



VISAKHAPATNAM PORT TRUST
ACCOUNTS DEPARTMENT

NOTICE INVITING TENDER (NIT)

All the four National /Public sector insurance companies are invited to bid for the Insurance of the Port Assets.

- | | | |
|---|---|--|
| 1. ORGANISATION | : | VISAKHAPATNAM PORT TRUST |
| 2. DEPARTMENT | : | ACCOUNTS DEPARTMENT |
| 3. NIT NUMBER | : | FA/B&B/TENDERS/ASSETS/ |
| 4. NAME OF WORK | : | Notice inviting tenders from Nationalized Insurance Companies for Insurance of Port Assets |
| 5. PERIOD OF COMPLETION | : | One (1) Month |
| 6. BIDDING TYPE | : | Open |
| 7. BID CALL NO. | : | FIRST CALL |
| 8. BID DOCUMENT DOWNLOADING START DATE | : | Dt. 25.05.2018 |
| 9. LAST DATE AND TIME FOR RECEIPT OF BIDS | : | Dt.15.06.2018 up to 15.00 Hrs |
| 10. TECHNICAL BID OPENING DATE &TIME | : | Dt.16.06.2018 at 15.00Hrs |
| 11. OFFICER INVITING BIDS | : | FA&CAO |
| 12. BID OPENING AUTHORITY | : | FA&CAO |
| 13. ADDRESS | : | 2 ND FLOOR, AOB BUILDINGS
PORT AREA. |
| 14. CONTACT DETAILS | : | PH.NO. 2873222/3227 |
- For queries/clarification on uploading of bid

The tender documents also uploaded herewith.

VISAKHAPATNAM PORT TRUST

No.FA/BNB/INS/ASETS/18-19

Date:25.05.218

To,

National Insurance Company Limited

Oriental Insurance Company Limited

The New India Assurance Company Limited

United India Insurance Company Limited

Sub: Invitation of quotation for Fresh Insurance Policies of Port Assets of Visakhapatnam Port Trust (VPT).

Dear All,

VPT is one of the Major Ports in India and it started operations on 7th October, 1933. Some of the salient features of the port are as under:

- Visakhapatnam Port has achieved a record cargo throughput of 63.54 MMT during 2017-18 as compared to 61.02 MMT during 2016-17 showing growth of 4.13 %. Out of which the Port Railways handled a traffic of 27.60 million tonnes in 2017-18. Wherein 43% of total Cargo handled at Port.
- A record number of 6.83 million tonnes of container cargo was handled surpassing the previous of 6.43 million tonnes in 2016-17.
- The Capital Expenditure during 2017-18 is Rs.287.24 Crores which involves the Major development schemes like:1)Modification Of Berths/& Jetties 2)road bridges/flyover bridge 3) restoration of Civil and Marine structures.
- Greentech Safety Award – 2016 – GOLD AWARD in the service sector for outstanding performance in safety management.
- Greentech Environment Award – 2017 – GOLD AWARD in the service sector for outstanding achievements in Environment Management.
- VPT has been adjudged the second cleanliest Port by Ministry of Shipping for implementation of Swach Bharath during the year 2016-17.

1. We intend to have the following insurance cover as under:

I **STANDARD FIRE & SPECIAL PERIL POLICY** with add on covers for various properties and assets outside the port area as detailed in **Para 2.1 of Annexure-A.**

II **PORT PACKAGE POLICY** for entire properties and asset within the confines of the Port Covering as specified in details in **Annexure-A, Para 2.2 :**

(a) All immovable and movable properties and assets within the confines of the port irrespective of its location against Material Damage as detailed as per Annexure attached all as per Policy Wording as Original including Strikes, Riots, Civil Commotion, Malicious Damage, Vandalism, Malicious Mischief, Hold Up, Subsidence, Landslide and Earthquake and/or as more fully described within the Policy Wording as Original.

(b) Business Interruption due to accidental damage to insured property (including Port / Channel Blockage/ disruption of electricity/ blockage of land access/Denial of Access) as detailed as per Annexure attached all as per Policy Wording as Original including Strikes, Riots, Civil Commotion, Malicious Damage, Vandalism, Malicious Mischief, Hold Up, Subsidence, Landslide and Earthquake and/or as more fully described within the Policy Wording as Original.

(c) Wreck removal /Oil Pollution Environmental Pollution Liabilities due to accidental damage to onshore / offshore pipeline and/or any insured property due to any cause other than terrorism covering

- Death, Bodily Injury of Third Party.
- Third Party Property Damage
- Clean up cost
- Costs of measures to prevent further insured losses following an insured event.
- Defence Cost.

(d) Public Liability on the likelihood of liabilities arising out of death/Injury/ damage to property of general public due to any operations /Storage

Liability arising out of and in course of operation and any activities ancillary to the Assured's Operations at the Assureds Location(s) including but not limited to Third Party Liabilities to property, cargo, containers, equipment, vessels, injury, death, errors or omissions, fines, duties, advice and information, infringement of personal Rights, and other incidents and liabilities arising from such operation(s) inclusive of Removal of Wreck and/or Clean Up Costs and/or as more fully described within the Policy Wording as Original.

- III. **MARINE HULL POLICY** for floating crafts of the port including Terrorism extension as set out in **Annexure-A Para 2.3**
- IV. **STANDALONE TERRORISM POLICY** on properties covered under Port Package Policy including Business Interruption and Liabilities to Third Party extension as per **Annexure-A, Para 2.4** (*VPT has the option of taking or not taking Terrorism cover*)
- V. **ELECTRONIC EQUIPMENT INSURANCE POLICY** on Servers and other peripherals situated in various offices within and outside port including extension of increased cost of working as per **Annexure A, Para 2.5**

2. **Please note that :**

- a) **TOTAL LOSS LIMIT** is as per **Annexure A Para 5.1 & 5.2** (in respect of Port Package & Standalone Terrorism Policy).
- b) **Deductibles** are set out in **Annexure A Para 6**
- c) **Additional Clauses/ Add on Covers/ Conditions:** Refer Technical Bid-**Annexure-A, Para 7.**

3. We now invite premium quotation for insurance of the above policies.

- a) The details of coverage, sum insurance, excess/ deductible etc are provided in details in **Technical Bid as Annex-A. Technical bid needs your careful study and strict compliance of all parameters and then to be submitted as Technical Bid. Non-conformity in the Technical Bid is liable for rejection of offer.**
- b) **Your premium quote is to be submitted as per PRICE Bid -Annexure- B.**
- c) No Agent/broker/intermediary shall be allowed.

4. The insurance policies will commence from 00 hrs of the 7th day from placement of award of work

5. **SUBMISSION OF BIDS:**

The **Technical and PRICE bids** need to be submitted in two separate sealed envelopes as described below:

Envelope I : Technical Bid (Annex-A)

Technical Bid in Annex-A has been devised for standard evaluation of quotation based on common platform. (1)**The bidders must specifically confirm to each and every point appended therein to qualify for the PRICE BID. This envelope should be marked as “Technical Bid”.**

Envelope II Price Bid (Annex-B)

This envelope should contain segment wise premium and GST to be extra. **This envelope should be marked as “PRICE BID”.**

Both the envelopes should be sealed and to be placed in a larger envelope, sealed and marked as **“Tender for Insurance cover for VPT.”**

The Bids should be addressed to F.A.& C.A.O., Visakhapatnam Port Trust, Administrative Office Building, Visakhapatnam-530035 and should reach us on or before 1500 hrs. on 15 .06.2018 at VPT. Bids received after due date and time will not be accepted.

Procedure for bid opening

The Technical bid will be opened at 15:30 hrs. 16.06.2018 in the Chamber of Sr. Dy. C.A.O. at VPT Administrative Office Building, Visakhapatnam. Date of opening of the Price bids will be intimated to the successful bidders of the Technical bids. All the premium quotes will be aggregated to arrive at the final quote for comparison purpose. The bidder giving the lowest quote and having complied with all terms and conditions will be considered for placement.

It is clearly understood that rates quoted by you are final and are strictly in accordance with applicable rules & regulations of various Tariffs as well as General Insurance Council and that the insurers take full responsibility of verifying and evaluating the process parameters and the compliance of the warranties applicable for the rates quoted.

6. The pre bid meeting will be held on 31.05.2018 at 15.00 hrs in the chamber of Sr.Dy.C.A.O Accounts Dept, AO.B Port Area, Visakhapatnam.

The Bid is appearing at VPT’s site www.vizagport.com

7. **Valuation:** The sum insurance of Properties is based on reinstatement value.

8. Servicing parameters:

The selected Insurance Company will have to execute a **Service Level Agreement(SLA)** containing the following parameters with respect to:

- (i) Time frame for issuance of policies and endorsements, and write up on Claim procedures along with document required for settlement of claim
- (ii) Time frame for appointment of surveyor
- (iii) Time frame for On A/C payment
- (iv) Time frame for final settlement
- (v) Any other conditions as may be required

9. OTHER TERMS & GUIDANCE

- (i) The quote for the insurance policy should be absolute. No conditions shall be attached with the Bid. Any alternate quote/deviation etc will render the bid invalid
- (ii) The quote should be on Gross basis inclusive of all loading and discounts. GST shall be extra as applicable.
- (iii) **If reinsurance arrangement is required by the bidder: The quality of lead reinsurance support will be ensured by the bidder as per IRDA regulation and should have a minimum “A” rating of accredited agency. The Visakhapatnam Port Trust will not bear any loss due to the failure of reinsurance support arranged by the bidder. In case of the Re-insurance, an agreement is required to be entered into by the Insurer.**

10. The Port reserves the right to have co-insurance placement along with the Lead insurer. The coinsurance arrangement will be solely according to the decision of the Port Trust

11. The decision of Visakhapatnam Port Trust as regards the acceptance or otherwise of the terms and conditions of the policy is final and binding on the Insurance Company. If the successful bidder does not agree with any of the terms and conditions of the policy then, the successful bidder will be disqualified.

Commercial Bid – Annexure-B

12. **Port Questionnaire in Annexure – C**

12A **Claim History- Not Applicable- This is the First Policy Year**

13. **INSTRUCTION TO BIDDERS**

General

- ❖ The bids received after the due date and time are liable to be rejected. Bid received by Telegraph/fax/ e-mail/ as well as in unsealed envelop will not be considered.
- ❖ Tenders shall be opened at the time and date as specified in the tender notice in the presence of authorized representatives of the bidder.
- ❖ Bidder must fill up all the schedules and furnish all the required information as per the instructions given in various sections of the tender specification. Each and every page of the Tender Specification must be **SIGNED AND SUBMITTED ALONG WITH THE OFFER** by the insurer in token of complete acceptance thereof.
- ❖ The details as called for in the bidding documents shall be filled and completed by the Bidders in all respects and shall be submitted with requisite information and Annexures.
- ❖ If the space in any Pro-forma of bidding document is insufficient, additional pages shall be separately added. These pages shall be numbered and shall also carry the bidding document number and shall be signed by the Bidder.
- ❖ The bid document must be signed by the Authorized Signatory of the company stating his capacity. Port Trust may ask for the authorization letter if felt necessary- Authorized Signatory will produce the letter from the Company duly notarized giving him/her authority.

14. **Bid Validity**

- ❖ Bid shall remain valid for acceptance for a period of 60 days from the date of opening of the Technical bid. The bidder shall not be entitled to modify, revoke or cancel his bid during the said period.

15. **Rejection of tender and other conditions:**

The acceptance of Tender will rest with VPT and does not bind VPT to accept lowest tender or any tender and reserves to itself full rights for the following without assigning any reasons whatsoever.

- ❖ To reject any or all the tenders.
- ❖ To share premium amongst two or more insurers.
- ❖ To select the Lead Insurer.

16. **Cost of bidding**

All direct and indirect cost for preparation and submission of Bidder's quotation shall be to Bidder's account.

17. **Pricing Requirements**

The Bidder should quote the premium both in figures and in words (English) for each item in the prescribed format. In case of discrepancies in figures and word, the amount in word will be considered.

18. **Bidder's responsibility for quotation**

- ❖ Although all details presented in this bid document have been compiled with all reasonable care, it is the Bidder's responsibility to ensure that the information provided is adequate and clearly understood.
- ❖ Site visit, if any has to be done by bidder at its own expenses with prior intimation to VPT.
- ❖ Bidder's quotation is the responsibility of the Bidder and no relief or consideration can be given for errors and omissions.

19. **Bid clarification / amendments**

- ❖ VPT may issue clarifications / amendments in the form of addendum / corrigendum during the bidding period and may also issue amendments subsequent to receiving the bids.
- ❖ For the addendum / corrigendum issued during the bidding period, bidders shall confirm the inclusion of addendum / corrigendum in their bid. For clarifications

issued by VPT subsequent to receiving the bids, the Bidder shall confirm receipt and for any impact on the quoted prices, the Bidder shall follow the instructions issued along with addendum / corrigendum.

- ❖ Bidders shall examine the Bidding documents thoroughly and submit to VPT any apparent conflict, discrepancy or error. VPT shall issue appropriate clarification or amendment, if required. Any failure by Bidder to comply with the aforesaid shall not excuse the Bidder from performing the services in accordance with the agreement, if subsequently awarded the contract.

20. **Confidentiality of documents**

Bidders shall treat the bidding documents and contents therein as strictly confidential. If at any time, during the bid preparation period, Bidder decides to decline to bid, all documents must be immediately returned to Visakhapatnam Port Trust.

21. **Currencies of bid and payment**

Currencies for bid and payment shall be in Indian Rupees only.

22. **Law governing the contract and court jurisdiction**

The Contract shall be governed by the Law for the time being in force in the Republic of India. The Civil Court at Visakhapatnam, Andhra Pradesh having ordinary Original Civil Jurisdiction shall alone have exclusive jurisdiction in regard to all claims in respect of this Contract.

23. **Arbitration**

In case of Arbitration preceding the same will be governed in Indian jurisdiction as per Arbitration and Conciliation Act 1996 and amendments thereafter.

Enl As above.

Yours faithfully,

Sr. Dy.C.A.O
Visakhapatnam Port Trust

TECHNICAL BID

Technical Bid has been devised for standard evaluation of quotation based on common platform. **The bidders must specifically answer each and every points appended below to qualify for the PRICE bid.**

1. **REINSURANCE SUPPORT** Please confirm that the Port Package Policy quote has **Re insurance support** that has enjoyed a rating of **at least A** from accredited agency.. **Please state the name of your Re insurer/ reinsurers for this risk and attach a confirmation from your Re-insurer in their Letter Head duly signed by them confirming the following:]**

- a) That they have given lead reinsurance terms to you for the Port Package Policy of VPT covering full sum insurance of Property Damage and Business Interruption restricted to CSL (Combined Single Limit) as per the terms of Tender .\
- b) hat the said support also includes Business Interruption of the Port due to or consequent upon or arising out of :
 - (i) Accident into Insured berth/ quay
 - (ii) Blockage of any:
 - (a) Channel/ Waterways- Main approach Channel, OTB, Outer Road, Inner Channel, IHTB, NA, WA).
 - (b) Land access within the immediate vicinity of the Port/Terminals.
 - (iii) Interruption of Electricity.
 - (iv) Any other external cause.
- c) That the said support includes Liabilities and Wreck removal of VPT Craft
- d) That the said support also includes Standalone Terrorism Coverage as per specific coverage as asked herein for Property Damage, Business Interruption and liabilities with extension of Denial of Access.
- e) Please state the Rating of the Re-Insurer and the name of the accredited Agency.
- f) **While the Re-insurance support is being sought, it is imperative for the bidder to ensure the financial rating of the Reinsurer as well as the process of recovery of claim from them, if any, and the claim of the insured is not prejudiced in any way.**

(Please note that for the proposed insurance cover, Re-insurance support is mandatory. Please also note that above confirmation from your Re-insurer/s is mandatory for pre-qualification of the Technical Bid).

We confirm to above.

Please confirm that you have quoted separately for:

2.1 Standard Fire and Special Peril Policy(S F S P) (Outside Port operational area)

Property Description and Location

- For Properties i.e. Harbour Park, Salagram Puram , Dock Labour Board, C I S F Property & other assets and utilities outside Port area as per Schedule given hereunder.

2.1.1 Add on Covers:

- (a) Earthquake(Zone-III), STFI (Occupancy – Non- Industrial), Tsunami etc., on full sum insured
- (b) Consultants' and Architects' fees cover up to the extent of 7.5% of claim amount. Limited to Rs.50 lakh over and above the limit prescribed in AIFT.
- (c) 10% Escalation
- (d) Omission to insure, addition, alteration or extensions to the extent of 2.5% of the sum insured.

2.1.2 (a) Sum Insured(S I)- Properties outside Port premises Rs.86.42 Crores

- (b)Deductible: As per existing GIC Council/ Regulatory Circular
- (c) Earthquake premium (Zone-III of AIFT)to be calculated strictly as per rate prescribed in latest Council Circular on full S.I.
- (d) STFI premium to be calculated strictly as per occupancy wise band Rate (Non-Industrial) prescribed in latest Council Circular on full S.I.

2.1.3 Clauses to be attached:

- (i) Reinstatement value clause
- (ii) Designation of Property clause
- (iii) Local authority clause
- (iv) 72 hour Clause
- (v) Impact Damage Clause

2.1.4 DETAILS OF PROPERTY OUTSIDE PORT OPERATIONAL AREA FOR SFSP POLICY WITH EARTH QUAKE, STFI, TSUNAMI ETC EXTENSION

Sl No	Description of Assets/Property	Sum Insured (Rs. Crores)
1	C I S F Property	18.66
2	Dock Labour Board	29.36
3	Harbour Park Area	18.40
4	Salagrapuram Area	20.00
	Total	86.42

We confirm affirmative to all the points under paragraph 2.1

2.2 PORT PACKAGE POLICY (PD, BI & LIABILITY SECTION)

Please confirm that you have quoted separately for Port Package Policy covering:

2.2.1 Property/Material Damage (including all Cargo Handling Equipment's)

In respect of all properties, owned by / under custody of VPT and situated anywhere within the Confines of the Port/ Terminals The properties also include fixed / floating structures/ objects, pipelines, temporary structures etc.

2.2.1.1 All risk including AOG Perils, Earthquake, STFI, Tsunami, Impact Damage etc. by (own/ calling vessels, floating crafts etc)

2.2.1.2. RSMD – coverage with Sub Limit of Rs. 40 cr.

2.2.1.3TOTAL SUM INSURED FOR PROPERTIES :Rs. 1513.14 Crores

ASSETS WITHIN PORT'S OPERATIONAL AREA.

Sr No	Description of Assets/Properties	Sum Insured Rs. Crores
1	PORT AREA	29.46
2	R&D YARD	1.31
3.	DRAIN	
	West Division	6.26
	East Division	2.21
4.	RAIL- Track & Signaling System	286.42
5.	BERTHS	188.35
6.	BREAK WATERS	906.60
7.	ELL Wharf Cranes	17.25
8.	Locomotives	74.62
9.	Dry Dock Gate	0.53
10.	Vertical turbine for dewatering Dry Dock	0.13
	Total	1513.14

2.2.1.4 TOTAL LOSS LIMIT Rs 400 Cr

2.2.1.5 Deductible:

(A) Other than AOG peril & Vessel Impact

- 1% of claim amount subject to **Minimum Rs. 4.00 lacs**

(B)AOG Peril

- 2% of claim amount subject to **Minimum Rs. 6.00 lacs**

(C)Vessel impact

- 5% of claim subject to **Minimum Rs. 2.00 Lacs**

2.2.1.6 Clauses to be attached:

- (i) Reinstatement value clause
- (ii) Designation of Property clause
- (iii) Local authority clause
- (iv) 72 hour Clause
- (v) Debris Removal Clause
- (vi) Listed perils resulting from seepage and/or pollution and/or Contamination clause
- (vii) Limited seepage and/or pollution and/or contamination resulting from physical damage caused by listed perils clause – **Limit INR 25 Cr**
- (viii) RSMD Clause.
- (ix) Automatic Acquisition Clause **Upto 10% of the total property sum** assured
- (x) Average Clause (85%)- Waiver of under insurance upto 15% of the sum insurance under property and BI Section
- (xi) Architect/Surveyors and consulting Engineers fees extension with a sub-limit of Rs.5 Cr.
- (xii) Business Interruption as stated in Para 2.2.2 below should be treated as an independent insured peril without any relation to insured's property damage.
- (xiii) Electronic Exclusion Clause should be deleted
- (xiv) Loss Minimization add on (including Fire Fighting Expenses) cover required up to Rs.3 crores over and above the sum insurance.

We confirm affirmative to all the points under Paragraph 2.2.1

2.2.2. Business Interruption

NB:-The profit & loss statement for last 2 years is enclosed as **Annexure -**

2.2.2.1 For Business interruption consequent upon Property damage

(Including cargo handling equipment's, machineries etc.)

2.2.2.2 For Business interruption of the Port operation (wholly or partly) due to/consequent upon or arising out of:

- (a) Accident to Insured berth/ quay/other property
- (b)** Accidental Damage to the pipeline (Submarine/Onshore) (owned by port or not)
- (c) Interruption of electric supply to insured properties Or insured handling equipment's which is beyond the control of the assured.
- (d) Blockage of Channel/ Waterways due to any cause
- (e) Blockage of any land access within the immediate Vicinity* of the Port/

Terminals.* (immediate vicinity will mean at least 20 km radii from main entrance of Port's operational area)

- (f) Accident to Insured Berth/quay/other property
- (g) Any other external cause

2.2.2.3	Sum Insured under Business Interruption: (Net Profit + Standing Charges)	Rs. 500 Cr
	(a) Indemnity Period:	3 Months
	(b) Proportionate Limit of Indemnity for	
	(c) Business Interruption:	Rs. 125 Cr
	(d) Time Excess:	7 days

2.2.2.4	Denial of Access.	
	a) Indemnity Period:	One Month
	b) Limit of Indemnity for Business Interruption:	Rs 90Crores
	c) Time Excess: 3 – days	
	d) Denial of access within the immediate Vicinity* of the Port/Terminals.	
	*(immediate vicinity will mean at least 20 km radii from the entrance of Port's operational area)	

We confirm affirmative to all the points under Paragraph 2.2.2

2.2.2.5 Combined Single Loss Limit for PD + BI is Rs. 625 Crores for eel. (For Para 2.2.1.4, 2.2.2.3 and 2.2.2.4)

2.2.3 For Wreck removal/Environment pollution/ Oil Pollution -Limit of Liability
Rs. 25 Cr

(AOA:AOY= 1:1)

2.2.4 For Port liabilities covering:

- Third Party Properties Damage
- Third party Death, Bodily Injury,
- Errors & Omissions
- Fines & Duties
- Infringement of personal Rights
- Advice & Information
- Defense Cost
- Clean up Cost
- Cost of measures to prevent further insured losses following insured event
- Cost of dredging and re-dredging
-

(a) Overall Limit of Liability - Rs **15 Cr (in eel & aggregate)**

(b) No sub limits under any of the above heads.

(c) Deductible: Flat: Rs 0.60 Lakhs

We confirm affirmative to all the points under Paragraph 2.2.4

2.3 Marine Hull Policy : For floating crafts

As per ITC (Hull) dated 1.10.1983 with cancellation return only amended to include protection and indemnity cover as per ITC(HULL) Port Risk Dated 20.7.87 with Earthquake, (Including Tsunami) STFI, AOG Perils, War & SRCC and Terrorism extension including dry docking in respect of vessels mentioned hereunder.

1. Sum Assured- Rs. 56.55 Crores

NAME OF CRAFTS	Rs. In Crore
DREDGER G.H.D. "SAGAR DURGA	9.27
TUG SARDAR PATEL	7.00
TUG MAHATMA	7.00
TUG - " JHANSI RANI"	5.20
TUG "DELIMA"	9.38
TUG "COLNL. H. CART WRIGHT REID	9.80
SURVEY LAUNCH " NIRMAL	1.00
OIL POLLUTION CONTROL VESSEL - JAL SUDHAK	2.04
FIRE FLOAT CLASS I " AGNI	3.50
350 ton STEEL OIL BARGE	1.16
OSTT-OIL RECOVERY CRAFT	1.30
TOTAL SUM ASSURED	56.55

2. **Deductible: (other than TL/ CTL)** Rs.50 Lac flat
1% of the sum insured subject to maximum of Rs. 5 lakh for eel
3. Clauses:
 1. Institute Time Clauses Hull dated 1.10.83 with 3/4th collision policy
 2. RO only amended to include protection and indemnity cover as per ITC (Hull) Port Risk dated 20.7.1987.
4. Vessels are not classified with Classification Society

We confirm the terms and excess as stated above.

2.4. Stand Alone Terrorism Policy: Stand Alone Terrorism Policy shall have the following feature:

2.4.1 Coverage: Material Damage to all properties including third party properties held in trust whether in transit or otherwise within the **confines of the Ports** and Business Interruption caused by:

2.4.1.1. An Act/ series of Acts of Terrorism/ Sabotage

2.4.1.2. Measures taken to prevent, suppress or control or potential terrorism or sabotage by duly empowered government or Military Authority, armed forces, Para military forces, police or any other authority constituted by the government for maintaining law and order.

2.4.1.3. Denial of Access.

2.4.1.4. (a) Sum Insurance: Material Damage: **Total Port Asset :Rs. 1513.14 Cr**
(Refer schedule of Asset under Port Operational Area vide Point.2.2.1.3)

(b) Loss Limit under Material Damage: **Rs. 400 cr (eel & in aggregate)**

(c) Deductible for Material Damage: **Rs. 20 Lacs flat**

(a) **Business Interruption:** Rs. 500 Crore (Net Profit + Standing Charges)

(b) Indemnity Period: 3 Months

(c) Proportionate Limit of Indemnity for Business Interruption:Rs.125 Cr

(d) Time Excess: 7 days

2.4.1.6. Third Party Liability including (Defense Cost) caused arising out of Terrorism activity:

(a) Third party Property / cargo held in trust whether in transit or otherwise within the confines of the Ports. and

(b) Third Party - Bodily injury, Death.

(c) Defense Cost.

(d) Limit of Liability: Rs. 20 Cr (eel & in aggregate)

(e) Deductible: 5% of Claim amount subject to minimum of Rs. 5 Lakh

(f) The Policy shall not incorporate :

Any condition in the policy relating to “Contributory Clause”; more specifically this policy shall not trigger in excess of any other insurance available to the insured.

We confirm affirmative to all the points under Paragraph 2.4

2.5 Electronic Equipment Policy with extension of Increased Cost of working

Port has Servers and associated Hardware and peripherals within Port operational area and outside port area (including Administrative building and other offices of Visakhapatnam Port located in the port township). The values of the equipment are covered under respective SFSP and Port Package policy are given below:

Sr. No.	Description	Qty	Total Price (Rs. In Crores)
1	Precision Air conditioner for server rooms of IT center at AOB	01	0.27
2	30 MTS High Masts at various location /stack yard in VPT	24	0.45
3	Indoor Type 11 KV HT PANEL BOARD AT GJH Sub station	01	0.26
4	30mts High Mast lighting towers wp Berth lq.7 berth & GF Nerth & Nalco Berth	11	1.33
5	11kv feeders to Sports Complex from APSEB 133/KV Substation		0.61
6	VTMS (Vessel Traffic management system which includes Radar, AIS VHF and Servers		1.25
7	RDE (Radiological Detection equipment)		2.25
8	Total		6.42

2.5.1. Sum insured - Material Damage (Section-1) Rs. 2.20 Crores

2.5.2 Sum Insured - Increased Cost of Working (Section-3) Rs. 40 Lakhs.

2.5.3 Indemnity Period for Increased Cost of Working 3 months

2.5.4 Time Excess 96 hours.

We confirm all the points under 2.5 above:

- 3 Please confirm that no replacement/ substitution/ in lieu of Port Package policy has been quoted in the PRICE BID.
4. Please confirm that respective cover parameters as per para 2 above have been applied to respective sum insurance/limits of indemnity as detailed in PRICE BID- Annexure-B

5.1. SUMMARY OF LOSS LIMIT UNDER PORT PACKAGE

(To be strictly complied with)

A. Property damage (Sum Insured Rs. 1513.14Crores)

Total Loss Limit under the Policy Rs. 400 Crores
(including a sub limit of RSMD- Rs.40 cr.)

B. Business Interruption (Sum Insured Rs.500 crores)

Indemnity Period 3 months with time excess of 7 days

Limit of Indemnity Rs. 125 Crores

i) Wreck Removal (AOA/AOY) (1:1) Rs. 25 Crore

ii) Liability Rs. 15 Crore

Please confirm that the Port Package Policy incorporates the above limits.

5.2. SUMMARY OF LOSS LIMIT UNDER STANDALONE TERRORISM

(To be strictly complied with)

A. Property damage (Sum Insured Rs. 1640.97 Crores)

Total Loss Limit under the Policy Rs. 100 Crores

B. Business Interruption (Sum Insured Rs. 500 crores)

Indemnity Period 3 months with time excess of 7 days

Limit of Indemnity Rs. 125 Crores

C. Third Party Liability Rs. 20 Crore

Please confirm that the Standalone Terrorism Policy incorporates the above limits.

6. DEDUCTIBLE PARAMETERS:

6.1 Standard Fire and Special Peril Policy: Please also confirm that the Policy Excess is strictly in conformity with the existing Regulatory guidelines of G.I. Council based on location sum insurance.

6.2 Port Package Policy

Material Damage

(A) Other than AOG peril & Vessel Impact

- 1% of claim amount subject to Minimum Rs. 4.00 lacs

(B) AOG Peril

- 2% of claim amount subject to Minimum Rs. 6 lacs

(C) Vessel impact

- 5% of claim subject to Minimum Rs. 2.00 Lacs

(D) Time deductible for Business Interruption cover – 7 (Seven) days

(E) General deductible for Liabilities – Rs.60,000/- Flat

6.3 Hull & Machineries : (except TL/ CTL) Rs.2 Lacs. flat

6.4 Stand alone Terrorism Policy:

(a) Material damage deductible - Rs. 20-Lacs

(b) BI time deductible - 7 (Seven) days.

6.5 Electronic Equipment Policy: Minimum Policy Excess is strictly in conformity with the existing Regulatory guidelines to Insurance Companies.

6.6 Fidelity Guarantee Policy- Rs. 50,000/-Flat

6.7 Directors & Officers Liability Policy:

(a) In case of Personal Liability arising on an individual insured- Nil

- (b) In case of losses to the Port Trust in India -- Rs. 1.5 Lacs.
- (c) In case of losses to the Port Trust for rest of the world including US & Canada Rs. 2.5 Lacs.

Please Confirm that the Deductible stated above in Point 6 have been strictly complied with and incorporated in the respective policies.

7. OTHER CLAUSES/TERMS/ ADD ON COVERS

The following add-ons/clauses to be incorporated within the Port Package Policy:

- (a) **Automatic Acquisition up to 10% of the total property sum insured-** (as per Property Schedule under Port Package, Annexure- A, Point 2.2.1.3) without any additional premium. . The said acquisition will be intimated by VPT within 90 days of such acquisition.
- (b) The Policy is subject to Reinstatement Value clause
- (c) **Average clause** : Waiver of underinsurance up to 15% of the sum insurance under Property and BI section.
- (d) **Architect/Surveyors and consulting Engineers fees** extension with a sub-limit of Rs.5 Cr.
- (e) **Business Interruption as stated in para 2.2.2.3 above** should be treated as an independent insured peril without any relation to insured's property damage.
- (f) **Electronic Exclusion** Clause should be deleted.
- (g) **Loss Minimization add on** cover required up to **Rs. 3** crores over and above the sum insurance.
- (h) **In the event of a loss, Express freight** including air freight, overtime charges and other sundry **expenses up to Rs.1 crore over** and above the respective sum insured under material damage section to be covered.
- (i) Exclusion under Terrorism policy worded " Loss or damage caused by measures taken to prevent, suppress or control actual or potential terrorism or sabotage" **to be deleted.**

(j) Denial of Access Clause under Standalone Terrorism Policy to be included.

We confirm strict compliance of the above(a, b, c, d, e, f, g, h, i, j) in the Port Package Policy and Stand Alone Terrorism Policy.

(Deviation if any to be mentioned in separate sheet)

8. We confirm GST has been shown separately in the Price bid

9. We confirm that in our premium calculation and quotation in the Price bid we have not deviated from any of the parameters as stated in this Technical bid.

10. We also confirm that we have not given any counter/alternative offer/proposal in the Price bid and in case there is any deviation from above or addition of any terms/condition which have not been mentioned in the Technical bid, our Price bid will be disqualified and rejected.

11. We do hereby confirm the acceptance of all the clauses i.e.clauseno.1, 2, 3, 4, 5, 6, 7, 8, 9, 10.

Signature with Date

Annexure – B

PRICE BID

PARTICULARS	SUM INSURED/COMBINED SINGLELIMIT	GROSS PREMIUM (RS.)	GST (IN % AND RS.)	TOTAL PREMIUM (RS.)
A. (i) Standard Fire & Spl Peril including Earth quake STFI, TSUNAMI Etc	Rs. 86.42 Crores	(i)		
B. Port Package (i) Material Damage	Sum Insurance Rs 1513.14 crores. Total Loss Limit Rs.400 crores			
(ii) BI- (including due to channel/waterways blockage and blockage of any land access within immediate vicinity of the port/terminal/any other external causes)	Annualized Sum insured – Rs.500 Crores Limit of indemnity- Rs.125 crores. Indemnity period 3 months Time deductible -7 days			
(iii) Wreck Removal	Rs. 25 Cr. (AOA:AOY) (1:1)			
(iv) Other Liabilities	Rs. 15 Cr.			
(B) Total under Port Package Policy (i) to (iv)	Rs. 565 Cr.			
(C) HULL & MACHINERY	Rs. 56.55 Cr.			

PARTICULARS	SUM INSURED/COMBINED SINGLELIMIT	GROSS PREMIUM (RS.)	GST (IN % AND RS.)	TOTAL PREMIUM (RS.)
D. Electronic Equipment Insurance Section-1 Material Damage Section-3 Increased Cost of Working 96 Hours	Sum Insured Rs. 6.42 Crores Rs. 0.40 Crores Time Deductible			
E. STAND ALONE TERRORISM POLICY (Sum Ins: Assets within port operational area : Rs.1513.14 crores Business Interruption: Rs.500 crores	Limit of liability-Material Damage- Rs.100 cr, Limit of indemnity-Business interruption Rs. 125 crores, Period of indemnity- 3 months Time deductible- 7 days Limit of Third Party Liability Rs.20 Cr.			
F. FIDELITY GUARANTEE POLICY	Rs. 5 Crores (eel & in aggregate).			
G. DIRECTORS & OFFICERS LIABILITY POLICY	Rs. 4 Crores			
GROSS TOTAL (A+B+C+D+E+F+G)	Rs. 968.79			

(Please state premium for Segment A TO G separately)

Note :

- 1) The premium quoted is on Gross basis inclusive of all costs, loading & discounts etc. but excluding GST. GST has been shown separately.
- 2) The premium is quoted only in Indian Rupees and no Foreign Exchange is payable under any circumstances.

Authorized Signatory

..... Insurance Co. Ltd.

Visakhapatnam Port Trust Profit & Loss Account

	FOR THE PERIOD ENDING	
	31st MARCH 2018	31st MARCH 2017
INCOME:		
Cargo Handling & Storage Charges	3,757,891,521	3,025,717,671
Port & Dock Charges	3,739,704,862	3,366,717,614
Railway Earnings	1,526,881,781	1,247,141,007
Estate Rentals	1,635,670,909	1,536,235,596
TOTAL OPERATING INCOME	10,660,149,073	9,175,811,888
EXPENDITURE:		
Cargo Handling & Storage	950,217,642	948,970,411
Port & Dock Facilities	1,336,721,624	1,175,483,025
Railway Working	743,853,385	847,957,962
Rentable lands & Buildings	493,888,761	461,712,605
Management & General Administrative Expenses Dep	2,030,355,756	1,882,281,261
TOTAL OPERATING EXPENDITURE	5,555,037,168	5,316,405,264
OPERATING SURPLUS:	5,105,111,905	3,859,406,624
Add: Finance & Miscellaneous Income	1,352,778,587	1,226,346,146
Less: Finance & Miscellaneous Expenditure	3,960,970,360	4,632,552,444
PROFIT BEFORE TAX	2,496,920,132	453,200,326
Less: Provision for Taxation:		
Previous Years	0	0
Current Year	552,524,770	130,875,824
Deferred Tax	49,795,777	91,918,556
PROFIT AFTER TAX	1,894,599,585	230,405,946
Less: Profit on Disposal of Capital Assets transferred to Capital Reserve	2,238,797	12,159,830
Amount Available for Appropriations	1,892,360,788	218,246,116
Less: Appropriations		
Fund for Development, Repayment of Loans and Contingencies	751,734,562	0
Fund for Replacement, Rehabilitation and Modernization of Capital Assets	1,140,168,105	0
TOTAL APPROPRIATIONS	1,891,902,667	0
TRANSFERRED TO GENERAL RESERVE	458,121	218,246,116