



**NOTICE INVITING TENDER (NIT)**

**Name of the work:: BANKER'S INDEMINITY INSURANCE POLICY.**

Sealed tenders are invited for the above mentioned work from reputed insurance companies in two bid system.

1	<b>Name of the work</b>	<b>Banker's Indemnity Insurance Policy From 00.00 hours of 01.04.2017 to 24.00 hours of 31.03.2018</b>
2	<b>Tenders may be downloaded from the banks web site. Details of web site:</b>	<b>To be downloaded directly from website only Website: <a href="http://www.apgvbank.in/tenders.php">http://www.apgvbank.in/tenders.php</a>.</b>
3	<b>Time and last date of Submission of Tender</b>	<b>Up to 3.30 p.m. on 22.03.2017</b>
4	<b>Place &amp; Address for submission of tender/ contact person/telephone no:</b>	<b>Place: GENERAL MANAGER – I HR AND PERSONNEL, HEAD OFFICE AP GRAMEENA VIKAS BANK LTD, RAM NAGAR, HANMAKONDA – 506001, WARANGAL (City &amp; Dist.), TELANGANA STATE.</b>
5	<b>Date, Time and Place of opening of tenders (Tech. Bid &amp; Price Bid)</b>  <b>In case of any Query Contact Person Details:</b>	<b>Technical Bid on 22.03.2017 @ 4.00pm. Opening Price Bid will be 22.03.2017 @ 4.30 pm</b>  <b>Mr. Prabhakar – Chief Manager, APGVB email id: <a href="mailto:cmaccounts@apgvbank.in">cmaccounts@apgvbank.in</a></b>  <b>Mr. Satyanarayana – RM, ARIBL email id: <a href="mailto:satyanarayanan@rathi.com">satyanarayanan@rathi.com</a></b>
6	<b>Terms of payment of Bills, if any. Specify the minimum value of work for payment of running account bills.</b>	<b>One Single payment</b>
7	<b>Validity period of the tender.</b>	<b>30 Days.</b>
8	<b>Taxes</b>	<b>Premium Rates quoted should include all Taxes, Except Service Tax, this will be paid by the bank.</b>
9	<b>Mode of Payment</b>	<b>Payment will be made through Electronic mode only.</b>

**Tender Procedure for submission :**

Sealed envelopes A & B (as stated below) to be placed in a single cover (sealed) and super scribed as "**Tender for Banker's Indemnity Insurance Policy for APGVB**". The sealed envelope should be dropped in the tender box placed in the office before the Tender due date and time. Those who send the tender documents by post, have to ensure that the documents reach before the prescribed time & date. The Bank will not take any responsibility under any circumstances for courier/ postal delays.

**ENVELOPE 'A':**

This envelope should contain **Technical Bid Only** ( Annexure-I ) and super scribed as **Technical Bid for Banker's Indemnity Insurance Policy for APGVB.**

**ENVELOPE 'B':**

This envelope should contain only the **Financial Bid Only** (Annexure-II) and super scribed as **Financial Bid for Banker's Indemnity Policy for APGVB.**

**Terms and conditions:**

1. Technical Bid as per Annexure-I duly signed & stamped by Insurer/ Insurance Company.
2. During the tender opening one authorized representative of the bidder must be present.
3. The rate/ Financial /technical offer of the bidder should remain valid for 30 days.
4. The Technical bid and Financial bid shall be opened at same day.
5. Bid which are late/vague/ sent by fax/ sent by email/incomplete/not confirming to the laid down procedure in any respect will be rejected.
6. In case of differences arising in the terms and conditions of the tender documents with the firms, the decision of APGVB shall prevail.
7. APGVB reserves the right to modify / change / delete / add any further terms and conditions prior to tender opening.
8. Arbitration- All dispute and differences which may arise between the APGVB and the Insurance Company shall be referred to Chairman of APGVB whose decision shall be binding on all concerned.
9. The bank reserves the right to cancel or postpone the tenders at any stage without assigning any reason.

**ANDHRA PRADESH GRAMEENA VIKAS BANK**  
**HEAD OFFICE: WARANGAL**  
**Annexure - I**

**Banker's Indemnity Insurance Policy - RFQ**

The details of Contingencies & Amount of risk to be covered / other Terms & Conditions are furnished below:

Sl. No.	Types of Contingency	(Rs. in Crores)	
		Basic	Additional sum
i	<p>Basic Sum (A to I risks)  <b>As per Banker's Indemnity Insurance Policy wordings drafted by us and given as Annexure-I</b></p> <p>A- On premises            B- In Transit            C- Forgery or Alteration            D- Dishonesty, Fraud by Employees            E- Hypothecated / Pledged goods            F- Regd. postal sending's / Courier (Liability Limited to Rs. 1.00 Lakh each loss)            G- Appraisers/valuers (Liability Limited to Rs. 25.00 Lakhs each loss)            H- Business Correspondents / Business facilitators / Business Associates / Janata Agents (Liability Limited to Rs. 1.00 Lakh each loss)            I- ATM related Frauds</p>	2.50	
ii	Additional sum for Money and / or Securities/ or Jewelry/or Ornaments on Premises		30.00
iii	Additional sum for Money and/or Securities/ or Jewelry/or Ornaments In Transit		25.00
vi	<p><b>ADD-ON COVERS REQUIRED:</b></p> <p>1) Terrorism risk for entire sum including Basic Sum, Additional Sums both on Premises and in Transit            2) Cover for STFI perils and Earthquake as per Fire tariff</p>		
vii	<b>Deductibles</b>	<p>a) 10% of the claim amount subject to maximum of INR 25,000 each and every claim            b) Terrorism risks: As per GIC Guidelines</p>	

**We furnish below general information relating to our Bank as on 31.03.2017 :**

**a) Classification of offices :**

	<b>Particulars</b>	<b>Rural</b>	<b>Semi-Urban</b>	<b>Urban</b>	<b>Metro</b>	<b>Total at present As on 31.03.2017</b>
a	Branches/RO	534	157	49	14	<b>754</b>
b	Administrative Offices/Head office	--		3	3	<b>6</b>
						<b>760</b>

**b) No. of Employees including existing and proposed (2930) :**

<b>Sl. No</b>	<b>Particulars</b>	<b>Staff position as on 31.03.2017</b>
A	Officers	1784
B	Office assistants	1052
C	Sub-staff- office attendants full scale	94
D	Outsourcing personnel deployed by agency under contract for cleaning, sweeping & maintenance of branch premises.	-
	<b>TOTAL</b>	<b>2930</b>

Summary of claims admitted by the Insurance Company during last 5 years under the Policy as below.

<b>Sl.No.</b>	<b>Financial Year</b>	<b>No. of Claims</b>	<b>Amount in Lakhs</b>
1	2014 – 2015		
2	2015 – 2016	Nil	Nil
3	2016 – 2017	Nil	Nil

### **Additional information:**

- 1) **“Money”** : The term Money as used in this policy shall be deemed to mean Bank Notes (Signed and unsigned), Bullion, Coins, Currency, Jewellery, Ornaments, Precious Stones, Postage and Revenue Stamps (unconcealed) and Stamp Papers.
- 2) **“Securities”** : The term Securities as used in this policy shall be deemed to mean acceptances, Air consignment Notes, Bank Money Orders, Bills of exchange, bills of Lading, Bonds, Certificates of Deposits, Certificates of Shares, Stock Cheques, Coupons, Debentures, Demand Drafts, Express Postal Orders, Fixed deposit receipts issued by the insured, Lorry Receipts, Lottery Tickets, Postal Receipts, Promissory Notes, Railway Receipts, Time-drafts, Warehouse Receipts, Mail Transfers, Travelers Cheques and Drafts and all other Instruments of a Negotiable character in respect of which, if negotiated by any holder, the assured would have recourse against the innocent holder thereof.
- 3) Registered Postal Sending's/ Couriers: Liability for one consignment and/or loss can be limited to Rs.1,00,000/-
- 4) Appraisers / Valuers : Liability can be limited to Rs.25,00,000/-- for any one loss or losses during the period of insurance due to infidelity or criminal act of each of the appraisers/valuers.
- 5) All Single Window Operations are to be covered. (Present operating limits are: Cash transactions Rs.20,000/-, Rs.50,000/- and Transfer Transactions Rs.20,000/-, Rs. 50,000/- for office assistants and officers respectively which are subject to review during the policy period).
- 6) Private mode of transport (Other than Public Transport) is allowed for Cash Remittances.
- 7) All Cash Remittances (including transit by Road / Rail / Air) up to inclusive of Rs. 50.00 Lacs Armed Guard is not mandatory. For Cash Remittances above Rs. 50.00 lacs and up to inclusive of Rs.1.00 Cr at least one Un Armed Guard will be provided and Rs. 1.00 Cr above Two Armed Guards will be provided.
- 8) All the ATMs are provided with CCTV Cameras. However some of them may not function.
- 9) **Retro Active date is 31/03/2015**

The following additional security precautions have been provided to all our branches:

- a) Periodical inspection of all branches by Bank's own Auditors.

**NOTE:-**

- i) The Security gadgets though in place may not be functional sometimes temporarily due to technical problems or non-compliance by staff.
- ii) The Bank has well laid down systems & procedures to ensure smooth and foolproof flow of operations.

**Other Terms & Conditions:**

- a) Lodging of Police Complaint and FIR need to be submitted
- b) Each loss in respect of each Dishonest or Criminal act by the same employee during the policy period shall not be treated as a separate loss.
- c) Permitted "Deductible" is: 10% of claim amount subject to maximum Rs.25,000/- for any claim.
- d) After the claim is lodged with the Insurance Co., the Insurance Company has to settle the claim, once the staff accountability is examined and concluded by the Bank even though the police case is not finalized by the police authorities. For this, the Bank will execute indemnity to refund the amount to insurer, if recovered at a later stage from any source.
- e) The claims are to be settled after submission of claim documents within proper time frame as per IRDA (Protection of Policy holders interests) Regulations 2002.
- f) Extend the coverage for Misappropriation / Fraud / Dishonesty etc., by employees when cash is in their hands while it is in premises.

## **Bankers Indemnity Insurance Policy**

**WHEREAS** the Insured named in the Schedule hereto has made to \_\_\_\_\_ (Name of the Insurance Company) (hereinafter called the Company) a written proposal and declaration (specified in the Schedule) which shall be the basis of this contract and be deemed to be incorporated herein for the insurance hereinafter contained and has paid the premium stated herein subject to the terms conditions provisions exceptions contained herein or endorsed or otherwise expressed here on.

The Company hereby agrees to indemnify the Insured to the extent specified hereinafter if at any time during the period of insurance stated in the Schedule or any specified period in respect of which the Insured shall have paid and the Company shall have accepted and/or the Insured shall have agreed to pay the premium for the renewal thereof the Insured shall discover any direct loss of money and/or securities sustained.

### **A. ON PREMISES:**

By reason of any Money and/or Securities and or gold/ gold jewelry/ Jewelry including pledged goods for which the Insured are responsible or interested in or the Custody of which they have undertaken and which now are, or are by them supposed or believed to be or at any time during the period of insurance may be in or upon their office premises (including Satellite Offices) or upon the premises of their bankers in any recognized place of safe deposit or lodged or deposited in the ordinary course of business for exchange conversion or registration with the issuers or with any person employed to procure or manage the exchange conversion or registration thereof being (while so in or upon such premises or so placed lodged or deposited as aforesaid) lost destroyed or otherwise made away with **by Fire & Special Peril, STFI, Earthquake, Terrorism, Riot and Strike, mysterious unexplainable disappearance of property or Burglary or Housebreaking, Theft , Robbery or Hold up** whether within or without and whether by the employee(s) of the Insured or any other person or persons whomsoever.

### **B. IN TRANSIT:**

By reason of any Money and/or Securities and or Gold / Gold Jewellery / Jewellery including Pledged Goods being lost, stolen, mislaid, looted / robbed / snatched / misappropriated or made away with whether due to the negligence or Fraud of the employee(s) of the Insured or otherwise whilst in transit in the hands of such employee(s) such risk of transit to commence from the moment the same is received by the employee on behalf of the Insured and to continue until delivery thereof at destination.

Money in transit can be made by any mode of transport including but not limited to road, rail, Sea / River, Air, on foot etc.

### **C. FORGERY OR ALTERATION:**

By reason of the payment made in respect of bogus or fictitious or forged or fraudulently altered cheques and/or draft and / or pay orders and/or genuine cheque and/or travelers cheques and/or gift cheques and/or fixed deposit receipts (excluding Bills of Discount) issued by the Insured and / or customer of the insured

### **D. DISHONESTY :**

By reason of the Dishonest or Criminal Act of the employee(s) of the Insured with respect to the loss of money and/or Securities and or gold/gold Jewellery, Jewellery including pledged goods wherever committed and whether committed singly or in connivance with others.

### **E. HYPOTHECATED/PLEDGED GOODS :**

By reason of Fraud and/or Dishonesty by the employee(s) of the Insured in respect of any goods and/or commodities pledged or hypothecated to the Insured and under the Insured's control.

### **F. REGISTERED POSTAL, SPEED POST, COURIER SENDINGS:**

By reason of loss by Robbery, theft, or by other causes whilst in direct transit or intended to be dispatched by Registered/Speed Post or Courier from the Office of the Insured to the Consignee.

Provided always that the Company's liability for any one consignment and/or loss shall be limited to 10% (Ten Per cent) of the Basic Sum Insured under the Policy or Rs. 1,00,000/- whichever is less:

### **G. APPRAISERS / VALUERS:**

By reason of infidelity or Criminal Acts on the part of the Appraisers (own & or appointed by insured) provided that such Appraisers are on the approved list of Appraisers / valuers maintained by the Insured and further provided that the Insured shall exercise reasonable precaution and safeguards in the selection and appointment of such Appraisers/ valuers.

Provided always that the liability of the Company for any one loss or all losses during the period of insurance due to infidelity or Criminal Acts of each of such Appraisers / valuer will be limited to Rs. 25,00,000/-.

### **H. BUSINESS CORRESPONDENTS (BC), BUSINESS FACILITATORS (BF), BUSINESS ASSOCIATE / AGENTS ( BA) BANK MITHRA :**



By reason of Infidelity or Criminal Acts on part of the Money Collector Person, BCs/ BFs / BA's or persons performing duties of a like nature provided that such person are regular part-time commercial agents of the bank and are appointed after full scrutiny about their credentials subject to the condition that the total liability during the period of insurance in respect of each of such agents will be limited to Rs. 1,00,000/- .

## **PROVISIONS**

- A. EXCESS : For all the sections of this Policy : 10% of each loss under these Sections subject to maximum of Rs. 25,000/-**
- B. Each Loss in respect of each dishonest or criminal act will be treated as a separate loss.**
- C. These two excess will also not apply to loss due to terrorism risks where the deductible would be 0.5% of the Sum Insured subject to minimum of Rs. 1,00,000/-**

## **REINSTATEMENT :**

At all times during the period of insurance of this policy the insurance cover shall be maintained to the full extent of the respective Sum Insured, in consideration of which, upon the settlement of any loss under this Policy prorata premium at the basic rate for the unexpired period for the amount of such loss paid (not exceeding the respective Sum Insured) shall be payable by the Insured to the Company. The additional premium referred to above shall be deducted from the net claim amount payable under the Policy. This continuous cover to the full extent will be available, notwithstanding any previous loss for which the Company may have paid hereunder and irrespective of the fact whether additional premium as mentioned above has been actually paid or not following discovery of a loss. The intention of this clause is to ensure continuity of cover to the Insured subject only to the right of the Company for deduction from the claim amount when settled, of prorata premium to be calculated from the date of discovery of each independent loss till the expiry of the Policy under which the loss falls. (Provided that the liability of the Company will be limited to twice the respective Sum Insured during the entire period of the Policy in respect of any loss or losses caused by acts and/or omission of any person(s).

## **RETROACTIVE PERIOD OF COVER :**

The Company shall not be liable for losses not sustained within a retroactive period from the date of discovery of any such loss or losses, Provided that in such retroactive period the insurance was continuously in force but in no event the Company shall be liable to pay any claim in respect of a loss or damage sustained prior to the retroactive date as per the policy.

Further provided that losses which become payable under this clause shall be subject to the terms conditions exceptions of the Policy currently in force on the date of discovery.

### **VALUATION OF SECURITIES :**

In estimating the amount of any loss the value of securities shall be taken at the average market price or value in Rupees on the date of discovery of such loss (omitting Sundays and Holidays) and if there be no market price/or value for the same or any of them on such day then the value thereof shall be value as agreed between the respective parties or in the event of difference as ascertained by arbitrator.

### **VALUATION OF JEWELLERY / ORNAMENTS :**

Value for the purpose of settlement of any claim in respect of Jewellery / Ornaments under this Policy shall be the value as at the time of loss.

### **EXCEPTIONS**

The Company shall not be liable in respect of

a) any loss or damage occasioned by or through or in consequence whether directly or indirectly of any of the following occurrences

- i. Volcanic eruption, subterranean fire or any other convulsions of nature
- ii. Atmospheric disturbances
- iii. War, Invasion, Act of Foreign Enemy, hostilities, warlike operations (whether war be declared or not)
- iv. civil war Mutiny, military, or popular uprising, insurrection, rebellion, revolution, military or usurped power, martial law, or state of siege, or any of the events or causes which determine of the proclamation or maintenance of martial law or state of siege

Any loss happening during the existence of abnormal conditions (whether physical or otherwise) which are occasioned by or through or in consequence directly or indirectly of any of the aforesaid occurrences shall be deemed to be loss which is not covered by this Policy except to the extent that the Insured shall prove that such loss happened independently of the existence of such abnormal conditions.

b) Losses resulting wholly or partially from any negligent act or omission of the Insured's employee. However this exception shall not apply to section B i.e. 'Transit Cover'.

c) Losses resulting wholly or partially from the Wrongful Acts or default of any Directors, or Partners of the Insured other than salaried.

d) Losses of any personal property confined to the care of the Insured, normal value and description of which have not been ascertained by the Insured before loss.

e) Losses resulting directly or indirectly from trading actual or fictitious whether in the name of the Insured or otherwise and whether or not within the knowledge of the Insured and notwithstanding any act or omission on the part of any employee in connection therewith whether acting within the scope of authority or not with any account recording the same

f) (i) loss destruction of or damage to any property whatsoever or any loss or expense whatsoever resulting or arising there from or any consequential loss

(ii) any legal liability of whatsoever nature directly or indirectly caused by or contributed to , by or arising from ionizing radiations or contamination by radioactivity from any source whatsoever or from nuclear weapons material.

g) losses attributable to directly or indirectly to manipulation or faulty computer or other EDP System and/or any fraudulent use of the computer or other EDP System by outsiders irrespective of whether the computer or EDP system belongs to the Insured or it is shared by the Insured with others on service contract basis or otherwise.

h) Losses due to any acts or omissions committed by the concerned employee(s) after the discovery of a loss in which the said employee(s) was involved.

## **GENERAL DEFINITIONS**

References in this Policy to the singular shall also include references to the plural and references to the male gender shall also include references to the female gender, and vice versa in both cases.

The words or phrases defined below have a specific meaning. They have this meaning wherever they appear in the Policy and are shown with an initial capital letter.

**c.i.a) "Acceptance"** means a bill of exchange upon which is signified by the drawee his assent to the order of the drawer.

**c.i.b) "Insured"** means the Insured named and stated in the schedule of this Policy and any banking subsidiary companies in which the Insured has a controlling interest and which are listed in the Proposal.

**c.i.c) "Bill of Exchange"** means an unconditional order in writing, addressed by one person to another, signed by the person giving it, requiring the person to whom it is addressed to pay on demand or at a fixed or determinable future time a sum certain in money to or to the order of a specified person, or to bearer.

**c.i.d) "Bill of Lading"** means a document of title issued by a carrier to the order of a shipper and is transferable to another person by endorsement and delivery.

**c.i.e) "Certificate of Deposit"** means a written acknowledgment by a bank of a deposit with promise to pay to depositor, to his order, or to some other person or to his order said deposit with interest on a specified date.

**c.i.f) "Cheque"** means a Bill of Exchange, drawn on a bank, directing it to pay the sum specified on demand.

**c.i.g) "Counterfeited"** means the imitation of an instrument that is authentic such that the Insured is deceived or the basis of the quality of the imitation to believe that the imitation is the authentic original instrument. Fictitious instruments which merely contain fraudulent misrepresentations of fact and are genuinely signed or endorsed are not counterfeit.

**c.i.h) "Draft"** means a draft payable on demand drawn by or on behalf of a bank upon itself whether payable at the head office or other office of the Insured.

**c.i.i) "Employee"** means respectively:

1) one or more of the Insured's officers, clerks, servants and other employees while employed by the Insured;

2) one or more persons provided by an employment contractor to perform employee duties for the Insured under the Insured's supervision;

3) one or more of the Insured's retired officers or employees who have been retained by them as consultants, other than consultants involved in the Insured's data processing activities, while acting in their capacities as such consultants; and

4) one or more persons engaged by the Insured as consultants, other than consultants involved in the Insured's data processing activities, while acting in their capacity as such, and

5) Outsourcing personnel deployed by agency under contract for cleaning, sweeping & maintenance of branch premises.

**c.i.j) "Forgery" or "Forged Signature" or "Forged as to the Signature"** means the signing of the name of another with intent to deceive; it does not include the signing of one's own name with or without authority, in any capacity, for any purpose.

**c.i.k) Insurer means** the Insurance Company

**c.i.l) "Letter of Credit"** means an engagement in writing by a bank made at the request of a customer that the issuer will honour drafts or other demands for payment upon compliance with the conditions specified in the Letter of Credit.

**c.i.m) "Payment"** of a promissory note means the discharge by the Insured of said promissory note and DOES NOT include the purchase, discount, sale, and loan or advance of or on said promissory note.

**c.i.n) "Policy"** means:

- a. the Schedule, insuring clause(s), definitions, exclusions, conditions, and other terms contained herein; and
- b. any endorsement attaching to and forming part of the Policy either at inception or during the Policy Period; and
- c. the proposal.

**c.i.o) "Promissory Note"** means an unconditional promise in writing made by one person to another signed by the maker, engaging to pay, on demand or at a fixed or determinable future time, a sum certain in money to or to the order of, a specified person or to bearer.

**c.i.p) "Money/Property"** means cash (i.e. currency, coins and bank notes), bullion, precious metals of all kinds and in whatsoever form and articles made there from, gems (including uncut gem stones), precious and semiprecious stones, certificate of stocks, bonds, coupons and all other types of securities, Cheques, Bills of Exchange, Acceptances, Drafts, Certificates of Deposit, Letters of Credit, Promissory Notes, money orders, orders upon public treasuries, stamps, insurance policies, title deeds, certificates of title and all other negotiable and non-negotiable instruments or contracts representing money or other property (real or personal) or interests therein, and other valuable papers, including books of accounts and other records (but excluding records recorded electronically) used by the Insured in the conduct of their business, in which the Insured has an interest, or which are held by the Insured for any purpose or in any capacity and whether so held gratuitously or otherwise and whether legally liable therefore or not.

**c.i.q) "Proposal"** means the application for insurance completed by the Insured and any ancillary information and documentation supplied by the Insured in connection with this insurance.

**c.i.r) "Withdrawal receipts for the withdrawal of funds"** means a written instrument completed on a form provided to depositors by the Insured acknowledging receipt of funds from a savings account maintained with the Insured by a depositor.

**c.i.s)** The term '**Money**' as used in this Policy shall be deemed to mean Bank Notes (signed and unsigned) Bullion, Coins, Currency including foreign currency, Jewellery, Ornaments, Postage and Revenue Stamps (un-cancelled) and Stamp

Papers.

**c.i.t) SECURITIES:** The term 'Securities' as used in this Policy shall be deemed to mean Acceptances Air Consignment Notes Bank Money Order Bills of Exchange Bill of Lading Bonds Certificates of Deposits Certificates of Shares/Stock Cheques Coupons Debentures Demand Drafts Express Postal Orders Fixed Deposit Receipts issued by the Insured, Lorry Receipts, Lottery Tickets, Postal receipts, Promissory Notes, Railway Receipts, Time Draft, warehouse Receipts, Mail Transfer, Travelers Cheques and drafts and all other instruments of a negotiable character in respect of which if negotiated by any holder the Insured would have recourse against the innocent holder thereof.

**c.i.u) EMPLOYEE:** The term 'employee' as used in this Policy shall be deemed to mean all existing employees whether permanent or temporary whole-time or part-time on contract or otherwise including apprentices on the salary roll of the Insured at all of its offices but shall NOT include any Director or Partner other than salaried.

## **CONDITIONS PRECEDENT TO LIABILITY**

It is a condition precedent to any liability under this Policy that the Insured shall comply in all material respects with the following:-

- (a) A manual of instructions covering the procedure for money and/or securities shall be kept on the premises.
- (b) Joint custody shall be established and maintained for the safeguarding of:
  - i) Money and/or securities while in safe or vaults
  - ii) All keys to safes and vaults, and
  - iii) Codes, ciphers and test keys.

Joint Custody means the handling of the above in the presence of or under the observation of at least one other person, such person being equally accountable for the physical protection and safeguarding of the various security items including money locks and combinations on vaults and safes must be so arranged that no one person can open them alone.

- c) Dual Control shall be established and maintained for the handling of:
  - i) All types of securities, negotiable and non-negotiable instruments and unissued and blank forms of said items.
  - ii) The reserve supply of official cheques, drafts and unissued travelers cheques.
  - iii) Dormant Accounts of Depositors.

iv) Codes, Cyphers and Text Keys.

Bank has Dual Control means the work of one person in processing transaction is being verified by a second person both sharing the accountability. However in many case dual control policy is not practically applied and Banks allows such actions. Therefore this condition should not restrict any claim arises where dual control is not in place.

Premises including Insured's Computer centers and facilities, at which the business is carried on and shall retain the cards relating to such review.

## **CONDITIONS**

**1. NOTICE:** Every notice and communication to the Company required by this policy shall be in writing to the office of the Company through which this insurance is effected.

**2. MISDESCRIPTION:** This policy shall be void and all premium paid hereon shall be forfeited to the Company in the event of misrepresentation, mis-description or non-disclosure of any material fact.

**3. REASONABLE CARE:** The Insured shall take all reasonable steps to safeguard the property insured against accident, loss or damage and to secure all doors, windows and other openings and also all safes, strong rooms etc.

**4. (a) PREMISES :**

Banks shall take all precautionary measures for security but non availability / absence of Guard armed or otherwise / CCTV and alarm system should not be a mandatory requirement in the Policy in all the cases irrespective of holding limit of Branches etc., .

**5. CANCELLATION :** The Company may at any time, cancel this policy by giving 90 days' notice in writing by Regd. A.D. to the Insured at his last known address and in which event return to the Insured the premium charged under the Policy on pro-rata basis for the unexpired period of the Policy. The Insured may also cancel this policy by giving 90 days' notice in writing to the Company, (provided no claim has been paid or reported till the date of advice for cancellation)

**6. CLAIMS PROCEDURE:** Upon the happening of any event giving rise or likely to give rise to a claim under this policy, coming to the knowledge of the Insured:

(a) lodge forthwith a complaint with the Police and take all practicable steps to recover the Property lost and to apprehend the guilty person(s) and to take appropriate departmental action against such person(s).

(b) give immediate notice thereof to the Insurance Company and shall as soon as possible thereafter furnish to the Company at the Insured's own expense detailed particulars of the amount of the loss or damage together with such explanations and evidence to substantiate the claim as the Company may reasonably require.

## **7. EXAMINATION OF BOOKS OF ACCOUNT:**

In case of any loss to the Insured if required by the Company the agent of the Company shall be entitled at all reasonable time to examine into the circumstances of such loss and the Insured on shall on being required to do so by the Company , produce all books of accounts receipts and documents relating to or containing entries relating to the loss in his possession and furnish copies of or extracts from such of the documents as may be required by the Company so far as they relate to such claim or will in any way enable the Company to ascertain the correctness or the liability of the Company under this Policy.

## **8. RIGHTS TO RECOVERY :**

Any amount which but for the acts or defaults on which the claim shall be found would have become payable by the Insured to the employee in respect of whom a claim is made hereunder or any other money which shall be due to such employee from the Insured shall be deducted from the amount payable under this Policy and that all moneys estate and effects of such employee in the hands of or received or possessed by the Insured and or claims which may be or may prior to the settlement of the claim become due from the Insured to the Employee and also all moneys or effects which shall come into the possession or power of the Insured for or on account of such Employee in respect of whom any claim shall be made on this Policy shall be applied by the Insured in and towards making good the amount of his claim under this Policy in priority to any other claim of the Insured upon such moneys estate or effects. The Company shall without thereby being held to admit any claim be entitled at any time in the Company's own or the Insured's name to take steps for the recovery of any property claimed for and the Insured shall be bound to give the Company all information and reasonable assistance in so doing. The Insured may also be required as a condition of any settlement to procure settled. Any money recovered after settlement of any claim shall be the property of the Company not exceeding however the amount paid by the Company.

## **9. SUBROGATION :**

The Insured and any claimant under this Policy shall at the expense of the Company do and concur in doing and permit to be done all such acts and things as may be necessary or reasonably required by the Company for the purpose of enforcing any rights and remedies or obtaining relief or indemnity from other parties to which the Company shall be or would become entitled or subrogated upon the Company paying for or making good any loss or damage under this Policy whether such acts and things shall be or become necessary or required before or after the Insured's indemnification by the Company.

## **10.CONTRIBUTION :**



If at the time of the happening of any loss or damage covered by this policy there shall be subsisting any other insurance of any nature whatsoever covering the same property whether effected by the Insured or not, then the Company shall not be liable to pay or contribute more than its ratable proportion of any loss or damage.

#### **1. FRAUD :**

If any claim under this policy shall be in any respect fraudulent or if any fraudulent means or device are used by the Insured or any one acting on the Insured's behalf to obtain any benefit under this policy, all benefits and rights under the policy shall be forfeited.

#### **2. ARBITRATION AND DISCLAIMER :**

If any dispute or difference shall arise as to the quantum to be paid under the policy (liability being otherwise admitted) such difference shall independently of all other questions be referred to the decision of a sole arbitrator to be appointed in writing by the parties to or if they cannot agree upon a single arbitrator within 30 days of any party invoking arbitration the same shall be referred to a panel of three arbitrators, comprising of two arbitrators, one to be appointed by each of the parties to the dispute/ difference and the third arbitrator to be appointed by such two arbitrators and arbitration shall be conducted under and in accordance with the provisions of The Arbitration and Conciliation Act, 1996.

It is clearly agreed and understood that no difference or dispute shall be referable to arbitrations as herein before provided, if the Company has disputed or not accepted liability under or in respect of this policy.

It is hereby expressly stipulated and declared that it shall be a condition precedent to any right of action or suit upon this policy that award by such arbitrator/ arbitrators of the amount of the loss or damage shall be first obtained.

It is also hereby expressly agreed and declared that if the Company shall disclaim liability to the Insured for any claim hereunder, and such claim shall not, within 12 calendar months from the date of such disclaimer have been made the subject matter of a suit in a Court of Law, then the claim shall for all purposes be deemed to have been abandoned and shall not thereafter be recoverable hereunder.

#### **13. OBSERVANCE OF TERMS AND CONDITIONS :**

The due observance and fulfillment of the terms, conditions and endorsements of this policy in so far as they relate to anything to be done or complied with by the Insured, shall be a condition precedent to any liability of the Company to make any payment

under this policy.

#### **14. RENEWAL NOTICE :**

The Company shall not be bound to issue any renewal notice nor shall be bound to accept the renewal premium there under.

#### **15. SPECIAL CONDITIONS.**

a.i.a) Claims shall not be repudiated solely on the ground of non-functioning of installed Alarm System on the day of the incident of Dacoity &/or burglary &/or robbery at the respective branch.

a.i.b) All locations of the AGP Bank including Currency Chests Branches, Branch Extension Counters, and Employees of the Bank whether Permanent, Part Time, Contract / Out Sourcing employees are covered.

a.i.c) Cash in Transit shall mean and include Cash in Transit either by Bank on its own or through Agencies engaged by the Bank, which shall include Loading and Unloading the cash at various points &/or branches &/or offices pick up and/or delivery of cash from &/or to the customers of the bank and vice versa.

a.i.d) Notwithstanding anything mentioned in the policy to the contrary the subject policy covers loss to the Bank due to misappropriation, theft, robbery, dacoity, forgery of cheques, Bankers cheques, Gift Cheques, Travelers Cheques, Pay-orders, Demand Drafts, Securities, Deposits, Term Deposits and Withdrawals Slips. Also covered are Dividend Warrants &/or Interest Warrants &/or Refund Orders issued by the Bank against its own shares &/or securities.

a.i.e) Notwithstanding anything contained in this policy to the contrary the subject policy covers fraud by staff in respect of any goods and/or commodities pledged or hypothecated or mortgaged or deposited with the Bank under Banks Control.

a.i.f) Notwithstanding anything contained in this policy to the contrary the subject policy covers loss due to misappropriation including robbery theft of money and/or securities sent through post &/or courier.

a.i.g) Notwithstanding anything contained in this policy to the contrary the subject policy covers loss due to infidelity &/or criminal acts on the part of Appraisers who are on the approved List of the Bank.

a.i.h) The Bank for administrative purpose has laid down conditions for money in bank premises (maximum retention / holding in a day and /or joint custodianship), however such conditions will not be a pre-condition for admitting and settling the claim in case limit exceeds.

a.i.i) Other terms as agreed and should form part of the Policy

b)

1	<b>Policy Cover :Loss of cash by customer in Bank's premises/ offices, ATMs owned and/or Hired (offsite and onsite) (Due to Robbery, Dacoity etc.)Any one accident AOA Rs. 5.00 Lacs, Any one year AOY 50.00 Lacs</b>
2	<b>The Term Securities include Credit / Debit Cards and such instruments issued by Bank in addition to cheques, withdrawal slips whilst at the insured premises.</b>
3	<b>The cover is extended automatically to all branches in jurisdiction if any opened, ATMs at various locations, both onsite existing as well as future locations.</b>
4	<b>The Policy covers losses directly due to fraudulent use of insured's own computer systems by employees,</b>
5	<b>Policy covers loss of damage due to Fire and Allied perils, earthquake, all types of AOG perils including storm, typhoon, flood, inundation etc.</b>
6	<b>Loss of cheques/ instruments deposited in the drop box also covered for Fraud and/or dishonesty, under the policy</b>
7	<b>Losses / Damages caused by any act of Terrorism.</b>
8	<b>For the claims where final Police report is awaited 100% of the claim amount has to be paid against an indemnity bond.</b>
9	<b>Series of Fraud/s committed by a single staff/ person will be treated as single loss and single excess be applied</b>

**FOR AND ON BEHALF OF  
(NAME OF THE INSURANCE COMPANY)**

**AUTHORISED SIGNATORY**

Place:

Date:

**ANNEXURE – II**

**(FINANCIAL BID)**

**BANKERS INDEMNITY INSURANCE POLICY FOR THE PERIOD**

**31/03/2017 TO 30/03/2018**

Insurance company have to submit their Premium Price for all the risks/contingencies proposed to be covered in the Technical Bid

Sl. No.	Types of Contingency	Amount of Risk covered (Rs. in crores)		
		Basic	Additional	Total
I	Basic Sum (A to I risks)	2.50		
II	Additional Sum for Money and / OR Securities on Premises		30.00	
III	Additional Sum for Money and / OR Securities in Transit		25.00	57.50
IV	<b><u>Add-on covers :</u></b> a)STFI perils b)Earthquake c)Terrorism			57.50
	<b>Total Premium Quoted *</b>			

Insurance companies have to quote net premium payable after taking into account the various rating factors.

**Insurance company should ensure that the bank is not put to any loss/inconvenience in the event of any claims, due to wrong calculation of premium on the part of the companies. In such instances the cost and consequences will be the sole responsibility of the insurance company.**