home/Clinic/Doctors.

6.5 Any One Illness:

Any One illness will be deemed to mean continuous period of illness and it includes relapse within 45 days from the date of last consultation with the Doctor/Hospital/Nursing Home/Clinic. Occurrence of same illness after lapse of 45 days as stated above will be considered as fresh illness for the purpose of the mediclaim policy.

6.6 **Registered Medical Practitioner:**

Registered Medical Practitioner means a person who holds a minimum degree in allopathic/homeopathic medicine of a recognized institution and is registered by appropriate authority for the time being.(Medical Council of respective State in India). The term Registered medical practitioner would include Physician, Specialist and Surgeon.

7.0 **IMPORTANT EXCLUSIONS:**

Under Group Mediclaim policy, the Insurance Company shall not be liable to make any payment in respect of any expenses whatsoever incurred by the insured person in connection with:

1. Any disease/injury caused by War/Nuclear Weapons/Radiations/Breach of Criminal Law.
2. Circumcision, Cosmetic or Plastic Surgery unless necessitated by an accident or as a part of any disease / illness.
3. All health check-ups, routine eye examination and cost of glasses and contact lenses.
4. Cost of dentures.
5. Convalescence, general debility, "Run-Down" condition or rest cure, congenital diseases or defects, sterility, venereal diseases, intentional self-injury and use of intoxicating drugs.
6. Any expenses incurred for diagnosis etc. not consistent with treatment for injury/illness disease.
7. Expenses on vitamins and tonics unless forming part of treatment for injury or disease as certified by the attending physician.

8. Treatment traceable to pregnancy / child birth, voluntary medical termination of pregnancy during first 12 weeks of conception.
9. Naturopathy Treatment.

8.0 **TABLE OF BENEFITS:**

8.1 **HOSPITALISATION BENEFIT**

Reimbursement of actual charges up to Rs.3,00,000/- per member and Rs.6,00,000/- with FLOATER for member & spouse per policy period spent on Room, IC Unit, Nursing Expenses, Surgeon, Anesthesia, Medical Practitioner, Consultant, Specialist fees, Blood, Oxygen, Operation Theatre Charges, Surgical appliances, Medicines, & Drugs, Diagnostic Material, X-Ray, Dialysis, Chemotherapy, Radio therapy, cost of pace maker, artificial limbs and cost of organs and similar other expenses. Additional Top up cover of Rs 2 lakh per single member and Rs 4 lakh per couple member will be provided by the Insurance company on demand, for which premium will be paid by the members directly to the Insurance company at the commencement of the coverage. Top up cover has to be taken in full i.e. Rs 2 lakh for single and Rs 4 lakh for couple, if opted.

8.2 **HOSPITALIZATION BEYOND POLICY PERIOD:**

The policy shall reimburse only those expenses incurred for hospitalization commencing from a date within the policy period. If the hospitalization extends beyond the expiry date of the policy, the total benefit will not exceed the sum insured for the period of policy during whose validity such hospitalization commenced.

8.3 **PRE HOSPITALIZATION:**

Relevant medical expenses incurred during the policy period up to 30 days prior to the hospitalization / disease / illness / injury sustained will be considered as a part of claim under hospitalization.

8.4 **POST HOSPITALIZATION:**

Relevant medical expenses incurred for disease / illness / injury sustained during a period up to 60 days after period of hospitalization will be considered as part of claim under hospitalization.

8.5 **DOMICILIARY HOSPITALISATION BENEFITS NON-SURGICAL TREATMENT ONLY)**

Medical Practitioner, Consultants & Specialist fees for visits, etc.	Rs.13,500/- per member and Rs.27,000/- with
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Blood, Oxygen, Diagnostic Material X-Ray, Employed Nurses, Medicines	floater for member & spouse
---	--------------------------------

Thus the total limit under hospitalization including domiciliary hospitalization is Rs.3.0 lakhs per member and Rs.6.0 lakhs WITH floater for member & spouse per policy period.

8.6 OUT-PATIENT DEPARTMENT (OPD):

- 8.6.1 The limit of reimbursement of OPD expenses would Rs.8,000/- per member and Rs.16,000/- WITH floater for member & spouse per policy period.
- 8.6.2 The member shall take treatment as outpatient from any Registered Medical Practitioner having minimum Degree in Allopathic/Homeopathy Medicine.
- 8.6.3 OPD Treatment availed from Hospital/Nursing Home/Clinic shall be necessarily claimed on the letter head of the Doctors/Hospital/Nursing Home/Clinic.
- 8.7 The overall ceiling under 8.1 to 8.6 shall be Rs.3.0 lakhs per member and Rs.6.0 lakhs WITH FLOATER for member & spouse per policy period.

9.0 CLAIM PROCEDURE :

A) HOSPITALISATION AND DOMICILIARY HOSPITALISATION :

- i) Notice of the claim should be sent to the Insurance Company immediately and not later than 7 days of the injury/hospitalization/domiciliary hospitalization indicating Medclaim Index No., Name of the Insured Member, Nature of injury/ illness, name of the Hospital/Nursing Home. Specimen of the claim intimation letter is attached at Annexure-I.
- ii) On receipt of such claim intimation, the Insurance Company will issue a Claim Form directly to the insured person. The Claim Form should be returned duly filled in all respects and no column should be left blank. A specimen copy given at Annexure-II can also be used for the purpose.
- iii) All Bills, Medical Reports, Test Reports, Pathological test report duly certified by the attendant Medical Practitioner along with original prescription, Hospital admission & discharge certificates be submitted by Regd. Post to the Insurance Company in support of the claim along with the prescribed claim form immediately on completion of

the treatment or on expiry of 60 days from the date of discharge from the hospital whichever is earlier. Members to ensure that the treatment is taken from a Registered Medical Hospital. However, in case the treatment is taken in non-registered hospitals on emergency basis, the insured member should have valid reasons for doing so and should immediately inform Insurance Company with full details. All claim papers should be submitted in one lot and not on piece-meal basis.

- iv) On receipt of complete Claim Form along with relevant documents & discharge voucher, the insurance company shall process the claim, if the documents are found to be in order and other relevant information is complete, the claim will be settled as early as possible but within 15 days of receipt of all claim documents mentioned by the Insurance Company. The insurance company may remit the proceeds through Cheques/NEFT/RTGS/Account Transfer or any other mode of e-payment implemented by Banks as per RBI guide lines from time to time.

The above is to be followed for claiming Hospitalization charges wherever Cashless facility is not extended by the Insurance Company.

B) OUT PATIENT DEPARTMENT (OPD) TREATMENT:

- i) OPD claims shall be submitted to the Insurance Company along with :
 - a) OPD Claim Form duly filled in;
 - b) All Original Doctor's Prescriptions;
 - c) All original Cash Receipts/Bills for Drugs/Diagnostic Tests etc; &
 - d) Copies of all Diagnostic Reports.

Specimen of the OPD treatment Claim Form is given at Annexure-III.

- ii) Dental treatment can also be availed of within the existing limit of Rs.8,000/- per member and Rs.16,000/- WITH floater for member & spouse for the policy period under OPD treatment. Cost of dentures will not be reimbursed.
- iii) In case of expenses on Eye treatment, Cost of spectacles/Contact Lenses shall not be reimbursed
- iv) Each OPD Claim Bill shall not be for a value of less than Rs 1000/-, except for the last OPD Claim Bill of the policy period. In other words, members shall accumulate their OPD Claim bill up to a value of Rs 1000/- or more and lodge the claim on Insurance Company.

However, the last OPD Claim Bill of the policy period may be for any amount.

v) The insurance company may remit the proceeds of OPD Claim Bill through Cheques/NEFT/RTGS/Account Transfer or any other mode of e-payment implemented by Banks as per RBI guide lines from time to time.

C) In case of any dispute in any claim, a Committee of RINL Officials and Insurance Company will be constituted to resolve the dispute. The decision of the committee in this regard will be binding on both the parties. It shall be compulsory for all members of the scheme to first refer any grievance that they may have to the committee and wait for a reasonable time for the decision of the committee. The committee shall give detailed reasons for the decision taken for each and every dispute or grievance referred to it by any member of the scheme.

CLAIM INTIMATION LETTER

Date :

To

Dear Sir,

Sub : Mediclaim Index No. (MIN) _____

Ref : Mediclaim Policy No. _____

This is to inform you that I have been admitted to Hospital, details of which are as under:

1. Name of the Insured Member : _____
2. Name of the injury/illness : _____
3. Name & Address of Hospital : _____
4. Date of Admission in Hospital : _____

Thanking you,

Yours faithfully,

Name : _____

Full Address for Correspondence :

Phone No.
STD Code
Cell No.

Annexure –II to Mediclaim policy

HOSPITALISATION AND DOMICILIARY HOSPITALISATION
BENEFIT POLICY CLAIM FORM

Claim No.
(for office use only)

Please fill in all columns without exception put 'NA', wherever the column is not relevant.

1. Name of the insured : _____
(Surname) (Name)
2. Details of the person
Undergoing treatment :
 - a) Name : _____
 - b) Date of Birth : _____
 - c) Occupation, if any.: _____
 - d) Residential address : _____
(in capital letters)

 - e) Phone No. : _____
3. MIN No./Mediclaim Policy No.:
4. Nature of Disease/Illness/Injury suffered :

5. a) Name & Address of the Hospital/
Nursing Home : _____

- b) Date of Admission : _____
- c) Date of Discharge : _____
6. If the claim is for Domiciliary
Hospitalization, please indicate:
 - a) Date of commencement of treatment: _____

b) Date of completion of treatment : _____

c) Name & Address of the attending
Medical Practitioner : _____

I have incurred on the treatment of Disease/Illness/Accident referred to above, the expenses as per the details given by me in the Schedule of expenses given overleaf.

In support of the above claim, I enclose the following documents : (please indicate by tick) :

1. Original Bills, Receipts and Discharge Certificate/Card from the Hospital.
2. Original Cash Memos from the Hospital/Chemist(s) supported by Original prescriptions.
3. Copies of Pathological Test Reports
4. Surgeon's Certificate in Original stating nature of operation performed.
5. Attending Doctor's/Consultant's/Specialist's/Anesthetist's Reports in Original.
6. Original Discharge Voucher duly signed on Rs.1/- Revenue Stamp.

I hereby warrant the truth of the foregoing particulars in every respect. I further declare that, in respect of the above treatment, no benefits under any other scheme of insurance or from my present employer, if any, have been claimed by me.

Insured (Claimant's) Bank account details for ensuring e- payments:

Name of the Claimant	
Account Number	
Name of the Bank	
Name of the Branch	
Address of the Branch	
Type of Account	
IFS Code	

Date : Signature of the Claimant

MIN NUMBER CLAIM NO. _____

SCHEDULE OF EXPENSES INCURRED BY THE CLAIMANT

(Attach separate Annexure for details of Bills)

Details of expenses claimed under Hospitalisation/Domiciliary hospitalization (To be supported by Bills/Receipt, Cash Memos, etc.)	Amount Claimed (Rs.)
1. a) Pre-hospitalisation benefits (Within 30 days prior to admission in the Hospital)	
2. a) Hospitalisation Benefits	
3. Post-Hospitalisation Benefits (upto 60 days from date of discharge)	
TOTAL	

Insured (Claimant's) Bank account details for ensuring e- payments:

Name of the Claimant	
Account Number	
Name of the Bank	
Name of the Branch	
Address of the Branch	
Type of Account	
IFS Code	

Place:

Date : Signature of the Claimant

Annexure – III to Mediclaim policy

OPD TREATMENT CLAIM FORM

- 1.0 Name of the Insured Person : _____
- 2.0 Mediclaim Index No. (MIN) : _____
- 3.0 Mediclaim Policy No. : _____
- 4.0 Address (in block letters) : _____
- 5.0 Phone No. with STD Code : _____
- 6.0 e-mail address: _____
- 7.0 Nature of illness : _____
7. Period of Illness : _____

9.	Expenses incurred	Amount (Rs.)	Bill No.	Bill date
a)	For consultation			
b)	For medicines			
c)	For pathological & other Diagnostic Test			

I declare that the facts given are correct and that I have not claimed reimbursement for the above expenses incurred by me from any other source.

Insured (Claimant's) Bank account details for ensuring e- payments:

Name of the Claimant	
Account Number	
Name of the Bank	
Name of the Branch	
Address of the Branch	
Type of Account	
IFS Code	

Place :

Date : (Signature of the Insured)

Please enclose the following documents along with the Claim Form :

- a) OPD Claim Form duly filled in;
- b) All Original Doctor's Prescriptions;
- c) All original Cash Receipts/Bills for Drugs/Diagnostic Tests etc; &
- d) Copies of all Diagnostic Reports.

20. GROUP PERSONAL ACCIDENT INSURANCE (GPAI) POLICY

1	Policy & Type of Risks to be covered	Group Personal Accident Policy: Death due to accident, Loss of any limb due to accident, Permanent Total Disablement (PTD) & Permanent Partial disablement (PPD) due to accident (24 hours Cover anywhere in World) as per details given hereunder.
2	Policy Period	01.04.2019 to 31.03.2020
3	Persons to be covered	Employees of Visakhapatnam Steel Plant, who opt for coverage under the Policy.
4	Sum Insured	<p>Up to 60 Months of Basic plus DA(rounded off to lakhs – on the lower side, based on prevailing salary scales as on the date of recovery of premium from employees' salary for the month to be decided by RINL)per each Employee or Lump sum amount as opted by the Employee whichever is less. As per existing policy in operation around 17500 Employees were covered for a total sum of Rs.6,350.00 Crores approx.</p> <p>However, Actual sum insured & number of employees for 2019-20 will depend upon option of employees and rate of premium quoted by the Insurance Company. Accordingly, premium shall be paid as per the rate quoted by the insurance company on the actual sum insured opted by the employees which shall be intimated before commencement of risk.</p> <p>Category No of Emp. (Approx.) Highest Scale</p> <p>Non-Executives: 11200 Rs.18,000-3%-42,350.</p> <p>(Present DA is 50.3 % on basic pay)</p> <p>Executives: 6300 Rs. 62,000-3%-80,000</p> <p>(Present DA is 135.6 % on basic pay)</p>
5	Policy Excess	Nil
6	Claims Ratio	As per the details given below

Period		Ratio %	Name of the Insurance Co.
From	To		
01.04.2012	31.03.2013	121.00	M/s. New India
01.04.2013	31.03.2014	83.65	M/s. New India
01.04.2014	31.03.2015	120.00	M/s. New India
01.04.2015	31.03.2016	67.00	M/s. New India
01.04.2016	31.03.2017	91.00	M/s New India
01.04.2017	31.03.2018	124.00	M/s BAGICL
01.04.2018	30.11.2018	92.00	M/s New India

***BAGICL: M/s. Bajaj Allianz General Insurance Co. Ltd.**

**** New India: M/s. The New India Assurance Co. Ltd.**

7.0 Other Terms & Conditions:

7.1 The following documents shall only be submitted by the claimants in case of death claims:

- Death Certificate in original.
- Attested copy of FIR
- Attested copy of Sava Panchanama.
- Attested copy of Post Mortem Report
- Attested copy of Provident Fund Nomination/Legal Heir or Inheritance / Succession Certificate/Family Member Certificate*
- Attested Copies of Last Pay Slip and Pay slip for the previous month of the deceased employee.
- Copy of strike off order deleting the name of the deceased employee from company rolls.
- Self declarations of the claimant claiming expenses towards funeral expenses, dead-body carrying expenses, educational expenses (as applicable)
- E mail address and phone number of the claimant.
- Bank account number of the claimant with name of the bank, address and details of RTGS / NEFT/ IFSC code etc.

*** As per existing policy nominee(s) under Employees Provident Fund & Miscellaneous Provisions Act are only considered as nominee(s) of the member for GPAI Purpose. Hence, if nominee(s) are not existing then only Legal Heir or Inheritance or Succession Certificate shall be submitted, as the case may be.**

No document what so ever other than documents mentioned above shall be insisted by the Insurance Company/Investigators etc. for processing and settlement/repudiation of the claim either from the claimant(s)/RINL-VSP i.e. the claim is to be settled solely based on the strength of above mentioned documents. However, any further documents are required, the insurance company may obtain on their own and settle the claim well with in the limit referred at 7.2 below.

7.2 Time Limit for settlement of claim from the time of Lodgment of claim

Within 30 days from the date of submission of documents referred at 7.1 above by the claimant through RINL/VSP.

7.3 In case claims are not settled by the Insurance Company within the prescribed time limit as specified at 2.0 above subject to submission of documents referred at 1.0 above, the Insurance Company shall pay interest @ 20% p.a. from the due date to the date of settlement.

8. **Amount payable in case of Risk:**

- 4.1 In case of Death 100% Capital sum insured (CSI).
- 4.2 In case of Permanent Disability 100% Capital sum insured.

4.3 In case of Partial Disability:

Sl No.	Partial Disability	% of CSI
1	Loss of toes all	20
	Great-both phalanges	5
	Great – one phalanx	2
	Other than great, if more than one Toes lost each.	1
2	Loss of hearing – both Ears	70
3	Loss of hearing – one Ear	30
4	Loss of Four Fingers & thumb	40
5	Loss of four Fingers	35
6	Loss of thumb-both phalanges	25
	one phalanx	10
7	Loss of Index finger: - Three phalanges -	10
	Two phalanges	8
	- One phalanx	4
8	Loss of Middle finger: - Three phalanges -	6
	Two phalanges - One	4
	phalanx	2
9	Loss of Ring Finger - Three phalanges - Two	5
	phalanges - One	4
	phalanx	2
10	Loss of Little finger - Three phalanges	4
	- Two phalanges	3
	- One phalanx	2
11	Loss of Metacarpals : - first or second (additional)	3
	Third or fourth and fifth (additional)	2
12	Any other permanent partial disablement: As assessed by Doctors of VSGH/KGH/Any Registered Medical Practitioner.	

Note: In case of employees suffering with existing disability declared to RINL/VSP or any disability claim made and admitted by the Insurance Company in earlier insurance periods if any, and any further disability caused afresh due to accident during the current policy period, then the claim shall be restricted to the disability element caused/aggravated during the policy period only.

9. The following are the additional Benefits that are to be extended under this policy within the premium quoted in the Price Bid :

- a) Towards expenses for Carriage of Dead Body @ 2% of Capital Sum Insured subject to a minimum of Rs.10,000/- shall be payable.
- b) Towards funeral expenses @ 2% of Capital Sum Insured subject to a minimum of Rs.10,000/- shall be payable.

The above two amounts shall be paid on submission of self-declaration by the claimant that the claimant has incurred the expenditure for the purpose of carrying the dead body/funeral expenses. No other documents from the claimants shall be insisted to be submitted, by the Insurance Company for releasing this payment.

- c) In the event of death or PTD of injured person due to accident: Insurance Company shall pay towards educational expenses, in case of one dependent child below 25 years - 10% of CSI subject to maximum of Rs.10,000/- and in case of more than one child below 25 years – 10% of CSI subject to maximum of Rs.20,000/- shall be payable. The amount shall be paid on submission of self-declaration by the claimant that claimant has incurred/to be incurred the expenditure for the purpose of perusing education subject to submission of age proof. No other documents from the claimants shall be insisted to be submitted, by the Insurance Company for releasing this payment.

10. **Disbursement of Settlement Proceeds:**

The settlement proceeds shall be transmitted through NEFT/RTGS to the claimants Bank Account as per the details furnished by the claimants and intimation to this extent shall be sent to the claimants duly indicating the details of settlement, date of transfer etc. and a copy of the same shall be sent to AGM (F&A) Insurance Section VSP/RINL for information. In case the nominees are more than one, the proceeds shall be credited to the accounts of nominees in the proportion as mentioned in the PF nomination form.

11. All other terms and conditions shall be as per standard terms & conditions of GPAI policies.

12. In case, the Insurance Company provides any other benefit other than those detailed hereunder within the premium quoted, details of such additional benefit may be furnished. (However this shall not be considered in tender evaluation but will be binding on the Insurance Company in case the policy is obtained from such Insurance Company).
13. RINL is not responsible for any fraudulent claims from its employees/claimants.

CLAIMS STATISTICS AS FURNISHED BY THE RESPECTIVE INSURANCE COMPANIES

(A) FIRE POLICIES (including FLOP)
(w.e.f 01.04.2012 to till date opted for Mega Policy)

Period	Premium paid (Rs.in lakhs)	Incurred claims (Rs.in lakhs)
01-04-2012 to 31-03-2013	463.00	8.00
01-04-2013 to 31-03-2014	981.22	0.00
01-04-2014 to 31-03-2015	1069.56	30100.00
01-04-2015 to 31-03-2016	2069.54	NIL
01.04.2016 to 31-03-2017	2326.20	173
01-04-2017 to 31-03-2018	2692.00	0.00
01-04-2018 to 30-11-2018	1060.00*	0.00**

*Prorata premium up to 30.11.2018; **incurred claims up to 30.11.2018

Note: 1:- RINL has intimated M/s NIA about estimated damage of assets valuing Rs.150 crores due to Hudhud cyclone occurred on 12th Oct 14. Further, Loss of profits claim due to business interruption to the tune of Rs 151 Crores also lodged. All the claims are under discussion / finalization. Proper precautions were taken during cyclone HUDHUD as per standard operating procedure to reduce the losses. Major loss of assets reported for Sheds, Reservoir and Township. Further a claim of Rs 4.17 Crores was lodged on 17.10.2014 for loss of Coking Coal stacked at RMHP zone of Steel Plant due to Hudhud rains/super cyclonic winds occurred on 12th October, 2014. Claim is under process.

2:- RINL has reported to NIA, about estimated damage of Rs 1.54 crores due to inundation of Pump house in TPP, due to water pipeline burst on 27th Oct 14.

3:- Claim lodged for fire in SMS-2 for an estimated damage of Rs 1.51 Crores on 8th Aug 2016.

(B) Burglary & Theft policy

Year	Premium (Rs)	Incurred claims (Rs)
01-04-2012 to 31-03-2013	4,92,216	Nil
01-04-2013 to 31-03-2014	5,52,752	Nil
01-04-2014 to 31-03-2015	6,36,556	NIL
01-04-2015 to 31-03-2016	7,18,583	NIL
01.04.2016 to 31.03.2017	7,60,000	5,12,894
01.04.2017 to 31.03.2018	7,50,000	NIL
01.04.2018 to 30.11.2018	5,33,333*	NIL**

*Prorata premium up to 30.11.2018; **incurred claims up to 30.11.2018.

(C) GROUP MEDICLAIM POLICY

PERIOD	GROUP MEDICLAIM	
	Premium (Rs)	Incurred Claims(Rs)
01-04-2012 to 31-03-2013	4,75,68,000	4,99,74,000
01-04-2013 to 31-03-2014	5,39,16,000	2,65,25,000
01-04-2014 to 31-03-2015	6,65,93,548	4,66,34,064
01-04-2015 to 31-03-2016	6,11,03,120	5,38,29,436
01.04.2016 to 31.03.2017	4,97,29,640	6,24,42,665
01.04.2017 to 31.03.2018	5,93,66,498	6,57,60,643
01.04.2018 to 30.11.2018	*4,18,25,855	**5,00,40,499

*Prorata premium up to 30.11.2018; **incurred claims up to 30.11.2018

Mediclaim Top Up Policy

Period	Mediclaim Top up Policy	
	Premium (Rs)	Incurred Claims(RS)
01.04.2016 to 31.03.2017	251,600.00	562,000.00
01.04.2017 to 31.03.2018	1,36,227.00	6,09,427.00
01-04-2018 to 30.11.2018	2,01,753.00*	7,77,529**

*Prorata upto 30.11.2017. **Incurred claim up to 30.11.2017

(D) GROUP PERSONAL ACCIDENT POLICY

PERIOD	GROUP PERSONAL ACCIDENT	
	Premium (Rs)	Incurred Claims (Rs)
01-04-2012 to 31-03-2013	4,27,75,551	5,19,71,000
01-04-2013 to 31-03-2014	6,04,23,814	5,05,42,000
01-04-2014 to 31-03-2015	6,77,31,526	8,12,52,000
01-04-2015 to 31-03-2016	6,43,32,000	4,29,14,000
01.04.2016 to 31.03.2017	4,49,91,000	2,58,00,000
01.04.2017 to 31.03.2018	4,04,20,417	5,01,40,268
01.04.2018 to 30.11.2018	*3,11,05,498	**2,88,64,600

*Prorata up to 30.11.2018. **Incurred claim up to 30.11.2018

DECLARATION FOR COMPLIANCE WITH IRDA GUIDELINES

I/We

_____ hereby
certify on behalf of, that our
offer no..... datedagainst Tender
No.VSP/FIN/30/Ins/2018-19/02, dated 03-01-2019 does not breach the rules &
regulations framed there under and the guidelines/circulars issued by IRDA.

I, further certify that I am the duly authorized representative of the tenderer.

Authorized representative's signature & date with name and address

**DECLARATION FOR REINSURANCE ARRANGEMENT OR SELF
INSURANCE IN CASE OF 100% AWARD OF COVERAGE**

I/We, on behalf of M/s. _____
hereby certify that I/We have reinsurance arrangement with our re-insurers in case of 100% award of coverage of risks of tender reference No. VSP/Fin/30/Insurance/2018-19/02, dated 03-01-2019 Following is the reinsurance arrangement:

In case of 100% risk coverage:

Sl. No.	Name of the Reinsurer	Risks/Policies reinsured	% of Reinsurance	% of Self Retention

(use separate sheet if required)

Rest of the risks/policies covered under the above referred tender are with us i.e. under our self-retention.

I/We further confirm that I/We have gone through the above tender clause No.9.5 and complied with the conditions stipulated there in.

OR

I/We, on behalf of M/s. _____
hereby certify that I/We have no reinsurance arrangement with any re-insurers and 100% risk is only with me/us in case of 100% award of coverage.

I, further certify that I am the duly authorized representative of the under mentioned tenderer.

Authorized representative's signature& date with name and address

**STATEMENT OF ITC BENEFIT (CREDIT) AVAILABLE TO RINL/VSP
AGAINST EACH POLICY (RINL/VSP CAN AVAIL CREDIT OF GST PAID
ON INSURANCE PREMIUM AS PER THE PERCENTAGE INDICATED
AGAINST EACH POLICY)**

Page 1/3

LIST OF INSURANCE POLICIES

Policy Particulars	Sum to be Insured/ Liability (Rs Lakhs)	Risk Coverage & Other Details as per	% of ITC Benefit (Credit) available on GST paid against each Annexure/Policy premium
Mega Policy for VSP Assets			
(a) Property Damage	42,38,000.00	Annexure:1	100%
(b) Business Interruption	6,10,853.00		100%
Terrorism Insurance Policy (Property Damage & Business interruption Risks)	2,00,500.00	Annexure:2	100%
Burglary & Theft Risk Policy For All Stores	1,10,251.00	Annexure:3	100%
Electronic Equipment Insurance Policy	2,436.36	Annexure:4	100%
Medical Establishment Indemnity Package Policy	150.00	Annexure:5	0%
All Risks Policy- Platinum Crucibles, Photography & Video Equipment, Fogging Machine & Thermal Imaging Camera	91.12	Annexure:6	100%
Money Insurance Policy –Head Office-Cash Section, VSGH-Medical Department	150.00	Annexure:7	100%

Policy Particulars	Sum to be Insured/ Liability (Rs Lakhs)	Risk Coverage & Other Details as per	% of ITC Benefit (Credit) is available on GST paid against each Annexure/Policy premium
Public Liability (Act & Industrial Risk) Policies: Act Industrial	1,500.00 500.00	Annexure:8	100% 100%
Marine Cargo Open Policy- Inland Purchases (Declaration Policy)	20,000.00	Annexure:9	100%
Marine Policy Third Country Imports & Custom Duty (Declaration) Policy	11,500.00	Annexure:10	100%
Marine Policy for Coal	8,64,700.00	Annexure:11	100%
Marine Policy for Limestone	17,200.00	Annexure:12	100%
Marine Policy -inland-Second Hand Machinery	4,000.00	Annexure:13	100%
Marine Policy - Second Hand Machinery (Export & Import)	500.00	Annexure:14	100%
All risks insurance (including terrorism) Policy during repairs for 2 nd hand machinery at Customers Premises (with in India)	4000.00	Annexure:15	100%
Special Contingency Policy (Declaration) for Coal -Storage & transit risk	131,100.00 4,300.00	Annexure:16	100%

Policy Particulars	Sum to be Insured/ Liability (Rs Lakhs)	Risk Coverage & Other Details as per	% of ITC Benefit (Credit) is available on GST paid against each Annexure/Policy premium
Group Personal Accident Insurance (GPAI) Policy for Service Contracts	100.00	Annexure:17	0%
Group Personal Accident Insurance (GPAI) Policy for TRWs & PRWs working at Garbham Manganese Mines (GMM) - on duty cover only	50.00	Annexure:18	0%
Group Medi-claim Insurance Policy For Retired Employees of RINL/VSP & Their Spouses etc	20,103.00	Annexure:19	0%
Group Personal Accident Insurance (GPAI) Policy for VSP Employees	6,35,000.00	Annexure:20	0%

**DECLARATION CONFIRMING UNDERSTANDING OF ITC BENEFIT
STATEMENT**

I/We, on behalf of M/s. _____
hereby certify that I/We have gone through the statement of ITC benefit at page nos.
105 to 107 of the tender document vide Tender No. VSP/Fin/30/Insurance/2018-
19/02, dated 03-01-2019 and here by confirm that I/We have understood the impact
of the same on evaluation and ranking of price bids.

I, further certify that I am the duly authorized representative of the under mentioned
tenderer.

Authorized representative's signature& date with name and address

DECLARATION ON RATING OF REINSURER

I/We, on behalf of M/s. _____
hereby certify that I/We have gone through clause no.10.2.2 of tender document at Enclosure-A and understood the rating requirements of reinsurers for covering the risks .

I/We hereby confirm that we have reinsurance arrangement with our Reinsurers as declared at Enclosure-E at page No. 104 and Reinsurers accreditation rating is in conformity with clause no. 10.2.2 of tender reference No. VSP/Fin/30/Insurance/2018-19/02, dated 03-01-2019.

I, further certify that I am the duly authorized representative of the under mentioned tenderer.

Authorized representative's signature & date with name and address.

Note: This declaration need not be furnished in case of 100% self retention by the insurance company, as declared at Enclosure-E at page No.104.

ENCLOSURE – H-1

Price bid

Price Bid for Policy Sl. No. 1-20

Price bid is available separately In EXCEL format

ENCLOSURE – H-2

Price bid

Price bid for Top up Policy GMIP

Price bid is available separately In EXCEL format

INTEGRITY PACT

Rashtriya Ispat Nigam Limited (RINL) hereinafter referred to as “The Principal”,

And

hereinafter referred to as “The Bidder/Contractor”

Preamble

The Principal intends to award, under laid down organizational procedures, a contract for Insurance of RINL/Visakhapatnam Steel Plant Assets and other liability policies. The Principal values full compliance with all relevant laws of the land, rules, regulations, economic use of resources, and of fairness/transparency in its relations with its Bidder(s) and /or Contractor(s).

The Principal will nominate Independent External Monitor (IEM) by name, from the panel of IEMs, at the tender stage, for monitoring the tender process and the execution of the contract in order to ensure compliance with the Integrity Pact by all the parties concerned.

Section 1 - Commitments of the Principal:

- (1) The Principal commits itself to take all measures necessary to prevent corruption and to observe the following principles:-
 - (a) No employee of the Principal, personally or through family members, will in connection with the tender or the execution of a contract, demand/take a promise/accept for self or for third person, any material or non-material benefit which the person is not legally entitled to.
 - (b) The Principal will, during the tender process treat all Bidders with equity and reason. The Principal will in particular, before and during the tender process, provide to all Bidders the same information and will not provide to any Bidder confidential/additional information through which the Bidder(s) could obtain an advantage in relation to the tender process or the contract execution.
 - (c) The Principal will exclude from the process all known prejudiced persons.

(Principal)

(Bidder/Contractor)

- (2) If the Principal obtains information on the conduct of any of its employees which is a criminal offence under the PC Act/ applicable law, or if there be

a substantive suspicion in this regard, the Principal will inform the Chief Vigilance Officer of RINL and in addition can initiate disciplinary action.

Section 2 - Commitments of the Bidder(s)/contractor(s):

- (1) The Bidder/ Contractor commits to take all measures necessary to prevent corruption and commits to observe the following principles during his participation in the tender process/during the contract execution(in case of Bidder to whom the contract has been awarded).
 - (a) The Bidder/Contractor will not, directly or through any other person or firm, offer, promise or give to any of the Principal's employees involved in the tender process or the execution of the contract or to any third person any material or other benefit which he/she is not legally entitled to, in order to obtain, in exchange, any advantage of any kind whatsoever during the tender process or during the execution of the contract or to vitiate the Principal's tender process or contract execution.
 - (b) The Bidder/ Contractor will not enter with other Bidders into any undisclosed agreement or understanding, whether formal or informal. This applies in particular to prices, specifications, certifications, subsidiary contracts, submission or non-submission of bids or any other actions to restrict competitiveness or to introduce cartelization in the bidding process or to vitiate the Principal's tender process or execution of the contract.
 - (c) The Bidder/Contractor will not commit any offence under the PC Act/ Applicable law, like paying any bribes or giving illegal benefit to anyone including employees of RINL, to gain undue advantage in dealing with RINL or for any other reason etc. Further, the Bidder/Contractor will not use improperly, for purposes of competition or personal gain, or pass on to others, any information or document provided by the Principal as part of the business relationship regarding plans, technical proposals and business details including information contained or transmitted electronically.
 - (d) The Bidder/Contractor of foreign origin shall disclose the name and address of their Agent(s)/representative(s) in India, if any. Similarly the Bidder/Contractor of Indian Nationality shall furnish the name and address of the foreign supplier / contract Agency, if any. Further details, as mentioned in the

(Principal)

(Bidder/Contractor)

agencies”, shall be disclosed by the Bidder/Contractor, wherever applicable. Further, as mentioned in the Guidelines, all the payments made to the Indian agent(s)/representative(s) have to be in Indian Rupees only.

Copy of the Guidelines on Indian Agents of Foreign “Suppliers/contract agencies” is enclosed.

- (e) The Bidder/ Contractor will, when presenting his bid, disclose any and all paymentshe has made or committed to or intends to make to agents, brokers or any other intermediaries in connection with the award of the contract.
- (2) The Bidder/Contractor will not instigate third persons to commit offences outlined above orbe an accessory to such offences.

Section 3 - Disqualification from tender process and exclusion from future contracts:

- (1) A transgression is considered to have occurred, if the Principal after due consideration of the available evidence, concludes that a reasonable doubt is possible.
- (2) If the Bidder/Contractor, before award of contract or after award of contract has committed a transgression through a violation of Section 2 above or in any other form such as to put his reliability or credibility in question, the Principal is entitled to disqualify the Bidder from the tender process or to terminate the contract, if already awarded, for that reason, without prejudice to other remedies available to the Principal under the relevant GCC of the tender/contract.
- (3) If the Bidder/Contractor has committed a transgression through a violation of any of the terms under Section 2 above or in any other form such as to put his reliability or credibility into question, the Principal is entitled also to exclude the Bidder / Contractor from future tenders/Contract award processes. The imposition and duration of the exclusion will be determined by the Principal keeping in view the severity of the transgression. The severity will be determined by the circumstances of the case, in particular the number of transgressions, the position of the transgressors within the company hierarchy of the Bidder /Contractor and the amount of the damage.
- (4) If it is observed after payment of final bill but before the expiry of validity of Integrity pact that the Contractor has committed a transgression through a violation of any of the terms under Section 2 above during the execution of contract, the Principal is entitled to exclude the Contractor from future tenders/Contract award processes.

(Principal)

(Bidder/Contractor)

- (5) The exclusion will be imposed for a Period not less than six (6) months

and, up to a maximum period of three (3) years.

- (6) If the Bidder / Contractor can prove that he has restored/ recouped the damage to the Principal caused by him and has installed a suitable corruption prevention system, the Principal may revoke the exclusion before the expiry of the period of such exclusion.

Section 4 - Compensation for Damages:

- (1) If the Principal has disqualified the bidder from the tender process prior to the award in accordance with Section 3 above, the Earnest Money Deposit (EMD)/Bid security furnished, if any, along with the offer as per the terms of the Invitation to Tender (ITT) shall be forfeited. This is apart from the exclusion of the Bidder from future tenders as may be imposed by the Principal, as brought out at Section 3 above.
- (2) If the Principal has terminated the Contract in accordance with Section 3 above, or if the Principal is entitled to terminate the Contract in accordance with Section 3 above, the Security Deposit/performance bank guarantee furnished by the Contractor, if any, as per the terms of the ITT/Contract shall be forfeited without prejudicing the rights and remedies available to the Principal under the relevant General conditions of contract. This is apart from the exclusion of the Bidder from future tenders as may be imposed by the Principal, as brought out at Section 3 above.

Section 5 - Previous transgressions:

- (1) The Bidder declares that, to the best of his knowledge, no previous transgression occurred in the last five (05) years with any Company or Organization or Institution in any country or with any Government in any country conforming to the anti-corruption approach that could justify his exclusion from the tender process.
- (2) If the Bidder makes incorrect statement on this subject, he can be disqualified from the tender process. The contract, if already awarded, can be terminated for such reason.

Section 6 - Equal treatment of all Bidders / Contractors / Subcontractors:

- (1) The Bidder(s)/Contractor(s) undertake(s) to demand from all subcontractors, he desires to appoint, a commitment in conformity with this Integrity Pact, and to submit it to the Principal at the time of seeking permission for such subcontracting.

(Principal)

(Bidder/Contractor)

- (2) The Principal will enter into agreements with identical conditions as this one with all Bidders/ Contractors.
- (3) The Principal will disqualify from the tender process all bidders who do not sign this Pact or violate its provisions.

Section 7 - Criminal charges against violating Bidder(s)/Contractor(s)/subcontractor(s):

If the Principal obtains knowledge of conduct of a Bidder, Contractor, Subcontractor or of any employee or a representative or an associate of a Bidder/Contractor/ Subcontractor which constitutes corruption, or if the Principal has substantive suspicion in this regard, the Principal will inform the same to the CVO of RINL.

Section 8 - Independent External Monitor(s)(IEM(s)):

- (1) The Principal appoints competent and credible Independent External Monitor with the approval of Central Vigilance Commission. The IEM reviews independently, the cases referred to him or written complaints with all details received directly by him to assess whether and to what extent the parties concerned complied with the obligations under this Integrity Pact.
- (2) In case of complaint/representations on compliance of the provisions of the Integrity Pact by any person/agency, the complaint/representation can be lodged by the aggrieved party with the Nodal Officer for IP of RINL or directly with the IEM. The Nodal Officer shall refer the complaint /representation so received by him to the IEM for his examination. Similarly, RINL in case of any doubt regarding compliance by any or all the bidders can lodge its complaint / make a reference to IEM through Nodal Officer. For ensuring the desired transparency and objectivity in dealing with the complaints arising out of the tendering process, the matter should be examined by the full panel of IEMs who would look into the records, conduct an investigation and submit their joint recommendations to the Management.
- (3) The IEM is not subject to instructions by both the parties and performs his functions neutrally/independently. The IEM will submit report to the CMD, RINL.
- (4) The Bidder(s)/Contractors(s) accepts that the IEM has the right to access without restriction, to all tender/contract documentation of the Principal including that provided by the Bidder/Contractor. The Bidder/Contractor will also grant the IEM, upon his request and demonstration of a valid interest, unrestricted and unconditional access to his tender/contract documentation. The same is applicable to unrestricted and unconditional access to tenders / contract documentation of Subcontractors also. The IEM is under contractual obligation to treat the information and documents of the Bidder(s)/ Contractor(s)/Subcontractor(s) with confidentiality.

- (5) IEM will have the right to attend any meeting between RINL and Counterparties in respect of the cases falling under the purview of IP.
- (6) As soon as the IEM notices, or believes to notice, a violation of this Pact, he will inform the Principal and request the Principal to discontinue or take corrective action or to take other relevant action. The IEM can, in this regard, submit non-binding recommendations. Beyond this, the IEM has no right to demand from the parties that they act in a specific manner, refrain from action or tolerate action.
- (7) The IEM will submit a written report to the CMD-RINL within four (04) to six (06) weeks from the date of reference or intimation to him by the Principal/ receipt of the complaint and, should the occasion arise, submit proposals for corrective actions for the violations or the breaches of the provisions of the agreement noticed by the IEM.
- (8) IEM may also submit a report directly to the CVO of RINL and the Central Vigilance Commission, in case of suspicion of serious irregularities attracting provisions of the PC Act/ applicable Law.
- (9) Expenses of IEM shall be borne by RINL/VSP as per terms of appointment of IEMs.
- (10) The word 'Monitor' means Independent External Monitor and would include both singular and plural.

Section 9 - Duration of the Integrity Pact:

- (1) This Pact comes into force upon signing by both the Principal and the Bidder/Contractor. It expires for the Contractor twelve (12) months after the last payment under the contract, and for all unsuccessful Bidders, six (06) months after the contract has been awarded and accordingly for the Principal after the expiry of respective periods stated above.
- (2) If any claim is made/ lodged during the valid period of the IP, the same shall be binding and continue to be valid even after the lapse of this Pact as specified above, unless it is discharged/determined by CMD of RINL.

Section 10 - Other provisions:

- (1) This Pact is subject to Indian Law. Place of performance and jurisdiction is the Registered Office of the Principal, i.e. Visakhapatnam, State of Andhra Pradesh, India.
 - (2) Changes and supplements as well as termination notices need to be made in writing. Side agreements to this pact have not been made.
- (Principal) (Bidder/Contractor)

- (3) If the Contractor is a partnership firm/ Consortium, this Pact must be signed by all partners/ Consortium members, or their Authorized Representative(s) by duly furnishing Authorization to sign Integrity Pact.
- (4) Should one or several provisions of this Pact turnout to be invalid, the remaining part of the Pact remain valid. In this case, the parties will strive to come to an agreement with regard to their original intentions.
- (5) Wherever he or his is indicated in the above sections, the same may be read as he/she or his/her, as the case may be. Similarly, wherever Counterparty or Bidder or Contractor is mentioned, the same would include both singular and plural.

(For & On behalf of the Principal)

(For & On behalf of Bidder/ Contractor)

(Office Seal)

(Office Seal)

Witness 1:

Witness 2:

Name & Address:

Name & Address:

Place:

Date:

GUIDELINES FOR INDIAN AGENTS OF FOREIGN “SUPPLIERS/CONTRACT AGENCIES”

[Ref: Section: 2 (d)]

- 1.0 There shall be compulsory registration of Indian Agents of foreign suppliers/contract Agencies with RINL in respect of all Global (Open) Tenders and Limited Tenders. An agent who is not registered with RINL shall apply for registration in the prescribed Application Form.
- 1.1 Registered agent needs to submit before the placement of order by RINL, an Original certificate issued by his foreign supplier/ contract Agency (or an authenticated Photostat copy of the above certificate duly attested by a Notary Public) confirming the agency agreement and giving the status being enjoyed by the agent along with the details of the commission/ remuneration/ salary/ retainer being paid by them to the agent(s).
- 1.2 Wherever the Indian representative has communicated on behalf of their foreign supplier/contract Agency and/or the foreign supplier/contract Agency have stated that they are not paying any commission to their Indian agent(s) but paying salary or retainer, a written declaration to this effect given by the foreign supplier/contract Agency should be submitted before finalizing the contract.

2.0 **DISCLOSURE OF PARTICULARS OF AGENT(S) / REPRESENTATIVE(S) IN INDIA, IF ANY:**

- 2.1 Bidders of Foreign Nationality shall furnish the following details in their quotation/bid:
- 2.1.1 The name and address of their agent(s)/representative(s) in India, if any, and the extent of authorization and authority given to them to commit them. In case the agent(s)/representative(s) is a foreign Company, it shall be confirmed whether it is a really substantial Company and details of the company shall be furnished.
 - 2.1.2 The amount of commission / remuneration included in the quoted price(s) for such agent(s)/representative(s) in India.
 - 2.1.3 Confirmation of the Bidder that the commission/remuneration if any, payable to his agent(s)/representative(s) in India, may be paid by RINL in Indian Rupees only.
- 3.0 **DISCLOSURE BY INDIAN AGENT(S) OF PARTICULARS OF THEIR FOREIGN SUPPLIER/CONTRACT AGENCY AND FURNISHING OF REQUISITE INFORMATION:**
- 3.1 Bidders of Indian Nationality shall furnish the following details/certificates in/along with their offers:
 - 3.1.1 The name and address of foreign supplier/contract agency indicating their nationality as well as their status, i.e., manufacturer or agent of manufacturer holding the Letter of Authority.
 - 3.1.2 Specific Authorization letter by the foreign supplier/contract agency authorizing the agent to make an offer in India in response to tender either directly or through their agent(s)/representative(s).
 - 3.1.3 The amount of commission/remuneration included for bidder in the price (s) quoted
 - 3.1.4 Confirmation of the foreign supplier/contract Agency of the Bidder, that the commission/remuneration, if any, reserved for the Bidder in the quoted price (s), may be paid by RINL in India in equivalent Indian Rupees.
 - 4.0 In either case, in the event of materialization of contract, the terms of payment will provide for payment of the commission/remuneration payable, if any, to the agent(s)/representative(s) in India in Indian Rupees, as per terms of the contract.
 - 4.1 Failure to furnish correct information in detail, as called for in para 2.0 and/or 3.0 above will render the bid concerned liable for rejection or in the event of materialization of contract; the same is liable for termination by RINL. Besides this, other actions like banning business dealings with RINL, payment of a named sum etc., may also follow.

RISK INSPECTION REPORT OF M/s.
Rashtriya Ispat Nigam Limited
Visakhapatnam Steel Plant.

RISK ASSESSMENT REPORT



Date of Inspection: 17th August 2018



K.M. Dastur Reinsurance Brokers Pvt. Ltd.

Acknowledgement

*This report has been prepared following the visit & discussions at site. The suggestions & recommendations are with sole purpose of Risk & Premium optimization with particular reference to General Insurance. We thank the management of **Rashtriya Ispat Nigam Limited** for extending excellent cooperation during our visit to the Plant located at Visakhapatnam on 17th August 2018. Without their help it would not have been possible to complete the report. We had interaction with the following Executives of RINL –VSP during our Inspection.*

- 1. Mr. Krishnaiah, DGM (Safety)*
- 2. Mr. Hemant K Jha, AGM (F & A)*
- 3. Mr. DVVSS Konda Raju, Manager (F&A)*

K.M. Dastur Reinsurance Brokers Pvt. Ltd.

- 1. Mr. P.K Majumdar (Senior Risk Engineer)*
- 2. Mr. Madhava Rao (Senior Official)*
- 3. Mr. B Prasad Reddy (Risk Engineer)*

1. INTRODUCTION:

Visakhapatnam Steel Plant (VSP) is a Navaratna Public Sector Enterprise of Rashtriya Ispat Nigam Ltd. under Ministry of Steel. The Company was established in the year 1982. It is the first integrated Steel Plant in the country which caters to the demand of construction, Manufacturing Automobiles, General Engineering and Fabrication Sector.

The Visakhapatnam Steel Plant is the most modern integrated Steel Plant in the country with a total annual installed capacity of 6.3 million tons of liquid steel. The plant is situated in Andhra Pradesh on the coast of Bay of Bengal. The entire complex is having plant occupying 2439 hectares and the township of 6780 hectares. The site is surrounded by hills and sea.

VSP has adopted latest technologies in the field of raw material handling and steel making. Iron Ore with additives is melted in Blast Furnace and the molten hot metal is converted into Steel in LCD Convertors and cast in Continuous Casting Machines. The end products are angles, channels, bars, wire rods and billets. The plant also produces pig iron and granulated slag, besides normal by-products from the Coke Ovens & Coal Chemical Plant.

In view of increasing demand of steel both in domestic as well as global, VSP has increased the capacity to 7.3 Million tons per annum liquid steel with corresponding increase in the production capacities of all its upstream and downstream units.

The company also has Captive Limestone and Dolomite Mines at Jaggayyapeta (A.P.) & Madharam (A.P.) respectively. It is also the holding company of Bird Group of Companies which consists of Eastern Investments Ltd., Orissa Mineral Development Co. Ltd. And Bisra Stone Lime Co. Ltd. These subsidiary companies have iron, manganese, limestone and dolomite mines.

It is certificated for ISO – 90001: 2008, ISO – 140011:2004 and OHSAS 18001: 2001 standards. It is the first PSU to be certified for ISO – 50001. Energy Management Systems and CMMI level 3 certificate for software development. It is also certified for ISO – 27001 – Information Security Management Systems (ISMS).

The plant operates in 4 shifts including general shift from 09.00 hrs. to 17.30 hrs. Other 3 shifts operates round the clock from 06.00 hrs. to 14.30 hrs. 14.00 hrs. to 22.30 hrs. and 22.00 hrs. to 06.30 hrs. There are about 18000 employees working in the plant. The number of contractor labourers is approximately 16300.

2. LOCATION:

VSP is located at a distance of about 30 km from Visakhapatnam city and Railway Station in Howrah – Chennai route. It is the first coastal based integrated steel plant which is only 4 km & 16 km from Gangavaram Port and Visakhapatnam Port respectively. It is very well connected by road also since National Highway no. 5 which connects Kolkata to Chennai is only 5 km away from the plant.

The plant is directly accessible by well-maintained road of about 12 M wide from National Highway no. 5. There is a central road from the Central Plaza gate inside the plant of 10 metre wide. All the process plant are located on the northern side of the road while the storage and auxiliary plants / blocks are on the southern side of the road. There are many intersecting roads to have easy access to the other facilities, since it occupies a vast area.

Iron ore storage and coal yard is nearer to eastern boundary wall of the complex which is close to Bay of Bengal.

3. CONSTRUCTION:

The complex has more than 100 blocks / buildings and plants. However, majority of the plants are having steel/corrugated sheet roof supported on angular iron frames and heavy steel pillars. Steel/asbestos cladding walls have been provided in most of the plants and building situated under Central Stores Complex.

Administrative and Technical buildings are made of R.C.C. roof and brick walls in general.

4. SECURITY:

There are altogether eight entry gates used for various purposes and all are operational. The purpose for which these gates are being used are detailed below:

- 1. PLANT PLAZA GATE: This entry/exit gate is being used for the movement of the majority employees, visitors, some contracting agencies and their labourers.*
- 2. NEW PLANT PLAZA GATE: This entry/exit gate is being used for the movements of the expansion area, contract labourers, material pertaining to expansion area.*
- 3. BALACHERUVU GATE: The entire materials movement (through road) are regulated through this gate.*
- 4. APPIKONDA GATE: This gate exists on the South West side of the Plant and is being used for the entry / exit purposes of the contract labourers those are dwelling in the villages situated in that direction.*
- 5. GANGAVARAM GATE: This gate is meant for transportation of boulders / rocks generated out of the wreckage of the small hills inside the plant through dumpers for round-the-clock basis.*
- 6. NEW EXPANSION GATE: This gate is meant for transportation of boulders / rocks*

generated out of the wreckage of the small hills inside the plant through dumpers for round-the-clock basis.

7. RAILWAY GATE: The gate is meant for transportation of finished products and raw material through railway wagons. As part of the above, it is also used for entry and exit of railway employees working in VSP.

8. One additional gate has been in operation near TPP-2.

All these gates are controlled by Central Industrial Security Forces (CISF) personnel and are being regulated through proper identification and/or pass system. A total of 1330 nos. personnel of CISF are engaged, out of which 258 nos. are looking after operation and maintenance of fire protection systems. As the total boundary of plant is having a perimeter of 32 kms., the Insured requires a large manpower to manage the security of the premises. Entries of visitors are through identity slip with photo issued by security and are guided to the respective areas of visit. The id slip also contains a system generated serial number.

The entire plant is surrounded by boundary walls with a height of up to 10 ft. and barbed wire fencing above the wall up to 2 ft. height. There are 12 nos. CCTV installed at the gates. It is proposed to install additional 85 nos. CCTV cameras in strategic locations.

5. STORAGE OF HAZARDOUS MATERIALS:

The following hazardous chemicals are used either and/or produced as intermediary in the various processes in the plant:

DESCRIPTION

Crude Benzoyl

Defrosted Crude Benzol

Benzene

BTXS Raffinate

Non Aromatics

Solvent Naphtha

Toluene

Light Oil

Slop

Light Solvent oil

High boiling fraction

Heavy crude Benzol

Sulphuric Acid

Liquid Oxygen

Liquid Nitrogen

LPG

Hydrazine Hydrate

DESCRIPTION

Coal Tar

PCM

Anthracine Oil

Wash Oil

DNO

Phenol fraction

Solar Oil

Benzene Toluene solvents

High Speed Diesel

Thinner

Turpentine

Furnace Oil

Hydrochloric Acid

Liquid Argon

Ammonia

Chlorine

All the liquid chemical tanks should be stored in tank farm surrounded by dyke with

adequate capacity having suitable flooring with collection & drain system to ETP.

6. PLANT:

Visakhapatnam Steel plant comprises of following major production departments:

- (a) Blast Furnace (BF) – No : 3*
- (b) Steel Melting Shop (SMS) – No : 2*
- (c) Light & Medium Merchant Mill (LMMM)*
- (d) Wire Rod Mill (WRM)*
- (e) Medium Merchant and Structural Mill (MMSM)*
- (f) Raw Material Handling Plant (RMHP)*
- (g) Coke & Coal Chemical Plant (CCCP)*
- (h) Sinter Plant (SP)*
- (i) Special Bar Mill (SBM)*
- (j) Special structural mill (STM)*
- (k) Wire Rod Mill – 2*
- (l) Utilities*
- (m) Energy Management Department (EMD)*

6A. MANUFACTURING PROCESS DETAILS:

1. RAW MATERIAL HANDLING PLANT:

The Raw Material Handling Plant receives the basic material required for steel making process from various sources through railway wagons and road which are stacked & reclaimed by stackers cum reclaimer and distributed to various departments of VSP through conveyor system as follows:

<i>Sinter Plant:</i>	<i>Iron Ore Fines, Limestone (BF), Dolomite (BF), Sand & LD Slag</i>
<i>Blast furnace:</i>	<i>Sized Iron Ore, Limestone (BF)/ LD Slag, Manganese Lump, Quartzite and Coke, PCI.</i>
<i>SMS:</i>	<i>Dolomite (SMS), Sized Iron Ore, LD Slag, Coke, Sinter</i>
<i>CRMP:</i>	<i>Limestone (SMS), Dolomite (SMS).</i>
<i>TPP:</i>	<i>Crushed Boiler Coal</i>
<i>COCCP:</i>	<i>Imported Coking Coal (ICC), USC, Soft Coking Coal (ISC), Medium Coking Coal (MCC). Raw Material handling plant is comprised of two sections viz. Ore handling plant (OHP) and coal handling plant (CHP).</i>

Dust extraction system is also provided at various places in RMHP to absorb the dust.

2. COKE OVENS AND COAL CHEMICALS PLANT:

2.1. Coal Preparation Plant

Coking coal is processed in this plant to remove foreign and ferromagnetic particles through iron traps and stored in 16 bins of 800 t each. This coal is crushed in small particles in two stages using reversible hammer crushers. This is then fed to pneumatic separation to produce fine and coarse products. The coarse product is sent to secondary crushing in reversible hammer crushers. The crushed and blended coal from pneumatic separation section is conveyed to two coal towers each of 4000 t capacity.

2.2. Coke Oven Batteries

There are four 7 MT tall batteries of 67 ovens each. The battery is of under jet compound type having twin heating flues and recirculation of waste gases. CO gas yield from batteries is 290 Nm³/t of coal with calorific value of 4425 Kcal/Nm³. Coal from towers is charged in coke ovens and heated by CO & BF gas to convert to coke. CO gas produced during this process is cooled

by Ammoniacal liquor, purified and distributed throughout the plant as fuel.

2.3. COKE DRY COOLING PLANT:

The coke is then taken into the bucket. The coke is charged into the upper part of cooling chamber and resides there about two hours. The lower part serves as a chamber where the cooling process using N₂ takes place. The hot circulating gas from top of the chamber enters the ring channel from where it is sent to dust catching bunker, waste heat boiler (for power generation) and cyclones. It is further recycled into the cooling chamber. From the cooling chamber, cooled coke (1.7 t) is discharged intermittently onto the conveyor to Coke Sorting Plant.

2.4. COKE SORTING PLANT:

Coke is then discharged into de-dusting units provided with equalizing bunkers and belt feeders to compensate for irregularity of coke discharge from dry cooling plant. Coke is then conveyed to crushing section. The crushed product is conveyed to screening plant where 25 to 70 mm and 0 to 25 mm fractions are separated, The 25 to 70 mm coke is conveyed to blast furnaces and remaining fraction is fed to vibrating screens to separate into 0 to 15 and 15 to 25 mm fractions. Each fraction is stored in bunkers each of 160 t capacity. These fractions are either conveyed to sinter plant or loaded into wagons/lorries.

2.5. COAL CHEMICAL PLANT:

The main by- product of coke making is crude coke oven gas which is recovered in this plant. The primary by products are CO gas, Ammonium Sulphate, Benzol and Crude Tar and secondary by-products are Pitch, Naphthalene, Anthracite, Light Oil, Wash Oil, Sludge and Acid Tar.

2.6. AMMONIUM SULPHATE PLANT

CO gas after the exhauster enters the gas pre-heater and heated to a temperature of 60 -700 °C by steam. Later the gas enters the saturator where ammonia is almost completely absorbed by sulphuric acid in the form of Ammonium Sulphate. Crystals of ammonium sulphate from the saturator is taken out by centrifugal pump and processed and the dried sulphate is sent to storage. The Naphthalene present in CO gas is scrubbed by water and separated tar is taken out and sent to Tar Distillation Plant for processing. The pressure of CO gas is boosted to higher pressure for consumption as fuel as per the requirements of various consumers by the COG Boosting Station.

2.7. BENZOL RECOVERY PLANT

The coke oven gas from final gas cooler/pre cooler flows to two Benzol scrubbers of 60,000 Nm³/hour capacities where Benzol is scrubbed using “Solar” oil as scrubbing medium. In Benzol distillation Plant, the benzolised oil is preheated in oil dephlegmator with hot Benzol hydrocarbons from benzolised oil stripping column. The hot debenzolised oil from the bottom of the stripping column passes through heat exchangers and finally through a water cooler and enters an oil decanter. Naphthalene is also absorbed along with Benzol from CO gas in Benzol scrubbers. Absorbed Naphthalene is removed in Naphthalene stripper. Crude Benzol leaving from the bottom of crude Benzol -II column is cooled and sent to collecting tank.

2.8. TAR DISTILLATION PLANT

The flushing liquor from the separators goes along with sludge and tar to mechanized decanters. From these tanks flushing liquor is pumped to the CO Battery main collector for spraying again. Then the tar is pumped to first stage of pipe still furnace along with soda solution to neutralize the tar. Tar is heated in the convection zone of the furnace and fed to first stage evaporator, where water and portion of light oil present in tar are evaporated. The next product is phenol fraction drawn, which is cooled and sent to a storage tank. The vapors from the fractionating column top are condensed. These vapors are light oil and phenolic water separated and sent to respective storage tanks. Pitch from second stage evaporator is received in overhead tanks and taken into still reactors. Hard pitch from still reactor is drained to horizontal hard pitch tanks which is pumped to overhead tanks and loaded in tankers.

Naphthalene fraction received from Tar distillation plant is fed into a drum crystallizer bath by gravity. Layer of Naphthalene formed on the ribbed surface of the drum is cut off by knives and transported by a screw conveyor to mixer of hydraulic press. The hot pressed Naphthalene cake of 20-40kg weight goes to the crushing and bagging section where it is crushed by jaw crusher and bagged in 50 kg bags. Anthracene - I fraction is pumped to overhead tank in NAFC section & is charged into scrapper crystallizer. The crystal slurry is centrifuged. The oil is separated from crystals and goes to a collecting tank. The crystals fall on to a conveyor taking them to storage bunker. These Crystals are bagged and dispatched.

2.9 SINTER PLANT:

Sintering is an agglomeration process of fine mineral particles into a porous mass by incipient fusion caused by heat produced by combustion within the mass itself. Iron ore fines, coke breeze, limestone and dolomite along with recycled metallurgical wastes are converted into agglomerated mass at the Sinter Plant, which forms 70-80% of iron bearing charge in the Blast Furnace. The vertical speed of sintering depends on the suction that is created under the grate. At VSP, two exhausters are provided for each machine to create a suction of 1500 mm water column under the grate. Two Sintering machines of Dwight Lloyd type each having 312 m²

total grate area each. One Sintering machine of Dwight Lloyd type having 408 m² total grate area.

2.10 BLAST FURNACE:

The plant has three blast furnaces having capacity of 2 x 3,800 m³ & 1 x 3,200 m³ volume. The burden materials comprising of coke, limestone, lump-ore, sinter, quartzite and manganese are received through conveyor system in the stock houses through a junction house. These are screened before stock house to remove fines. Each material is fed simultaneously by two hopper scales according to the predetermined furnace charging programme. Automatic system is provided for batching, weighing and feeding of the burden to the furnace top. Paulwurth bell-less top system is installed for furnace charging. It consists of two bunkers each of 47 m³ capacity, charging/ moving hopper and rotating trough. Semi -cleaned BF gas and Nitrogen are used for pressure equalisation in charging bunkers. Nitrogen is also used for cooling rotating trough drive and for blowing off stock twin gates and sealing valves of charging arrangement. Mechanical gauge rods are provided for measuring stock level. There are four hot blast stoves for each furnace. These are heated by a mixture of BF & CO gas at a pressure of 600 mm W.C. Combustion air is supplied by three fans.

The liquid hot metal is collected at the bottom of the furnace and tapped through a hole and discharged into 140 tons hot metal ladles by rocking runners in cast house.

There are four railway tracks for hot metal transportation to SMS and PCM. Four double strand pig casting machines of 1700 TPD capacity are installed to treat off-grade metal and metal diverted due to off-stoppage in SMS. Gas generated is recovered through a Gas Cleaning Plant.

From scrubber the gas is passed to Cyclone Mist Eliminator through an Adjustable Venturi. While passing through the Venturi the gas pressure is reduced and the differential pressure across the Venturi is always maintained. Any mist present in the gas is separated in the Cyclone Mist Eliminator. The gas is used in GETS operates for 8000 hours/year with annual generation of 123.8 to 184.6 x 10⁶ KWH. The gas is then sent to the BF Gas Line Network for

use as fuel by various consumers. CO & BF gas flare stacks are provided to flare the excess gases. These Flare Stacks are the heart of the Gas Line Network (GLN) throughout the plant. It is these flare stacks which maintain the network pressure at the desired value. If the pressure anywhere in the GLN increases, the gas is led to atmosphere through these flare stacks by means of automatic control systems. At the top of the stack the let out gases are burnt completely by means of pilot burners.

2.11 STEEL MELTING SHOP:

SMS-1:- The liquid metal from the blast furnace is taken to SMS in ladles by locos. It is poured into mixers each of 1300 t capacity for intermediate storage from where it is further taken to LD converters (3 nos. X 150 tons) for converting it into steel. Alloying elements are added in proper proportion to produce required grades of steel. Primarily the carbon content of hot metal is reduced by blowing oxygen called purifying operation. The total cycle time for one heat is 50 minutes yielding 150 t of liquid steel. The liquid steel is tapped from convertor into steel ladles and taken to Argon Rinsing Station for equalizing the temperature, averaging chemical composition and for lowering steel temperature, if necessary, by adding small size scrap. The treatment time is 8 min. There are three argon rinsing stations having facilities for introduction of lance, charging scrap, measuring temperature, charging heat insulating mixture and lance assembly and preparation. This rinsed steel is carried to CCD for continuous casting of blooms. Continuous casting machines are of 4-strand, radial type with base radius of 12 m. The Tundish capacity is 25 t. Cast blooms are cut by flame cutting machines to about 3 m length and moved to cooling bed. After cooling to 500 °C, they are transferred to storage area. This is then lifted by magnet crane and piled for further cooling and stored in storage aisles.

SMS-2:- Steelmaking capacity of the plant is correspondingly increased by utilizing higher availability of Hot metal. The Raw materials required for manufacturing process are - Hot Metal, Scrap, Flux, Ferro alloys. New Steel melt shop comprising of two(2) converters each of 150 cu.m capacity. 2Nos. Ladle Furnaces were envisaged to make the operation of the 2 converters independent of the requirements of continuous casting machines thereby acting as buffer between the converter and the caster.

The steel temperature and steel chemistry will be homonized in LF by inert gases and 1No. RH degassing system is envisaged for production of special grade with low gas contents. Three (3) 6 strand billet mill. Three casters are available for 200 days in a year and two casters are available for 165 days in a year. Cast Billets will be fed to new bar mill and wire rod mill. Part of rolled billets will also be for sale. The other major facilities installed are Hot Metal Desulphurization Plant, Scrap Handling system, BOF Gas cleaning Plant, Secondary Emission control, Ferro alloy Handling Facilities, Ladle & tundish predation facilities. New technology - Converter Shop - Combined Blowing, Secondary Fume Extraction system, Contour & bath level measurement and benefits derived are reduced consumption of ferroalloys, better yield and quality, Cleaner environment and measurement of refractory lining. Continuous casting Machines - Auto mould level control & 100% Billet casting and benefits derived are reduced in break outs and energy saving. LF & RH - Electromagnetic stirrer and benefits derived are cleaner steel. Provision is made and tendering activities for award of Consultancy is in process for installation of 3rd converter and 4th caster.

2.12 LIGHT AND MEDIUM MERCHANT MILLS:

Light and medium merchant mill is a combination of billet mill and merchant bar mill. The mill has been envisaged to produce 18,57,000 T of billets, out of which 7,26,000 T for in line bar mill to produce 7,10,000 T of finished bar product, 8,85,000 T for feeding to wire rod mill and 2,46,000 T for sale. The billet mill and bar mill are located at an elevation of 5 m level except the charging grids. The feeding material for the mill is continuous cast blooms of 320 x 250 mm with a nominal length of 6.3 m from SMS Continuous Casting Dept. carried by magnet cranes for charging onto the charging grids of 150 T each. The cold blooms are charged into the walking beam furnaces (2 nos.) to heat up to rolling temperature i.e. 1200°C. Normally one furnace is intended to feed hot blooms for production of billets, and depositing on to turn over type cooling bed while the other furnace is intended to feed hot blooms for onward transmission of billets to in line bar mill. The hot blooms are rolled into 125 x 125 mm billets in billet mill consisting of 4 horizontal and 3 vertical stands. Billets get cooled on cooling bed and are lifted by magnetic cranes for stacking in yard and for onward supply to wire rod mill. Saleable billets

are loaded onto wagons/trailers by magnetic cranes for dispatch. The billets for bar mill are transported with a speed of about 2m/sec to the in line two strand RH furnace via a switch arranged in front of RH furnace. The bar mill consists of three groups, comprising of a common eight stand roughing train, 2x5 stand intermediate train, and 2x4 stand finishing train. The output from the finishing trains is cut into the cooling bed lengths by rotary shears. The products are cut to required length and are bundled at finishing area of bar mill for shipment.

2.13 WIRE ROD MILL:

The Wire Rod Mill is a high speed 4-stand continuous mill designed to produce 850,000 tons of wire rods per year. Rounds and bars of dia. 5.5-14.0 mm in coils of 1200 kg is produced in WRM. Rolled Billets of size 125x125x10400 mm weighing 1250 kg each is used as feedstock. Billets are heated to 1200oC and are discharged by a hydraulically driven Shiftable Billet Discharging machine from the furnace into the groove of stand no. 1. For the four stands of the wire rod mill, the coil handling is in two circuits each being common to two stands. A total of 180 hooks are provided for handling the production. The coils are compacted and tied in the compactors, labeled with the help of embossing machines. Finally the coils from the hooks are transferred to the arm of turnstile from where they are picked up by crane for stacking.

2.10. MEDIUM MERCHANT AND STRUCTURAL MILL:

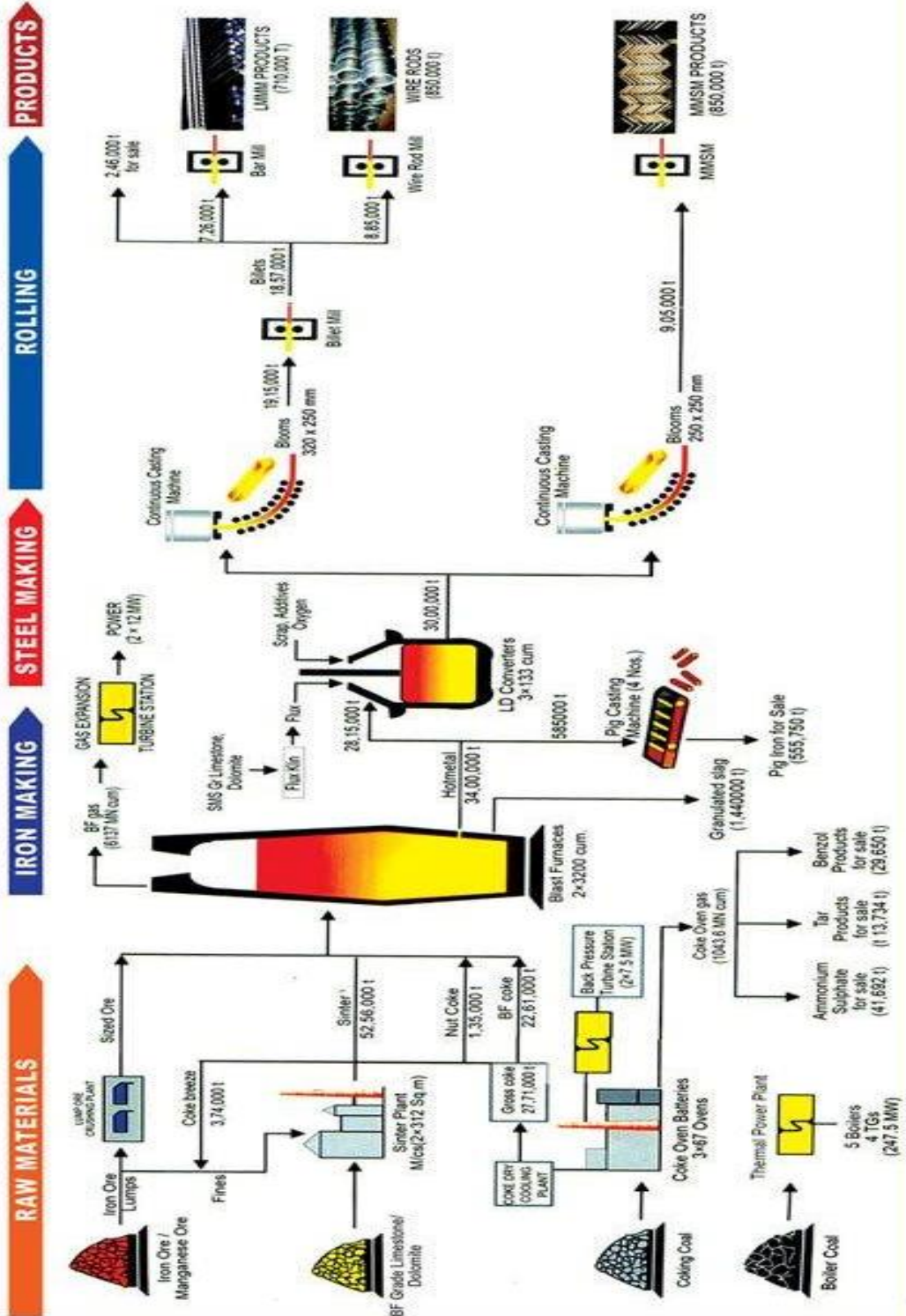
The products from MMSM are angles, channels and other sections. Blooms of size 250 X 250 which is output from CCD are charged one by one to furnace in two rows and MMSM also started the use of 200 x 200 x 12 meter blooms in some profiles which is the product of SMS-2 which are charged in one row. Heated blooms are discharged singly and rolled in 20 stand continuous mill. Flying shear behind finishing train divides the bar optimally to charge the cooling bed uniformly and also to reduce rail ends. In between stand 20 and Flying shear one Profile Gauge is there which is recently installed. After cooling the profiles which need straightening are straightened by an inline straightening machine and are collected in batches on the collecting bed. These layers are then fed to the cold saw line for cutting into desired

scalable lengths. After saw cutting the bar layers are conveyed to a cross transfer where visual inspection is done. Rounds, T-bars and flats are counted and bundled by the bundling machines whereas other profiles are formed into nested packets by the piling machine. The packets and bundles are weighed and tagged with pre-embossed label to identify the product size, heat number, order number, quality etc., before dispatch/transferring to storage.



VISAKHAPATNAM STEEL PLANT

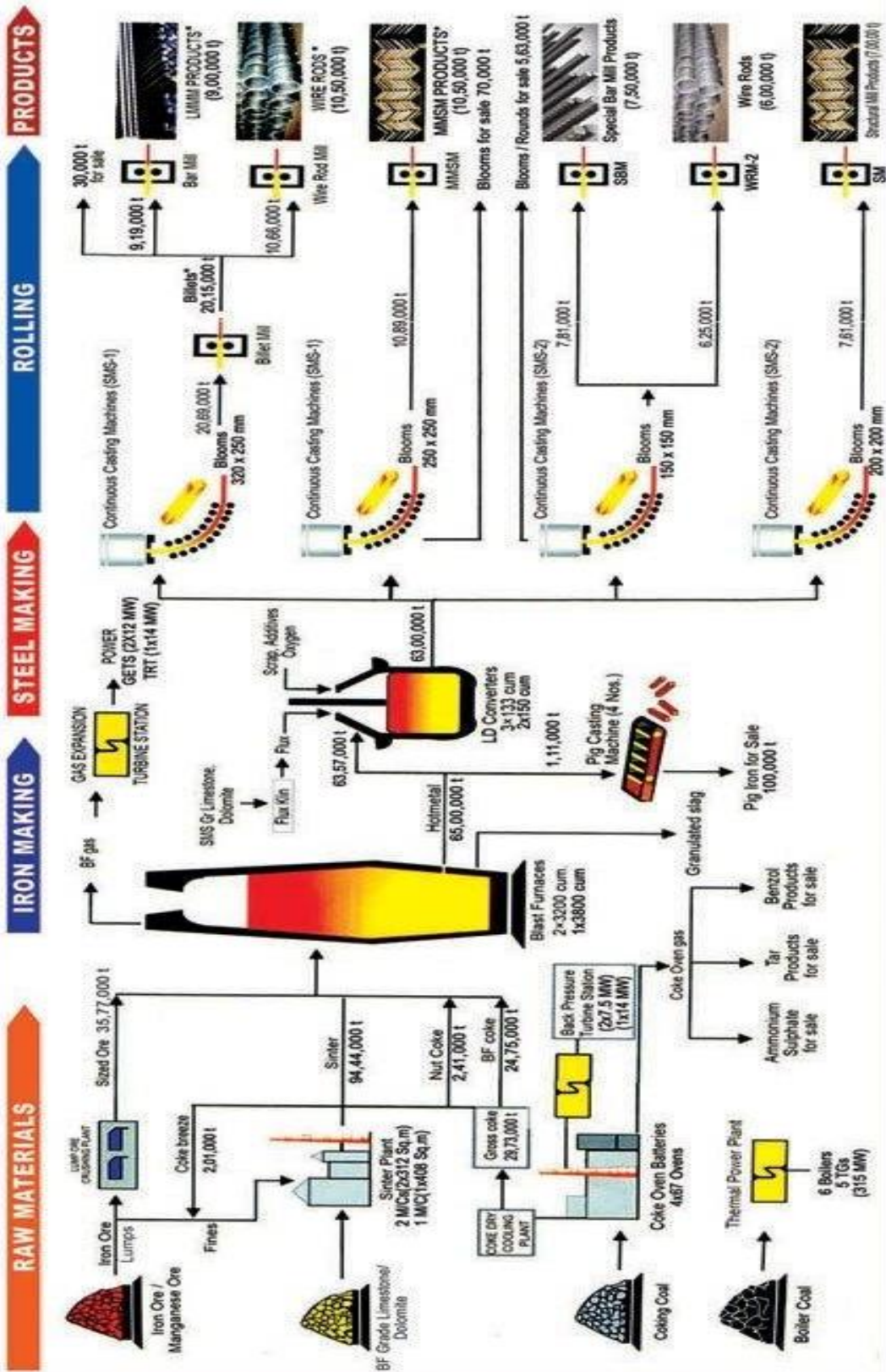
FLOW CHART (3.0 MT STAGE)





VISAKHAPATNAM STEEL PLANT

FLOW CHART (6.3 MT STAGE)



* Figures indicated are enhanced production levels.

ELECTRICAL DISTRIBUTIONS:

Power requirement of VSP is met through captive generation as well as supply from APSEB grid. The captive capacity is sufficient to meet all the plant need in normal operation time. In case of partial outage of captive generation capacity due to breakdown, shutdown or other reasons, the short fall of power is availed from APTRANSCO grid. Turbo generators of VSP normally operate in parallel with state grid. The agreement with APTRANSCO provides for contract demand of 135 MVA and permit export of power. Tariff for import, export, demand charges, penalties etc. are stipulated.

I Transformer details:

Electrical power is received from APTRANSCO at Vizag switching station (VSS) through double circuit 220 KV Transmission lines (On the same tower) at Main Receiving station (MRS) of VSP. From MRS, power is transferred to different local block substations (LBSSs) through overhead double Circuit Transmission lines on single tower to each (LBSS).

Transformers at CPP1 :

Generation Transformer (for 3x 60 MW TGs) : 3x 63 MVA , 11KV/220 KV (NGEF)

Aux Genration : 1x50 MVA , 11KV/220 KV (NGEF)

Generation Transformer (for 2x 67.5 MW TGs) : 2x 90 MVA ,11KV/33 KV (ABB)

3x 63 MVA , 33 KV/220 KV (ABB)

1x 50 MVA , 33KV/220 KV (ABB)

Auxiliary Transformer : 6x 16/20 MVA, 11/6.6 KV (BHEL)

Transformers at CPP2 :

Generation Transformer : 1x 160 MVA , 15.75KV/220 KV (ABB)

Unit Auxiliary Transformer : 2x 25MVA, 15.75KV/6.6 KV (Voltamp)

1. Electric power is received from APTRANSCO at Vizag switching Station (VSS) through double circuit 220 KV Transmission lines (On the same tower) at Main Receiving station

(MRS) of VSP. From MRS, Power is transferred to different Load Block substations (LBSSs) through overhead double Circuit Transmission lines on single tower to each (LBSS).

MRS to LBSS-2; 3; 4 and LBSS-6BSS-7: 220 KV Double circuit Transmission lines on single Towers

MRS to LBSS-5: 220 KV Double circuit Transmission lines on single Towers and a third Circuit of 220 KV on independent towers.

LBSS-5 to LBSS-1: 220 KV Double circuit Transmission lines on single Towers

2. MRS also has 2 No's 12.5 MVA, 220 / 33 KV Oil Filled Transformers for power supply to township after further stepping down to 11 KV and 0.415 KV.

3. LBSS-1 has 3 No's of Three winding 80 MVA, 220 KV / 11 KV, 6.6 KV Transformers.

4. LBSS-2 has 3 No's of Three winding, 80MVA, 220 KV / 11KV, 6.6KV Transformers and 1 No 24 MVA ladle Furnace Transformer.

5. LBSS-3 and LBSS-4 have Three No's each of three winding, 80 MVA, 220 KV / 11 KV, 11 KV transformers.

6. LBSS-5 has a total of 9 transformers.

7. LBSS-6 has Transformers: 3 No's of 110 MVA and 3 No's of 63 MVA Rating'

8. LBSS -7 has 4 No's of Transformers, 33 KV / 11 KV

II Additional safety Features:

1. Multisifier Protection provided to Transformers at LBSS-5
2. High Velocity Water Sprinkler system provided to transformers at LBSS_6
3. Nitrogen Line Automatic alarm system provided for transformers at LBSS-1, 2, 3 and 4
4. All the transformers are separated from each other by means of separating walls made of brick as per the rules.

III Others:

Apart from above, More than 100 oil filled transformers are installed at various locations near Load centres to cater to respective loads.

7. UTILITIES:

7.1. AIR SEPARATION PLANT:

Atmospheric air is filtered and compressed in compressors to 7.4 kg/cm². Compressed air is cooled to 10 °C with the help of refrigeration unit and air water tower. The compressed and pre-cooled air is purified to remove moisture and carbon-dioxide and impurities. It is then further cooled using expanders and heat exchangers to the temperature of -178 °C. It is then distilled in the ASP cold box and fractions of liquid nitrogen, liquid oxygen, liquid argon, gaseous oxygen and gaseous nitrogen are produced. The gaseous oxygen and nitrogen are compressed in separate compressors and sent to consuming sections. The liquid O₂, N₂ and Ar are also stored in storage tanks. They are subsequently vaporized gas filled in portable cylinders and sent to various customers.

7.2. WATER ELECTROLYSIS PLANT:

In the water electrolysis plant, DM water diluted with caustic is electrolyzed in series of electrolytic cells. Gaseous Hydrogen and Oxygen are the products of the electrolytic process. The oxygen produced has no specific utility and hence vented to atmosphere above the building. The hydrogen produced is purified, compressed and sent to consumption in the air separation unit through 2 nos. of buffer vessels.

7.3 LPG & ACETYLENE GAS DISTRIBUTION UNIT:

Procurement of 4705 kgs capacity cylinder from outside agencies and supply of LPG through pipe line to SMS -1 & SMS -2 from Bloom cutting & Engg. Shops from the LPG manifold system. LPG cylinders which are each at 47.5 kg weight & 5 & 7 kscg pressure are received and connected to LPG manifolds. LPG supply is made at 0.90 – 0.92 kscg pressure from the LPG manifold system

Procurement of 19 kgs capacity LPG cylinders from outside agencies & distribution to all maintenance agencies as per their requirement.

Procurement of dissolved Acetylene gas cylinder from external agencies & distribution to MMSM for billet cutting as process requirement & for maintenance agencies as per their requirement.

7.4. WATER SUPPLY DEPARTMENT:

Water supply department receives water from Yeluru reservoir into Kanithi reservoir and distributes to plant and township. Water is used for equipment cooling, steam generation, drinking and sanitary use, firefighting etc. Kanithi Balancing reservoir is a raw water storage facility for 90 days requirements of VSP (0.5 TMC). Raw water from KBR is supplied to township and to plant from the intake pump house installed on KBR dyke. Raw water is treated in raw water treatment plant (RWTP) and stored in two on ground reservoir in PH-1. This make up water is supplied throughout the plant to different recirculation water pump houses and other consumers by make-up water pipe line network. Generally 2.4 to 3.0 kg/cm² pressure is maintained in the line. The makeup water is also sent to fire and drinking pump house-2. It is further treated and stored in overhead tanks and on ground reservoirs. It is supplied throughout the plant by F&D water pipe line network. The line pressure is maintained at 3 kg/cm². Fire hydrants are connected to this line network throughout the plant. In case of fire, the firefighting pumps at PH-2 will be started which will boost the pressure up to 3 kg/cm².

7.5. CAPTIVE POWER PLANT (CPP):

The estimated power requirement for VSP is 350 MW at 6.3 million tonne stage, the peak load being 370 MW and essential load being 90 MW. The generating capacity is 522.1 MW, comprising of 315 MW from captive power plant, 38 MW from gas expansion turbine, 29 MW from Back Pressure Turbine Station, Waste heat recovery power plant of 20.6 MW and Gas

based power plant of 120 MW capacity. Apart from meeting part of the power requirements, the power plant and blower house supply cold blast air to blast furnaces and steam at 13KSCA and 4KSCA to the plant. TPP has 3 turbo generator units of 60 MW each and two turbo generator of 67.5 MW, 3 turbo blowers each having a capacity of 6067 Nm³/min and 1 turbo blower of 6700 Nm³/min and 6 boilers each of 330 t/hr capacity at 101 KSCA at 540 °C. The steam generating sets are of multi-fuel firing design and the rating of each steam generation while firing various fuels is 100% MCR with pulverized fuel and coke oven gas, 50% MCR with blast furnace gas and 50% MCR with pulverized fuel.

The present installed capacity is 420 MW. One gas based power plant has been added, utilizing the gas (BF and Coke Oven) generated in the plant.

The main equipments installed in TPP are as follows:

A) CPP1: (Coal, B/F Gas & COG based TPP, BHEL)

3x 60 MW TGs = 180 MW

2x 67.5 MW = 135MW

Total: 315 MW

B) CPP2: (B/F Gas based TPP, Siemens)

1x 120 MW TGs = 120 MW

C) Coke Oven Back Pressure TGs

2x 7.5 MW TGs = 15 MW

1x14 MW TG = 14 MW

Total: 29 MW

D) Sinter Plant : (NEEDO, Japan)

1x 20.6 MW TGs = 20.6 MW

E) B/F Gas Expansion

2x 12 MW = 24 MW

TRT: 1x 14 MW = 14 MW

Total: 38 MW

Therefore, Total Captive Generation = A+B+C+D+E = 523 MW

Total Available Power: Captive Generation less Auxiliary = 450 MW

Plus Grid 220 KV Sanctioned Load = 180 MVA

Demand (6.2 MMTPA Steel) = 416 MW

Demand (7.3 MMTPA Steel) = 450 MW

7.5.1. BOILERS:

TPP has 6 boilers each with steam capacity of 330 T/hr; capable of firing combinations of fuels viz. Coal, Coke Oven Gas (COG), Blast Furnace Gas (BFG) and High Speed Diesel/Oil. Crushed coal is transferred from RMHP to TPP through conveyors into coal bunkers. Coal is then pulverized in mills (6 mills each in boiler) and fired in the furnace.

- A. TPP 1 – 6 Nos. x 330 TPH at 101 Bar (540 oC), Mult fuel – Pulverised coal/BF Gas / Coke Oven Gas / FO (BHEL)
- B. TPP-2 – 2 Nos. x 223 TPH at 116 Bar (545 oC), Multi fuel – BF Gas/Coke Oven Gas (Thermax)
- C. Waste Heat Boilers at Coke Oven.

There are gas flow rate meters to measure the amount of COG & BFG used in Boiler. Based on the amount of steam generated, back calculation is done manually to calculate the coal quantity consumed in the boiler.

Boiler's outlet gas is passed through electrostatic precipitators to control pollution. The fly ash generated is pumped into Ash Slurry Pond through ground pipelines.

7.5.2. TURBO GENERATORS:

TPP has 4 TG's, three of 60 MW capacity each and one 67.5 MW. Power is generated and distributed at 11 KV for essential category loads. All the power generated is transferred to 220 KV plant grid through step up transformers.

7.5.3. TURBO BLOWERS:

In order to meet the blast air requirements of three Blast Furnaces, four turbo blowers are installed.

7.5.4. AUXILIARY UNITS:

- **BLACK PRESSURE TURBINE STATION:**

Hot coke produced in the coke oven batteries is cooled through nitrogen circulation in CDCPO chambers. The hot gas is passed through boilers in which steam is generated and utilized for generating 7.5 MW of power. Exhaust steam is utilized for production of chilled water in Chilled Water Treatment Plant and used for air conditioning needs of CO & CCP zone.

- **GAS EXPANSION TURBINE STATION:**

The high pressure BF gas generated inside the Furnace is cleaned in gas cleaning plant and expanded in gas expansion turbines driving electric generators. The BF gas after passing through turbine is fed to gas distribution network and is used as heating fuel in various other units like BF Gas Stoves, Coke Oven etc.

Most of the power generated is consumed within VSP itself, with average specific consumption of power at around 600 -650 KW Hrs. /Ton of liquid steel. Excess generation over and above plant load is exported to APSEB grid.

DG SETS:

Three nos. of 500 KW (625 KVA) DG sets are provided for catering to emergency drives of TPP to keep the turbine on barring gear and to run the air heaters of boilers continuously. The drives mentioned above are required to be run. In case of outage of one of the DG sets, the capacity available will be sufficient for 2 TGs, 3TBs and 5 Boilers.

Each of the DG sets is provided with 2 nos. of starter motors with the connected individual battery system. Both the starter motors are to be run in tandem for starting of the DG set.

After starting of individual DG sets they are to be manually paralleled by ECR personnel before the sets can be fully loaded.

7.5.5. ESSENTIAL CATEGORY LOADS (CRITICAL EQUIPMENTS):

Some of the technological process/equipment requires all time availability of electricity. Such loads are approximately 75 MW and spread over various plant units. These include exhausters in CO & CCP, Cooling Water Pump House in BF, SMS, Rolling Mills, Intake Pump House, Kanithi Balancing Reservoir Pump House, TPP Auxiliaries, Township Pump House, Hospital etc. Disruption of supply to these loads may cause wide spread dislocation to the process, involve dangerous situation to equipment etc. These are classified as special/essential category-I loads. Power supply to them is envisaged from two sources i.e. from Thermal Power Plant Generator 11 KV switch board through cables and also from 220 KV sub-station in that area. Depending upon level of captive generation, the 220 KV system is so configured that in the event of isolation of Captive generators from APSEB grid, the load throw off at TPP and disturbance to plant units is minimized.

8. MAINTENANCE AND INSPECTION:

Maintenance activities have been planned and implemented to improve plant safety and reliability through early detection and diagnosis of equipment problem and degradation prior to failure. Two types of basic preventive maintenance are implemented. The first type and preferred one is condition directed preventive maintenance where preventive maintenance activity is scheduled based on action level for monitored components programme.

The second type of task is a time directive preventive maintenance where preventive maintenance is performed at predetermined frequency.

At Visakhapatnam Steel Plant, the routine equipment's are monitored by shop maintenance as well as a centralized department called Technical Services. Equipment are categorized based on production critically into three categories, i.e. Critical, Semi-Critical and Non-Critical. Semi-Critical and Non-Critical rotating equipment are regularly monitored by shop maintenance personnel based on the rate of deterioration of equipment at respective production units. All critical equipment's are being monitored and analysed by Technical Services. The monitoring includes, measurement of various process parameters as well as equipment condition parameters, like vibration, temperature, current, insulation resistance, thickness, flow etc.

The entire maintenance activity has been divided as follows:

- i. Conditioning monitoring of rotating equipment's.*
 - a. Preventive maintenance based on condition monitoring*
 - b. Preventive maintenance time based*
- ii. Predictive Maintenance*

Generally three types of measurements are taken:

- a. Predictive maintenance*
 - Critical equipment's*
 - Non critical equipment's*
- b. Preventive maintenance*

➤ *Lubrication*

- *Regular maintenance as per manufactures recommendations, based on in house data, process equipment.*

c. Breakdown maintenance

- *Process related problem*

- *Premature failure of parts.*

Technical services department practices more elaborate equipment health monitoring concept by using the following techniques. Equipment condition data is collected periodically and stored, analysed and reported. Periodicity of the monitoring depends on the production criticality and type of equipment and its operational usage.

1. Vibration

2. Temperature

3. Wear Debris Analysis

4. Acoustic Emission

5. Motor Current Monitoring

6. Ultrasonic Leak Detection

7. Speed

8. Bearing Analysis

The above mentioned parameters are monitored using some of the best techniques available to industry such as Vibration Signature Analyzers, Vibration Data Collectors, Thermo vision Camera, Ferro graphic Analysis of Wear Debris, Acoustic Monitors, Motor Current Signature Analyzers, Non-contact Airborne Ultrasonic Leak Detectors, Stroboscopes, Shock pulse & Impulse bearing analyzers respectively.

The equipment health monitoring system is also covered under ISO 9000, 14000 and 18000 quality management systems. On plant basis more than 1000 critical equipment's are covered under above mentioned systems at various levels of the production units.

The equipment condition data is stored, analyzed and reported using the high end software for vibration analysis, thermography, acoustic emission, motor current signature, ultrasonic leak detection and bearing analysis. The reports are sent to respective maintenance groups of the production units for early rectification and compliance as per ISO systems. The failures which leads to unsafe conditions and loss of production are given utmost priority for mitigation/rectification. Critical incidents/failures are discussed at production units as well as plant level authorities like, GM (Maintenance), GM (Electrical), GM (Mechanical) and ED (Works) during periodical review meeting. Preventive and corrective actions deliberated during such reviews are circulated and adhered to.

Apart from the regular periodical monitoring, long term equipment health revival plans are also drawn at production unit level. Interlinking production facilities are given due importance while drawing common shut down/repair plans at the plant level. Yearly, three yearly and major capital repair plans are drawn well in advance to make the required resources are available in time and the plans are executed to achieve the targeted performance of equipment after repairs. Obsolete and redundant equipment are updated/replaced using various schemes of replacement, such as modernization, capacity up-gradation etc.

In a nutshell, the care is given to reach the production targets using the process equipment in an optimum manner, while keeping the equipment degradation under control. All efforts are put to avoid unforeseen equipment failures and unsafe conditions. Unforeseen failures are analyzed thoroughly to avoid recurrence. Necessary system changes are made to see that no equipment fails unexpectedly. The result of effective equipment health management at Visakhapatnam Steel Plant can be seen in the key index i.e. Net equipment availability is kept always above 90 % at all major production facilities.

Major critical equipments in Captive Power Plants are listed below:

*Transformers
Air Compressors*

DG sets
Boilers
Turbine Generators
Conveyors
Turbo Blowers
HT Motors
Gears

9. SAFETY SYSTEM:

The Company has a well-established safety system working under Safety, Health and Environment Department. The plant utilizes high temperature processes like Blast Furnaces, SMS etc. as well as handle hazardous /highly flammable chemicals like toluene etc. These facilities can have a high potential for loss. To mitigate such losses, they have a full-fledged Emergency Action Plan, which covers both 'On Site' and 'Off Site' emergencies.

These management control procedures define the plans to be implemented in case an incident occurs and also define the responsibilities of persons involved in dealing with an emergency and the actions to be taken to reduce the risk to individuals as well as the business operations.

Safety department is headed by senior officers in the rank of Deputy General Manager (Safety) and they have 56 nos. personnel in the safety. There is a Central Safety Committee where the General Managers with equal participation of workers are members and the Committee meets once in 3 months. Apart from Central Safety Committee, they have departmental Safety Committee and frequency of the meeting is once in a month. The safety issues raised in departmental Safety Committee and the Central Safety Committee are submitted to the management and HOD's for taking corrective and preventive actions.

As the operation of the firefighting facilities are looked after by CISF, they report directly to Executive Director (Works) for any deficiencies in maintenance of the system. The department organize Mock Drill for all emergency procedures at periodical intervals. Plant level mock drills

in presence of Factories department twice in a year and every department conduct mock drills every month.

All accidents , near misses, dangerous occurrences are investigated as per the OHSMS system. There are accident investigations, work permit for both hot and cold work and height works as per standard procedures laid down. During capital repairs in the plant, they take special cautions by providing separate fire tenders with adequate number of personnel during the entire period of repair and/or maintenance jobs under round the clock safety supervision.

Internal Safety audits are conducted once in 6 months while the statutory external audit is carried out by approved external agency once in a year. In addition to above System Audit is conducted once in six months by certifying agency. Special safety Audits are conducted once in a while as per any special requirement

10. FIRE FIGHTING FACILITIES:

The plant is protected with a fire hydrant system which draws water from the ground reservoirs inside the plant. The plant and the township receives water from the Yeluru reservoir to Kanithi Balancing Reservoir situated inside the complex. Raw water from KBR is supplied to the plant for the intake pump house installed on KBR dyke. Raw water is treated in raw water treatment plant and stored in two reservoirs in Pump House 1. It is understood during the inspection that mains feeding the hydrants is a common line which also supplies water for drinking and other purposes. The fire hydrant system is equipped with separate pumps located in the Pump House 2. There are altogether 579 hydrant s and 2064 landing valves for the protection of the complex. These hydrant lines are connected to different pump houses inside the plant.

Fire alarm system comprises of 395 manual call points installed in the various facilities in the plant which gives signal to the Electronic Control Room in Central Fire Station upon actuation. Control panel show the particular area of plan where MCP operates.

It has been identified that one of the major hazards present in the plant is fire due to flammable gases and other hazardous materials like Benzene, Fuel Oils, CTF, Coal, Hot metal and Electrical Fires. Effective control of fire at the beginning stage itself is very much essential otherwise it may prove to be a disaster. For combating fire, a well-planned Fire Fighting System is provided in the plant. These include:

- Automatic Fire Fighting System*
- Fire Detection Alarms (FDA) System*
- Fire Hydrants*
- Fire Extinguishers*
- Fire Tenders*
- Manual Call points*

The Automatic Fire Fighting System is provided at all critical locations of the plant. Any incident of fire is detected by the FDA (Smoke Detectors/Heat Sensors) system and the signal is sent to Control Room as well as the Fire Fighting Pump Houses. The pump is started automatically and water is sprayed in the affected zone. The water pressure maintained is around 5 kg/cm². In some areas, the signal is sent to CISF Fire Station and from Fire Station signal is given to start the fire fighting pumps. The automatic fire fighting system also include Halogen firefighting system in SMS, CO₂ Flooding System in COCCP, Sinter Plant, Mills, Foam Flooding System in Oil Cellars of Mills etc. Fire Hydrants are installed at various locations, in and around the periphery of all the departments. These hydrant lines are connected to different pump houses inside the plant. Always a pressure of 3-5kg/cm² is maintained in the hydrant lines.

Various types of fire extinguishers for fighting different classes of fire are kept at different locations in the shop floor. These ranges from CO₂, Foam, Soda Acid, DCP, BCF, and Water type etc. Mock drills are periodically conducted and the factors like Response Time are evaluated. The entire operation of Fire Fighting in the plant is centrally coordinated by CISF (Fire Wing). In addition, the plant personnel are also given adequate training in firefighting.

Available Fire Fighting Facilities

Sl. No. Description Quantity (No.)

- 01 Fire Hydrants 890*
- 02 Landing Valves across plant 2494*
- 03 First Aid Firefighting Extinguishers 10823*
- 04 Static tanks at various departments 12*
- 05 Manual call points 395*
- 06 Pump Houses 28*
- 07 Water/Foam Monitors 36*
- 08 CO₂ Flooding system at 12 areas 497 Cylinders*
- 10 Foam Flooding System at various departments 22*

11 Sprinkler/Drencher System 06 places
 12 Water Tender 02
 13 Foam Tenders 05
 14 Multipurpose Foams Tender 01
 15 Hydraulic Platform (Snorkel) 01
 16 Rescue Tender 01
 17 Portable Pumps 01
 18 Trailer Pumps 07
 19 Trolley mounted Pumps 02
 20 Floating pumps 02
 21 Medium Expansion Foam generator 02
 22 Medium Expansion Foam Generator-Smoke Exhauster 03
 23 BA Sets 28
 24 Life Buoy 10
 25 Fire Entry Suits 05
 26 Fire Proximity Suits 03
 27 Smoke Exhauster Blower 01
 28 Fire Retardant Coats 58
 29 Life Jackets 15
 30 Victim location unit 01
 31 Long Range Water-cum-Foam Monitors
 (2000 GPM)(Trolley Mounted) 01
 32 Long Range Water-cum-Foam Monitors
 (1000 GPM)(Trolley Mounted) 02
 33 Oscillating Monitors 02
 34 BA Set Filling Machine 01
 35 Smoke Generator 01
 36 Foam (AFFF) 14843 Ltrs.
 37 Dry Chemical Powder 14935 KG
 38 Fire Tenders under fabrication
 a) Foam Tender 01
 b) Water Tender 01
 c) DCP Tender 01
 d) Mini Foam Tender 01

CMCP installed in VSP

01 RMHP 30
 02 MMSM 25
 03 WRM 29
 04 LMMM 22
 05 CRMP 18
 06 SMS/ASP 67
 07 SMS-2 10
 08 B.F-1 29

09 B.F-2 11
 10 ADM. BUILDING 38
 11 ES & F & TS 61
 12 CENTAL STORE 12
 13 TPP 20
 14 SINTER PLANT 23
 TOTAL 395

There are altogether 10 nos. Fire Engines (Tenders) which are located in Main Fire Station as well as in two other fire stations. Fire tenders can draw water from 12 nos. static tanks of various capacities, spread throughout the premises. The capacity of the static tanks along with their locations are as under:

Location	Capacity of tank
NSY	2, 25, 000 Ltrs.
CENTRAL STORE NEAR SPARE STORE	2, 25,000 Ltrs.
WRM / BLOOM YARD (EMD)	2, 25,000 Ltrs.
MMSM (NEAR ECR-2)	2, 25,000 Ltrs.
BF -I	2, 25,000 Ltrs.
BF - II	2, 25,000 Ltrs.
TPP (TG-4)	2, 25,000 Ltrs.
TDP - I TANK	3, 00,000 Ltrs.
TDP - II TANK	5, 00,000 Ltrs.
RMHP (JN.H.5)	2, 25,000 Ltrs.
COAL WAGON TIPPLER	2, 25,000 Ltrs.
MAIN FIRE STATION	2, 25,000 Ltrs.

Carbon dioxide flooding system is provided for protection of the following facilities:

Location	Total quantity of gas in Kg.
LUBE OIL ENCLOSURE TB TPP	1080
LUBE OIL ENCLOSURE TG TPP	1080

TPP MOT (TG – 04)	4050
PAS 1 & 2 SMS	900
PAS 3 SMS	450
PAS 4 SMS	450
PAS 5 & 6 SMS	900
OIL CELLARS MS 1 & 4 MMSM	1710
OIL CELLARS 2/1, 2, 3 MMSM	4500
OIL CELLARS 3, 4 & 5/2	6510
BPTS AT CO & CCP	202.5
LDLE FURNACE	630

MOS of the conveyors, Cable cellars, NAFC Godown and Pump Houses for Benzol plant are provided with sprinkler system. The details of blocks protected are as follows:

<i>Area</i>	<i>Location of Sprinkler/Drencher System</i>
1. BF 1 & 2	<i>a. D-1 D2 CHARGING CONVEYORS</i> <i>b. ALL CABLE GALLERIES AND CABLE TUNNELS</i>
2. BHS -1 & 2	<i>a. D1 & D2 CHARGING CONVEYORS</i> <i>b. BHS MAIN JUNCTION HOUSE CONVEYORS</i>
3. SINTER PLANT	<i>a. ALL ECR CABLE BASEMENT</i> <i>b. RMB AND MMDP CONVEYORS</i>
4. TPP	<i>AA AND BC BAY CABLE GALLERIES</i>
5. CO & CCP	<i>a. Y-1 TO Y-15 CONVEYORS</i> <i>b. KO TO K 22 CONVEYORS</i> <i>c. 1RII TUNNEL CABLE BASEMENT</i>

- d. CDCP -1 ,2 &3 AND CDU 1 &2 CABLE BASEMENTS AND CONNECTION TUNNELS
- e. NAFC GODOWN

6. MMSM

LUBE OIL ENCLOSURES

The system is automatic and any incidents of fire is detected by Smoke / Heat Detectors and signal is sent to Control Room as well as the Fire Fighting Pump Houses. The pump is started automatically and water is sprayed in the affected zone. The water pressure maintained is around 5 kg/cm². In some areas, the signal is sent to CISF Fire Station and from Fire Station signal is given to start the fire fighting pumps. The automatic fire fighting also include Halogen Fire Fighting System in SMS, CO₂ Flooding System in COCCP, Sinter Plant etc. Various types of fire extinguishers for fighting different classes of fire are kept at different locations in the shop floor. These ranges from CO₂, Foam, Soda Acid, DCP, BCF and Water type etc.

Mock drills are periodically conducted and the factors like Response Time are evaluated. The entire operation of Fire Fighting in the plant is centrally coordinated by CISF (Fire Wing). In addition, the plant personnel are also given adequate training in firefighting.

Besides, Foam Flooding Systems are provided for protection of LMMM, Oil Cellar nos. 1 to 7, 10 and 13, WRM, Oil cellar nos. 1, 3,4,7,8,9,10 and CO & CCP – CFPS.

The following Foam Flooding Systems have been provided in VSP:

Area	Location of System/Installation	No. of Foam Tanks
1. LMMM	OIL CELLAR NO. 1	1
2. LMMM	OIL CELLAR NO.2	1
3. LMMM	OIL CELLAR NO.4	1
4. LMMM	OIL CELLAR NO.5	1

5. LMMM	OIL CELLAR NO.6	1
6. LMMM	OIL CELLAR NO.7	1
7. LMMM	OIL CELLAR NO.10	1
8. LMMM	OIL CELLAR NO.13	1
9. WRM	OIL CELLAR NO. 1	1
10 WRM	OIL CELLAR NO.3	1
11 WRM	OIL CELLAR NO.4	1
12 WRM	OIL CELLAR NO.7	1
13 WRM	OIL CELLAR NO.8	1
14 WRM	OIL CELLAR NO.9	1
15 WRM	OIL CELLAR NO.10	1
16 CO & CCP	CFPS	2

11. COMMUNICATION FACILITIES:

Communication is a vital part in Emergency Control. A clear, precise and proper communication through appropriate mode of communication is essential for effective management of Emergency. The Visakhapatnam Steel Plant is provided with both intercoms (called "Max") and external P&T telephones in all the departments/ sections. All the Control Rooms and the Main Emergency Control Center are provided with Hot Lines, Public Address System (PAS), Despatcher System, wireless sets, internal & external telephones. Fax facilities are also provided for external communications. Emergency telephone nos. like fire, first aid/medical post, gas safety, water supply and safety engineering dept. are clearly marked in control rooms. Wireless sets are provided to the personnel working in critical zones. Depending on the situation the concerned personnel will use the intercom, telephone, voice, hand signals, rising fire alarms, wireless sets, and paging system or by a messenger to communicate the incident to fire department/gas safety or other employees. Mobile phones are provided for all the officers across the organization for further strengthening of the communication. Important telephone numbers are given in the following table. All the officers of VSP are provided mobile phones and intranet / Internet facility.

12. RISK EXPOSURE (FIRE & EXPLOSION):

The plant utilize high temperature operations in the main processes of steelmaking such as Blast Furnace, Steel Melting Shop etc. Also a number of hazardous and highly flammable chemicals like LPG, Chlorine, Toluene, Benzol etc. are used in the various processes. These processes constitute potential fire hazard.

Spillage from the furnace of molten metal can cause severe fire as well as human injury which may be aggravated because of high temperatures.

Blast furnace is also considered to be a source of large loss due to collapse of refractory which may lead to substantial damage to machineries around particularly since the temperature may reach as high as 1650 OC.

There have been cases of fire in coal yard in the plant. Coal has a property of spontaneous combustion and it occurs when a large pile or accumulation of coal over a period of time begin to auto oxidize leading to exothermic run away reaction with generation of heat and flame.

Cable cellars in TPP constitute source of potential fire hazards particularly because these locations are unmanned and are not always subject to regular inspection. Entry and exit of cable to other areas should be effectively sealed by means of fire retarding paints to prevent spread of fire. The paint shall comply with BS: 476 for fire resistant properties.

There are Cellars in Continuous Casting Sections, LMMM, WRM wherein huge quantity of Hydraulic oil stored. Also, Coke Oven/by product produces benzene, toluene and coke oven gas which are highly inflammable. Blast Furnace produces B/F gas which is poisonous. LD gas from Steel Melt Shop is also inflammable beside mixed gas. Also there is risk of fire in the captive power plant. Spillage of molten metal possibility is high. Spontaneous combustion from coal store is a possibility.

Explosion in the plant is high from Blast Furnace and LD Converters. There are 7 boilers and waste heat boilers used at present. The dust explosion chance is low. Spillage of molten/liquid material from B/F and LD, Ladle Furnace is possible.

13. RIOT, STRIKE AND MALICIOUS DAMAGE:

Visakhapatnam Steel Plant is having well protected boundary wall and barbed wire fencing around the plant area. All the entry and exit gates are well manned and controlled by trained personnel of Central Industrial Security Force under MOU with management of VSP. VSP is also maintaining good industrial relation with its employees. Hence the hazard due to Riot, Strike & Malicious damage is considered to be low.

14. EARTHQUAKE:

As per the seismic data provided, the plant area falls under Category 'B' Zone-III (slight to moderate). As per the Earthquake hazard map given by BMTPC: Vulnerability Atlas, the location of the plant would fall under Moderate Damage Risk Zone (MSK VII). Therefore, the probability of occurrence of an earthquake is considered to be Moderate.

15. FLOOD & STORM:

As per the meteorological data provided, the plant is situated 2.5 meter above MSL on the Coast of Bay of Bengal. As per flood hazard map, Visakhapatnam is protected area for the floods. But a severe cyclonic storm may cause damage to the plant, high structures, overhead tower for main electric feeder, light post, chimneys, flare stacks etc. Since sea is very near, threat of tsunami may not be ruled out. Taking into account of all these factors, the exposure hazard due to Flood & Storm may be considerate to be Moderate.

The method of PML calculation is based considering the Sum Insured of the blocks / buildings falling within the specified distance as prescribed in Tariff Advisory Committee's Circular No. – FT/24/2001 for guidelines for determination of PML.

The sum Insured of BF-3 is Rs 2048crs approximately for which insurance cover was taken from 20.06.2014.

Considering Blast furnace plant no. 3 under Expansion project is having the highest Sum Insured of Rs 2048 crores of a plant / block situated beyond 7 Meters from all other blocks / buildings / plants constitute the largest sum insured for loss scenario.

Steel plants are classified under Light Hazard occupancies in Fire Protection Manual published by Tariff Advisory Committee. As the plant is of class- 1 construction, the damage range in terms of sum insured comes to be 20-50% for Light Hazard Risk as per the table provided in Tariff Advisory Committee's circular.

If we select 30 % damage range for the maximum loss in a fire scenario in Blast Furnace Plant - 3, the Probable Maximum Loss would be Rs. 614.40 crores i.e. 30 % of Rs. 2048 crores.

CLAIMS HISTORY:

The major claims in last three years are as follows:

Year 2014-15, Hudhud Cyclone Damage on 12/10/14. Claim is assessed for Rs. 162 Cr (PD+BI) and on account payment of Rs. 140 Cr has already been released.

Year 2014-15, Inundation loss at Pump house at TPP on 27/10/14 for Rs.1.54 Cr

RECOMMENDATIONS:

1. *A large number of hydrant valves spread over the complex, could not be located due to growth of vegetation all around. They should be removed so that the hydrants are accessible for operation in case of fire.*
2. *Due to loading / unloading activities in coal yard, there is no separating distance observed in between coal stacks.*
 - *Coal should not be stacked in large piles for a long time.*
 - *Separation between two heaps should be clearly marked with separating distance of at least 6 m.*
 - *Coal should be spread in linear horizontal layers and piled so as to ensure effective ventilation to dissipate heat or packed firmly to ensure minimization of communicating void containing air.*
 - *Breathing pipes may be provided for ventilation.*
 - *Constant temperature should be maintained with the help of temperature probes.*
 - *Cleanliness and housekeeping must be maintained for ignition source free storage.*
3. *Auto operation of High Velocity Water Spray System provided for the generating and unit auxiliary transformers located in the Transformer Yard outside TPP was not functioning since the pressure of the Deluge Valve was found to be zero.*

4. Automatic inergen system provided for the protection of control room of TPP-2 was not in operating condition as observed from the control panel for the installation.
5. All pipings for the water spray system in the transformer yard was also found to be heavily corroded and should be painted in order to avoid further damage.
6. Hose boxes alongside the hydrant landing valves on the turbine and control room levels was not equipped with hoses.
7. Electrical supply is received at 220 KV by means of 2 separate overhead feeders from APTRANSCO through the same tower which was damaged due to recent cyclone. As a result there was no supply of power to the plant for more than 3 days. It is therefore suggested that each feeder should be routed through independent tower to avoid consequential losses.