



Marketing Department, Head Office

email: homarketing@dbgb.co.in

Shri Vishnu Commercial Complex, Near National Highway Petrol Pump, ByPass N.H.30, Asochak,
Patna- 8000030

REQUEST FOR PROPOSAL (RFP)

**CORPORATE AGENCY ARRANGEMENT FOR
GENERAL INSURANCE BUSINESS
(BANCASSURANCE)**

Website: dbgb.in



IMPORTANT DATES FOR BIDDERS

S.N	Descriptions	Details
1	RFP Ref. Number & date	1/MKT/201920 dated 01/02/2020
2	Date & Time for seeking Clarification to RFP	12/02/2020
3	Date of replies of clarifications to Bidders	18/02/2020
4	Last Date & Time of submission of Bid	25/02/2020
5	Email address for raising Queries	homarketing@dbgb.co.in
6	Date & Time of opening of Bid	29/02/2020
7	Presentation by Eligible Bidders	Will be intimated further
8	Place of opening of Bids	Head Office, Patna
9	RFP download from website	dbgb.in





DISCLAIMER

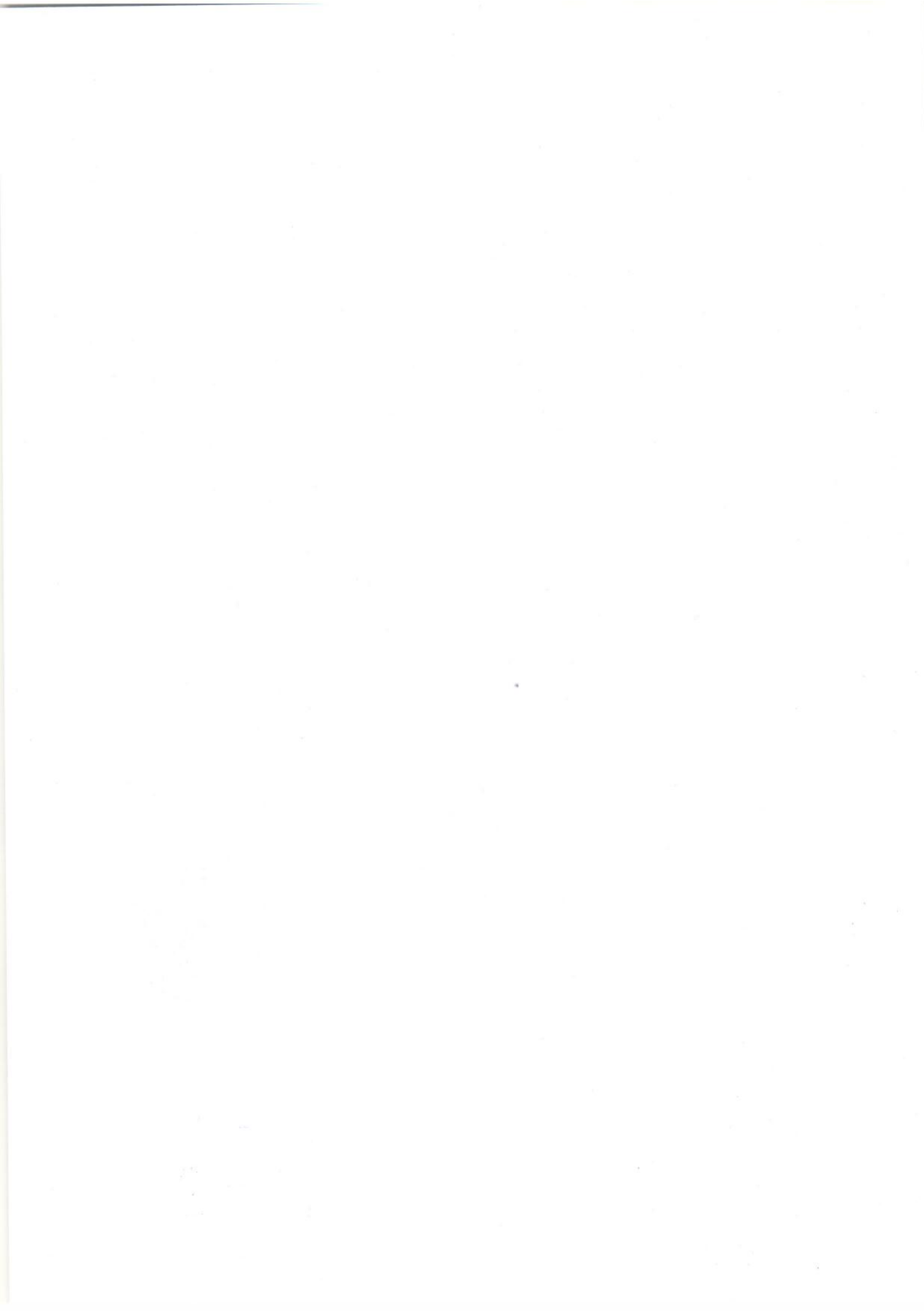
The information in this Request for Proposal ("RFP") document provided to bidders or applicants whether verbally or in documentary form by or on behalf of Dakshin Bihar Gramin Bank, is provided to the bidder(s) on the terms and conditions set out in this RFP document and all other terms and conditions subject to which such information is provided. This is not an agreement and is not an offer or invitation by Dakshin Bihar Gramin Bank and is meant for the applicants who are qualified to submit the bids (hereinafter individually and collectively referred to as "Bidder" or "Bidders" respectively). This RFP is designed with the purpose to assist the applicants/ Bidders to formulate their proposal.

Each Bidder may conduct its own independent investigations and analysis and is free to check the accuracy, reliability, and completeness of the information in this RFP. Dakshin Bihar Gramin Bank makes no representation or warranty and shall incur no liability under any law, statute, rules, or regulations as to the accuracy, reliability or completeness of this RFP. The information contained in the RFP document is selective and is subject to updating, expansion, revision, and amendment. It does not purport to contain all the information that a Bidder require. Dakshin Bihar Gramin Bank does not undertake to provide any Bidder with access to any additional information or to update the information in the RFP document or to correct any inaccuracies therein, which may become apparent.

Dakshin Bihar Gramin Bank in its absolute discretion, but without being under any obligation to do so, update, amend or supplement the information in this RFP. Such change will be published on the Bank's Website and it will become part and parcel of RFP.

Dakshin Bihar Gramin Bank reserves the right to reject any or all the expression of interest / proposals received in response to this RFP document at any stage without assigning any reason whatsoever. The decision of Dakshin Bihar Gramin Bank shall be final, conclusive and binding on all the parties.





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A. General Information

Dakshin Bihar Gramin Bank (hereinafter called the "Bank") in order to make the process of distribution partnership of general insurance products by way of corporate agency arrangement more competitive, for which bank invites proposals from existing general insurance companies in India ('Bidder').

Bidders are hereby advised to carefully review and submit all relevant information as sought in the RFP.

Details of the objectives, eligibility and qualification criteria, data & documents required to be submitted along with RFP, criteria that would be adopted for evaluation of the responses for short listing and other information is contained in the RFP document. The RFP document can be downloaded from the Bank's website dbgb.in

B. About Dakshin BiharGramin Bank

Dakshin Bihar Gramin Bank is a leading Regional Rural Bank with **1078** Branches/Offices geographically located in Bihar with its Head Office at **Patna** and 12 Regional Offices. It caters to the banking needs in **20** Districts of Bihar.

Highlights of the Bank's Performance

Performance Parameters	As on 31 st March 2019
Total Deposits (Rs. Crores)	18561.41
Total Advances (Rs. Crores)	9568.09
Savings Deposit (Rs. Crores)	13052.85
Net Interest Income (Rs. Crores)	84.92
Operating Profit (Rs. Crores)	29.80
Net Profit After Tax (Rs. Crores)	(227.08)
Net Interest Margin (%)	1.49
Capital Adequacy Ratio (%)	5.90
Net NPA (%)	1399.21





- Bank has a customer base of above 100 Lakh customers as on 31st March 2019.
- Bank has corporate agency arrangements with **PNB Metlife** and **Aviva Life** for life insurance, **Bajaj General and Shriram General** for general insurance and no partner in health insurance.

For further details please visit Bank's website **dbgb.in**

C. Objectives

1.1. With a view to provide full range of financial products to its customers at competitive premium rates and to realize full value of its reach and customer base, bank has taken a view to evaluate and thereafter enter into Corporate Agency Agreement for distribution of General Insurance products subject to all statutory clearances and approvals from all relevant Authorities in this behalf under the extant laws and regulatory framework.

1.3. The Bank would like to enter into a Corporate Agency Arrangement with a shortlisted General Insurer.

1.4. Once the responses to the RFP are received, the Bank will start the evaluation process and finalize the most suitable General Insurance Company.

ABOUT RFP

In this RFP the term 'Dakshin Bihar Gramin Bank' is referred to as the Bank, which term or expression unless excluded by or repugnant to context or the meaning thereof, shall be deemed to include its successors and permitted assigns, issues this Request for Proposal hereinafter called the "RFP". A Respondent submitting the proposal in response to RFP for Corporate Agency Tie-up for General Insurance Business shall hereafter be referred to as "Bidder". The Bank invites Request for proposal from reputed General Insurance Companies for "Corporate Agency Tie-up" for marketing of General Insurance products through Bank's branches. In this connection, Bank invites Bids from General Insurance Companies as per the Terms & Conditions described elsewhere in this document. Bank is presently having Corporate Agency agreement with M/s Bajaj General Insurance M/s Co. Ltd. and M/s Shriram General Insurance Co. Ltd. for General Insurance business, valid till 31st December, 2019.





D. Bidder's Eligibility Criteria (All mandatory provisions):

It is mandatory for the potential bidders to ensure that the following minimum eligibility criteria are met in order to participate in the process:

SLNo	Pre –Qualification Criteria	Document Required
1.	The bidder should have a Valid IRDAI license as on date of the submission of RFP response, for procuring insurance business in India.	Copy of License
2.	The bidder should have a net worth of atleast Rs.150 Crores as on 31 st March, 2019	Audited Balance sheet and profit and loss statement.
3.	The bidder must have a track record of minimum 3 Years of operations in the general insurance business in India as on 31.12.2019.	1. Certificate of Incorporation. and 2. Memorandum of association. 3. Balance Sheet and Profit & Loss A/c of Last 3 Years
5.	The bidders should have comprehensive range of products to cater the needs of various Customer segments of the bank duly approved by IRDA.	Documentary evidence to be submitted
6.	The bidder should have the minimum Solvency Ratio of 1.5 as on 31.12.2019.	Documentary evidence to be submitted.
7.	The bidder should have a corporate agency tie up with atleast one Commercial Bank/ RRB as on 31.12.2019.	Certificate from beneficiary company required.
8.	The Bidder should be a Non-bank promoted company.	Documentary evidence to be submitted.

E. Clarification and Amendment of RFP Documents

- The Bidder may request a clarification on any clause of the RFP documents up to 12/02/2020.
- Any request for clarification must be sent by standard electronic means to homarketing@dbgb.co.in.
- The Bank will load the responses on its website latest by 18/02/2020.
- At any time before the submission of Proposals, the Bank may amend the RFP by issuing an addendum and hosting it in the Bank's website. The addendum will be binding on all the bidders. To give Bidders reasonable time in which to take an amendment into account in their Proposals the Bank may, if the amendment is substantial, extend the deadline for the submission of Proposals.





F. Rejection of Bids

The Bank reserves the right to reject the Bid if,

- Insurer does not meet any of the pre-bid eligibility criteria mentioned under section D.
- The Bid is incomplete as per the RFP requirements.
- Any condition stated by the Bidder is not acceptable to the Bank.
- If the RFP and any of the terms and conditions stipulated in this document are not accepted by the authorized representatives of the Bidder.
- Required information is not submitted as per the format given.
- Any information submitted by the Bidder is found to be untrue/fake/false.
- The Bidder does not provide, within the time specified by the Bank, the supplemental information / clarification sought by the Bank for evaluation of the Bid.

G. No Obligation / Liability of the Bank

The Bank shall be under no obligation to accept any offer received in response to this RFP and shall be entitled to reject any or all offers without assigning any reason whatsoever. The Bank may abort the entire process at any stage without thereby incurring any liability to the affected Bidder(s) or any obligation to inform the affected Bidder(s) of the grounds for Bank's action.

It shall be sole responsibility of General Insurance Company to comply with all statutory and regulatory provisions (Including RBI/IRDAI/any other regulatory body) while delivering the services mentioned in the RFP.

In order to promote consistency among the Proposals and to minimize potential misunderstandings regarding how Proposals will be interpreted by the Bank, the format in which Bidders will specify the fundamental aspects of their Proposals has been broadly outlined in this RFP.

The deadline for submission of the Proposals is mentioned on the cover page of this document. Proposals received after the specified time on the last date shall not be eligible for consideration and shall be summarily rejected.

In case of any change in deadline the same shall be updated on the bank's website and shall be applicable uniformly to all bidders.

H. Proposal Validity

All Proposals shall be valid for a period of 90 days from the last date of submission mentioned in Section A. The Bank will make its best effort to complete the process within this period. However, should the need arise the Bank may request the Bidder to extend the validity period of their proposals. Bidders, who do not agree, have the right to refuse to extend the validity of their Proposals; under such circumstance, the Bank shall not consider such proposal for further evaluation.





I. Short listing & Selection of Insurance Partner :

- The RFP response may be sent or submitted at Head Office of *Dakshin Bihar Gramin Bank* at the following address, complete with all the requirements as given in the RFP document latest by **16:00 hours on 25-02-2020** addressed to :

*The General Manager
Dakshin Bihar Gramin Bank,
Shri Vishnu Commercial Complex,
Near National Highway Petrol Pump,
ByPass N.H.30
Asochak
Patna -800030,
Bihar.*

No proposal will be accepted after this date and time.

- Bank will not be responsible for any postal delays and submission by way of e-mail is not acceptable.
- Bidders are to submit the RFP in hardcopy format in original along with one set of photocopy.
- The Bank reserves the right to accept or reject a proposal without assigning any reason whatsoever and may at its sole discretion appoint or take the help of a professional agency to help the bank in evaluation process.
- The Bank may abort entire process at any stage without there by incurring any liability to the affected bidder/s or any obligation to any of the affected bidders of the grounds for Bank's action.
- Bids of only those Bidders will be evaluated, who meet the minimum eligibility criteria as specified in the RFP.
- Evaluation of all eligible bids will be done on basis the information sought in the RFP, through an evaluation matrix by a committee of the Bank. Bidders will be ranked on the basis of the total marks scored in evaluation process.
- Bank may also call for the presentation to interested parties from the shortlisted bidders. The committee will finalize the selection of General Insurance Company on the basis of marks scored in evaluation process and the presentation made. Bank's decision in this regard would be final.
- In case the successful Bidder is not agreeable to signing the service level agreement or impose any conditions not acceptable to the Bank or communicates any changes from their





stated response in RFP or presentation made to the Bank which may not be acceptable to the Bank, the Bank may at its sole discretion decide to partner with next ranked bidder.

J. Preparation of Proposals

In preparing their Proposal, Bidders are expected to examine in detail the documents comprising the RFP. Material deficiencies in providing the information requested may result in rejection of a Proposal.

While preparing the Proposal, the Bidder must give particular attention to the following:

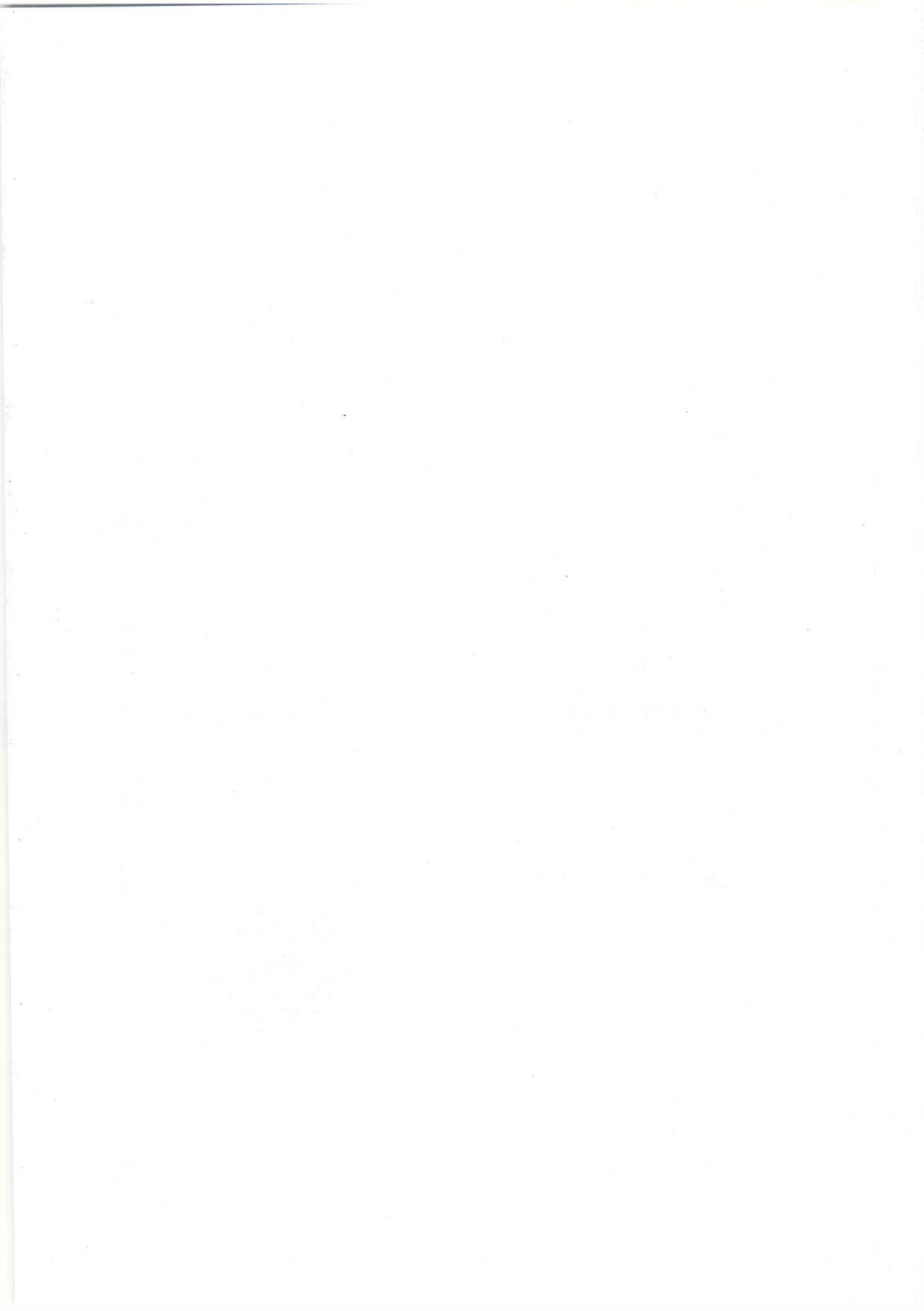
- The data should be furnished strictly in accordance with the format specified
- All monetary numbers should be in Indian Rupees. Denomination in INR Crores is preferred for large numbers.
- Annual numbers for Indian operations should be for Fiscal Year ending March 31'2019 unless otherwise specified.

Submission of the data in the wrong type of formats will result in the Proposal being deemed non-responsive.

K. Submission, Receipt, and Opening of Proposal

- The original bid shall contain no interlineations or overwriting, except as necessary to correct errors made by the Bidders themselves. The person, who has signed the proposal, must initial such corrections.
- An authorized representative who would be signing the Submission letter shall initial all pages of the original Bid Document with company seal.
- The Bid documents along with the data as per the formats mentioned in the Data Sheet must be submitted at the same time, in a single sealed envelope duly super scribed as **"Dakshin Bihar Gramin Bank– RFP for Corporate Agency for General Insurance"**
- The bids would be opened on 29/02/2020 at the Head Office of *Dakshin Bihar Gramin Bank*, time shall be intimated later. The bidders who would want to be present at the time of opening of bids may send their representatives on the given time.





L. PARAMETERS & WEIGHTAGE FOR EVALUATION OF BIDS

The BID submitted by the bidders under this RFP will be evaluated based on the below parameters & weightage:

Sr. No.	Parameters	Maximum Weightage
1	Number of Years of Operation in India (as of 31.12.2019)	10
2	Average Incurred Claim Ratio-last 3 financial years	10
3	Average Grievance Resolution Ratio-last 3 financial years	10
4	Tie-Up with Banks (PSU/ RRBs) (as of 31.12.2019)	10
5	Point of Presence (No of Branches) in Bihar (as of 31.12.2019)	10
6	Regulatory/ Statutory penalties during last 3 financial years	10
7	Technology	10
8	New Business Premium- last 3 financial years	10
9	Average Claim Settlement Ratio – last 3 financial years	10
10	Presentation	10
	TOTAL	100

The Bank reserves the right to accept or reject any application without assigning any reason whatsoever.





OTHER TERMS AND CONDITIONS

A. Force Majeure

On account of default or non-performance of the obligations bidder shall not be liable under the contract, if any such default or non-performance of the obligations under this contract is caused by any unforeseeable circumstances or occurrences beyond the control of the bidder i.e. Force Majeure.

For purposes of this clause, "Force Majeure" means an event beyond the control of the Bidder and not involving the Bidder's fault or negligence and not foreseeable. Such events may include, but are not restricted to, acts of God, wars, riots or revolutions and epidemics.

If a Force Majeure situation arises, the Bidder shall promptly notify the Bank in writing of such condition and the cause thereof within seven calendar days. Unless otherwise directed by the Bank in writing, the Bidder shall continue to perform/render / discharge its obligations under the Contract as far as is reasonably practical, and shall seek all reasonable alternative means of performance not prevented by the Force Majeure event.

In such a case, the time for performance shall be extended by a period (s) not less than the duration of such delay. If the duration of delay continues beyond a period of three months, the Bank and the Bidder shall hold consultations with each other in an endeavor to find a solution to the problem. Notwithstanding above, the decision of the Bank shall be final and binding on the Bidder.

B. Corrupt and Fraudulent practices

The selected bidder shall take all precautions necessary to keep the information completely confidential and they should observe the highest standard of ethics during the procurement and execution of the contract in pursuance of this policy.

"Corrupt Practice" means the offering, giving, receiving or soliciting of anything of values to influence the action of an official in the procurement process or in contract execution AND

"Fraudulent Practice" means a misrepresentation of facts in order to influence a procurement process or the execution of contract to the detriment of the Bank and includes collusive practice among bidders (prior to or after bid submission) designed to establish artificial non-competitive levels and to deprive the Bank of the benefits of free and open competition.

The Bank reserves the right to reject a proposal for award if it determines that the bidder recommended for award has engaged in corrupt or fraudulent practices in competing for the contract in question.

The Bank reserves the right to declare a Company ineligible, either indefinitely or for a stated period of time, to be awarded a contract if at any time it determines that the Company has engaged in corrupt or fraudulent practices in competing for or in executing the contract.





C. Observance of Integrity:

As per Central Vigilance Commission (CVC) directives, it is required that Bidders /Suppliers / Contractors observe the highest standard of ethics during the procurement and execution of such contracts.

D. Resolution of Disputes:

All disputes and differences of any kind whatsoever, arising out of or in connection with this Offer or in the discharge of any obligation arising under this Offer (whether during the course of execution of the order or after completion and whether beyond or after termination, abandonment or breach of the Agreement) shall be resolved amicably. In case of failure to resolve the disputes and differences amicably the matter may be referred to a sole arbitrator mutually agreed upon after issue of at least 30 days notice in writing to the other party clearly setting out there in the specific disputes. In the event of absence of consensus about the single arbitrator, the dispute may be referred to joint arbitrators; one to be nominated by each party and the said arbitrators shall appoint a presiding arbitrator. The provisions of the Indian Arbitration and Conciliation Act, 1996, shall govern the arbitration. The venue of arbitration shall be Patna, Bihar.

E. Jurisdiction of the Court:

All disputes and controversies between Bank and Bidder shall be subject to the exclusive jurisdiction of the courts in Patna and the parties agree to submit themselves to the jurisdiction of such court this RFP/contract agreement shall be governed by the laws of India.

F. Vicarious Liability:

The selected Bidder shall be the principal employer of the employees, agents, contractors, subcontractors, etc., engaged by the selected Bidder and shall be vicariously liable for all the acts, deeds, matters or things, whether the same is within the scope of power or outside the scope of power, vested under the contract. No right of any employment in the Bank shall accrue or arise, by virtue of engagement of employees, agents, contractors, subcontractors etc., by the selected Bidder, for any assignment under the contract. All remuneration, claims, wages dues etc., of such employees, agents, contractors, subcontractors etc., of the selected Bidder shall be paid by the selected Bidder alone and the Bank shall not have any direct or indirect liability or obligation, to pay any charges, claims or wages of any of the selected Bidder 's employees, agents, contractors, subcontractors etc. The selected Bidder shall agree to hold the Bank, its successors, assigns and administrators fully indemnified, and harmless against loss or liability, claims, actions or proceedings, if any, whatsoever nature that may arise or caused to the Bank through the action of selected Bidder 's employees, agents, contractors, subcontractors, etc.





M. Signing of Agreement:

Upon completion of the process the Bank shall arrange to enter into a Service Level Agreement with the selected General Insurance Company who shall agree all terms and conditions stipulated by the Bank will also include the following:

1. The selected General Insurance Company should agree with the performance standards stipulated by the Bank.
2. The selected General Insurance Company should maintain all the records related to policy documents of the policy holders and ensure safe custody of it and provide MIS reports related to business under this contract time to time.
3. The selected General Insurance Company shall indemnify, protect and save the Bank against all Claims, Losses, damages, expenses, action suits and other proceedings, resulting infringements of any law pertaining to patent, trademarks, copyrights or such statutory infringements in respect of its insurance business.
4. The selected General Insurance Company should provide indemnity to the bank against all claims, costs and any omissions by the service provider and its representatives.
5. The selected General Insurance Company should indemnify the Bank for of confidentiality and obligations by the selected General Insurance Company, its representatives and agents at the first demand by the Bank
6. The selected General Insurance Company should procure necessary licenses, permissions and approvals from the competent authority and comply with all applicable laws in respect of insurance business done by them.
7. The selected general Insurance Company should comply with the requirement of photograph of the asset/ security along with a duly signed verification certificate to be submitted by the representatives of the company to the Bank Branch and be kept in record of the financed asset/ security by the Bank.
8. Bank shall have the right to terminate the agreement by issue of notice without assigning reason and also in the case of breach of contractual obligations by the selected General Insurance Company. The selected General Insurance Company shall not terminate the agreement for convenience and in any case shall give at least 60 days notice to the Bank before termination of agreement.
9. The Bank / any regulatory authority shall have the right to audit the accounts of selected General Insurance Company.
10. The Bank shall have right to set off any amount which is due to the selected General Insurance Company.



Marketing Department – DBGB

