

## कोल इंडिया लिमिटेड

(एक महारत्न कंपनी)

सामग्री प्रबंधन विभाग

कोल भवन, प्लॉट सं. - ए. एफ-३, एक्शन एरिया-१ए

न्यू टाउन, राजरहाट, कोलकाता - ७००१५६

फ़ोन: ०३३-२३२४ ४१२७, फैक्स: ०३३-२३२४ ४११५

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संक्र०: CIL/C2D/Purchase Manual/2020/ 350

दिनांक: 25.07.2022

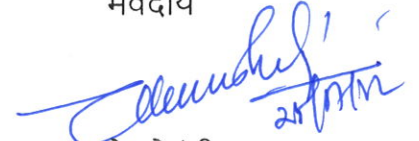
## कार्यालय आदेश

**विषय:** Removal of solvency Ratio as a criterion for participation in General Insurance related tenders of CPSEs

महोदय,

Please find enclosed Office Memorandum no. F.No – EG – 14017/64/2020-InsII dated 02.07.2022 issued by Department of Financial Services, Ministry of Finance, Govt. of India, on the subject for your information and compliance.

भवदीय

  
(ए.के.मोहंती)

कार्यकारी निदेशक सामग्री एवम अनुबंध

Encl: A/A

### वितरण:

१. निदेशक (तकनीकी)/निदेशक (कार्मिक)/निदेशक (वित्त)/निदेशक (विपणन), सीआईएल
२. सी.एम.डी, बीसीसीएल/सीसीएल/सीएमपीडीआईएल/ईसीएल/एमसीएल/एनसीएल/एसईसीएल/डब्ल्यूसीएल
३. निदेशक(तक.)-पी&पी/सं, बीसीसीएल/सीसीएल/सीएमपीडीआई/ईसीएल/एमसीएल/एनसीएल/एसईसीएल/डब्ल्यूसीएल
४. मुख्य सतर्कता अधिकारी, सीआईएल
५. कार्यकारी निदेशक (समन्वय) / अध्यक्ष के तकनीकी सचिव, सीआईएल
६. कार्यकारी निदेशक (आई सी टी) / कार्यकारी निदेशक (एस&आर)/ कार्यकारी निदेशक (चिकित्सा), सीआईएल
७. महाप्रबंधक(वित्त)/महाप्रबंधक(प्रशासन)/महाप्रबंधक(ईईडी)/महाप्रबंधक(उत्पादन)/महाप्रबंधक(सीवी)/महाप्रबंधक(कोवि), महाप्रबंधक(प्रणाली)/महाप्रबंधक(ई&टी), सीआईएल
८. महाप्रबंधक (सा.प्र), बीसीसीएल/सीसीएल/सीएमपीडीआईएल/ईसीएल/एमसीएल/एनसीएल/एसईसीएल/डब्ल्यूसीएल
९. महाप्रबंधक (वित्त), बीसीसीएल/सीसीएल/सीएमपीडीआईएल/ईसीएल/एमसीएल/एनसीएल/एसईसीएल/डब्ल्यूसीएल
१०. महाप्रबंधक, एनईसी
११. सा.प्र विभाग, सी.आई.एल के सभी अधिकारीगण

F. No. DPE/7(4)/2017-Fin.  
Government of India  
Ministry of Finance  
Department of Public Enterprises

Block No. 14, CGO Complex,  
Lodi Road, New Delhi-110003  
Dated the 5<sup>th</sup> July, 2022

To,

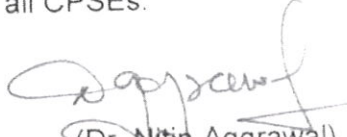
Chief Executives of all CPSEs

**Subject:-** Request for removal of Solvency Ratio as a criterion for participation in General Insurance related Tenders of CPSEs and Government Departments - regarding

Sir/Madam,

The undersigned is directed to forward herewith a copy of Department of Financial Services O.M. No. EG-14017/64/2020-InsII dated 2<sup>nd</sup> July, 2022 on the subject mentioned above for information and compliance by all CPSEs.

Encl : As stated

  
(Dr. Nitin Aggrawal)  
Joint Director  
Tel : 2436-0258

14017/64/2020-InsII

1/48703/2022

F.No - EG- 14017/64/2020-InsII  
**Government of India**  
**Ministry of Finance**  
**Department of Financial Services**

Jeevan Deep Building, 2nd floor  
Sansad Marg, New Delhi-110001  
Date: 02 July,

2022

**Office Memorandum**

**Sub: Request for removal of Solvency Ratio as a criterion for participation in Government Tenders**

The undersigned is directed to refer to the captioned subject and to state that in general insurance related tenders, some Central Public Sector Enterprise and Government Departments include requirement of minimum solvency ratio of 1.5 of the liabilities as one of the eligibility criterion for insurers' participation. This makes three of the four Public Sector General Insurance Companies (PSGICs) namely, National Insurance Company Ltd, Oriental Insurance Company Limited and United India Insurance Company Limited, ineligible to participate in the tender process in spite of their vast experience and risk management skills.

2. While it is agreed that solvency margin is good measure to assess the financial health and stability and the ability of insurers to meet the liability, it is important to note that the insurance sector is duly regulated by Insurance Regulatory and Development Authority of India (IRDAI). IRDAI has allowed forbearance (from maintaining required solvency ratio) to these companies considering all aspects and allowed them to continue underwriting business as usual.

3. It is pertinent to note that the reinsured liability is not factored into calculation of Solvency Ratio, specified by IRDAI, as a result of which solvency ratio of 1.5 is very high from a risk perspective.

4. Further, Public Sector General Insurance Companies have not defaulted ever on their liabilities. Government of India has recently infused capital in the above-mentioned companies and stands committed to provide more capital, as may be required.

5. In view of the above, it is requested not to include solvency ratio as a criterion for participation of Public Sector General Insurance Companies in general insurance tenders. This would enhance competition in the bidding process without compromising on the quality of services. It is also requested to bring this to the attention of all the procuring entities and organisations under the administrative jurisdiction of your Ministry/Department.

Signed by Mandakini  
Belodhi  
(Mandakini Belodhi)  
Director to the Government of India  
Date: 02-07-2022 10:11  
Reason: Approved



To:

Secretaries of all Departments/Ministries of Government of India

**Copy for information:**

1. CMD, NIACL
2. CMD, UIICL
3. CMD, NICL
4. CMD, OICL