

**BALMER LAWRIE & CO. LTD**  
**Southern Region**  
**Manali, Chennai – 68**

BL/SOUTH/INS/19-20/001

09<sup>th</sup> September 2019

Tender Submission Date: **19.09.2019 at 17:00 hours**

To,  
The General Insurance Companies

Dear Sir / Madam,

**Sub: Renewal of Insurance Policies for the period 01-10-19 to 30-09-21 for Southern Region**

**1.0 PREAMBLE**

- 1.1 Balmer Lawrie & Co. Ltd, a Mini-Ratna I Public Sector Enterprise under the Ministry of Petroleum and Natural Gas, Govt. of India, with a turnover of Rs. 1857 crores and a profit of Rs. 280 crores. Along with its seven Joint Ventures in India and abroad, today it is a much-respected transnational diversified conglomerate with presence in both manufacturing and service sectors. It is a diversified Company with business interests in Industrial Packaging, Greases & Lubricants, Leather Chemicals, Container Freight Station, Tours & Travels, Vacation Exotica and Logistics Management Services.
- 1.2 The Southern Region of the company has operations and facilities in Chennai, Coimbatore, Hyderabad, Bangalore, Cochin, Chittoor & Thiruvananthapuram etc.
- 1.3 We have pleasure in inviting you to submit your Offer for the **Operational Insurance covers for all Units in Southern Region of Balmer Lawrie & Co. Ltd. for the period 01/10/2019 – 30/09/2021 (two years). However, on mutual consent and satisfactory performance of the Insurance Company, this can be extended for another two years, over and above the two-year period.**
- 1.4 This tender is meant only for the **Insurers**. We have retained M/s.Global Insurance Brokers Pvt Ltd as our broker for all the insurance policies of Southern Region for Financial Year 19-20.
- 1.5 The Bidder agrees for the terms and conditions as per Annexure 1

**2.0 SCOPE OF COVER**

- 2.1 The operational cover envisaged by Balmer Lawrie should take care of the following: -
- a) Material damage of Balmer Lawrie assets against all risks including stocks and stocks held in trust by Balmer Lawrie.
  - b) Marine Policies covering **inward and outward transit, including** imports and exports which is inclusive of sales return.
  - c) Other coverages such as Money, Fidelity, Electronic Equipments, etc.

### 3.0 DETAILS OF ASSETS & POLICIES

3.1 The details of the assets are given in Table-1. The type of policies for which offer is invited is as listed in the enclosed detailed statements and also in soft form.

3.2 The assets described are located in owned lands / leased premises.

3.3 For each of the policy, the perils to be covered shall be as per Standard Policies, i.e., Standard Fire & Special Perils Policy (Material Damage), (including earthquake and terrorisms cover), Electronic Equipment Policy, Money Insurance, Fidelity Guarantee Policy, Special Contingency Policy, Commercial General Liability, Burglary Policy etc. The other details are given in the respective policy schedules itself.

#### 3.3.a.FIRE & ALLIED PERILS POLICY

Sl. No.	Description	Value Rs. in Lakhs
1.	Buildings, all civil structures, Compound walls, Roads and all other similar structures including Plinth and Foundations	As per table 1
2.	Entire plant and machinery, <b>including but not limited to all pipelines</b> , cables, pumps, motors, panels, out-door switchyard, transformers, fire protection systems, lighting arrestor, accessories, cables, factory equipments, tools, DG sets and other utilities, electrical installations, instruments and all other equipments and machineries connected to the insured's business activity, including held in trust.	As per table 1
3.	Furniture, Fixtures, <b>Fittings</b> , computers (including software therein), scanners, printers and related accessories, fax and photo copiers, <b>typewriting machines, accounting machines, false ceilings, partitions, air conditioners and all other contents related with the insured's business activity including held in trust.</b>	As per table 1
4.	Building in course of construction, Machinery under erection, commissioning & machinery awaiting erection.	
5.	<b>Stocks of raw materials, packing materials, finished goods, semi finished goods, stores, spares, consumables, tools kept in stores, and all other stocks connected with the insured's business activity, including goods held in trust for all divisions and stocks undergoing process and contractors materials</b>	As per table 1
6.	Add-on perils required to be covered: a. Terrorism b. Earthquake fire and shock, STFI c. Impact Damage, Insured's own vehicle, forklifts, cranes, stackers & the like and articles dropped therefrom.	For all assets covered above

	<ul style="list-style-type: none"> <li>d. Building in course of construction &amp; machinery under erection and awaiting machinery</li> <li>e. Removal of Debris including foreign Debris and Dewatering.</li> <li>f. Startup Expenses</li> <li>g. Spoilage Material Damage clause for stocks and machinery</li> <li>h. Leakage and Contamination</li> <li>i. Escalation clause</li> <li>j. Temporary removal of stocks and removal of machineries for repairs</li> <li>k. Architects, Surveyors &amp; consulting engineers fees 10%</li> <li>l. Omission to insure additions, alterations and extensions 5% of SI</li> </ul>	
7.	<p>The clauses to be incorporated apart from Add-on perils:</p> <ul style="list-style-type: none"> <li>1. Agreed Bank Clause</li> <li>2. Re-Instatement Value Basis clause</li> <li>3. Designation of property clause</li> <li>4. Local Authority clause</li> <li>5. 72 Hours Clause</li> <li>6. Goods held in Trust.</li> <li>7. On-account payment clause</li> </ul>	

The policy should not contain any warranty with regard to fire extinguishing appliances, class of construction and open storage.

The policy excess to be quoted considering the Sum insured of each division for Building, Plant & Machinery and Stocks.

**3.3.b.Electronic Equipment Policy:**

<p><b>Office Equipment</b> Computers and other electronic equipment including spike busters and voltage stabilizers inclusive of software therein (excluding application software) (No warranty with regard to AMC to be incorporated)</p>	
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Risk of fire and special perils need to be deleted as the above mentioned equipments are also covered under the fire policy.

### **3.3.c.1.Special Contingency Policy (Option I):**

The scope of coverage is given in the enquiry schedule attached under the policy name. The policy excess will be Rs.10,000/- on each and every claim.

Indemnity Limit of **Rs. 2070** lakhs for anyone accident / anyone year.

### **3.3.c.2.Special Contingency Policy (Option II):**

Instead of separate stock & burglary policy in favour of Commissioner of Customs, Chennai, Consolidated Special Contingency Policy option provided in **Table I**.

The scope of coverage is given in the enquiry schedule attached under the policy name. The policy excess will be Rs.10,000/- on each and every claim.

Indemnity Limit of **Rs. 14412** lakhs for anyone accident / anyone year.

It may be at the discretion of the company to finalise anyone of the options based on the lowest quotes received.

### **3.3.d.Money Insurance:**

Details as per schedule attached.

“Safe” to include locked drawer, almirah and cupboard.

Money for the payment of wages, salaries other earnings, petty cash and all other cash withdrawals and remittances to be covered.

Assault cover should be included.

Terrorism

Employee Definition to include Permanent, Outsourced and contractual employees including trainees and non-confirmed employees on probation.

### **3.3.e.Fidelity Guarantee:**

Number of employees	: 120	(unnamed basis)
Sum Insured	: Rs. 25 Lakhs	on floater basis.

### **3.3.f.All Risk Policy:**

As per list attached for laptops and cell phones.

### **3.3.g.Burglary Policy:**

As per list attached.

Burglary cover to include theft extension.

First Loss Basis 20%

### **3.3.h.Marine**

As per schedule attached.

### **3.3.i.Public Liability:**

As per schedule attached.

### **3.3.j.Commercial General Liability:**

As per schedule attached.

## **4.0 PERIOD OF COVERAGE**

The coverage terms will be for a period of two years, i.e. **from 01/10/2019 to 30/09/2021**. The rate quoted should be valid for two years. (Annual policies renewed each year on same expiring terms). At the completion of the second year, on mutual agreement and satisfactory performance of the Insurance Company, Balmer Lawrie will be at liberty to extend the coverage for another two years.

## **5.0 PAYMENT TERMS**

Premium will be paid on yearly basis based on the revised sum assured finalized for the respective years.

## **6.0 OFFER**

On the basis of the above information, kindly furnish premium rates in the format enclosed. In order to avoid ambiguity in the quotes and also to have level playing field, the schedules are given in print out form as well as in a CD, prepared by Balmer Lawrie in which, you are requested to submit the quote as per the prescribed format enclosed. **You are requested to take print out of the schedules duly filled, affix your signature with seal in all the pages and submit the same.** The CD may also be put in the tender envelope, which will help us in making the comparison and finalizing the contract. **You are requested not to change the format of the tender schedule by inserting or deleting any row / column. Submission of hard copy of the schedules duly signed is mandatory for accepting the offer.**

The insurers may inspect, by prior appointment, the assets, plants, site and storage of materials, etc. if necessary, on a specified date and submit the offer.

Clarification if any, shall be sought not later than 3 days before the last date of submission of offer.

If required, the past performance of the insurers may be taken into consideration for evaluation of award and distribute the insurance business accordingly.

**The rate quoted shall be firm and final, held valid for the period of two years extendable for another two years on mutual consent. No provisional rate of premium shall be offered.**

Insurers are requested to note that discounts if any, offered shall be clearly indicated in the offer itself and it shall be firm and final, and no provisional discount shall be offered. Discount, once offered, shall not be withdrawn afterwards.

The sum insured values given are only provisional and Balmer Lawrie reserves its right to increase or decrease depending upon requirement during the award of insurance business and during the period of insurance. Also, we may be going in for extensions under the policies taken for which cover should be granted on pro-rata basis.

Incomplete offers are liable to be rejected.

Notwithstanding anything stated above, Balmer Lawrie reserves the right to assess the insurer's capacity and capability to perform the insurance business, should the circumstances warrant such an assessment in the overall interest of Balmer Lawrie.

Submitting the offer does not guarantee Balmer Lawrie & Co. Ltd., accepting the offer. Balmer Lawrie reserves the right to accept or reject any offer, offers, or part thereof at its sole discretion, without assigning any reason therefor. Balmer Lawrie & Co. Ltd. also keeps the option of placing various portfolios with various companies based on its judgment on the clauses, premium rates and excess on various quotes obtained from the insurers. Any such action will not be called into question and the insurer shall have no claim in this regard against Balmer Lawrie. Balmer Lawrie takes no responsibility for delays, loss or non-receipt of the offers sent by the insurers.

The submission of offer shall have no cause of action or claim against Balmer Lawrie for rejection of offer. The insurer whose offer is not accepted shall not be entitled to claim any costs, charges and expenses incidental to or incurred by them in connection with the submission of their offer.

Balmer Lawrie reserves the right to award and distribute the insurance business to one or more insurers.

**The last date for submitting your offer at Balmer Lawrie & Co. Ltd., Manali, Chennai is 5.00 P.M. on 19<sup>th</sup> September 2019. All offers must be submitted in the manner and method prescribed, in sealed envelopes and should reach the following person:**

**Mrs. Vaishnavi Bubesh  
Chief Manager -Finance  
Balmer Lawrie & Co. Ltd.  
32, Sattangadu Village, Manali  
Chennai – 600 068.**

**Any offer received after the expiry of the time specified and directly to us will be rejected.**

**For all clarification and details regarding the tender document kindly contact**

**Mr. Srikanth Boddu  
Vice President  
Global Insurance Brokers Pvt. Ltd  
II floor, Gitex Building,3, Khader Nawaz khan Road,  
Nungambakkam, CHENNAI 600 006**

## **6.0 RISK INSPECTION**

**Risk Inspection report from a certified/approved Risk Engineer will be shared by our Insurance Brokers along with the RFQ.**

## **7.0 CLAIMS EXPERIENCE**

The claims experience of Balmer Lawrie is ATTACHED for information:

During the years 2016-17, 2017-18 and 2018-19

Varadha Flood Claim under SFSP in 2016-17 Rs.42 lacs, under Stock Policy Rs. 9.73 Lacs and Rs.15 lacs under Contingency Policy

Monsoon claim under SFSP in 2017-18 Rs.6.1 Lacs

2018-19 – Claims Under process and details provided based on claim intimation

Under SFSP policy – Rs.25,000

Under SCG policy – Rs.8,443

Under Marine policy 4 claims in Rs.24,699/-, Rs.9,000/-, Rs.2,500/- & Rs.1,500/-

## **8.0 GENERAL**

The Insurance Company should enclose evidence of the following alongwith their offer:

- a) Documentary evidence of IRDA Accreditation certificate
- b) The Insurance Company should confirm their ability to cover all the risks required to be covered by us
- c) Insurers to submit a sheet showing deviation if any to the terms sought by Balmer Lawrie. In case of Nil deviation, the same has to be recorded as NIL DEVIATION and same duly signed by Authorized Signatory.

For: **Balmer Lawrie & Co. Ltd. (Southern Region)**

Date: 09<sup>th</sup> September, 2019

Place: **Chennai**