



**DRAFT MEMORANDUM OF UNDERSTANDING**

**MEMORANDUM OF UNDERSTANDING TO BE EXECUTED BETWEEN OPGC AND THE LEAD INSURER**

THIS MEMORANDUM OF UNDERSTANDING is executed on the ... Day of ....., 2024

**BETWEEN:**

Odisha Power Generation Corporation Limited (the “Owner”)

**AND**

..... Co. Ltd. (the “Lead Insurer”)

The Owner has appointed Lead Insurer as sole insurer/consortium leader to issue insurance policies, listed in Annexure 1 enclosed, in respect to 2X210 MW & 2 X 660 MW coal based thermal power project (the “OPGC Units I ,2,3,4”) situated at Banherpalli, District Jharsuguda, Odisha. In order to establish proper understanding and to provide efficient and satisfactory services by the Lead Insurer, this Memorandum of Understanding (the “MOU”) has been signed between M/s \_\_\_\_\_ (the “Lead Insurer”) and M/s Odisha Power Generation Corporation Limited.

The parties, hereby, agree as follows:

1. Letters and Mails: Should be answered within 24 hrs, even if just to acknowledge their receipt.
2. Telephone Messages: should be answered on the same working day as received.
3. Documentation:
  - i. **THE LEAD INSURER SHALL ISSUE THE PREMIUM RECEIPT AND THE COVER NOTE FOR THE DESIRED COVERAGE IMMEDIATELY ON RECEIPT OF THE NECESSARY PREMIUM.**
  - ii. The Lead Insurer shall issue the Policy wordings to the Owner within fifteen (15) days of the receipt of the necessary premium.
  - iii. The Lead Insurer shall issue the corresponding Policy documents to the Owner within fifteen (15) days of the receipt of comments or thirty (30) days of the receipt of premium, whichever is earlier.
  - iv. The Lead Insurer shall confirm any amendment of the policies by issuing endorsement within five (5) days of the receipt of the necessary information/premium from the Owner.
4. Claims:
  - i. A panel of approved Surveyors/Loss Adjusters acceptable to the Owner to be utilized in case of all losses / damages for which necessary claims are to be lodged, shall be finalized by mutual discussions within fifteen (15) days of signing of this MOU.
  - ii. In the event of a loss/damage, the Owner will give notification to the Lead Insurer. The Lead Insurer shall appoint Surveyor/Loss Adjuster from the approved panel within twenty four (24) hrs from receipt of notification from the Owner. If a Surveyor/Loss Adjuster is not deputed within five



- (5) days of intimation by the Owner, the Owner will go ahead with the repairs & claim submitted by them would be acceptable by the Lead Insurer.
- iii. The Surveyor / Loss Adjuster shall as far as possible be advised to give a complete list of his documentation requirements and the Owner shall furnish these requirements expeditiously. The Owner will also nominate an official who shall co-ordinate with Surveyor / Loss Adjuster for settlement of loss/damage.
  - iv. Where material information is requested by Lead Insurer, the Owner will endeavor to provide this information within any deadline specified and every conceivable effort should be made to ensure deadlines in this regard are met.
  - v. All claims lodged on the Lead Insurer shall be promptly settled as per the following understanding.
    - a) “On Account Payment” (of the order of fifty percent (50%) of the claim amount) in case of net assessed loss beyond Rs.1,00,00,000/- (Rupees One Crore only) shall be released by the Lead Insurer within seven (7) working days of the receipt to the preliminary report of the Surveyors/Loss Adjusters recommending the On Account Payment. The preliminary survey report shall be issued by the Surveyors/Loss Adjusters within fifteen (15) working days of their visit subject to production of minimum required details and information. However, documents required to be obtained from Govt. agencies like FIR, Final Report from Police Authorities and Fire Brigade Report etc. shall not be binding for release of “On Account Payment”, where liability is clear and admitted.
    - b) Final payment of the claim shall be made within the following timelines.
      - Net assessed losses/damages up to a limit of Rupees 1,00,00,000/- (Rupees One Crore only) to be settled within ten (10) days of the receipt of the survey report with necessary supporting documents.
      - Net assessed losses/damages from Rupees 1,00,00,001/- (Rupees One Crore and One only) up to a limit of Rupees 50,00,00,000/- (Rupees Fifty Crores only) to be settled within twenty one (21) days of the receipt of the survey report with necessary supporting documents.
      - Losses above Rupees 50,00,00,000/- (Rupees Fifty Crores only) shall be settled within thirty (30) days of the receipt of the survey report with necessary supporting documents.
  - vi. The Lead Insurer has agreed to provide to the Owner with a comprehensive procedure and documents to be followed in case of claims, within thirty (30) days of the commencement of insurance of OPGC risk.
  - vii. The Owner will be dealing / interacting with the Lead Insurer for all matters relating to underwriting & claims and the Lead Insurer shall, in turn, interact, with the co insurers of the insurance policies listed in Annexure 1. In case of any dispute with the coinsurers, the Lead Insurer shall be responsible for settlement of full claim amount to the Owner.
  - viii. The Lead Insurer shall be responsible for settlement of full claim amount of the Owner in the event of a claim in accordance with The General Insurance Council of India’s guidelines Co- Insurance Business.
  - ix. The Lead Insurer shall ensure that the final survey report be completed by the Surveyors/Loss Adjusters within a period of thirty (30) working days of the lodgment of the claim by the Owner.
  - x. The Lead Insurer shall be responsible for settlement of full claim amount of the Owner in the event of a claim in accordance with The General Insurance Council of India’s guidelines Co- Insurance Business.
  - xi. The Lead Insurer will directly pay survey fees to the Surveyors/Loss Adjusters for all the claims.
  - xii. The Lead Insurer shall ensure that the final survey report be completed by the Surveyors/Loss



Adjusters within a period of thirty (30) working days of the lodgment of the claim by the Owner.

5. Premium:

- (i) The Lead Insurer confirms that the premium quoted is final and that there is no revision allowed at a later date. The Lead Insurer also confirms that the Owner will neither be liable to pay any differential premium nor there would be any adverse effect on the settlement of claim of the Owner in case the Successful Bidder/lead Insurer violates any of the IRDA regulations.
- (ii) The underwriters confirm that the premium quoted is final and agreed to by both the parties.

6. Coordination:

- i. The Lead Insurer shall be represented by the following persons (the “**Authorized Person**”) to service the Owner’s account in respect of all matters including underwriting and/or claim. The present address and contact number of the Authorized Person is as under:

At Corporate Office: .....

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At Regional Office: .....

.....

At Operational Office: .....

.....

- ii. M/s OPGC has appointed **Saferisk Insurance Brokers Pvt. Ltd.** as their “ **Lead Insurance Broker/Consultant**” for successful implementation of this mega insurance for OPGC.  
The present address and contact numbers are as under:

<p><b>Odisha Power Generation Corporation Ltd.</b></p> <p>At Corporate Office: Mr.Saroj Samal, Dy GM (Finance) Odisha Power Generation Corporation Ltd. 7th Floor, Fortune Towers, Chandrasekharpur, Bhubaneshwar, Odisha</p> <p>Mobile:9338715489</p> <p><a href="mailto:saroj.samal@opgc.co.in">Email: saroj.samal@opgc.co.in</a></p>	<p><b>Saferisk Insurance Brokers Pvt. Ltd. (Lead Broker)</b></p> <p>Mr. Sandip Kumar Ghatak, Managing Director, At - Plot No.120, Gayatri Vihar, Patia Square, Chandrasekharpur, Bhubaneswar-751024, Odisha, India</p> <p>Mob- 9920248823.</p> <p>Email: sandip.ghatak@saferisk.in</p>
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7. Visits:

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The Lead Insurer has agreed to carryout minimum one visit/inspection every year by their experienced risk engineers during the policy period. Such report must be forwarded to the Owner and the Insurance Consultant/Broker.

8. Seminars:

The Lead Insurer has further agreed to hold at least Two seminar every year, one at power plant and one at Head office after the inspection stated above for the Owner to update them with latest trends in insurance and the possible impact on the insurance policies for OPGC .

9. Fraud and Corruption

The Lead Insurer is expected to observe the highest standard of ethics during the entire term of MOU and not to indulge in any corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice. In pursuit of this policy, the Owner defines, for the purposes of this provision, the terms set forth below as follows:

**"corrupt practice"** means the offering, giving, receiving, or soliciting of anything of value to influence the action in the procurement process or in placement of insurance policies;

**"fraudulent practice"** means a misrepresentation of facts in order to influence a procurement process or the placement of insurance policies to the detriment of the Owner and includes collusive practices among Bidders (prior to or after Bid submission) designed to establish Bid prices at artificial, non-competitive levels and to deprive the Owner of the benefits of competition;

**"coercive practice"** means impairing or harming or threatening to impair or harm directly or indirectly, any person or property to influence any person's participation or action in the bidding process;

**"undesirable practice"** means (i) establishing contact with any person connected with or employed or engaged by the Owner with the objective of canvassing, lobbying or in any manner influencing or attempting to influence the bidding process; or (i) having a conflict of interest as detailed herein.; and

**"restrictive practice"** means forming a cartel or arriving at any understanding or arrangement Among Bidders with the objective of restricting or manipulating a full and fair competition in the bidding process.

10. **Conflict of Interest**

Lead Insurer must state in their submission any circumstances, arrangements, understandings or relationships that constitute, or may reasonably be considered to constitute, an actual or potential conflict of interest with its obligations under this MoU or under any Contract which may be negotiated or executed between the Bidder and the Owner or any further contracts/arrangements that the Lead Insurer may get involved while performing Scope of Work for the Owner. The Lead Insurer and their employees, agents, advisers and any other person associated must not place



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themselves in a position which may, or does, give rise to a conflict of interest (or a potential conflict of interest) between the interests of the Owner or any other interests.

**11. Confidentiality**

The Lead Insurer shall treat all information, issued by Owner or submitted by him as part of the Bid, in confidence and will require all those who have access to such material to treat the same in confidence. The parties may not divulge any such information unless it is on a need basis and it is directed to do so by any statutory entity that has the power under law to require its disclosure or isto enforce or assert any right or privilege of the statutory entity and/or Owner or as may be required by law or in connection with any legal process. In the event, parties are required to divulge any information, it will make best endeavors to maintain confidentiality of the information held by it and divulge only that information which is required to.

**12. Dispute Resolution:**

In the event of any dispute, controversy or claim arising out of or in relation to or in connection with any provision of this Agreement or its interpretation, enforceability, performance, breach, repudiation of claim, termination or validity (each a “Dispute”), Parties shall try to resolve the same amicably, equitably and in good faith. In the event, the same is not resolved amicably within a period of 30 days from the intimation of the dispute to the other party, either party may refer the dispute to the Court having jurisdiction over Bhubaneswar for final adjudication.

**13. Governing Laws & Jurisdiction:**

- (i) This Agreement shall be governed by and construed in accordance with the laws of India and the local laws of Odisha.

Any dispute arising out of or in relation to or in connection with this Agreement including its interpretation, enforceability, performance, breach, repudiation of claim, termination or validity (each a “Dispute”), shall be subjected to the exclusive jurisdiction of the Court at Bhubaneswar. This Agreement shall remain effective from the date of signature until the expiry of the policy.

For and on behalf of

For and on behalf of

\_\_\_\_\_

\_\_\_\_\_

Signed: \_\_\_\_\_  
 Name: \_\_\_\_\_  
 Designation: \_\_\_\_\_  
 Date: \_\_\_\_\_  
 Place: \_\_\_\_\_

Signed: \_\_\_\_\_  
 Name: \_\_\_\_\_  
 Designation: \_\_\_\_\_  
 Date: \_\_\_\_\_  
 Place: \_\_\_\_\_

**14. ANNEXURE 1 INSURANCE POLICIES**



Appendix F 1

S. No.	Policy Type	Period
1		
2		