



**Reply to Queries**

Date: 09.03.2020

Request for Proposal (RFP) for procurement of Group Personal Accident Insurance Policy for account holders of select deposit schemes of the Bank was floated on 29.02.2020. Pre-bid meeting with the insurance companies was held on 06.03.2020. Reply to the queries received by e-mail upto 05.03.2020 and during pre-bid meeting are produced hereunder.

**1. Claim Information (claim MIS) for last 3 years – Count, Amount and Type of claim is required type of account wise.**

Ans – 'Nil' claim in last three years for Mahabank Royal & Purple Saving scheme, Mahabank Saraswati Scheme, Mahalaxmi Scheme, Maha Suraksha Payroll Scheme.  
Mahabank Salary Saving Scheme – New Product, yet to be introduced.

**2. Expiring policy rate and Insurer?**

Ans - Insurer is United India Insurance Company.

**3. Policy will be on named or unnamed basis?**

Ans – Policy will be on named basis. Appropriate mutually agreed modality shall be decided by the Bank and the successful bidder.

**4. Are all account holder for the named account in tender covered in this policy? Or is there any guideline of bank for providing coverage to select account holders?**

Ans – All account holders of the said products will be covered under this policy / policies.

**5. Premium is being borne by whom?**

Ans – Premium will be borne by the Bank.

**6. Location of account holders?**

Ans – PAN India.

**7. As there are Police and Defense Personnel being covered, please arrange breakup of no. of such lives covered – type of defense wise, and location wise. For e.g. – How many are from Army, Navy, etc. and which location and State.**

Ans – Breakup of no. of persons covered defense wise is not available as our product does not differentiate between defenses.

State wise number of accounts of the defense personnel under Maha Suraksha Payroll



Schemes as on February 2020 as under.

<b>Mahasuraksha Payroll Number of Accounts Statewise</b>	
<b>State</b>	<b>29-Feb-20</b>
ANDHRA PRADESH	56
ARUNACHAL PRADESH	3
ASSAM	91
BIHAR	130
CHANDIGARH	5
CHHATTISGARH	174
DADRA & NAGAR HAVELI	10
DELHI	185
GOA	13
GUJARAT	150
HARYANA	69
HIMACHAL PRADESH	10
JAMMU & KASHMIR	1
JHARKHAND	43
KARNATAKA	252
KERALA	2
MADHYA PRADESH	694
MAHARASHTRA	17698
MANIPUR	5
MIZORAM	1
NAGALAND	2
ODISHA	11
PUNJAB	48
RAJASTHAN	66
SIKKIM	1
TAMILNADU	37
TELANGANA	58
UTTAR PRADESH	275
UTTARANCHAL	24
WEST BENGAL	52
Grand Total	20166



**8. Coverage of the schemes given in the tender is same for past 3 years or changed, if it has been help with the details of the same.**

Ans – Coverage of the schemes given in the tender is same for last 3 years. But Mahabank Salary Saving Account is yet to be launched.

**9. No. of account holders for last 3 years.**

Ans – Details of account holders for last 3 years approx.

Sr No.	Type Of Account	Approx. No. of Accounts		
		Mar-18	Mar-19	Feb-20
1	Mahabank Purple Savings	4200	3600	3500
2	Mahabank Royal SB	11200	10600	10000
3	MahaSurakshaPayroll (Commisioned & Police Officers)	500	800	1000
4	MahaSuraksha Payroll ( Defence Personnel, [Police Personnel - Others)	18200	19000	19000
5	Mahabank Salary Saving Account	-	-	-
6	Maha Laxmi	60000	62000	65,000
7	Maha Sarawati	8200	7500	7,500

Approximate number of accounts under each product/ scheme has been provided in Annexure A of RFP. There is a typo in Annexure A with respect to number of accounts of Maha Laxmi and Maha Saraswati schemes. Corrected Annexure A has been published in the Bank's website

Mahabank Salary Savings Account scheme is a new scheme to be rolled out. Expected number of accounts under the scheme within one year is 2,50,000.

**10.Details of present insurance cover available to these account holders with respective sum insured applicable for each category of account holder given in the RFP.**

Ans – Data is already mentioned in Page 8-9 of the RFP. Present and proposed insurance cover for all existing deposit schemes remain the same.

**11.Since when this cover is existed for specified account holders as described in RFP?**

Ans -

Sr No.	Type Of Account	Cover offered from
1	Mahabank Purple Savings	January 2015
2	Mahabank Royal SB	January 2014



3	MahaSurakshaPayroll (Commisioned & Police Officers)	January 2012
4	MahaSuraksha Payroll ( Defence Personnel, [Police Personnel - Others)	January 2012
5	Mahabank Salary Saving Account	New product to be introduced
6	Maha Laxmi	July 2008
7	Maha Sarawati	September 2008

12. On page no. 7, under head Eligibility criteria, following points are mentioned, which later in the proposal do not form part of Annexure C- Eligibility Criteria Compliance (Page no. 30).

- (iii) The bidder should have the minimum solvency ratio of 1.50 as on 31.03.2019
- (v) The bidder should have a positive net worth during the last three years i.e. 2016-17, 2017-18 and 2018-19,
- (vi) The bidder organization must have at least any two years' Operating Profit in the last three years.

Ans – The mismatch pointed out has been rectified. Amended Eligibility Criteria and Annexure C has been uploaded in the Bank's website.

13. On page no. 19, point no. 26, Bank has requested for Earnest Money Deposit of Rs. 1,00,000/- .

**GI council and IRDAI have advised General Insurers and Standalone Health insurers not to submit EMD or performance guarantee on tendering. (Ref: As per "Tendering for Insurance Protection" adopted by Executive Committee at 43<sup>rd</sup> EC meeting held on 6<sup>th</sup> October 2007. Also, at 59<sup>th</sup> EC meeting held on 17.7.2009, "it was once again agreed by EC members that no payment in any form like EMD, Tender Fee, Bank Guarantee, Security Deposit, Performance Guarantee, etc. would be paid by any insurer while quoting for a tender.")**

Ans – Deposit of earnest money / bid security of Rs 1,00,000/- has been waived off.

14. One of the eligibility criteria is as under :

The bidder organization must have at least any two years' Operating Profit in the last three years. Our financial results for past three years shows that we have operating profit in 2017-18 and sustained operating losses during 2016-17 and



**2018-19. The criteria of Operating Profit should be waived off as we being a PSU Company have to implement various Social Insurance Schemes which are not subject to earn underwriting Profits.**

Ans- Two years' operating profit eligibility criterion has been waived off.

**15. Under eligibility criteria (IV), it is stated that**

**The bidders must have an existing relationship with at least 3 clients regarding offering General Insurance Policies.**

**Please confirm whether we require any letters from 3 such clients?**

Ans - Letter from the client or copy of policy document or any other satisfactory document in support of existing relationship with at least 3 clients is required.

**16. What will be the amount of Probable Maximum Loss (PML), Estimated amount of accumulation of risk at a particular Place and Time?**

Ans – Insurance Companies will be in a position to ascertain the probable maximum loss (PML) better than the bank, as they are in the business of calculation of risk.

**17. The Mahabank Salary Saving Amount (Page No. 9 – Sr. No. 5 of sum Insured Details) – Is this section applicable only for the Employees of Bank of Maharashtra? If not, please provide details.**

Ans – No, this product is not for Bank of Maharashtra staff members. It is a salary account for employees of State/ Central Govt., PSUs and Corporates. Product will be introduced after onboarding of insurance.

**18. In scope of cover (Page No. 8), the cover is also required for permanent partial disability (PPD). However, there is no mention of words “on percentage of PPD as declared by Civil Surgeon”. Said percentage is applied on the Capital sum Insured for the particular Insured Person.**

Ans – PPD cover shall be on percentage of PPD as declared by Civil Surgeon, subject to maximum of Rs.20 lakh.

**19. On page No. 9, for Maha Bank Salary Saving Employees, in Sum Insured Details, Permanent Partial Disability (PPD) cover of Rs 20 Lakhs is mentioned. This should be replaced by the words “on Percentage of PPD as declared by civil surgeon, subject to maximum Rs 20 Lakhs”.**

Ans – PPD cover shall be on percentage of PPD as declared by Civil Surgeon, subject to maximum of Rs.20 lakh.



**20. In the Sum Insured Details of Mahabank Salary Saving Account, Golden Hour Cashless Treatment of Rs 1 lac is mentioned, whereas, in scope of cover (Page No. 8) there is no such Golden Hour Cashless Treatment).**

Ans – Scope of cover updated / amended and given as under :

<b>Scope of Cover</b>	<ul style="list-style-type: none"><li>• Accidental Death Cover to Account Holders of select deposit Schemes of Bank of Maharashtra as per details given below.</li><li>• Accidental Insurance including Accidental Death, Permanent Total Disability, Permanent Partial Disability, and Air Insurance as applicable to Select Deposit Schemes of Bank of Maharashtra as per details below.</li><li>• After the incident of accident Golden Hour Cashless treatment upto Rs. 1 lakh</li><li>• Terrorism Cover/Naxalite/Militant Activities to be covered</li><li>• Death due to Animal Bite/Insect Bite/AOG Perils/RSMD to be covered</li><li>• Worldwide Cover 24x7 Cover</li><li>• Services on duty with any armed force</li><li>• Age 18 years and above, other than Maha Saraswati Scheme where it is 10 years &amp; above</li><li>• In case of failure to pay the Insurance amount, and if any claim arises through court etc, the insurance company shall be liable.</li></ul>
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**21. Total number of Accounts are 3,56,000 (approx.). Kindly confirm whether the risk will be issued / Attached only in respect of Primary Account Holder and not to the joint Account Holders name.**

Ans – Risk is covered only in respect of Primary account holder.

**22. Trust, the Policy will operate only for active account holders. Please convey the criteria for active and dormant / inactive accounts.**

Ans – Policy shall cover all account holders of the said products.

**23. Golden Hour Cashless treatment upto Rs 1 lakh –**

- (a) whether treatment taken only under IPD is covered or both IPD and OPD are covered; or only OPD treatments are covered?
- (b) what shall be the time duration during which the Golden Hour Cashless treatment should operate?



**(c) whether treatments taken only in registered medical establishments covered ?**

Ans – (a) Cover shall be for IPD treatment only.

(b) Time duration for Golden hour cashless treatment shall be upto 24 hours from the occurrence of accident.

(c) Treatment in other than registered medical establishments shall also be reimbursed upto the specified amount.

**24. In case of claim documentation, if post-mortem is not conducted, then what documents are proposed to be acceptable?**

Ans - If post-mortem is not conducted then certificate issued by competent authority to declare a person dead due to an accident as per law of the land shall be acceptable.

**25. Kindly be informed that as per standard procedure, 7 years period is necessary for declaring a missing person dead?**

Ans – Law of the land in this respect shall be applicable.

**26. Regarding 'Fail clause', the same is not acceptable because each risk / policy is tailormade and there are complex actuarial calculations involved in determining the rate. Hence it is generally not possible for us to transpose the rates of one policy to another policy.**

Ans – 'Fail Clause' has been removed. Amended Integrity Pact Annexure B has been uploaded in Bank's website.

**27. Please provide the average monthly income for each variant separately.**

Ans – As per our product, there is no criteria of average monthly income. So all account holders under the respective products, irrespective of income of accountholder, are covered.

**28. Whether this insurance is mandatory basis or voluntary basis, please confirm.**

Ans – Insurance is mandatory to all account holders of the product.

**29. Will the members be enrolled on named basis?**

Ans – Policy will be on named basis. Appropriate mutually agreed modality shall be decided by the Bank and the successful bidder.

**30. How many members are expected to enroll initially at the time of issuance?**

Ans – Expected number is mentioned in the RFP (refer Annexure A). Amended Annexure A has been uploaded on Bank's Website.



31. Please confirm last 3 years claim experience in below format.

Ans –

Policy Period	No. of members covered (all schemes put together)	Premium collected	Claim from 2017 - 2020							
			Claim lodged		claim settled		claim Repudiated		Claim under Process	
			No.	Amt	No.	Amt	No.	Amt	No.	Amt
2017-18	102300	Confidential	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
2018-19	103500		Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
2019-20	106000		Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil