<u>TRANSMISSION CORPORATION OF TELANGANA LIMITED</u>

TGTRANSCO – Payment of Insurance charges to Contractors for 400kV,220kV &132kV Turnkey works - Amendment to Project Insurance Clause (c) of para (3) of T.O.O(CMD) Ms.No.2, Date:12.11.2013 - Regarding.

<u>T.O.O (CE/400kV) Ms. No.2574.</u> <u>Dated: 19-11-2025</u>

Read the following:

1. T.O.O(CMD) Ms.No.2, Date:12.11.2013

* * *

<u>ORDER:</u>

1. In the reference 1st cited, orders were issued on changes in Purchase procedure and Revision of estimates for equipment/material for turnkey tenders including Project Insurance clause.
2. Accordingly for the preparation of estimates for 220kV and 132kV turnkey works, provision for Project Insurance at 0.5% of the Total Project Cost is being included. This insurance cost shall be paid as per actual upon submission of original insurance documents. Further to above, as per the 2022–23 cost data, a separate provision of 1% insurance on material rates (Ex-Works price) is also allowed.
3. Whereas for preparation of estimates for 400kV works, as per the 2017–18 cost data, provision of 1% insurance on material rates (Ex-Works price) is allowed.
4. Discussions were held in this regard, and the Technical Committee has reviewed the loading of insurance on the project cost, examined actual trends, and recommended adopting a uniform methodology for payment of insurance for 400kV, 220kV, and 132kV works.
5. As such, after careful consideration, Transmission Corporation of Telangana Limited hereby accords approval for the following amendment to Clause (c) of para (3) of the Project Insurance provision under T.O.O. (CMD) Ms. No. 2, dated 12.11.2013.

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S. No	Existing Project Insurance Clause	Amendment to the Project Insurance
1	(3)(c) Project insurance to be shown as a separate item **<u>@ 0.5%</u>** of project cost (total cost of materials + labour) under Schedule B. This can be paid as per actuals or quoted rate whichever is lower on submission of original insurance documents. **Explanatory Note:** Estt. cost of Equipment/material = X Estt. cost of Labour = Y Project Insurance = Z = (X + Y) x 0.5% Estimated Contract Value (ECV) = X + Y + Z.	(3)(c)(1)Project insurance to be shown in Schedule B as a separate item **<u>@ 1%</u>** of total project cost (total cost of materials (Schedule A) + labour (Schedule B)). This can be paid as per actuals or quoted rate whichever is lower on submission of original insurance documents. **Explanatory Note:** Estt. cost of Equipment/material (Sch.A) = X Estt. cost of Labour (Sch.B) = Y Project Insurance = Z = (X + Y) x 1% Estimated Contract Value (ECV) = X + Y + Z. (2)The existing practice of loading Insurance @1% on ex works price in supply portion in the estimates for 400kV, 220kV & 132kV Sub-Stations, Lines and Bays for future Tenders is dispensed with.

6. The amendment is operative with immediate effect and shall be applicable for all 400kV,220kV & 132kV future Tenders. The other clauses of T.O.O(CMD) Ms.No.2, Date:12.11.2013 will remain unchanged.
7. The order is issued with the concurrence of Director (Finance, Comml. & HRD)/TGTransco vide Regd. No.1448, Dated.03.11.2025
8. These orders are also available on TGTRANSCO website and can be accessed at the address https://www.tgtransco.com/.

(BY ORDER AND IN THE NAME OF TRANSMISSION CORPORATION OF TELANGANA LIMITED)

Sd/-
D.KRISHNA BHASKAR,IAS
CHAIRMAN & MANAGING DIRECTOR
TGTRANSCO

To
The Chief Engineer/400kV/ TGTRANSCO /VS/Hyderabad

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The Chief Engineer/Construction-I/ TGTRANSCO/VS/Hyderabad
The Chief Engineer/Construction-II/ TGTRANSCO/VS/Hyderabad
The Chief Engineer/LIS/ TGTRANSCO/VS/Hyderabad
The Chief Engineer/PRLIS/ TGTRANSCO/VS/Hyderabad
The FA&CCA(A&E) /TGTRANSCO/VS/Hyderabad

Copy to:
The SE(T) to the Chairman & Managing Director/ TGTRANSCO/VS/Hyderabad
The PS to the Director / Finance, Comml. &HRD)/ TGTRANSCO/VS/Hyderabad
The DE/T to the Director /Projects/ TGTRANSCO/ VS/ Hyderabad
The DE/T to the Director /Grid & Transmission Management / TGTRANSCO/ VS/ Hyderabad

//Forwarded By Order//

Superintending Engineer-II
400kV