



REQUEST FOR PROPOSALS

FOR

PROVIDING INSURANCE BROKERAGE SERVICES

FOR THE PERIOD 01-07-2019 upto 30-06-2020 (12 MONTHS)

Tender No	AGCL/INS-BR/2019/48
RFP Issue Date	26 th June 2019
Last date of Proposal Submission	8th July 2019 2:00 pm IST
Date of Opening Bids	8 th July 2019 2:30 pm IST
Non Refundable Fees	Rs. 2000.00 (Rupees Two Thousand only)
EMD	NIL
Proposal Submission	Sealed Single Stage
Proposal Validity	90 days from scheduled date of bid opening

**PREPARED & ISSUED BY
Insurance Committee
Assam Gas Company Ltd**

Request for Proposals
Providing Insurance Brokerage Services to
Assam Gas Company Ltd
for the 12 (twelve) months period
1st July 2019 to 30th June 2020

1. AGCL invites sealed proposals under single stage system from interested, experienced and established IRDA licensed insurance brokerage firms to aid, advice, actively support, manage the company's insurance requirements and facilitate the company's dealings with its Insurers at no cost to Assam Gas Company Ltd. for the period starting from 1st July 2019 (or any day thereafter) to 31st December 2020. The Broker will be expected to manage and improve the insurance portfolio of the company and assist in various insurance related matters. **It is categorically stated that Assam Gas Company Ltd shall not pay any fees or incidental expenses to the Broker.** The Broker shall ensure that at all times cordial relations are maintained between the Broker, Company, Insurer, Surveyor, etc. and will endeavour to settle any outstanding issues mutually through discussions and joint sittings. Litigation as a tool for claim settlement / dispute resolution is to be avoided as far as possible.
2. Assam Gas Company Ltd., a Govt. of Assam Undertaking was incorporated on March 31, 1962 in Shillong as a limited company wholly owned by the Government of Assam to carry out all kinds of business related to natural gas in India. Over the years the company grew from strength to strength and stands today as one of the premier dedicated natural gas transmission and distribution companies in India.
3. The gas transmission and distribution network consists of steel pipelines and PE pipelines of various diameters and associated infrastructure. It has a network of about 750 kms of buried natural gas steel pipelines and over 1100 kms of distribution pipelines (mainly PE) that serves about 400+ industrial consumers (mainly tea factories), 1000 commercial establishments, about 32,000 domestic consumers and several big industrial consumers in the districts of Dibrugarh, Tinsukia, Sivasagar, Charaideo, Jorhat and Golaghat in Assam. It has its present headquarters in the oil town of Duliajan in the district of Dibrugarh, Assam, India. The Company has a capacity to transport 5.5 MMSCMD of natural gas. Over the years AGCL has established branch offices in 14(fourteen) different locations in Assam.
4. Other than the Pipelines , the other major assets are the present 9 (nine) gas engine driven gas compressors at Duliajan. One gas booster compressor at Uriamghat (near Golaghat) which is under BOO contract.
5. Presently the Company's Authorized Share Capital is Rs. 20.00 Crore and Paid Up Capital is Rs 16.91 Crore. Assam Gas Company Ltd. has been declared as a Category 'A' by the Govt. of Assam. The Company is profit making and has been paying regular dividends to the Govt. of

Assam. The Annual Reports for the last two completed financial years are available in the website www.assamgas.org/financial.php

6. The company operates under the regulations framed by Petroleum & Natural Gas Regulatory Board (PNGRB), Govt of India. Technical Audit was conducted by PNGRB and a Mitigation / Asset Replacement Plan is being executed to make the company compliant to the Technical Standards & Specifications including Safety Standards (T4S) Regulations of PNGRB. The Company has in place HSE Policy, ERDM Plan, IMS, HAZOP, etc.
7. AGCL is having two Fire Tenders along with permanent fire fighting staff. The company has also acquired one specialized Emergency Response Vehicle loaded with equipments necessary to respond to any emergent situation in pipelines / gas grids. AGCL maintains a large numbers of portable fire fighting equipments at various locations. The company is also a member of the Mutual Aid Scheme along with OIL, BVFCL, NEEPCO, NTPS, AOD, APL, DNPL, district administrations of Dibrugarh and Tinsukia for sharing resources in case of any fire / emergency. It is to be noted that the assets of the company were last valued by a registered valuer in September 2017. It has not been re-valued thereafter.
8. All matters regarding the Insurance Brokerage shall be handled through a single point of contact between the Company and the Brokerage. It is preferred that the point of contact be established with the local service unit manned by an IRDA Certified Official. You are requested to furnish the contact details including email ID and contact number for our record.
9. ***Assam Gas Company Ltd reserves the right to accept / reject any or all offers either in full or in part and / or accept any offer without assigning any reason whatsoever.*** In the event of any ambiguity in the proposal with regard to any aspect, the interpretation of the Company shall be final and binding on the Broker. AGCL is absolved of any loss on this account.
10. **Other Terms & Conditions**
 - (a) At any point of time prior to the deadline for submission of proposal, AGCL may at its discretion and for any reason whatsoever, modify / cancel the RFP, extend the due date of submission, etc. All such changes shall be notified in the company's website [www.assamgas.org] only and no communication shall be made to individual bidders.
 - (b) Queries, if any, raised by bidders upto 10 days before the scheduled bid submission date will be responded to through Corrigendum(s) in the website only. After this date queries may not be replied.
 - (c) The company will select only one Broker who:
 - (i) Qualifies as per the Bid Qualification Criteria
 - (ii) Obtains the highest score as evaluated by the company. Proposals from only those bidders who are qualified through the BQC process shall be taken up for quantitative evaluation. In case of a tie between two or more bidders at any position, then preference will be given to the bidder having higher turnover in the last audited financial year from Insurance Broking activities excluding Group Medclaim and Group Personal Accident Policies.

- (d) During evaluation of proposals, the Company reserves the right to seek clarifications from the bidders on their proposals. If satisfactory replies are not received within the given time frame, the bids shall be considered non responsive and rejected.
- (e) The tenure of the selected Insurance Broking firm would be initially for a period of 12 (twelve) months with effect from 1st July 2019 (or any date thereafter) upto 30th June 2020 and may be extended thereafter for maximum another one year term entirely at the discretion of the company, satisfactory performance of the Broker and the benefits derived by the Company in involving an Insurance Broker. The company reserves the exclusive right to amend the terms and conditions of appointment of the Insurance Broker during the contract period / extended contract period.
- (f) The company reserves the right to terminate the appointment at any time by serving a Notice of 3 (three) months should the Insurance Broker fail to meet the objectives of appointment of the Broker and/or unable to facilitate smooth transactions between the Insurers and the Company or any other reasons whatsoever.
- (g) If any information submitted as part of the bid is found to be false and / or misleading, the company reserves the right to disqualify / terminate the appointment of the Insurance Broker. The appointment of the Insurance Broker will also be terminated if the license of the Broker is cancelled / suspended by IRDA for any reason whatsoever during the contract period and / or is declared ineligible by concerned authority / Govt of India.
- (h) No fees or incidental expenses shall be paid to the Insurance Broker at any time prior to appointment, during the contractual period or after the contractual period.

11. **Sealed Bids will be accepted upto 2:00 pm of Monday, 8th July 2019** and will be opened on the same day at 2:30 pm. The Bids will have to be addressed to Managing Director, Assam Gas Company Ltd., P.O. Duliajan, Dist: Dibrugarh, Assam 786 602 and sent to & Ms Nayanmoni Hazarika, Member, Insurance Committee, Assam Gas Company Ltd. All bids must be accompanied with a **non refundable Tender Fee of Rs. 2000.00 (Rupees Two Thousand only)** in the form of Demand Drafts payable at Duliajan in favour of 'Assam Gas Company Ltd'. The Bidders who had bid earlier against Tender No AGCL/INS-BR/2019/13 dated 25th April, 2019 and are interested to Bid again need not pay again but refer to the Tender Fees paid earlier. Late offers for any reason whatsoever is liable to be rejected outright. If there is a holiday or bandh on that day, the submission date will be next working day at the same time. Offers made by fax or e-mail will not be accepted, nor any subsequent changes in the quotation will be entertained. The envelope cover shall contain the name of the brokerage company and superscribed '**Tender for Insurance Broker – 2019-20 Ref: AGCL/INS-BR/2019/48**' and sent to:

Ms Nayanmoni Hazarika, Member
Insurance Committee
Assam Gas Company Ltd
P.O. Duliajan
Dist: Dibrugarh Assam 786 602

12. Company has covered its assets and interests through 15 (fifteen) insurance packages. Except for the Group Term Insurance (GTI) package serviced by LIC (P&GS), Jorhat, all other insurance packages are tendered annually between the PSU insurers. All policies cover the period 1st January to 31st December. The total premium paid for the year 2019 for insurance of assets and interests was about Rs 1.00 Crore (Rupees One Crore only).

13. The insurance packages along with the last sum insured are listed below:

SOR/ PKG	Policy Type	Policy Details	Sum Insured
SOR 1	SFSP MS Pipeline	Standard Fire and Special Perils Policy with EQ, Terrorism and various Add-on Excluding STFI Cover	5,91,98,85,151
SOR 2	SFSP CNG Stations, SCADA System, PRS, Odorisation, TRS, Gas Flow Meter, Mechanical Flow Meter	Standard Fire and Special Perils Policy with EQ, STFI, Terrorism and various Add-on	20,71,43,378
SOR 3	SFSP Office & Other Building	Standard Fire and Special Perils Policy with EQ, STFI, Terrorism and various Add-on	33,46,99,576
SOR 4	IAR (Industrial All Risk Policy)	Material Damage: Fire and various add-on like EQ, STFI, Escalation, Terrorism, Omission to Insure, Start up, Architect Fees, Removal of Debris	65,68,43,619
		Material Damage: Machinery Breakdown	52,60,22,898
		Fire Loss of Profit	70,00,00,000
SOR 5	PLI Act	Any one Incident : Any one Year = Rs. 5 Crs : Rs. 15 Crs	5:15 Crores
SOR 6	CGL (Commercial General Liability Policy)	Any one Incident : Any one Year = 1:1 (Rs. 25 Crs : Rs. 25 Crs) for Public Liability Section Only	25:25 Crores
SOR 7	Marine Inland Open	ITC (A) + SRCC Cover for Store, Spare, Capital Goods	1,00,00,000
SOR 8	Money Policy	Cash in Transit ,Cash in Safe, Cash in Hand	1,00,00,000
SOR 9	Fidelity	15 employees (Unnamed Persons) on Floater basis : SI - Rs 8,00,000/-	8,00,000
SOR 10	GPA	Group (Named) Personal Accident Insurance Policy without Medical Extension	18,26,00,000
SOR 11	Motor Vehicles	Comprehensive policy with Zero Depreciation Cover where Applicable	1,49,91,042
SOR 12	SFSP for Stock	Fire Policy with EQ and STFI, Terrorism and Floater Cover for Store, Spare & Consumable Items	18,36,00,000
SOR 13	Burglary for Store, Spare & Consumable Items	Burglary Policy with Theft Extension & Floater Cover for Store, Spare & Consumable Items	18,36,00,000
SOR 14	Burglary for TRS, PRS Including Odorisation Unit and SCADA System	Burglary Policy with Theft Extension for TRS, PRS Including Odorisation Unit and SCADA System with Spare parts of SCADA System	14,85,52,032
SOR 15	D&O	Directors And Officers Liability Insurance	Rs. 10 Crores
SOR 16	GMC (not purchased till date)	Group Medclaim Policy for Retired employees & Spouse and Dependent Parents of Existing employees	15,65,00,000

14. In case of any dispute between the company and the Insurance Broker, a committee of officials of AGCL and Insurance Broker will be constituted to resolve the dispute. The decision of the committee will be binding on both the parties.

SCOPE OF THE INSURANCE BROKER

The scope of the Insurance broker shall include at least the following. If any work is not specifically mentioned but required for completeness of the services to be rendered by the Broker the same shall be in the Broker's scope. The broker shall also prepare a General Policy on Insurance of Assets and Interests for the company within first 90 days of award of Work Order. Valuation of assets and interests is excluded from the scope of the Broker. However, the Broker shall provide all necessary support for carrying out the valuation including preparation and evaluation of tenders. Timelines for the activities will be determined during the Kick Off meeting with the selected Broker.

It is being made clear that the Insurance Broker shall primarily play the role of a facilitator between the Company and the Insurer. Optimisation of premium vis-a-vis coverage shall be the goal rather than reduction of premium.

As on the date of engagement of the Broker, all past pending claims of the company on the Insurers will be taken up for urgent settlement by the Broker.

After Kick Off Meeting with the successful bidder, the Broker shall:

(a) Develop a General Policy on Insurance of Assets and Interests and the Manual on Insurance covering objectives, scope, importance of various policies, manual of procedure, claims management, duties & responsibilities, etc.

(b) Organise a presentation by the Broker for all departmental heads and other officers as may be required on the Claims Process and documentation required for successful claims.

1. Review of all existing Insurance Policies:

- a) Carrying out Risk Inspections and surveys required to understand the company's end to end Insurance requirements and determination of sum assured.
- b) Critical examination of the existing policies in terms of i) Risk Coverage ii) Providing basis of valuation iii) Rating iv) Clauses, Warranties, Conditions, Excess etc.
- c) Suggesting improvement thereon and executing the same during policy period and during renewal of Insurance Policies.
- d) Preparing risk notes and framing insurance tendering documents and finalising the terms & conditions thereof including but not limited to a) Coverage, including add-on coverage b) Excess (Monetary/Time) c) Period of indemnity d) Policy wordings, e) Policy clauses and warranties. This should be in line with laid down procedures of the company.
- e) Inviting bids on behalf of AGCL from reputed insurance companies licensed to operate in India. As on date, only PSU Insurers are invited to bid.
- f) Negotiation and finalizing the terms & conditions of insurance optimising cost, cover, security and quality of service in accordance with laid down procedures of AGCL.
- g) Scrutinizing the wordings of the final policy documents to protect AGCL's interests with regard to claim settlement.
- h) Assisting AGCL in placement of insurance policies with optimised premium and required coverage.

- i) Preparing comparative statement of bids-both Technical and Commercial.
- j) Assisting in speedy realisation of premium refunds / materialisation of claim.

2. Claim Management:

- a. Coordinating and assisting in realisation of past claims as per provisions and guidelines laid down by IRDA
- 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 AGCL on documentation from its 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. Submission of quarterly report on claim settlement position and pending issues.

3. Miscellaneous Services:

- a. Assisting AGCL in purchasing any new Insurance Policies.
- b. Technical assistance in any 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 AGCL's employees.

BID QUALIFYING CRITERIA

SLNO	CRITERIA	DOCUMENTATION
1	The bidder must be a Direct Broker having valid accreditation with IRDA and have experience in handling insurance broking business for at least 5 (five) consecutive years of service as on 31.03.2019.	Self certified copies of IRDA Licenses covering the 5 year period
2	The Bidder must have handled the insurance portfolio of at least 5 (Five) Indian PSUs (CPSU/SLPE) for more than 12 (twelve) months during the last 3 (three) completed financial years ending 31.03.2019.	Furnish Client letters of appointment and proof of service of 12 (twelve) months from at least 5 CPSUs / SLPEs. References older than 3 years need not be submitted and will not be considered.
3	The Bidder should have handled an average of Rs. 10 Crore (Rupees Ten Crore only) or more premium during the last 3 (three) completed financial years ending 31.03.2019 from the PSU clients indicated in Point 2 above. (except Group Medi-Claim Policy & Group Personal Accident Policy).	Furnish Company Auditor's Certificate and documentation to support the qualifying criteria.
4	The Bidder must have a minimum annual turnover of Rs. 10 Crore (Rupees Ten Crore only) from direct	Furnish CA certified financial statement

SLNO	CRITERIA	DOCUMENTATION
	insurance broking activities consecutively for the last 3 (three) completed financial years i.e. 2016-17, 2017-18 and 2018-19 as per the audited financial statements.	showing turnover from insurance broking activities. Turnover from any other activity is not to be considered.
5	Net worth of the Bidder must be positive for each of the last 3 (three) completed financial years up to 31.3.2019.	Furnish Company Auditor's Certificate
6	The Bidder must have a functional office in Assam for at least the last one completed year as on 31-03-2019 with IRDA certified personnel capable of handling client requirements.	Furnish proof
7	No penalties levied by IRDA during the last 5 (five) consecutive completed financial years and up to date of submission of Bid for any reason.	Attach an undertaking duly signed by the Authorised signatory / principal officer.

The intending Insurance Brokers are required to submit their proposal giving full particulars about their organization, competence and experience in this line of business. All the pages are required to be numbered and signed by authorized signatory. **Valid documentary evidence in support of the above, duly attested by the authorised signatory/principal officer of the broker is to be attached.** The bidder must clearly show which document is submitted against each point of the BQC, that is, cross referencing the submitted documents with the Sl. No of the BQC

QUANTITATIVE BID EVALUATION MATRIX FOR QUALIFIED BIDS

Sl No	Parameter	Documents Required	Max Points	Score
1	The bidder must be a Direct Broker having valid accreditation with IRDA and have experience in handling insurance broking business for at least 5 consecutive years of service as on 31.03.2019.	Self certified copies of IRDA Licenses covering the period Each year to be considered as experience.	10	Less than 5 completed years – NIL 5 years to 10 years – 2 points for each completed year in excess of 4 years. 1 point for an incomplete year of more than 6 months. NIL point for incomplete year less than or equal to 6 months 10 points for 10 years or more.
2	The Bidder must have handled the insurance portfolio of at least 5 (Five) Indian PSUs (CPSU/SLPE) for more than 12 (twelve) months during the last 3 (three) completed financial years ending 31.03.2019	Furnish Client letters of appointment during the last three years from at least 5 CPSUs / SLPEs along with proof of service of 12 (twelve) months	10	Less than 5 PSUs - NIL 5 to 10 PSUs - 2 points for each PSU client in excess of 4 PSUs. 10 points for 10 or more PSUs. References older than 3 years need not be submitted and will not be considered.

Sl No	Parameter	Documents Required	Max Points	Score
3	Experience of providing Insurance brokerage services for more than 12 (twelve) months in the oil and gas transportation sector (through pipelines)	Furnish Client letters with proof of insurance cover of the pipeline(s) as a separate asset. In Plant piping not considered	5	3 or more clients – 5 2 clients – 2 1 client – 1 0 client – NIL
4	The Bidder should have handled an average of Rs. 10 Crore or more premium during the last 3 (three) completed financial years ending 31.03.2019 from the five PSU clients indicated in Point 2 above (except Group Medi-Claim Policy & Group Personal Accident Policy).	Furnish year wise Company Auditor's Certificate and documentation for each of the clients to support the score.	10	Less than Rs 10 Crore average premium - NIL For more than Rs 10 Crore average premium, one tenth of the average premium rounded off to the nearest 0.50 value. Maximum value 10 for more than Rs 100.00 Crore average premium.
5	The Bidder must have a minimum annual turnover of Rs. 10 crore from insurance broking activities consecutively for the last 3 completed financial years i.e. 2016-17, 2017-18 and 2018-19 as per the audited financial statements which are to be submitted along with the bid.	Furnish CA certified financial statement showing turnover from insurance broking activities. Turnover from any other activity is not required to be included.	10	Less than Rs 10 Crore - NIL For more than Rs 10 Crore average premium, one tenth of the average premium rounded off to the nearest 0.50 value. Maximum value 10 for more than Rs 100.00 Crore average premium
6	The Bidder must have a functional office in Assam for at least the last one completed year as on 31-03-2019 with IRDA Certified personnel capable of handling client requirements	Furnish proof of having office and name and IRDA Certification details of personnel	5	Yes – 5 points No – NIL
7	Availability of authorised and IRDA qualified personnel to respond to queries within 24 hours.	Furnish proof of having personnel	5	Yes – 5 points No – NIL
8	No penalties levied by IRDA during the last 3 consecutive financial years up to date of application for any reason	Attach an undertaking duly signed by the Authorised signatory /	5	Yes – 0 points No – 5 points

Sl No	Parameter	Documents Required	Max Points	Score
		principal officer.		
9	Total number of full time employees in India as on the 1 st March 2019. No of IRDA certified employees directly involved in providing brokerage services to clients to be mentioned	Attach verifiable documentation duly certified by Head of HR / CEO	5 5	Total No of employees Less than 25 – NIL 25 – 50 employees – 2 points 51-100 employees – 3 points More than 100 employees – 5 points Total no of IRDA certified employees directly involved in providing insurance brokerage services 10 – 25 employees – 2 points 26-50 employees – 3 points More than 50 employees – 5 points
10	In-house Risk Engineering team based in India of at least 3 members of the brokerage with experience and capability to provide professional grade risk assessment services for STFI / Fire & Allied Perils / machinery breakdown / public liability / industrial risk / PML / earthquake / etc.	Attach names, qualification and experience of the core team duly certified by Head HR / CEO.	10	Less than 3 – NIL 3 - 5 professionals – 5 points 6 - 10 professionals – 7.5 points More than 10 professionals – 10 points
11	No. of Years of Experience of the Person heading Assam Region in Insurance Business (Broker Qualification as per Regulation 9(F)(iii) of IRDA (Insurance Broker) Regulations, 2002)	Attach CV of the Head of Assam Region duly certified by Head HR / CEO.	5	Less than 5 years – NIL 5 - 8 years – 2 points 9 - 10 years – 3 points More than 10 years – 10 points
12	Experience in settling claims with the five highest value claims during the last 3 (three) years for the clients listed in Point 2 of BQC.	Attached Statement for only 5 cases during last three years showing client name / Claim lodged date and amount / Insurer /	5	Settled within 3 months – 5 settled within 6 Months - 3 settled within 1 year - 2 settled beyond 1 year - 1 Total for the 5 top claims / 5 Use separate sheet

Sl No	Parameter	Documents Required	Max Points	Score
		claim settled date and amount (before excess) / individual scores – time based & amount based / last row show overall score Attach Clients Certificate or Claims Voucher to support the statement. No Self Declaration will be entertained.	5	Settled amount / claimed amount equal to or more than 90% - 5 75% and less than 90% - 3 50% and less than 75% - 2 less than 50% - 1 Total for the 5 top claims / 5 Use separate sheet
13	No of PSU clients in the North Eastern Region of India engaged for at least 12 (twelve) months during last three completed financial years ending with 31-03-2019	Provide list of clients along with period of engagement	5	1 point per client
	TOTAL		100	

Note:

1. Documentary evidence in support of the above mentioned selection criteria is to be submitted with the bid document, duly attested by the authorized signatory of the broker failing which the offer shall be liable for rejection. Also the insurance broker's brochure is to be attached with the bid documents. **The bidder will also fill up a self score for each of the 13 row items in a sheet as part of the documentation.**
2. In case any declaration made is found to be incorrect, the agreement will be terminated forthwith without prejudice to any other legal / penal action.

For any clarification in this regard, you may contact the Insurance Committee.

Sd/-
Member, Insurance Committee
Assam Gas Company Ltd.
Duliajan

BID SUBMISSION CHECKLIST

SLNO	CRITERIA	SUPPORTING DOCs Page No
1	Covering Letter	
2	Introduction of the Brokerage	
3	Tender Fees of Rs. 2000.00 by Demand Draft	
4	Bid Qualifying Criteria Table filled up with each point cross referenced to page nos of the proposal containing the supporting documentation	
5	Separate Quantitative Evaluation Matrix filled up with the scores assigned by the Bidder himself along with cross referencing to the page nos containing the supporting in the proposal	
6	Signed & Stamped copy of all pages of the RFP document, corrigendum(s) (if any) as a token of acceptance of all conditions of tender	

TABLE Ref : Point 11 of Bid Evaluation Matrix

SL NO	CLIENT & CLAIM DETAILS	INSURER	DATE	CLAIMED AMOUNT	EXCESS	SETTLED AMOUNT	TIME TAKEN (MONTHS)	SCORE TIME	SCORE AMOUNT	DOCUMENTS
1										
2										
3										
4										
5										
	TOTAL SCORE									
	AVERAGE SCORE									

Attached Statement for only 5 cases during last three years showing client name / Claim lodged date and amount / Insurer / claim settled date and amount (before excess) / individual scores – time based & amount based / last row show overall score