



बँक ऑफ महाराष्ट्र
Bank of Maharashtra
एक कुटुंब एक बँक

REQUEST FOR PROPOSAL

Reference Number: BOM/ABC/05/10/2016

TO

Provide Life Insurance Cover

TO

**Existing borrowers of “Special Housing Loan Scheme of amount upto Rs.20 lakh
disbursed from 16.12.08 to 31.12.09” under Group Insurance scheme**

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NOTICE INVITING REQUEST FOR PROPOSAL (RFP)

Bank Of Maharashtra invites offers in sealed covers (technical offer and commercial offer) from Life Insurance Companies approved by IRDA for providing Life Insurance Coverage to existing Housing loan borrowers of the bank under special Housing Loan Scheme based on Govt Guidelines to the Bank dated 16.12.2008.

The details are given below:

<i>Tender Reference</i>	<i>BOM/ABC/05/10/2016</i>
<i>Last Date and Time for receipt of RFP</i>	<i>15.10.2016 up to 5.00 pm</i>
<i>Opening of technical & Financial offers</i>	<i>17.10.2016 at 03.30 pm</i>
<i>Email address</i>	<i>retail_credit@mahabank.co.in</i>
<i>Contact Telephone Numbers</i>	<i>Phone: 020-25614426</i>
<i>Sealed RFPs to be submitted to</i>	<i>Deputy General Manager, Credit Priority Department Bank Of Maharashtra Head office, 1501, Shivajinagar, Pune, Maharashtra, Pin No-411005</i>
Abbreviations	RFP: Request for Proposal Bidder: Life Insurance companies IRDAI: Insurance Regulatory Development Authority of India Bank: Bank of Maharashtra

RFP offers will be opened at the time and date mentioned above in the presence of the company's representatives who choose to attend the opening of RFP and no separate intimation in this connection will be sent to the bidders.

Technical Specifications, Terms and Conditions, the formats and proforma for submitting the RFP offer are described in this RFP document and its Annexure.

Deputy General Manager
Credit Priority
Bank of Maharashtra

INSTRUCTIONS TO VENDORS

Objective and scope of the policy

This request for proposal document (“RFP document” or RFP) has been prepared for purpose of enabling Bank Of Maharashtra (“Bank”) to select Life Insurance Companies (“Company”) for providing Life Insurance Coverage to all our existing Housing Loan Borrowers under Special Housing Loan Scheme based on Govt Guidelines to the Bank dated 16.12.2008.

The main features of the Schemes are as under:

Sr.No.	Parameters	Housing Loan
1	Loan Amount - Maximum	20 lakh
2	Tenure – Maximum	20 years.
3	Eligible age group	18 to 70 years
4	Tenure of the Scheme	Balance Tenure of the loan & renewable on yearly basis

The objective of the proposed insurance cover is to offer a group insurance cover to all the existing Housing loan borrowers of our Bank Special Housing Loan Scheme based on Govt Guidelines to the Bank dated 16.12.2008, against the risk of death due to any cause (natural, accidental or suicidal) without any rider. The scheme should cover the borrower’s life to the extent of loan liability (flat cover for the outstanding loan amount) covering for balance tenure of the loan & renewable on yearly basis. Some of the features envisaged to be incorporated in the proposed Group Insurance product are:

- i. Maximum amount of life coverage to the extent of the loan outstanding subject to a maximum of 20 lakh for existing borrowers.
- ii. The Yearly premium payable in advance. Insurance companies shall submit attractive and competitive premium structure.
- iii. The scheme should provide life cover to the borrowers without any medical examination for borrower/joint borrower.
- iv. In case of joint borrowers, any one or both the borrowers will be covered.

Two Bid Systems

Offers (Technical & commercial) must be submitted at the same time, giving full particulars in separate sealed envelopes at the Bank’s address given below, on or before the last date & time mentioned above. All envelopes should be securely sealed.

All the envelopes must be super-scribed with the following information:

- Type of Offer (Technical or Commercial)
- RFP Reference Number
- Due Date
- Name of Insurance Company
- Name & Telephone No. of contact person

2.1 ENVELOPE-I (Technical Offer):

The Technical Offer should be complete in all respects and contain all the required information as per **Annexure-B**. The Eligibility Evaluation Format (**Annexure – A**) should be enclosed as the top sheet in the Technical bid cover. The technical offer should not contain any information on premium rates. The Technical offer with any information on premium anywhere, is liable to be rejected. **Only those Bidders who fulfill the criteria as mentioned in Annexure- A are eligible to respond to the RFP.**

Bids received from Bidders not satisfying all the eligibility criteria (Annexure A) will be rejected and not taken up for the “Technical Evaluation”. Bidders not satisfying criteria for Technical evaluation (Annexure B) will be rejected and not taken up for the opening of commercial bid.

2.2 ENVELOPE-II (Commercial Offer):

The Commercial Offer should give all relevant information on premium as per **Annexure C**. Two separate envelopes containing the Technical and Commercial Offer should be submitted. Please note that if one envelope is found to contain both technical and commercial offer, then that offer will be rejected outright.

Terms and Conditions

Terms and conditions for the Vendors who submit the RFP, are specified in the section called “Terms and Conditions”. These terms and conditions will be binding on all the participants. These terms and conditions will also form part of the agreement, to be entered into with the successful bidder on the outcome of the RFP process.

Offer Validity Period

The offer should hold good for a period of 180 days from the closing date of the RFP.

Address for Communication

Asst. General Manager, Credit Department, Bank Of Maharashtra, Head Office, 1501, Shivajinagar, PUNE-411005.

Modification and Withdrawal of Offers

The Company participating in the RFP process may modify or withdraw their offer after its submission, provided that written notice of the modification or withdrawal is received by Bank prior to the closing date and time prescribed for submission of offers. No offer can be modified or withdrawn subsequent to the closing date and time for submission of offers.

Opening of Offers by Bank

RFP offers received within the prescribed closing date and time will be opened in the presence of representatives of companies participating in the RFP process who choose to attend the opening of the bids on the specified date as mentioned in the RFP document. The company’s representatives present shall sign a register of attendance. Any bid received by the Bank after the deadline for submission of bids, will be rejected.

Preliminary Scrutiny

Bank will scrutinize the offers to determine whether they are complete, whether any errors have been made in the offer, whether required information has been furnished, whether the documents have been properly signed etc.

Bank may, at its discretion, waive any minor non-conformity or any minor irregularity like the information which is already available in the public domain and not submitted by the Bidder etc in an offer. This shall be binding on all participants and Bank reserves the right for such waivers.

Clarification of Offers

To assist in the scrutiny, evaluation and comparison of offers, Bank may, at its discretion, ask some or all participants for clarification on their offer. The request for such clarification and the response thereon may be in writing also.

Submission of Eligibility and Technical Details

Only those Bidders who fulfill the criteria as mentioned in **Annexure- A** are eligible to respond to the RFP. Bidders not satisfying all the eligibility criteria will be rejected and not taken up for the “Technical Evaluation”. It is mandatory to provide the technical details in the exact format of **Technical Bid**. The offer may not be evaluated by Bank in case of non-adherence to the format or partial submission of technical details as per the format given in the tender. Technical Offers should be submitted as per **Annexure – B** along with **Annexure A** under cover of **Annexure D**.

Format for Commercial Offer

The Commercial Offer must be as per Annexure C and should be submitted along with Covering Letter as per Annexure D.

Premium offers:

The quotes should be furnished for uniform Annual premium based on outstanding of loan for a term of 5 years which may be reviewed after 5 Years. The premium calculation will be done based on outstanding of loan at the time of renewal.

Premium quotes: Should be in Indian Rupees only and per Rs.1000 of sum assured exclusive of Service Tax + cess if any.

The offers should be accompanied by an undertaking as per annexure – E.

Period of Tie up

The tie up between the Insurance Company and the Bank shall be for a minimum period of five years commencing from a date to be determined / advised after completion of the process of selection. The tie up arrangement may be renewed for a further period of 5 years or to the residual loan term AS PER Bank’s discretion and on mutual understanding, subject to satisfying performance by the insurance company.

TERMS AND CONDITIONS

1. Publicity

Any publicity by the company in which the name of Bank is to be used may be done with the explicit written concurrence of Bank.

2. Confidentiality Agreement

Disclosure of any information received by the successful bidder in course of business to parties not involved in the supply of contracted services will be treated as breach of trust and could invite legal action. This will also mean termination of the contract and disqualification of the said bidder. 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 for what it is intended for.

3. Liquidated Damages

In case successful bidder commits any breach of Contract entered into between the bank and the bidder he will be liable to the bank for any loss/ damages arising from such breach.

4. Resolution of Dispute

Bank and the company shall make every effort to resolve any disagreement or dispute arising between them under or in connection with the contract amicably and/or by direct informal negotiation. The unresolved issues shall be referred to Arbitration, one Arbitrator to be appointed by the parties if agreed upon or two Arbitrators, one to be appointed by each party. The arbitration will be governed by the Arbitration Act and Conciliation Act, 1996 **amended from time to time**. Any disputes shall be subject matter of Courts under Pune jurisdiction only.

5. Disclaimer

Subject to any law to the contrary, and to the maximum extent permitted by law, Bank and its directors, officers, employees, contractors, representatives, agents and advisors disclaim all liability from any loss, claim, expense (including without limitation, any legal fees, costs, charges, demands, actions, liabilities, expenses or disbursements incurred therein or incidental thereto) or damage, (whether foreseeable or not) ("Losses") suffered by any person acting on or refraining from acting because of any presumption or information (whether oral or written and whether express or implied), including forecasts, statements, estimates or projections contained in this RFP document or conduct ancillary to it whether or not the losses arise in connection with any ignorance, negligence, inattention, casualness, disregard, omission, default, lack of care, immature information, falsification or misrepresentation on the part of Bank or any of its directors, officers, employees, contractors, representatives, agents or advisors.

6. Governing Law and Jurisdiction

The terms and provisions of this Contracts shall be governed and interpreted in accordance with the laws of India in force and is subjected to and referred to the Court of law located at PUNE which shall have exclusive jurisdiction.

7. Relationship of Bank & The Bidder

No binding legal relationship will exist between any of the Insurance Companies and the Bank during the RFP period and until execution of an agreement.

General Instructions To Companies Participating In The RFP Process:

1. RFP document

RFP document will be available on Bank's website. Alternatively, hard copies can be collected from Asst. General Manager, Credit Department, Head Office, 1501, Shivajinagar, PUNE-411005.

2. No Commitment to accept Lowest or any Offer

Bank shall be under no obligation to accept the lowest or any other offer received in response to this RFP notice and shall be entitled to reject any or all offers including those received late or incomplete offers without assigning any reason whatsoever. Bank reserves the right to make any changes in the terms and conditions of offer. Bank will not be obliged to meet and have discussions with any Vendor, and or to listen to any representations. Mere participation in the bid process does not confer any right on the participant for being selected.

3. Erasures or Alterations

The offer should be neatly typed and no hand-written addition/alterations should be there. Such additions/alterations will make the offer ineligible. Technical details must be completely filled up. Bank may treat offers not adhering to these guidelines as unacceptable.

4. Location

Bank of Maharashtra, Head Office, 1501, Shivajinagar, Pune-411005 is calling for this RFP. However, the loans are sanctioned at various branches located through out the country including branches that may be opened in future & loan accounts are transferred to them.

5. Premium payment terms:

The premium shall be payable in advance at the time of commencement of the Insurance Scheme based on actual loan outstanding amount & thereafter every year on renewal date for the balance outstanding amount , till the term of contract.

6. Negotiation

It is absolutely essential for the vendors to quote the lowest rate at the time of making the offer in their own interest, as Bank may enter into a price negotiation, if necessary, only with the lowest offered company and whose offer is found to be technically compliant.

7. Short-listing of Companies or Evaluation Process:

Bank will create a short-list of technically qualifying companies (as per Annexures A & B) and the commercial offers (as per Annexure C) of such companies only will be opened. The final selection of insurer will be based on technical qualifying and Commercial offers quoted. Bank may, as its discretion asks shortlisted companies to make power point presentation for evolution and comparison of offers to bank officials.

8. Right to Alter Terms & Conditions:

Bank reserves the right to alter the terms of offer specified in the RFP document, including the last date for submission of bids.

9. Signing of Contract:

The Vendor whose bid is accepted shall have to execute an agreement containing terms and conditions of contract including indemnity, non-disclosure clauses etc. This agreement will be in addition to the Master Policy to be issued by insurance company.

Bank reserves the right to select the next ranked bidder if after selection the selected bidder withdraws his offer or bank detects wrong or misleading information in the proposal.

In case the selected bidder withdraws his offer, Bank reserves right to take such action as it deems fit including claim for damages.

10. It shall be sole responsibility of Insurance Company to comply with all statutory and regulatory provisions (including RBI and IRDA) while delivering the services mentioned in the RFP. +

ELIGIBILITY EVALUATION FORMAT

This sheet should be enclosed as the top sheet in the Technical bid cover.

Sr No	Eligibility Criteria	Yes	No	Details / Remarks if any
1	The bidder must have a valid IRDA license for procuring life insurance business in India and should have a minimum solvency ratio of 1.5 as of March 31 st 2016			Solvency Ratio of the company as on 31.03.2016, enclose audited or CA certified solvency ratio certificate. Enclose IRDA license
2	The bidder must have a track record of minimum FIVE years of operations in life insurance business in India as on 31.03.2016.			Date of commencement of Life Insurance Business in India
3	As on 31.03.2016, the bidder should have a tie up arrangement for Group Life insurance with a minimum of one scheduled commercial bank or an NBFC with loan disbursements over Rs. 500 Crs per annum			Please mention name (s) of the scheduled Commercial Bank or NBFC with whom you have tie up arrangement. _____
4	The bidder must have a network of at least 100 branches spread all over India to extend satisfactory service to all our branches across the country.			No of all India branches. (Pl enclose list). Listed branches should be IRDA approved and operational
5	The bidder must have average annualized new business premium collection of more than Rs. 750 Crore for the last three years (i.e. 2013-14, 2014-15 and 2015-16).			Premium collection for the last 3 years, 2013-14, 2014-15, 2015-16.
6	The Bidder should have a minimum claim settlement ratio on group credit/group term business of 80% as on 31.03.2016 and overall claim settlement of over 80%			Claim settlement ratio of the company as on 31.03.2016 for group business and overall claim settlement ratio _____

Seal & Signature of the authorized signatory

Note:

1. The bidders shall ensure to enclose/attach the relevant documents in support of each of items under **item 1 to 6** above and shall make a “**tick**” against **yes** or **no** confirming whether they are satisfying the said criteria.
2. Bidders not satisfying all the eligibility evaluation will be rejected and not taken up for the “technical evaluation”

Points of Tech Bid	Parameters	Participants to submit proposal on under mentioned points.	Remarks
1. Scheme Coverage	Category	Group or others	
	Insurance Coverage	Insurance benefit must cover for payment of outstanding balance till the date of settlement on occurrence of following events: a. Death of the borrower b. Death of any of the joint borrower	
	Commencement	Date of commencement of operation of the scheme will be on the date of payment of premium	
2. Terms	Age	a. Minimum at entry level : 18 years b. Maximum at entry level : 70 years c. Maximum Maturity age : 75 Years	
	Sum Assured	a. Maximum : 20 lakh	
	Term	a. Minimum:- 1 Years b. Maximum: - 20 years	
	Cover	All borrowers availing loans sanctioned under the respective schemes are to be covered	
	Medical requirement	The scheme should provide life cover to the borrowers without any medical examination	
	Restrictions/ Exclusion if any	Exclusions if any should be specified.	
3. Operational Issues	Scheme of operation & servicing	Methodology for operationalising the scheme & MIS requirements with periodicity.	
4. Others	Claim Settlement procedure	a. Provide claim settlement process b. Claim settlement TAT	
	Refund of premium	a. Any provision for refund of premium in case of foreclosure of loan. b. On mid-term cancellation of the master policy	
	Complaint resolution	Complaint resolution mechanism adopted by the company to be furnished	
	Documents	Documents required generally	

Seal & Signature of the authorized signatory

1. Premium rate should be per Rs.1,000/= of sum assured exclusive & inclusive of Service Tax + cess, if any and will be valid for next five years.
2. Age at entry level shall be as per Bank's Housing Loans scheme.
3. Maximum maturity age shall be as per Bank Housing Loans scheme.
4. Tenor of the loan shall be as per Banks Housing Loans scheme
5. Companies have to quote for Annual premium.
6. For computation of premium age as on last birthday to be considered.
7. Any other charges to be specified.

Premium Offer

	Rate/000 Sum Assured In Rs
Premium Rate without Service Tax	
Premium Rate inclusive of Service Tax	

Seal & Signature of the authorized signatory

RFP Offer Covering Letter

Annexure - D

Date: _____ 2016

RFP Reference No.: _____

To:
Asst. General Manager
Credit Department
Bank of Maharashtra
1501, Shivajinagar,
PUNE – 411005

Having examined the RFP documents and terms of offer, we offer to provide Life Insurance Cover to Housing Loan borrowers of the Bank in conformity with the said RFP documents in accordance with the Technical Bid / Commercial Bid of this RFP.

If our RFP offer is accepted, we undertake to commence operation of the scheme within _____
(Number) days.

We agree to abide by this RFP offer till 180 days from the closing date of tender and our offer shall remain binding upon us and may be accepted by the Bank any time before the expiry of such period.

Until a formal contract is prepared and executed, this RFP offer, together with the Bank's written acceptance thereof shall be binding on us.

We understand that the Bank is not bound to accept the lowest or any offer the Bank may receive.

Dated this _____ day of _____ 2016

Signature: _____

(in the Capacity of:) _____

Duly authorised to sign the tender offer for and on behalf of

UNDERTAKING BY THE COMPANY

We, during the course of operation of the scheme may be having access to restricted/confidential/Internal information/data of the bank and therefore, we undertake that:

1. We will not disclose or make available to any third party, any confidential, internal information of the bank or information about its clients nor will grant direct access to such information.
2. We will maintain such confidentiality during the period of contract with the bank as well as after the termination of such contract.
3. We will protect confidential / internal information of the bank from loss and unauthorized use and manipulation and will indemnify the Bank in case of reputation loss or any kind of loss.

Seal and Signature of authorized signatory