



# PASCHIM BANGA GRAMIN BANK

(A Govt. Enterprise)

Head Office: Natabar Paul Road, Chatterjee Para More,  
Tikiapara, Howrah-711 101.

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## Request for Proposal (RFP) for Group Life Insurance cover For our proposed PL / HL / TL /OD

RFP Refno. 02/2011

Date: 06/07/2011

Last Date for Submission of Technical & Commercial Bid	27.07.2011
Opening of Technical Bid	29.07.2011
Presentation	05.08.2011 at <b>2.30 P.M.</b>
Opening of Commercial Bid By short listed Bidders	09.08.2011 at <b>3 P.M.</b>

*This document is meant for the exclusive purpose of Bidding as per the Specification Terms, Condition and Scope indicated and shall not be transferred, reproduced or otherwise used for purposes other than for which it is specifically issued.*

**A) Background:**

Paschim Banga Gramin Bank, a Bank constituted under RRB Act 1976, hereinafter referred to as "The Bank", operating in the districts of Birbhum, Burdwan, Hooghly & Howrah having a strong customer base and with a sizable asset portfolio and catering to the needs of different demographic segment of the public, desires to introduce "**Group Life Insurance cover**" for the Loan Borrowers .

**B) Relevant provisions of the Settlement:**

In the aforesaid settlement, a window was opened for its existing and new members to exercise '**one more**' option for Loan Borrowers as under:

1. House Building Loan
2. Personal Loan/Consumption Loan
3. Car Loan
4. Education loan
5. Term Loan
6. SHG Group loan
7. SME
8. Cash Credit

**C) Purpose of Soft Loan:**

Providing borrowers & their families complete reassurance of a lasting financial security and peace of mind.

**D) Proposal:**

Looking to the genuineness of the request from our Loanee members who now wish to make an option for the scheme, Bank is considering of granting the group cover to such members broadly as under:

### Eligibility Criteria for the Loan Scheme:

Product	Group Term Insurance Product with reducing death benefit.
Persons Covered	Para B to Refer the loan borrowers.
Eligibility	All loan borrowers in the age group of 18 to 64 years and who are in good health at the date of entry in to the scheme. Coverage is upto 70 yrs.
Benefits	In the event of death of the life assured , the outstanding loan as per a prefixed loan schedule or level amount would become payable to the Master Policyholder.
Period	The term of the insurance cover is equal to the tenor of the loan upto a maximum age of 69 years, and will be rounded upto the next integer in case of term being in fractions.
Periodicity of premium	<b>Single Premium, payable in Advance.</b>
Procedure for joining	The member fills and signs the enrolment form, which also serves the purpose of a good health declaration, provides an age proof and satisfies the medical criteria (if coverage is above Non-Medical Limits).
Claim Procedure	In the event of death of the member, the nominee will submit the application with the original death certificate (issued by registrar of deaths) or other approved authorities viz. Gram Panchayet Municipality/Corporation and other relevant claims documents to the group policyholder. The same is submitted by the Master Policyholder to insurance company for settlement amount, which would be sent to the Master Policyholder on admission of claim. The Master Policyholder may pass on any balance amount to the nominee, if any. The Insurance company will have access to verify and check the records, if need so be.

The facility being basically a welfare measure for our loanee members in general, yet with the view to seek certain comfort is looking for a Group Life Insurance Cover for this group of borrowers.

A General break - up of the group both for employees and non-employees age wise will be as under approximately:

Loan Type	Number
Housing Loan	4550
Personal Loan	1217
Car Loan	183
Education Loan	735

### **E) Bidder's Eligibility (all mandatory provisions)**

- The bidder must have an **IRDA license** for procuring insurance business in India
- The bidder must have a track record of minimum **five years** of Operation in life insurance business in India as on 31.03.2011;
- The bidder should have at least **3 Tie ups with RRB**, under Group Platform and/or at least **2 Tie up arrangement** on standalone products as on 31.03.11. Tie up with PSU Bank will be considered as added advantage.
- The bidder must have a network of at least **200 outlets/branches** across the country and should have operative office in our geographical area.

### **F) Period of Tie up**

The tie up between the Insurance Company and the Bank shall be for a minimum period of Three Years, commencing from a date to be determined or finalized after the completion of the process of selection.

### **G) Minimum Specifications/Requirements to be met/satisfied by the Insurer**

- The product envisaged shall be a comprehensive one-time premium Life Policy to cover natural as well as accidental death for **the Loanee members** .
- The premium for the above risk cover should be in line with the market Conditions and competitive enough.

- The product envisaged, should clearly spell out the **non medical limit** being offered by the insurer, both in **terms of age** as well as the **quantam of loan** and in the event of requirement of medical examination before underwriting the risk, the offer should clearly spell out as to who would bear the cost of such medical examination; i.e. the borrower or the insurer. Proposal which do not clearly specify this requirement, will be treated as invalid offer.
- The company should also have a speedy claim settlement record.
- The company should be technology enabled, so as to be in a position to provide the Bank with list of the policies issued pan India with all details by the 10<sup>th</sup> of the every succeeding month.
- As the Paschim Banga Gramin Bank scheme is basically a welfare measure Bank desires that term Life cover should be made available on the following terms:
  - (a) Based on a declaration of good health by the Borrower,
  - (b) Cover shall commence immediately on receipt of the premium amount by the Insurance Company
  - (c) In case of foreclosure/prepayment of the loan account, the premium on pro rate basis should be refunded to the borrower.
- The company shall give an indemnity to the Bank to the effect that they will not use or part with the data for any purpose other than it is intended for.
- The bank desires that the insurance company should be capable of the following.
  1. The certificate of insurance should issued within a period of 15 days from the date of receipt of the premium from the Bank
  2. The certificate of insurance issued should be assigned in favour of the bank and delivered to the concerned branch only within the period stipulated above,
  3. The claims as and when received should be settled within a maximum period of 60 days from the receipt of all the relevant documents required for settlement of the claim

- The above stipulations are with the view to have a uniform matrix for the purpose of evaluation of the commercial bid as well to ensure that Successful bidder is equipped to service our branch network of over 216 Branches successfully and effectively. As such company who are not in a position to satisfy the above stipulations, under **Para G** above **need not apply.**

**H) Commencement of Coverage of Policy**

Individual Certificate of Insurance (COI) coverage issued by the company shall commence from the date **of receipt of the premium by the Insurance Company.**

**I) Period of Coverage of Individual Policy**

COI to be issued to the **loanee members shall be valid for the entire sanctioned tenure of the loan, i.e, loan repayment period as stipulated in the sanction advice.**

**J) Service & Support**

Service and support being an important aspect, the proponents we reiterate are requested to indicate their acceptance to all the stipulations above, as the customer support processes is extremely vital in the successful implementation of the process of cover as envisaged here. Any company quoting under this RFP and subsequently not being in a position to meet any of the said stipulations will be treated as disqualified and may be barred from participating in future bids floated by the bank.

**K) Quotation Format and Context**

- a. Quotations must be complete in all respects. The RFP must be signed by an authorized company representative, clearly indicating his designation along with the company seal.
- b. Emphasis should be on a comprehensive proposal with clarity of content.

- c. Quotation must be accurate. Errors, omissions, alterations of a material nature will result in rejection of a Quotation. Quotation cannot be altered or amended after the submission as per deadline. However, for proper evaluation Bank may, at its discretion, ask the bidder for clarification. The response shall be in writing and no change in premium rate or substance of the bid shall be permitted.

**L) Minimum Bid Acceptance Period**

Bids shall be firm offers and shall remain valid for acceptance by **Paschim Banga Gramin** Bank for a minimum period of THREE MONTHS following the RFP closing date (i.e. last date of submission of RFP).

**M) Submission/Opening of Bids**

1. The bidding process shall comprise of **Technical Bid (Annexure-1)** in which the company(s) will be required to satisfy all the mandatory Provisions **under item E above**, as well meet the specifications/ Requirements detailed above and **Commercial Bid (Annexure-2)**
2. **Both** the Technical Bid (**Annexure-1**) and the Commercial Bid (**Annexure - 2**) should be addressed to the  
**The General Manager**  
**Paschim Banga Gramin Bank**  
should be submitted in hisOffice on or before 2.00 PM **in separate covers** on or before **the 27.07.2011** in a sealed packet, super scribed **"Technical Bid for Group Insurance for Loanee Members of Paschim Banga Gramin BANK and Commercial bid for Loan Borrowers "** respectively. Late bids will not be accepted.
3. **The Technical Bid will be opened on 29.07.2011at 2.30 P.M.** in the chamber of the **<General Manager >**in the presence of bidder's representatives who chose to attend. The representatives who are present shall sign the register evidencing their attendance.

4. Administration charges re-reimbursable to the Bank, if any; as per norms & guidelines.
5. **The Technical bid will be evaluated first, and the Commercial bid of only such companies who fully qualify in the Technical bid will be Opened for evaluation.**

**N) Decision:**

Decision taken by the Bank as detailed above will be based on the evaluation of the Commercial Bid. The Bank's decision will be final and binding on all the bidders. **The Bank further reserves its right to reject one or all of the bids without assigning any reason whatsoever** as well withdraw this RFP at any time during the process without assigning any reason whatsoever.

**O) Communication Regarding the RFP**

This Request for Proposal is being issued by the Planning & Development & MIS Department of Paschim Banga Gramin Bank, Head Office, Howrah, which is the sole point regarding all administrative and technical matters relating to the requirements described in this RFP and is the only authority to change, modify, clarify the specifications, terms and conditions, etc. of this RFP and for the decisions taken as a result of this RFP. **Any communication in this regard may be made on the address mentioned under Para M (2) above on "Submission/Opening of Bids".**

**S.Das**

**CHAIRMAN**

## Annexure-1

**TO BE SUBMITTED ON THE COMPANY'S LETTER HEAD AND SIGNED BY THE AUTHORISED SIGNATORY WITH SEAL**

<b>TECHNICAL BID SHEET ON GROUP LIFE INSURANCE COVER FOR LOAN BORROWERS</b>
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RFP.REF No. \_\_\_\_\_ Date: \_\_\_\_\_

1	Name of the Company, Brief Background & Organisation structure			
2	Address			
3	E-mail ID			
4	Contact Person 1		Contact Number 1	
5	Contact Person 2		Contact Number 2	
6	No of India Branches /POS. (Enclosed list or any other supporting document)			
7	Date of commencement of Life Business in India?			
8	Do you have any Public Sector Bank as channel partner in banc assurance? (as on 31.03.11). If yes please mention their name(s). (RRB's to be excluded)			
9	Credit Rating of the Company if any.			
10	<u><b>Details of the Company.</b></u> <ul style="list-style-type: none"> <li>GWP for last three yrs.</li> <li>Profitability for two out of three years</li> <li>Solvency Margin Ratio for the respective Years.</li> </ul>	2008'-09	2009'-10	2010'-11

1. We have read and understood the terms and conditions of the RFP and express our agreement to them and confirm that decisions of Paschim Banga Gramin Bank with regard to RFP will be binding on us.
  2. The information contained in the bid sheet is correct to the best of our knowledge and belief.
  3. We further confirm that our company is in a position to comply with all the requirements in the RFP.
- Date: \_\_\_\_\_

Seal Of the company

(Authorised Signatory)



