



ISO 9001 Company

Heavy Engineering Corporation Limited

(A Govt. of India Enterprise)

Heavy Machine Building Plant

CRANE EXECUTION DIVISION

No: HMB/CED/BSP/030PKG/MCE/LTE/2012-1222

Dated: 18.12.12

To

Sub: Enquiry for Insurance for Transit (From Ranchi to Bhilai Site), storage at site, erection & commissioning of EOT Cranes under Marine Cum Storage cum erection policy (MCE).

Dear Sir,

We requested to submit offer for insurance of site activities (i.e comprehensive insurance for supply, theft, Coverage of fire. Physical loss and / or damages there of, during in plant transit, storage cum erection & commissioning until final takeover of the unit by the purchaser, third party coverage & owner surrounding property coverage). The specification for the same is enclosed as Annexure 'A'. The mile stones are as under:

- | | | |
|----|----------------------------------|---|
| 1. | Supply Price | :- Rs 13965.00 lakhs |
| 2. | Erection and Commissioning Price | :- Rs 430.00 lakhs |
| 3. | Total sum to be insured | :- Rs 18119.80 lakhs |
| 4. | Projected period | :- 24 months |
| 5. | TPL, Cover requirement | :- As per Sl. No. 4 in Annex.A. |
| 6. | Owner surrounding property | :- 25 lakhs |
| 7. | Site Location | :- Bhilai Steel Plant , Bhilai |
| 8. | Suppliers address | :- M/s Heavy Engineering Corporation
Limited, Dhurwa, Ranchi, Jharkhand-834004 |

You are requested to submit your offer in two parts. 1st part (techno commercial part) should consist the details of coverage considered in the policy, payment mode term etc. 2nd part (Price Bid) should consist price only.

You are requested to submit your offers accordingly in separate sealed covers:

Last date of submission of Tender: 27.12.12 up to 01.00 PM

Opening of Tender on : 27.12.12 AT 3.00 PM

If the offer is not submitted as per the instructions above the same can be rejected.

Regards.

Shivraj Maher
AM/CED
Room No. 72, HMBP ADM Building.
HEC LTD, Ranchi-834004
Phone 0651-2401200, Fax No. 0651-2401166



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INSURANCE FOR BHILAI

Annexure A

A. Insurance

1. A composite and comprehensive Marine-Cum-Erection Insurance Policy (All Risk) is required which shall cover total erected value of the facilities (125% of Contract price excluding the design & engineering and supervision services price, training) and all risks specifically inclusive of the following from the insurance company registered under **INSURANCE REGULATORY AND DEVELOPMENT AUTHORITY (IRDA)** only.
2. **All Risk Insurance:**
The policy shall cover all risks and escalations, and revisions without ceiling.
3. **Indigenous cargo Insurance:**
For indigenous supplies, the policy shall insure the goods originating in India from the Contractor's /Supplier's warehouse to Plant's warehouse and up to completion of erection and commissioning. This will be inclusive of supplies to and from warehouse / factory of intermediate processors / suppliers. This policy will also cover the replacement items, if any.
4. **Third Party Liability Insurance:**
The policy shall cover third party liability. The third party liability shall cover the loss / disablement of human life (persons not belonging to the Contractor) and also over the risk of damages to others' materials/ equipment / properties during construction, erection and commissioning at site. The value of third party liability for compensation for loss of human life or partial / full disablement shall be of required statutory value but not less than Rs. 2 lakh per death, Rs. 1.5 lakh per full disablement and Rs. 1 lakh per partial disablement and shall nevertheless cover such compensation as may be awarded by a Court of Law in India or abroad and cover for damage to others' equipment / property as approved by the Employer.
5. **Automobile Liability Insurance:**

Covering use of vehicles / mobile equipment used by the Contractor or its Sub-Contractors (whether or not owned by them) in connection with the execution of the contract.
6. The Employer (M/s BSP, Bhilai) shall be the principal beneficiary of the policy along with the Contractor (M/s HEC), Sub-Contractors (M/s Elite Engineers, Bhilai) of the Contractor shall not be holders or beneficiaries in the policy nor shall they be named in the policy. Employer reserves the exclusive right to assign the policy.
7. While the payment of premium may be phased in agreement with the insurance company, at no time shall goods and services required to be provided by the Contractor shall remain uninsured.
8. In cases where the erection, modification etc, are to be carried out in the existing shop of the Employer the 'surrounding value' shall be intimated by the Employer to the contractor who shall ensure that this value is included in the policy.
9. The policy shall ensure that the Employer's decision regarding replacement of goods damaged, lost or rendered unusable shall be final.
10. Marine & Transit Insurance policies shall also cover:



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- Institute Cargo Clause 'A'
 - Institute War Clauses
 - Institute strikes clauses
 - Ware House to Ware House
- B.** Upon arrival of plant and Equipment / materials at site the Contractor shall assume custody thereof and remain responsible thereafter for safe custody until the whole plant is successfully commissioned.
- C.** The Contractor shall arrange Accident Insurance Policy for all his personnel including Specialists / Personnel deputed to site and Contractor's / his sub-contractors' manufacturing works as well as for his Indian engineers & supervisory staff. The Contractor shall also take out for his Indian workmen a separate policy as per Workmen's Compensation Act.
- D.** The details of consignment along with its value and vessel's name and other shipping particulars shall be intimated by the Contractor to the Employer, Underwriter in India and clearing agent immediately after shipment of the consignment
- E.** In all cases, the Contractor shall lodge the claims with the Underwriters and also settle the claims. All claims shall be settled in India. However, the Contractor shall proceed with the repairs and / or replacement of the equipment / components without waiting for the settlement of the claims. In case of seizure of materials by concerned authorities the Contractor shall arrange prompt release against bond, security or cash as required. Employer will extend all assistance to the Contractor in such a case.
- F.** All the insurance claims shall be processed by the Contractor and the items which are missing / damaged in transit or during handling, storage, erection and commissioning, shall be replaced / repaired by them without any extra cost to the Employer and without affecting the time for completion.