

## Naresh Kumar Mekala

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**From:** K R Vijayendra Rao  
**Sent:** 09 January 2026 17:45  
**To:** Santosh Kumar (IND); Revathi Rohini Buragadda  
**Cc:** Manoj Kumar Sahoo; Naresh Kumar Mekala; Sunil Kayitha; Aman Shah (IND); Borra Prasanna (IND); Teja Kolliboyina (IND)  
**Subject:** RE: Clarification on Audit Observation – EAR Policy Sum Insured (Sitarampur Project) | Audit Point #38 a,b &c

Dear Sir,

We confirm that the below approach is the most feasible and appropriate, and the same methodology will be consistently followed for future project policies as well.

Regards,  
Vijayendra  
#9160751575

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**From:** Santosh Kumar (IND) <santosh.kumar@protivitiglobal.in>  
**Sent:** 09 January 2026 15:22  
**To:** K R Vijayendra Rao <vijayendra.kr@premierenergies.com>; Revathi Rohini Buragadda <revathi@premierenergies.com>  
**Cc:** Manoj Kumar Sahoo <manoj.sahoo@premierenergies.com>; Naresh Kumar Mekala <naresh.m@premierenergies.com>; Sunil Kayitha <sunil.kayitha@premierenergies.com>; Aman Shah (IND) <aman.shah@protivitiglobal.in>; Borra Prasanna (IND) <borra.prasanna@protivitiglobal.in>; Teja Kolliboyina (IND) <teja.kolliboyina@protivitiglobal.in>  
**Subject:** RE: Clarification on Audit Observation – EAR Policy Sum Insured (Sitarampur Project) | Audit Point #38 a,b &c

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Hi Vijayendra,

Thank you for your response.

We note that the reply does not specifically address the below point from the trailing email. As discussed earlier, we would appreciate your guidance on whether this practice is currently feasible and, if so, whether it is being followed consistently across all insurance policies.

“Further, as discussed, it was noted that the Insurance desk is expected to review the complete project cost break-up and guide the team on the appropriate coverage and selection of suitable policies to ensure effective insurance management. We would appreciate it if you could also confirm whether this review process is being followed consistently across all insurance policies.”

Your confirmation on this aspect will help us close the matter appropriately. Please let us know if any additional clarification is required from our end.

Warm regards,  
Santosh

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**From:** K R Vijayendra Rao <[vijayendra.kr@premierenergies.com](mailto:vijayendra.kr@premierenergies.com)>  
**Sent:** Friday, January 9, 2026 2:02 PM  
**To:** Santosh Kumar (IND) <[santosh.kumar@protivitiglobal.in](mailto:santosh.kumar@protivitiglobal.in)>; Revathi Rohini Buragadda <[revathi@premierenergies.com](mailto:revathi@premierenergies.com)>  
**Cc:** Manoj Kumar Sahoo <[manoj.sahoo@premierenergies.com](mailto:manoj.sahoo@premierenergies.com)>; Naresh Kumar Mekala <[naresh.m@premierenergies.com](mailto:naresh.m@premierenergies.com)>; Sunil Kayitha <[sunil.kayitha@premierenergies.com](mailto:sunil.kayitha@premierenergies.com)>; Aman Shah (IND) <[aman.shah@protivitiglobal.in](mailto:aman.shah@protivitiglobal.in)>; Borra Prasanna (IND) <[borra.prasanna@protivitiglobal.in](mailto:borra.prasanna@protivitiglobal.in)>; Teja Kolliboyina (IND) <[teja.kolliboyina@protivitiglobal.in](mailto:teja.kolliboyina@protivitiglobal.in)>  
**Subject:** RE: Clarification on Audit Observation – EAR Policy Sum Insured (Sitarampur Project) | Audit Point #38 a,b &c

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Dear Sir,

As explained during our earlier discussions, we would like to confirm that the below-mentioned components fall under uninsurable risks as per standard EAR policy terms. Accordingly, these have been excluded from the overall project cost while determining the Sum Insured.

Further, with regard to the review of project progress vis-à-vis cost variances, we will initiate a structured reminder and update mechanism by sending periodic requests to the Project Team and the Capex/Finance Team to obtain updates on project status and any revisions in costing, if applicable.

Hope above clarifies your query.

Best Regards,

K R Vijayendra Rao (VJay)- Fellow (Insurance Institute of India)., Dip. Fire Insurance.,  
AGM- Insurance & Risk Management  
#9160 751 575



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**From:** Santosh Kumar (IND) <[santosh.kumar@protivitiglobal.in](mailto:santosh.kumar@protivitiglobal.in)>

**Sent:** 08 January 2026 16:42

**To:** K R Vijayendra Rao <[vijayendra.kr@premierenergies.com](mailto:vijayendra.kr@premierenergies.com)>; Revathi Rohini Buragadda <[revathi@premierenergies.com](mailto:revathi@premierenergies.com)>

**Cc:** Manoj Kumar Sahoo <[manoj.sahoo@premierenergies.com](mailto:manoj.sahoo@premierenergies.com)>; Naresh Kumar Mekala <[naresh.m@premierenergies.com](mailto:naresh.m@premierenergies.com)>; Sunil Kayitha <[sunil.kayitha@premierenergies.com](mailto:sunil.kayitha@premierenergies.com)>; Aman Shah (IND) <[aman.shah@protivitiglobal.in](mailto:aman.shah@protivitiglobal.in)>; Borra Prasanna (IND) <[borra.prasanna@protivitiglobal.in](mailto:borra.prasanna@protivitiglobal.in)>; Teja Kolliboyina (IND) <[teja.kolliboyina@protivitiglobal.in](mailto:teja.kolliboyina@protivitiglobal.in)>

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Hi Vijayendra,

As discussed, upon comparing the project cost as per the Projects team with the project cost reflected in the books, we have observed a difference of INR 345.78 Cr. Based on our review, certain cost components have not been considered for coverage under the EAR policy. Our understanding basis your inputs is that these items are not admissible for coverage under the EAR policy. We kindly request you to please confirm whether our understanding is correct.

Internal Order	Order Description	Budget INR
1000143	4GW PEGEPL-Land and Site Dev	64.58
1000436	4GW MOD-Land-Rock Cutting, L	51.00
1000414	4GW MOD-Misc_ License and Ap	10.00
1000415	4GW MOD-Misc_ Loan Processi	5.00
1000418	4GW MOD-Misc_ Training	5.00
1000421	4GW MOD-IDC	36.50
1000424	4GW MOD- Working Capital Mar	173.70

Further, as discussed, it was noted that the Insurance desk is expected to review the complete project cost break-up and guide the team on the appropriate coverage and selection of suitable policies to ensure effective insurance management. We would appreciate it if you could also confirm whether this review process is being followed consistently across all insurance policies.

**@Revathi Rohini Buragadda:** Dear Madam, Thank you for your continued support and guidance. Please let us know if any additional information is required from our end.

With Regards,  
Santosh

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**From:** K R Vijayendra Rao <[vijayendra.kr@premierenergies.com](mailto:vijayendra.kr@premierenergies.com)>

**Sent:** Monday, January 5, 2026 7:03 PM

**To:** Santosh Kumar (IND) <[santosh.kumar@protivitiglobal.in](mailto:santosh.kumar@protivitiglobal.in)>

**Cc:** Borra Prasanna (IND) <[borra.prasanna@protivitiglobal.in](mailto:borra.prasanna@protivitiglobal.in)>; Teja Kolliboyina (IND) <[teja.kolliboyina@protivitiglobal.in](mailto:teja.kolliboyina@protivitiglobal.in)>; Revathi Rohini Buragadda <[revathi@premierenergies.com](mailto:revathi@premierenergies.com)>; Naresh Kumar Mekala <[naresh.m@premierenergies.com](mailto:naresh.m@premierenergies.com)>; Sunil Kayitha <[sunil.kayitha@premierenergies.com](mailto:sunil.kayitha@premierenergies.com)>

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Dear Sir,

With reference to the audit observation raised in respect of the EAR policy for the Sitarampur Project, pertaining to the variance between the workings provided by the Project Team and the Capex/Finance Team, we submit the following clarification for your kind consideration.

We understand from earlier discussions, resolutions, and recommendations that confirmations from the Finance team are generally relied upon. However, we would like to respectfully submit that, in the context of EAR insurance, the declaration of values for fixing the Sum Insured is not purely an accounting exercise but is driven by project execution realities.

For EAR policies, the Sum Insured is required to represent the complete erected value of the project, including actual and anticipated costs during the course of construction. Accordingly, the declaration provided by the Project Team has been considered as the primary reference, as they are best positioned to assess the actual progress of the project, execution status, and the costs likely to be incurred up to completion.

This approach ensures that, at any point in time, the declared Sum Insured adequately covers both the incurred and projected costs, thereby mitigating the risk of under-insurance at the time of a claim. In the event that the declared Sum Insured is found to be higher upon completion of the project, the policy provides for adjustment and refund of premium, subject to policy terms and conditions, thereby addressing any potential over-insurance.

In view of the above, the variance between SAP budget figures and the values confirmed by the Project Team does not have an adverse impact from an insurance coverage perspective, and the methodology adopted is aligned with prudent risk management practices.

We trust the above clarifies the observation and addresses the audit requirement, and we request your kind consideration for closure of the audit point. Please let us know if any further details or clarifications are required.

Herewith attached relevant communications and working basis for reference

Best Regards,

K R Vijayendra Rao (VJay)- Fellow (Insurance Institute of India)., Dip. Fire Insurance.,

AGM- Insurance & Risk Management

#9160 751 575



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