



RURAL ELECTRIFICATION CORPORATION LIMITED

(भारत सरकार का उद्यम) (A Government of India Enterprise)

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No.7/2/2011/HR-D-II/

Dated: 30.03.2011

Sub:- **Invitation of quotation for coverage of employees under REC Group Personal Accident Insurance Scheme.**

Sir,

This has reference to the request for proposal dated 10.02.2011 resting on the captioned subject. Due to inadequate response, it has been decided to call for bids again on revised terms and conditions which are enclosed.

Accordingly, bids are invited in the prescribed format from interested parties who fulfill the qualifying requirements.

Last date for submission of Bids - 18.04.2011; 11A.M

Chief Manager (HR)

REQUEST FOR QUOTATION

Rural Electrification Corporation Limited (REC) incorporated in July 1969 (Navratna Schedule "A" Public Sector Enterprise under the aegis of Ministry of Power) is a premier NBFC (INFRA) institution. Initially, the company's objectives were mainly restricted to financing the development of rural electrification infrastructure. Within a span of 40 (Forty) years the activities and objectives of the corporation have evolved and expanded tremendously covering almost the entire gamut of Indian power sector ranging from financing distribution, transmission and generation segments to promoting and financing projects aimed at integrated system improvement and consultancy assignments etc. The total manpower strength of REC as on 01.03.2011 is 692 and is distributed across Corporate Office located at New Delhi and eighteen(18) fully staffed Zonal/Project Offices located at different state capitals of the country, in addition to a Training Institute, viz. Central Institute for Rural Electrification at Hyderabad. The normal age of retirement is 60 years and the average age of the employees is 49.8 years.

2. Medical facilities are available to all employees during the period of service for themselves and their dependant family members and for self and spouse after retirement as per rules applicable in this regard. Medical examination is compulsory before entering the services of the corporation and also during service for certain categories of staff.
3. REC has introduced Employees Group Personal Accident Insurance Scheme (GPAIS) as a welfare measure to insure employees against the consequences of personal accidents and provide appropriate relief to the affected employee or the nominee through an Insurance Cover.
4. The Insurance Policy will provide coverage by way of payment of compensation to the extent specified in the Scheme to the covered employees round the clock, whether he is on Company's duty or not, on any location in India or abroad against a bodily injury resulting solely and directly from accidents caused by violent, external and visible means which shall solely, and independent of any cause, result in death or disablement.

The benefits admissible under the Policy in brief are as follows:

4.1 **DEATH**

In case of death of a covered employee caused by accident, the nominee(s) as declared by the employee for the purpose of compensation payable under Group Personal Accident Insurance Scheme, will be paid a compensation by the Insurers to the extent of 100% of the Capital Sum assured, which will be 50 times of the maximum of the pay scale and Dearness Allowance thereon received with reference to position as on 1st April of the financial year during which period the death takes place.

4.2 **PERMANENT DISABLEMENT**

In case of permanent disablement (total or partial) of a covered employee of REC, caused by accident, the employee will be paid a specified percentage of the Capital Sum Insured as compensation by the Insurers as per schedule enclosed as **ANNEXURE-A**.

4.3 **TEMPORARY DISABLEMENT**

- 4.3.1 In case of temporary disablement of a covered employee caused by an accident, the employee will be entitled to a sum equivalent to 1% of the Capital Sum Insured, per week only during the period the employee is on leave (other than Special Disability Leave) subject to the condition that this weekly benefit shall not exceed ₹.10,000/- or weekly wages, which ever is lower. The compensation payable under above clauses shall not be payable for more than 104 weeks in respect of any one injury calculated from the date of commencement of

the disablement and in no case shall exceed the Capital Sum Insured. Where the weekly benefit under GPAIS fall below ₹4,000/-, the minimum payment of ₹4,000/- will be assured to the claimant.

4.3.2 Where an employee is sanctioned Special Disability Leave under the concerned rules of the Company, the Compensation for temporary disablement shall not be payable.

4.4 EXPENSES ON TRANSPORTATION OF DEAD BODY

In the event of death of the Insured Person due to accident, as defined in Policy, outside his/her residence, the insurer shall reimburse, in addition to the amount of compensation of the Capital sum insured, the expenses incurred for transportation of employee's dead body to the place of residence subject to the maximum of 2% of Capital Sum Insured or ₹10,000/- whichever is less.

REC therefore invites sealed quotation from Public Sector/ Private Sector General Insurance Companies having recognition from Insurance Regulatory Development Authority (IRDA) as per the details given below:-

5. OTHERS:

- a) The details regarding strength of employees in different pay scales and total sum assured (approx.) is enclosed as **ANNEXURE-B**.
 - b) The insurance company willing to participate without any rider clause i.e. medical examination etc. may send their sealed quotation in the enclosed format wherein financial quotes shall be submitted inclusive of all taxes and stamp duty etc. Service tax and surcharges thereon as applicable shall be reimbursed at actuals.
 - c) The additional information regarding profile, clients list, a copy of approval of Insurance Regulatory Authority (IRDA) for General insurance and any other related information, which is considered to be relevant, may be enclosed along with your quotation.
6. The competitive bids may be submitted for REC Employees Group accident Insurance Policy in two (2) parts in the prescribed format (**ANNEXURE-I & II**) and duly signed, in a sealed cover superscribed as:
- Envelope A** – Technical bid for REC Employees Group Personal Accident Insurance Policy.
- Envelope B** - Financial bid for REC Employees Group Personal Accident Insurance Policy.
7. The envelope A & B shall be kept in another sealed envelope mentioning clearly the Bidder's name, name of the assignment and bid opening date and addressed to:

Chief Manager (HR)-II,
REC Ltd.,
3rd Floor, "PALIKA BHAWAN",
R.K.Puram,
New Delhi-110066.

8. The bids should be submitted during working days at the aforementioned address on or before **18.04.2011 by 11 A.M.** The Bidders may arrange to deliver the sealed envelope at above mentioned address before the bid closing date and time in the Tender Box, which is placed at the **Reception of REC office at 2nd Floor, Palika Bhawan, R.K.Puram, New**

EXTRACTS FROM THE SCHEDULE OF THE POLICY

Under the Scheme the insurer shall pay to the covered employee, compensation to the extent and manner as provided hereunder; in case the covered employee shall:

1. Sustain any bodily injury resulting solely and directly from accident caused by external, violent & visible means, the sum hereinafter set forth in respect of any of the Insured Persons specified in the Schedule:
 - a) If such injury shall within twelve calendar months of its occurrence be the sole and direct cause of the death of the Insured Person/Persons, the Capital Sum Insured stated in the Schedule hereto applicable to such Insured Person/Persons.
 - b) If such injury shall within twelve Calendar months of its occurrence be the sole and/or direct cause of the total irrecoverable loss of :
 - i) Sight of both eyes, or of the actual loss by physical separation of the two entire hands or two entire feet or one entire hand and one entire foot or such loss of sight of one eye and such loss of one entire hand or one entire foot, the Capital Sum Stated in the Schedule hereto.
 - ii) use of two hands or two feet, or of one hand and one foot or of such loss of sight of one eye and such loss of use of one hand or one foot, the Capital Sum Insured Stated in the Schedule here to.
 - c) If such injury shall within twelve calendar months of its occurrence, be the sole and direct cause of the total and irrecoverable loss of :
 - i) the sight of one eye, or of the actual loss by physical separation of one entire hand or one entire foot, fifty percent (50%) of the Capital Sum Insured Stated in the Schedule hereto, applicable to such Insured Person.
 - ii) total and irrevocable loss of use of a hand or a foot without physical separation, forty percent (40%) of the Capital Sum Insured stated in the Schedule hereto applicable to such Insured person.

Note: For the purpose of clause (b) and (c) above, physical separation of a hand or foot means separation of hand at or above the wrist and/or of the foot at or above the ankle.

- d) If such injury shall as a direct consequence thereof, immediately permanently, totally and absolutely, disable the Insured person from engaging in being occupied with or giving attention to any employment or occupation of any description whatsoever, then a lump sum equal to hundred percent (100%) of the Capital Sum Insured stated in the Schedule hereto applicable to such Insured person.

- e) If such injury shall within twelve calendar months of its occurrence be the sole and direct cause of the total and irrecoverable loss of use or of the actual loss by physical separation of the following, then the percentage of the Capital Sum Insured applicable to such Insured person in the manner indicated below: -

S.No.	Injuries	Percentage of Capital Sum Insured
1.	Loss of toes all Great both phalanges Great one Phalanx Other than great, if more than one toes lost each.	20 5 2 1
2.	Loss of hearing both ears	50
3.	Loss of hearing one ear	15
4.	Loss of four fingers & thumb of one hand	40
5.	Loss of four fingers	35
6.	Loss of thumb-both Phalanges one Phalanx	25 10
7.	Loss of Index Finger three phalanges two phalanges one phalanx	10 8 4
8.	Loss of middle Finger three phalanges two phalanges. one phalanx	6 4 2
9.	Loss of ring finger three phalanges two phalanges one phalanx	5 4 2
10.	Loss of little finger three phalanges two phalanges one phalanx	4 3 2
11.	Loss of metacarpals first or second (additional third, fourth or fifth (additional)	3 2
12.	Any other, permanent partial disablement	Percentage as assessed by the Doctor.

ANNEXURE-B**EMPLOYEE STRENGTH AND SUM ASSURED (APPROX.)**

GRADES	STRENGTH AS ON 01.03.2011	PAY SCALES		MAXM. OF PAY SCALE PLUS DEARNESS ALLOWANCE AS ON 01.04.2010 @ 34.8%	50 TIMES OF COL.5	TOTAL SUM ASSURED (Col.6*Col.2)
		MIN.	MAX.			
1	2	3	4	5	6	7
CMD	1	80000	125000	168500	8425000	8425000
DIRECTORS	3	75000	100000	134800	6740000	20220000
E9	7	62000	80000	107840	5392000	37744000
E8	10	51300	73000	98404	4920200	49202000
E7A	14	51300	73000	98404	4920200	68882800
E7	34	51300	73000	98404	4920200	167286800
E6	44	43200	66000	88968	4448400	195729600
E5	31	36600	62000	83576	4178800	129542800
E4	37	32900	58000	78184	3909200	144640400
E3	43	29100	54500	73466	3673300	157951900
E2A	85	24900	50500	68074	3403700	289314500
E2	60	24900	50500	68074	3403700	204222000
E1	30	20600	46500	62682	3134100	94023000
NE(SG)	108	20500	44500	59986	2999300	323924400
NE11	0	20000	42500	57290	2864500	0
NE 10	41	18500	40000	53920	2696000	110536000
NE 9	0	17000	37000	49876	2493800	0
NE 8	38	16000	35500	47854	2392700	90922600
NE 7	0	15500	34500	46506	2325300	0
NE 6	0	14500	32000	43136	2156800	0
NE 5	18	13500	29500	39766	1988300	35789400
NE 4	0	12500	27500	37070	1853500	0
NE 3	84	11500	26000	35048	1752400	147201600
NE 2	0	11000	24500	33026	1651300	0
NE 1	4	10500	23000	31004	1550200	6200800
TOTAL	692					2281759600

**'TECHNICAL BID' FOR GROUP PERSONAL ACCIDENT INSURANCE POLICY
FOR THE EMPLOYEES OF REC**

1.	Name of the Insurance Company	:						
2.	Address of the company a) Registered Office: b) Delhi Office:	:						
3.	Fax/E-mail & Phone Nos	:						
4.	IRDA Registration No.	:						
5.	Date of Registration with IRDA (enclose photocopy)	:						
6.	Name, Designation and contact Phone nos. of the official of the Bidder to whom all the reference shall be made	:						
7.	Funds under Management	:						
8.	<p><u>QUALIFYING CRITERIA:</u> Bidder should have provided similar policy during immediately preceding five years ending last day of the month previous to the one in which bids have been invited to at least:</p> <p>One client covering 550 or more employee</p> <p align="center">or</p> <p>Two clients covering 425 or more employees each.</p> <p align="center">or</p> <p>Three clients covering 300 or more employees each.</p> <p>Bidder should provide a list of the clients specifying the number of employees covered and total sum assured in respect of each client here.</p>	:	Name of the Company	Type of Policy	No.Of Employees Covered	Total Sum Assured	Period of Policy	
							FROM	TO

9.	Bidder must submit any form of documentary proof like copy of Letter of Award or Policy or letter from the client to substantiate the above claim. (Mention details of the documents here and enclose duly attested photocopies as annexures).	:	Name of the Company	Type of Policy	Details of Documentary Proof
					(Annexure.....)
					(Annexure.....)
					(Annexure.....)
					(Annexure.....)
10	Net Worth	:			
11	Solvency Ratio	:			
12	Mode of premium payment.	:			
13	Service-Tax registration No. (enclose photocopy of registration certificate)	:			
14	PAN No. (enclose photocopy of PAN Card)	:			
15	Latest Balance Sheet for the last 5 years ending March 31.03.2010 or in case of different accounting year last ending on a date later than March 31.03.2010) (enclose photocopies)	:			
16	Any other information	:			

Note: All the photocopies of the documents submitted must be attested by the authorized representative of the Insurance Company with stamp of the company affixed.

(Signature of the authorized person with stamp)

FINANCIAL BID FOR REC EMPLOYEES' GROUP PERSONAL ACCIDENT INSURANCE POLICY

Details of the Insurance Company:

1.	Name of the Insurance Company	:	
2.	Number of Employees Covered as on 01.03.2011	:	692
3.	Total sum assured as on 01.03.2011	:	228 Crores
4.	Compensation claimed during the last three years (No. & Amount)	:	New Scheme introduced for the first time.
5.	Annual Premium (Lump sum inclusive of all the taxes) (i) <u>RATE PER THOUSAND</u> A) Words:- B). Figures:- (ii) <u>TOTAL</u> A) Words:- B). Figures:-	:	

(Signature of the authorized person with stamp)

POINTS TO BE CONSIDERED WHILE SUBMITTING THE BID

1. The insurance company has to provide insurance cover to the employees without any medical examination. All employees on the date of Policy shall be covered under the Policy irrespective of the condition that they are actively on duty or otherwise.
2. The total number of employees is 692 as on 01.03.2011. The employees, who join subsequent to the Policy, will also be covered for insurance under the Policy.

3. **QUALIFYING REQUIREMENTS**

- 3.1 Bidder company should be holder of licence from IRDA for undertaking general insurance business.
- 3.2 Bidder should be in general insurance business for at least 5 years.
- 3.3 Net worth of the bidder on the closing day of the last 3 (Balance Sheets) financial years (ending March 31, 2010 or in case of different accounting year ending on a date later than March 31, 2010 then on such date) should be positive. **Bidding company shall enclose with the technical bid a certificate from the authorized representative of the insurance company mentioning the net worth for last three financial years being positive.**
- 3.4 Solvency margin should be not less than 1.5.
- 3.5 **Bidder should have provided similar policy during immediately preceding five years ending last day of the month previous to the one in which bids have been invited to at least:**

One client covering 550 or more employee

Or

Two clients covering 425 or more employees each.

Or

Three clients covering 300 or more employees each.

4. The bidder is required to submit all the technical documents including the balance sheet for the last 5 years in support of their claim of having the prescribed eligibility criteria in **Envelope 'A'** containing the technical bid.
5. The Technical Bid will be opened in the presence of the representatives of the Insurance Companies on the fixed date & time. The financial bid will be opened only of those Insurance Companies who will be found technically qualified.
6. The bid shall remain valid for a period of 120 days from the date of opening of Financial Bid.
7. The lowest bidder in the financial bid shall be considered/awarded the job for issuance of the insurance policy.
8. Under no circumstances the change in price shall be allowed. However, clarifications in the case of any doubt are allowed.
9. The underwriter will be required to settle the claims within 15 days of submission of claim. The set of claim documents/ formats will be provided by the underwriter while issuing the cover. An intimation of death/disablement by REC will be considered adequate for the purpose of settlement of the claim.
10. Policy can be terminated by REC by giving one month's notice. However, the claims occurred upto the date of the termination will be settled by the underwriter and the termination will not jeopardize the settlement of claims upto the period the policy in force in any manner.