

REQUEST FOR PROPOSAL (RFP)
FOR
ENGAGEMENT OF
INSURANCE ADVISOR/BROKER
FOR
ALL INSURANCE POLICIES FOR THE
YEAR- 2019-2020

Brahmaputra Valley Fertilizer Corporation Limited
(BVFCL)

Contents

• Introduction	2
• Request for Proposal	3
• Proposal for Appointment	4
- Scope of Work	4
- Eligibility Criteria	6
- Assessment Criteria	7
• Instructions to bidders	10
➤ Bid Preparation and Submission	10
➤ Remuneration	10
➤ Bid Evaluation	10

Introduction

Brahmaputra Valley Fertilizer Corporation Limited (BVFCL) was incorporated on 5th April 2002 after segregation of Namrup units in Assam from parent company Hindustan Fertilizer Corporation Ltd (HFCL). We have two operating Ammonia-Urea units namely Namrup-II and Namrup-III situated at Namrup, Assam. Our Corporate Office is also situated at Namrup. The other establishments of the company are Liaison Offices at NOIDA & Kolkata and Marketing Offices at Guwahati, & Patna. The authorized share capital and paid up capital of the company as on 31.03.2018 are Rs. 510 crores and Rs. 365.83 crores respectively.

The Namrup Fertilizer Complex was renamed as Brahmaputra Valley Fertilizer Corporation Limited after bifurcation from Hindustan Fertilizer Corporation Limited from 01/04/02. It is located on the bank of Dilli river in the south-western border of Dibrugarh District in Assam. It is the first factory in India, who use natural gas as basic raw material for producing nitrogenous fertilizer. Till the sixties Namrup was not known to the rest of the country. Discovery of oil and natural gas in Naharkatiya region promoted a serious thinking on proper utilization of gas which had to be otherwise to be flared up.

Request for Proposal

Brahmaputra Valley Fertilizer Corporation Limited (BVFCL) invites proposals for engagement of Insurance Advisor/ Broker to provide support services for all our insurance requirements for 2019-2020 and to manage the insurance portfolio of the company and assist in various insurance related matters at no cost to the company.

Proposal need to be downloaded from www.bvfcl.etenders.in "Ref No. A/MDK/INS/Tender/2019-20/3782" dated 01/03/2019 and the tender needs to be uploaded on the aforesaid website by procuring a digital ID. Only detailed complete proposals in the form indicated, received prior to the closing time and date of the proposal shall be taken as valid.

The intending insurance brokers are required to submit their proposal giving full particulars about their organization, competence and experience in this line of business along with the information, documents indicated in the attached Annexure and the declaration, signed by the authorized signatory with the Seal of the company. All pages are required to be numbered and signed by authorized signatory.

Proposal for Appointment of Insurance Advisor/Broker for all Insurance Policies for Brahmaputra Valley Fertilizer Corporation Limited (BVFCL)

A. The Scope of work of the Insurance Advisor/ Broker will be as detailed below:-

1. Pre-Placement and Placement Services:

- a) Review of all existing Insurance Policies
- b) Carrying out Risk Inspections and surveys required to understand Brahmaputra Valley Fertilizer Corporation Limited (BVFCL) end to end Insurance/re-insurance requirements.
- c) Critical examination of the existing policies which are due for renewal in terms of
 - i) Risk Coverage
 - ii) Providing basis of valuation
 - iii) Rating
 - iv) Clauses, Warranties, Conditions, Excess etc
- d) Suggesting improvement thereon and executing the same during renewal of Insurance Policies.
- e) Preparing risk notes and framing insurance tendering documents and finalizing the terms & conditions thereof in consultation with BVFCL including but not limited to
 - i) Coverage, including add-on coverage
 - ii) Excess (Monetary/Time)
 - iii) Period of indemnity
 - iv) Policy wordings,
 - v) Policy clauses and warranties.

This should be in line with laid down procedures of the company including applicable CVC guidelines.

- f) Inviting bids on behalf of Brahmaputra Valley Fertilizer Corporation Limited (BVFCL) from reputed insurance companies licensed to operate in India.
- g) Negotiation and finalizing the terms & conditions of insurance optimizing cost, cover, security and quality of service in accordance with laid down procedures of Brahmaputra Valley Fertilizer Corporation Limited (BVFCL).
- h) Scrutinizing the wordings of the final policy documents to protect Brahmaputra Valley Fertilizer Corporation Limited (BVFCL) interests with regard to claim settlement.
- i) Preparing comparative financial statement of bids-both Technical and Commercial.
- j) Assisting in other insurance related services like issuance of policy wording, endorsement, addition/ deletions of SI, speedy realization of premium refund etc.
- k) Assisting Brahmaputra Valley Fertilizer Corporation Limited (BVFCL) in placement of insurance of policies with optimized premium and required cover.
- l) Provide servicing support and design the service level agreements to be signed between the broker, insurance company and Brahmaputra Valley Fertilizer Corporation Limited (BVFCL), highlighting scope of services and timelines.

2. Claim Management.

- a) Coordinating and assisting in realization of claims as per provisions and guidelines laid down by IRDAI.
- b) Coordinating with insurers for immediate intimation and survey.
- c) Coordinating with Insurance companies, surveyors etc. for prompt settlement of claims.
- d) Documentation of claims: The broker has to assist Brahmaputra Valley Fertilizer Corporation Limited (BVFCL) on documentation from our Offices for lodging claims.
- e) Assist in resolving various queries of insurers, surveyors during claim processing.
- f) Guidance in relation to interpretation of policy wordings/Conditions, Warranties, Deductibles etc. during claim processing.
- g) To arrange for submission of monthly report on claim settlement position and pending issues.

- h) Assisting in speedy realization of premium refunds.
- i) Training of Brahmaputra Valley Fertilizer Corporation Limited (BVFCL) people on claims / insurance related issues from time to time.

3. Miscellaneous Services.

- a) Assisting Brahmaputra Valley Fertilizer Corporation Limited (BVFCL) in taking any new Insurance Policies to cover new area of risks/additional risk exposure
- b) Technical assistance and Placement of Project Insurance Policies.
- c) Keeping informed of the latest IRDA/TAC regulations and guidelines.
- d) Any other matter related to insurance and Risk management, irrespective of the location of the insurable assets including insurance matters related to Brahmaputra Valley Fertilizer Corporation Limited (BVFCL) employees.
- e) Advising Brahmaputra Valley Fertilizer Corporation Limited (BVFCL) from time to time on developments in the insurance industry having impact on the company.
- f) Broker must deploy experience team to Brahmaputra Valley Fertilizer Corporation Limited (BVFCL) plants for solving problems pertaining to insurance policies / claims as and when required.
- g) Assisting Brahmaputra Valley Fertilizer Corporation Limited (BVFCL) in relation to Risk Management including identifying, assessing and mitigating risks.

B. Eligibility Criteria

1. The bidder must have a Composite Broking License, Issued by I.R.D.A.I, for 3 consecutive years of service as on 31.3.2018. (Produce Copy of Licenses)
2. The bidder must not have undergone any disqualification/ cancellation of license by I.R.D.A.I due to any malpractices being followed by the company or any individual director (applies to JVs also). (Declaration on Letterhead signed by Authorized Signatory)
3. The bidder must have a minimum turnover of Rs. 25 crore for each year (only from, insurance broking activities) consecutively for the last 3 completed financial years i.e. 2015-16, 2016-17 and 2017-18 as per the audited financial statements which are to be submitted along with the bid. (Only Produce CA certified Letter and audited financial statements)
4. The Bidder must have handled the insurance portfolio of minimum of 5 (five) Indian PSUs as a Direct broker during the last 3 completed financial years i.e. 2015-16, 2016-17 and 2017-18. (Produce Letter of Award (LOAs) Only)
5. Net worth of the bidder must be positive consecutively for the last 3 completed financial years up to, 2015-16, 2016-17 and 2017-18. (Only Produce CA certified Letter)
6. In-house Risk Engineering team of minimum 5 members of the broker with experience of surveys in hydrocarbon risks. (Produce a letter from the Human Resource Department confirming the same).
7. The bidder must have experience in handling property policies of minimum 5 PSU as direct broker with a Sum Insured of INR 1,000 Crores or more in last 3 completed financial years that is, 2015-16, 2016-17 and 2017-18. (Produce Policy Copy)

Note: Valid documentary evidence in support of the above duly attested by the principal officer/Authorized signatory need to submitted, failing which the offer shall be summarily rejected.

Disqualifications:

- a) Submitted the Proposal documents after the response deadline.
- b) Made misleading or false representations in the forms, statements and attachments submitted in proof of the eligibility requirements.
- c) Failed to provide related clarifications when sought.
- d) Declared ineligible by the Govt. of India/State/PSUs for corrupt and fraudulent practices or blacklisted in last 2 years.

C. Assessment Criteria

Parameter	Minimum Criteria/ Documents Required	Weightage	Score
I. The bidder should be holding a composite broking license granted by IRDA for a period of minimum 3 consecutive financial years up to 31.3.2018	Attach proof of accreditation with IRDAI / Copy of licenses issued by IRDAI	10	
- 3 years to 10 years			2 Point
- 10 years to 15 years			5 Points
- Above 15 years			10 Points
II. Experience in handling Insurance portfolio for PSU/ Central PSUs in India as Direct broker /Advisor in the last 3 financial years till 31.03.2018 i.e. 2015-16, 2016-17 and 2017-18.	Attach Documentary evidence. Policy Copy/ Mandate Letter from the organization.	15	
- 5 to 10 Clients			2 points
- 11 to 15 clients			5 points
- Above 15 Clients			10 points
<i>Additional 5 marks will be given to those bidders who have such experience from minimum IPSU/CPSU clients from Fertilizer Sector.</i>			
III. Premium handled for an operational risk/Property policy for a single client within the last 3 financial years till 31.03.2018 i.e. 2015-16, 2016-17 and 2017-18 as a direct broker/Advisor.	Attach Documentary evidence by client/ insurer/ Policy copy	15	
- INR 2.5 Cr - up to INR 5 Cr.	- Minimum 1 client		2 points
- Above INR 5 Cr. – up to INR 10 Cr.			5 points
- INR 10 Cr and above			10 points
(weightage of additional 5 points shall be given to those bidders who have experience in managing INR 10 Crs and above of premium from Operational policy for <i>minimum 1 PSU/CPSU clients from Fertilizer Sector</i> in a single year as a Direct Broker/Advisor)			
IV. Total premium handled in any single year in the last 3 financial years i.e. 2015-16, 2016-17 and 2017-18 sourced from insurance of assets/ Property Policies only	Attach a self-attested declaration to this effect along with CA Certification regarding the total property premium handled by the bidder.	15	
- INR 100 Cr to INR 500 Cr			2 points
- Above INR 500 Cr. to Less than INR 750 Cr			5 points
- INR 750 Cr and above.			10 points

V. Have adequate experience in handling high-value claims in Property and Engineering line of business as a direct broker with claim > INR 5 Cr for a client in the past 3 financial years. 2015-2016, 2016-2017 & 2017-2018.	Claims (>Rs. 5 crore each) partially or fully settled from insurance companies in the past 3(three) years. (self-declaration) from the Authorized Signatory is required) along with the proof of payment – Discharge Vouchers, mails from client/ insurers. Claims Settlement date should be within last 3 years.	15	
- Less than 5			2 points
- 5 – 10			5 points
- Above 10			10 points
<i>(Weightage of additional 5 points shall be given to those bidders who have settled minimum of 1 claim of INR 100 Cr or greater being managed as Direct broker in past 3 financial years)</i>			
VI. Average Turnover (only from corporate insurance broking activities/ business) in the last 3 financial years i.e. 2015-16, 2016-17 and 2017-18.	Copy of audited balance sheet for the last completed financial year supported by turnover certificate certified by a Chartered Accountant.	15	
- Less than INR 50 Cr.			2 points
- INR 50 Cr - 150 Cr.			5 points
- INR 150 Cr – 250 Cr.			10 points
- Above 250 Cr			15 points
VII. Total number of full time employees at the time of submission of tender.	Attach undertaking duly signed by the HR Head.	10	
- 100 – 200			2 points
- 200 – 300			5 points
- Above 300			10 points
VIII. The bidder must have a fully functional office in any one place at Namrup, Naharkatia or Dibrugarh as on date of 31st March 2018/ issuance of this tender.	Attach an undertaking duly signed by the Authorized signatory of your company along with the following details: 1. Address of Branch, Phone No., Name of the Branch Head and Designation with Contact details of like email id, telephone etc. GST Certificate of the branch	5	
No			Nil
Yes			5points
Total		100	

Note:

1. Bidder who qualifies for the eligibility criteria will be considered for Assessment criteria of this tender.
2. The bidder securing the highest score in the assessment criteria will be declared as the winner and will be appointed as the insurance Advisor/ Broker.
3. In case of Tie in the marks, the preference will be given on the basis of Turnover for the bidder, only from the insurance broking activity in the financial year 2017-18.
4. Documentary evidence in support of the above mentioned selection criteria is to be submitted with the bid document, duly attested by the Principal Officer/Authorized Signatory of the Broking firm failing which the offer shall be liable for rejection.
5. In case any declaration made is found to be incorrect, the agreement will be terminated forthwith without prejudice to any other legal/penal action.
6. Experience of Participating bidder with name mentioned in their License Issued by I.R.D.A.I will only be considered. In case a new company is formed due to split of old company, failure of Joint Venture(JV) company or withdrawal of equity share in Joint Venture(JV), the new company cannot claim the experience of old JV company.
7. Job executed by a bidder for its parent company/group company cannot be considered as experience for the purpose of meeting the requirement of the above assessment criteria.

D. Instructions to Bidders

Bid Evaluation

Phase 1: Eligibility Criteria

Bidders who qualify the eligibility criteria shall only be considered for the assessment criteria for final selection.

Phase 2: Assessment Criteria

The bids will be evaluated on the basis of points obtained by the bidders as per assessment criteria above. The successful bidder will be selected on the basis of highest points obtained.

Duration of Consultancy

The tenure of the selected Insurance Broking firm would be initially for one year and may be renewed thereafter for another 2 years at the same terms and conditions of the existing order depending on the performance and the terms and conditions.

Remuneration of the Advisor/ Broker

Brahmaputra Valley Fertilizer Corporation Limited (BVFCL) shall not pay any fee/expenses/remuneration to the broker for any activity carried out by them in connection with insurance before, during or after the period of engagement. Thus there shall be no additional cost Brahmaputra Valley Fertilizer Corporation Limited (BVFCL). Broker will earn maximum brokerage as per provisions of IRDA from Insurance Company. In case due to any reason the award of contract could not materialize to the insurer as shortlisted by the insurance adviser/ broker, BVFCL will not bear any cost / expenses and or claim in this regard will be entertained by BVFCL..

Bid preparation and submission.

The bidder shall provide all the information required to be provided as per Eligibility Criteria and Assessment criteria stated above. If all the necessary information and valid supporting documents are not provided, the bid shall be summarily rejected.

Any clarification if required from the company may be sent directly to DGM(Finance), BVFCL in writing at registered office of the company at Namrup latest by 06.03.2019.

The RFP along with supporting documents credentials/certificates etc. must be uploaded www.bvfcl.etenders.in. The bids so received will be opened at 03.30 PM on 14/03/2019 (date) in the presence of authorized representatives of the bidders.

Brahmaputra Valley Fertilizer Corporation Limited (BVFCL) reserves the right to accept/reject any offer either in full or in part without assigning any reasons whatsoever.

DUE DATE:

Proposal should be submitted on or before **14-03-2019 at 3.30** PM of TBD at the above mentioned e-tendering site.

Offers should invariably be kept open for 120 (One Hundred & Twenty) days from the date of opening of the tender.

Brahmaputra Valley Fertilizer Corporation Limited (BVFCL) reserves the right to accept or reject any or all the proposals in whole or part thereof without assigning any reason.

Brahmaputra Valley Fertilizer Corporation Limited (BVFCL) intends to select one (1) Insurance Broking/Advisory Firm under contract.

During pre-qualification and evaluation of the Proposals, Brahmaputra Valley Fertilizer Corporation Limited (BVFCL) may at its discretion, ask bidders for clarifications on their proposal. The bidders are required to respond within the time frame prescribed by Brahmaputra Valley Fertilizer Corporation Limited (BVFCL).

The queries (if any) of bidders shall be send in writing through post to Brahmaputra Valley Fertilizer Corporation Limited (BVFCL) as per the address indicated in this document not later than TBA.