

**Corrigendum / Clarification To Limited Notice Inviting Tender –
Email forwarded to bidders**

S.No.	Item	Details
1.	Date of commencement of tender	29.11.2024
2.	Last date & time for receipt of Bids	04.12.2024 at 15.00 IST
3.	Date & time for opening Bids	04.12.2024 at 15.30 IST at IRFC Registered Office
4.	Mode of submission of Bids	Single packet Bid. a. The bids complete in all respect should be submitted through email only at procurementcell@irfc.co.in by <u>04.12.2024 at 15.00 IST</u> with password protected. b. If Bid is received mentioning the password before 15.00 IST (04.12.2024), then it will be rejected summarily. c. Password to be provided strictly in between 15.01 IST to 15.30 IST at 04.12.2024. d. If password is not received till 04.12.2024 15.30 IST, bid will be rejected summarily and e. No communication will be entertained in this regard.
5.	Communication details	Tel: 011-24361480

LIMITED NOTICE INVITING TENDER

IRFC/SECY/ D& O/25-26

Dated: 29.11.2024

SECTION-II

SCOPE & CONDITIONS OF INSURANCE COVER

Renewal of Directors & Officers Liability Insurance (D&O) including entity security

The Scope of Coverage along with other features shall be as under:

1. Directors & Officers Liability Insurance (D&O) including entity security

The insurance policy will commence from 08.12.2024 (Midnight) (Initially for a period of one year and extendable by two more years) for Directors & Officers Insurance (D&O) including entity security. The policy may be short closed by IRFC at any point of time during the currency of the policy and shall be entitled to the refund of the premium amount on pro-rata basis, for the balance policy period, as per guidelines prescribed by IRDA, in this regard. The Insurer will have no right to cancel the policy before the expiry of the policy period. Any stipulation in this regard in the policy terms and conditions shall be deemed to be null and void. *The Retroactive date for the policy shall be from 12.01 am local standard time of 08.12.2020 with limit of liability of Rs.200 crore.*

2. SCOPE

Insurance cover shall provide protection against potential liabilities arising out from the following amongst other.

- i) Liability of all Directors on the Board of IRFC and Officers of IRFC arising out of any award, judgments, settlements, Civil fines & penalties under all Statues/ Law including legal costs related to any civil action against the persons insured.
- ii) Liability of the Company where the Company has indemnified the individuals.
- iii) Liability against the Company with respect to securities and employee related claims arising out of any award, judgments, settlements, all fines & penalties under all Statues/ Law including legal costs related to any civil and/ or criminal action.
- iv) The cost & legal expenses of the insured persons towards defending a potential action or allegation.

3. EXTENSIONS & EXCLUSIONS

- i) Employment claim- Full limits
- ii) Entity Securities cover: Full limits

- iii) Entity Employment Practices Liability extension cover including sexual harassment, discrimination allegations including coverage to existing as well as future Subsidiary Companies Full limits- India only
- iv) Auto subsidiary acquisition cover: 25% threshold (Excluding USA/Canada)
 - v) Directors and Officers vs. Directors and Officers defense costs- full Limits
 - vi) Crisis Communication cover- full limits
 - vii) ERP: 90 days Nil, 365 days: 50% of AP
- viii) Fines and penalties, wherever insurable by law
- ix) Cover for legal representative, heirs and spouse
- x) Order of payment - the Policy shall provide for application insurance proceeds first towards the liabilities of the individual directors and then the remaining, if any towards the liabilities of Company
 - xi) Advancement of Defence costs
 - xii) Kidnap and ransom response cost: 10% of limits
 - xiii) Court awards and Judgements: Full limits
 - xiv) Emergency defense cost-10% of limits
 - xv) ERP for Resigned and retired directors and officers: Lifetime cover
 - xvi) OH&S defense cost- covered
 - xvii) Outside directors- covered
 - xviii) Insured person tax liability- 10% of limits
 - xix) Asset and Liberty expenses including prosecution costs, Bail Bond and Civil Bond expenses- full limits
 - xx) FCPA/ UK bribery act cover: 15% of limits
 - xxi) PR expenses: 15% of limits
 - xxii) Majority shareholder exclusion carveback: 15%
 - xxiii) Special excess protection for Directors: INR 1Cr per NED< INR 3cr in aggregate
 - xxiv) Self Report Investigation- 25% of limits
 - xxv) Mitigation Cost: INR 10000000 in aggregate
 - xxvi) Wallersteiner Endorsement
 - xxvii) Bump up inclusions eg. Acquiring of new subsidiaries, etc.,
 - xxviii) Insured vs. Insured defense costs
 - xxix) Regulatory crisis response costs.
 - xxx) Intellectual Property Right Infringement Cover
 - xxxi) The policy shall have worldwide jurisdiction.

Exclusions:

- i) Consensual claims
- ii) BI/PD: carve back for defense cost- 10% of limits
- iii) Absolute PI exclusion
- iv) War/ terrorism
- v) Fraud and dishonesty- final adjudication language
- vi) Absolute IPO exclusion
- vii) Exemplary and punitive damages
- viii) ERISA
- ix) Absolute Cyber exclusion

- x) OFAC Sanction
- xi) No Cover for USA/Canada entity

4. The Policy period shall be for a period of one year, (and extendable for two years) as per bidding documents provisions.

5. Insured

The Policy shall provide cover to –Indian Railway Finance Corporation (IRFC), all members of the Board & officers

6. Insured Person

"Insured Person" shall mean

a) any past, present or future Director or Officer or secretary of the Company or any natural person who by virtue of any applicable legislation or law is deemed to be a Director or Officer, including shadow or alternative directors;

b) in the event of the death, incompetence or bankruptcy of a Director or Officer, his estate, heirs, legal representatives or assigns, but only for Loss incurred by such Director or Officer in his capacity as a Director or Officer

c) the lawful spouse or Domestic Partner of any Director or Officer provided that the Claim is to enforce a judgment against that Director or Officer for Loss incurred in their capacity as such.

d) any past, present or future employee.

For the purpose of this definition, "employee" shall mean:

a) an employee of the Company acting in a managerial or supervisory capacity; or

b) an employee of the Company with regards to an Employment Related Matter and/or an Optional Extension 3.5 External Positions Claim; or

c) an employee of the Company, in respect of any Claim or investigation in which such employee is named as a co-defendant or is required to attend such investigation with any Director or Officer.

7. Retroactive Date

The Retroactive date for the policy shall be from 12.01 am hours local standard time of 08.12.2020

8. Limit of indemnity / sum insured

The limit of Coverage shall be Rs 200 Crore (Rupees Two Hundred Crore). The ratio of Any One Accident (AOA) to Aggregate One Year (AOY) shall be: Rs. 200 Crore.

9. Excess

The amount of policy excess shall be Nil for personal liabilities arising on an individual. In case of losses to the company arising within India or outside India, the retention amount (excess) is proposed to be kept at Rs.1.00 Lakh

10. Existing Policy

The Company does have an existing Insurance policy for Directors & Officers Liability Insurance validity upto Midnight of 07.12.2024

11. Order of Payment

The Policy shall provide for application insurance proceeds first towards the liabilities of the individual directors and then the remaining, if any towards the liabilities of the company.

12. Advancement of Defence Costs

The Policy shall provide for the payment of defence cost by the insurer in advance to the insured parties.

13. Claim data for last 3 years

No claim has been lodged by IRFC against any of earlier D&O Policies till date of this tender.

-----End of Section-II-----

Last year Scope & Policy Schedule is part of Tender Document



ANNEXURE
FORMING PART OF POLICY NO. 354300492310000091

RISK TYPE	Directors & Officers Insurance
ORIGINAL INSURED	Indian Railway Finance Corporation Ltd
ORIGINAL INSURED ADDRESS	UG Floor, East Tower, NBCC Place, Bhisam Pitamah Marg, Pragati Vihar, Lodhi Road, New Delhi – 110070
PERIOD	From: 08 th December 2023 (00:00 Hrs) To: 07 th December 2024 (23:59 Hrs)
RETROACTIVE DATE	08 th December 2020
SCOPE:	Insurance cover shall provide protection against potential liabilities arising out from the following amongst other: <ul style="list-style-type: none"> • Liability of all Directors on the Board of IRFC and Officers of IRFC arising out of any award, judgements, settlements, Civil Fines & penalties under all Statutes / Law including legal costs related to any civil action against the persons insured. • Liability of the Company where the Company has indemnified the individuals. • Liability against the Company with respect to securities and employee related claims arising out of any award, judgements, settlements, all fines & penalties under all Statutes / Law including legal costs related to any civil and / or criminal action. • The cost & legal expenses of the insured persons towards defending a potential action or allegation.
ORIGINAL LIMIT OF LIABILITY	INR 2,000,000,000 any one accident and in the aggregate
POLICY DEDUCTIBLE Each and every claim	Directors & Officers: NIL Company Reimbursement <ul style="list-style-type: none"> • Nil for personal liabilities arising on an individual • INR 100,000 – India • INR 100,000 – ROW Entity EPLI: INR 100,000 India Entity Securities: INR 100,000
POLICY TERRITORY/ POLICY JURISDICTION	Worldwide
POLICY FORM	D&O- Claims made (wordings TBA)
POLICY COVERAGES, EXTENSIONS & EXCLUSIONS	Coverages: <ul style="list-style-type: none"> • Employment claim- Full limits • Entity Securities cover: Full limits • Entity Employment Practices Liability extension cover including sexual harassment, discrimination allegations including coverage to existing as well as future Subsidiary Companies - Full limits-India only • Auto subsidiary acquisition cover: 25% threshold (Excluding USA/Canada)



नेशनल इन्श्योरेंस कम्पनी लिमिटेड
National Insurance Company Limited
CIN : U10200 WB1906 GO1001713

पंजीकृत एवं प्रधान कार्यालय: परिसर नं. 18-0374, प्लॉट नं. सीबीडी-81, न्यू टाउन, कोकाला-700156
Registered & Head Office : Premises No. 18-0374, Plot No. CBD-81, New Town, Kolkata-700156
Phone No.; 033-22831705, Fax: 033-22831740
IRDA Regn. No. 5B, email : website.administrator@nic.co.in



For any information please contact the Policy Issuing Office or visit our website at www.nationalinsuranceindia.com



- Directors and Officers vs. Directors and Officers defense costs- **Full Limits Since 1906**
- Crisis Communication cover- full limits
- ERP: 90 days Nil, 365 days: 50% of AP
- Fines and penalties, wherever insurable by law
- Cover for legal representative, heirs and spouse
- Order of payment – the Policy shall provide for application insurance proceeds first towards the liabilities of the individual directors and then the remaining, if any towards the liabilities of company
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- Mitigation Cost- For INR 10,000,000 in aggregate
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Declaration by IRFC for renewal of D&O Policy vide letter dt 14th December 2022-

- No circumstance or incident that would lead to any material change in the risk.
- No known or reported losses till date (7th December 2022).
- The policy will not cover any claim based upon, arising from, or in consequence of the divestment of the charge of the post of CMD in relation to fraud, if any, allegations in the year 2022.

Other terms and conditions as per Standard Policy



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For any information please contact the Policy Issuing Office or visit our website at www.nationalinsuranceindia.com

