

**BID DOCUMENT FOR IMPLEMENTATION OF
PRADHAN MANTRI FASAL BIMA YOJANA (PMFBY) IN ODISHA DURING 2019-20**

(Invitation of bids for selection of Insurance Companies as Implementing Agencies (IA) for “Pradhan Mantri Fasal Bima Yojana (PMFBY)” for Odisha State for 2019-20 (Both Kharif & Rabi season))

1. Two stage offers/bids (Technical & Financial) are invited from all Insurance Companies designated / empanelled by DAC&FW, Government of India for submission of their Technical bid (**Annexure-I**) and financial bid (**Annexure-II**) for carrying out implementation of “Pradhan Mantri Fasal Bima Yojana (PMFBY)” in Odisha state during the year 2019-20 (Kharif & Rabi season).
2. **Participating bidders are requested to quote for all the Clusters.**
3. **NO EARNEST MONEY IS REQUIRED**
4. The Operational Guidelines (OGs) issued by Government of India would be the final guidelines for implementation of this scheme and shall prevail in case of any conflict between the clauses in bid document & the OGs.
5. During the year 2019-20 (Kharif & Rabi season) , the PMFBY will be implemented in 30 districts (in 6 Clusters- **Annexure-IV**) of Odisha State in selected areas (Paddy, Groundnut, Maize, Arhar, Cotton, Ragi, Turmeric & Ginger in Kharif season and Paddy, Groundnut, Green Gram, Black Gram, Mustard, Sugarcane, Potato, Onion, Sunflower in Rabi season)
6. Detailed list of notified areas, District wise crop wise expected sum insured, scale of finance and **ten years yield data will be mailed to the Insurance Companies.**
7. **Indemnity Level -70% for all crops.**
8. **Coverage and Exclusions :**
 - a) **Coverage of Risks**

Following stages of the crop and risks leading to crop loss are covered under the scheme.

- i. **Prevented Sowing/ Planting Risk:** Risk coverage is to be provided if insured area for Paddy in the IU is prevented from sowing/ planting due to deficit rainfall or adverse seasonal weather conditions.
- ii. **Standing Crop (Sowing to Harvesting) -** Comprehensive risk insurance is to be provided to cover yield losses due to non-preventable risks viz. Drought, dry spells, flood, inundation, widespread pests and diseases attack, landslides, natural fire and lightening, storm, hailstorm and cyclone.
- iii. **Post-Harvest Losses -** Risk Coverage is to be made available only up to a maximum period of two weeks from the harvesting for those crops which are

allowed to dry in cut and spread/ small bundled condition in the field after harvesting against specific perils of hailstorm, cyclone, cyclonic rains and unseasonal rains. (last date by which harvesting should have been done is mentioned in seasonality discipline i.e. presumed as one month prior to submission of yield data)

- iv. **Localized Calamities** - Risk coverage is to be provided for Loss/damage to notified crops resulting from occurrence of identified localized risks of hailstorm, landslide, inundation, cloud burst and natural fire due to lightning affecting isolated farms in the notified area.
- v. **Add on Coverage for Crop Loss due to attack by Wild Animals**- To be included subject to receipt of detailed protocol & guidelines from the Govt of India.
- vi. **General exclusions**:- Losses arising out of war and nuclear risks, malicious damage and other preventable risks (refer para 5.1.6 of revised OGs of PMFBY)

b) Coverage of Farmers

- i. **Compulsory component**:- All non- defaulting farmers availing Seasonal Agricultural Operation (SAO) loans from financial institutions (i.e. loanee farmers) for the notified crop/s are to be covered compulsorily.
- ii. **Voluntary component**:- The scheme is optional for non-loanee farmers. All farmers who have not availed any crop loan and are willing to get covered under PMFBY can purchase insurance through Banks/ Insurance Companies / their designated agents & **CSC**.

9. Selection of Insurance Company as Implementing Agency (IA) : The final selection of IA from the bidders shall be done based on the lowest weighted premium quoted by the company for all notified crops within the cluster of districts (refer para XXIII.9 of Operational Guide(OG) lines of PMFBY). In case any company does not quote for one or more notified crops in various districts within the cluster, the bid will be rejected for that cluster. Selection of Implementing Agency will be made by adopting the cluster approaches as envisaged in revised OGs. The insurance company quoting Lowest weighted premium rate in the cluster would be declared as L-1 (refer para XXIII.9 of OGs of PMFBY & Clause 32(4) of revised OG for evaluation process) and will implement PMFBY for both loanee and non-loanee farmers. If any company declines after being declared L1, the company may be barred for the coming season and the L2 may be given the cluster for implementing the crop insurance scheme at L1 district-crop combination rates and so on to L3, L4 bidder as per the consent of insurance company.

10. Premium rate and subsidy: All farmers (loanee or non-loanee) enrolled under PMFBY would be entitled for subsidy on the premium. Farmers will have to pay maximum 2% of the sum insured in Kharif and 1.5% of the Sum insured in Rabi or actuarial premium rate, whichever is lower, for food crops (all Cereals & Pulses) and oil seeds and maximum 5% of sum insured or actuarial premium rate, whichever is lower, for annual commercial/annual horticulture crops. The difference between the actuarial premium rate and farmer share would be equally borne by the State Government and Central Government in the ratio of 50:50. **Based on the fair estimates of coverage, State Government will ensure to make an advance payment of 50% of subsidy liability to insurance companies and will settle the**

balance subsidy payment on submission of final figures by insurance companies.

- 11. Claim liability:** Insurers shall be responsible to settle all the admissible claims to be aroused due to the conditions/eventualities as detailed in Clause 5 of Revised Operational Guidelines of PMFBY. Insurers shall be responsible for payment of claims up to the ceiling as stated in Clause 13.3 of Revised Operational guidelines of PMFBY.
- 12. Time Lines for Claim Settlement-** All admissible claims should be settled within stipulated cut-off date failing which penal interest@12% per annum shall be payable on admissible pending claims beyond 30 days of uploading AY on portal/provided by State Govt. to the Insurance Companies. (Ref Clause 16.8 & 16.9 of Revised OG)
- 13. Bank Services Charges:** Bank and other financial institutions etc. shall be paid service charges @ 4% of the premium collected from farmers. Rural agents engaged in providing insurance related services to farmers may be paid appropriate commission as decided by the insurance company, subject to cap prescribed under IRDAI regulations. Banks may submit their Invoice in the format prescribed in the revised OG.
- 14. Notification of crops and area:** The scheme will operate on the principle of "Area Approach" in the defined areas called Insurance Unit (IU). The scheme in the state will operate on Grampanchayat unit area level for Paddy crop. For all other notified crops, Block shall be the insurance unit (list of notified crops along with notified Grampanchayat /Block is available at <http://agrisnetodisha.ori.nic.in>).
- 15. Notification of Automatic Weather Stations (AWS) :** The list of weather stations shall be as per the State's Notification.
- 16. Calculation and Notification of Threshold Yield (TY) :** Crop wise, Notified Area wise TY will be notified separately in due course of time. However, TY shall be average yield of best 5 years out of preceding 7 years Actual Yield multiplied with Indemnity Level i.e 70%.
- 17. Broad Seasonality discipline:** As per operational guide lines SLCCCI meeting has already been convened and below given Seasonality / cut off dates have been decided in consultation with all the designated / empanelled insurance companies.

Kharif Season

1.	Entry of all requisite information/data on crop insurance Portal	Within a week after issuance of notification.
2.	Loaning period (loan sanctioned/ renewed) for Loanee farmers covered on Compulsory basis.	Up to 31 st July 2019

3.	Cut-off date for receipt of Application of farmers/debit of premium from farmers account (Loanee and Non-loanee) by all stakeholders including Banks/PACS/CSC/Insurance Agents/ online enrolment of farmers etc.	31 st July 2019
4.	Cut-off date for electronic remittance of premium along with consolidated declarations to respective Insurance Company and uploading of details of individual covered farmers on crop insurance Portal by Bank branches (CBs/RRB's/DCCB's/PAC's) followed by SMS to all insured farmers from Portal.	16 th August 2019.
5.	Cut-off date for electronic remittance of farmer's premium to Insurance Companies for farmers covered on voluntary basis by designated insurance Agent(s) and uploading of details of individual covered farmers on crop insurance Portal.	2 nd August 2019
6.	Cut-off date for receipt of yield data	Paddy- 15th February 2020 Groundnut, Ragi, Turmeric, Ginger & Maize-15 th February, 2020 Cotton, Arhar- 31st March 2020
7.	Processing, Approval, and Payment of Final Claims based on yield data	Within 21 days of submission of Yield data
8.	All other cut-off dates, time lines and activities as mentioned in the OG	Deemed to be applicable in synchronization of above cut-off dates wherever applicable.

Rabi Season

1.	Entry of all requisite information/data on crop insurance Portal	Within a week after issuance of notification.
2.	Loaning period (loan sanctioned/ renewed) for Loanee farmers covered on Compulsory basis.	Upto 31st December 2019
3.	Cut-off date for receipt of Application of farmers/debit of premium from farmers account (Loanee and Non-loanee) by all stakeholders including Banks/PACS/CSC/Insurance Agents/ online enrolment of farmers etc.	31st December 2019
4.	Cut-off date for electronic remittance of premium along with consolidated declarations to respective Insurance Company and uploading of details of individual covered farmers on crop insurance Portal by Bank branches (CBs/RRB's/DCCB's/PAC's) followed by SMS to all insured farmers from Portal.	15th January 2020.
5.	Cut-off date for electronic remittance of farmer's premium to Insurance Companies for farmers covered on voluntary basis by designated insurance Agent(s) and uploading of details of individual covered farmers on crop insurance Portal.	2nd January 2020
6.	Cut-off date for receipt of yield data	Paddy- 31 st July,2020 Green Gram, Black Gram, Mustard, Sunflower, Onion- 30th June,2020 Groundnut, Potato- 31st July, 2020 Sugarcane- 30 th April,2021
7.	Processing, Approval and Payment of Final Claims based on yield data	Within 21 days of submission of Yield data
8.	All other cut-off dates, time lines and activities as mentioned in the OG	Deemed to be applicable in synchronization of above cut-off dates wherever applicable.

18. Roles & Responsibilities of Various Agencies- As per Clause 35 of Revised Operational Guideline.

19. Payment of Premium Subsidy- The advance premium subsidy shall be paid based on the assessment of the State Government. Similarly, the final premium subsidy shall be paid after receipt of complete business statistics and appropriate requisition for release of funds.

20. Dispute Redressal:

The Bidding Process, the Tender Documents and the Bids shall be governed by, and construed in accordance with the laws of India and the competent courts at Bhubaneswar shall have exclusive jurisdiction over all disputes arising under, and pursuant to and/or in connection with the Bidding Process. Any dispute relating to bid document and bidding process will be resolved by the SLTC on crop insurance.

Any dispute regarding conduct of CCE should be intimated to the District Level Monitoring Committee maximum within 3 working days. Any complaint beyond this period shall not be entertained.

The dispute related to CCEs & claims of PMFBY will be addressed by District Level Monitoring Committee of the concerned district. However, any issue that could not be resolved by the DLMC may be referred to SLMC.

The final Yield data provided by the State Government at the end of the season shall be treated as final and cannot be challenged.

21. Conditions:

- i. The selected IA must have a State level office.
- ii. The Selected Implementing Agencies(IA) should will open an office in the District Head Quarter with regular land line phone apart from mobile phone. One staff capable to handle the calls should be available in the office. **The company is to submit details of the office, officer, phone no. etc before getting the work order.**
- iii. All other conditions mentioned in the Revised Operational Guidelines issued by the Department of Agriculture, Cooperation & Farmer Welfare, Ministry of Agriculture & Farmer Welfare, Govt. of India, New Delhi are to be implemented in letter & spirit.
- iv. The Director, Agriculture & Food Production-cum-Chairman, SLTC, Odisha reserves the right to reject any or all tenders without assigning any reasons thereof.

22. Power of exemption:

Observation of above instructions on the part of the tender is strictly obligatory. However, the State Level Technical Committee on crop insurance may in any exceptional cases exempt a particular tenderer from observing one or more of the instructions / of stipulations on the recommendations of the Committee.

23. Date/ Time Schedule :

Sl. No	Activity	Time line	Venue /Website
i.	Availability of Tender Document	18.02.2019	http://agrisnetodisha.ori.nic.in .www.odisha.gov.in/all tenders
ii	Pre- Bid Meeting	25.02.2019 At 3.00 p.m.	Ist Floor Board Room of the Directorate of Agriculture & Food Production(O), Krushi Bhawan, Gopabandhu Marg, Bhubaneswar
ii.	Submission of Bid Document	06.03.2019 by 1 p.m.	Crop Insurance Cell of the Directorate of Agriculture & Food Production, Odisha
iii.	*Technical & Financial Bid Opening (in presence of bidders)	06.03.2019 at 3 p.m pm	Ist Floor Board Room of the Directorate of Agriculture & Food Production(O), Krushi Bhawan, Gopabandhu Marg, Bhubaneswar
v.	*Finalisation of Bid (in presence of bidders)	07.03.2019 at 3.00 p.m.	Ist Floor Board Room of the Directorate of Agriculture & Food Production(O), Krushi Bhawan, Gopabandhu Marg, Bhubaneswar

*No separate notice will be sent to the Bidders. They are requested to be present at the scheduled date, time & venue.

Technical Bid :

1. Details of Company Profile.

- A. Name of the Bidding Firm:
With Address of the Corporate Headquarters
 - B. Details of individual(s) who will serve as the point of contact/communication for the State Nodal Agency:
Name:
Designation:
Company:
Address:
Telephone Number:
E-mail Address:(**Company Specific, Not of Individual Person**)
Fax Number:
 - C. Particulars of the Authorised Signatory of the Bidder:
Name:
Designation:
Company:
Address:
Telephone Number:
E-mail Address:
Fax Number:
2. Date of incorporation and/or commencement of Crop Insurance Business:
 3. Proof of empanelment by Government of India under PMFBY-
 4. Bid document authenticated with seal & signature of the authorized signatory of the participating insurance company as a mark of acceptance of terms.
 5. Proposed publicity plan of the Company to improve penetration (the Company will have to take additional measures if so requested by the State Government)
 6. List of welfare activities the company desires to do if it is finally selected for Kharif-2017
 7. Name, Designation, seal, email ID, phone, mobile No. of authorized signatory.
 8. Performance of the Company in crop insurance (PMFBY & WBCIS separately) in recent years showing level of penetration among loanee and non-loanee farmers and timely claim payment.
 9. Declaration on authorized channel partner / insurance intermediaries.

(Photo Copy/Scanned copies of self attested documents are to be attached)

DECLARATION

I/WE hereby accept all the terms and conditions as mentioned in this Notice Inviting Bid.

Signature of the bidder with date and Seal

Format of Financial Bid

Date: _____, 2019

From [insert name & address of the Bidder]

To _____

Dear Sir,

Sub: Financial Bid for Implementation of the PMFBY in the Odisha State, for the year 2019-20

With reference to your Tender Document dated (Insert Date) we, [insert name of Bidder], wish to submit our Financial Bid for the award of the Contract(s) for the implementation of the Pradhan Mantri Fasal Bima Yojna (PMFBY) in the Odisha State, **for the year 2019-20**.

1. We hereby submit our Financial Bid, which is unconditional and unqualified. We have examined the Tender Documents.
2. We acknowledge that the State Government will be relying on the information provided in the Financial Bid for evaluation and comparison of Financial Bids received from the designated / empanelled Insurance companies by DAC&FW for the award of the implementation of the PMFBY in the State. We certify that all information provided in the Financial Bid is true and best to the knowledge of the company.
3. We shall make available to the State Government any clarification it may find necessary or require to supplement or authenticate the facts & figures in Financial Bid.
4. We acknowledge and declare that the State Government is not obliged to return the Financial Bid or any part thereof or any information provided along with the Financial Bid, other than in accordance with the provisions set out in the Tender Documents.
5. We are quoting the following Premium rates district-wise crop-wise for the following clusters:

FORMAT-I (Kharif Season)

Cluster	District	Insurance company's Contact person in the district	Crop	Premium Rates (in % of Sum Insured)

FORMAT-II (Rabi Season)

Cluster	District	Insurance company's Contact person in the district	Crop	Premium Rates (in % of Sum Insured)

[Note to Bidders: The Bidders are required to quote the Premium up to two decimal points. Preferably use Arial Fonts of Size 12 to fill up the Bid Documents.]

6. We acknowledge, confirm and undertake that we have an adequate reinsurance support to safeguard the interest of the farmers, State Government and Central Government
7. We also agree and undertake to abide by all the terms and conditions of the Tender Document and OGs & Revised OGs of PMFBY.
- 8.. This Bid shall be governed by and construed in all respects according to the laws for the time being in force in India. The competent courts at State capital will have exclusive jurisdiction in the matter.

In witness thereof, we submit this Financial Bid under and in accordance with the terms of the Tender Documents.

Dated this [*insert*] day of [*insert month*], 2019

[*signature*]

In the capacity of _____

Chief Underwriting Officer

Duly authorized to sign this Bid for and on behalf of _____

[*name of Bidder*]

Annexure-III

SI No	Cluster	Districts
1	Cluster-I	Mayurbhanj, Nabarangpur,Kendrapada,Deogarh
2	Cluster-II	Ganjam, Kalahandi, Subarnapur, Puri,
3	Cluster-III	Bargarh, Bhadrak, Gajapati, Jajpur, Jagatsinghpur,
4	Cluster-IV	Sundergarh,Sambalpur, Koraput, Nuapada, Kandhamal, Boudh
5	Cluster-V	Bolangir, Balasore, Malkangiri, Nayagarh, Dhenkanal
6	Cluster-VI	Keonjhar, Cuttack, Khordha, Rayagada Angul, Jharsuguda

Annexure-IV

Instruction to the Tenderers /Bidders

1. The Tenderer shall carefully go through the tender documents and fully confirm himself as per the terms & conditions contained therein before submission of tender. If tenderer finds discrepancies in or omission or in case of doubt as to their meaning, should at once notify to the Director of Agriculture & Food Production, Odisha and obtain clarification in writing prior to submission of the tender.
2. The Technical and Financial Bids should be submitted in separate sealed covers both placed inside a third Cover. Each cover should be super scribed as follows:
 - I. TECHNICAL BID FOR PMFBY- **For the Year 2019-20**
 - II. FINANCIAL BID FOR PMFBY- **For the Year 2019-20**
 - III. OFFER DOCUMENTS FOR PMFBY- **For the Year 2019-20**
3. The tender document has to be only put in to the “Tender Box” kept in the Crop Insurance Cell of the Directorate of Agriculture & Food Production, Odisha, Heads of the Deptt. Building not later than **1 p.m. (IST) of 06.03.2019**. No tenders shall be received by hand.
4. All tender documents should be clearly written in legible handwriting preferably typed.
5. Overwriting corrections and use of eraser is prohibited.
6. The offer price should be both in figures and word.
7. **The price of actuarial premium for crops should be quoted in alphabetical order.**
8. The selected bidders cannot exit the programme at any stage during 2019-20.
9. This bid document is applicable for only **For the Year 2019-20**.
10. **The Revised Operational Guideline shall be binding and is to be executed in letter & spirit.**

Check list of documents to be submitted:

1. Technical Bid duly signed by authorised signatory of the company or his representative duly authorized by such signatory.
2. Financial Bid duly signed by authorised signatory of the company or his representative duly authorized by such signatory.
3. Details of Company Profile.
4. Date of incorporation and/or commencement of Crop Insurance Business:
5. Proof of empanelment by Government of India under PMFBY-
6. Bid document authenticated with seal & signature of the authorized signatory of the participating insurance company as a mark of acceptance of terms.
7. Proposed publicity plan of the Company to improve penetration (the Company will have to take additional measures if so requested by the State Government)
8. List of welfare activities the company desires to do if it is finally selected for the Year 2019-20.
9. Name, Designation, seal, email ID, phone, mobile No. of authorized signatory.
10. Performance of the Company in crop insurance in recent years showing level of penetration among loanee and non-loanee farmers and timely claim payment .
11. Declaration on authorized channel partner / insurance intermediaries.

(Photo Copy/Scanned copies of self attested documents are to be attached)