

**GOVERNMENT OF BIHAR**  
**Animal & Fisheries Resources Department**  
**Dairy Development Directorate,**  
**Bihar, Patna**

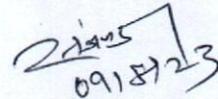
**NOTICE INVITING RFP FOR SELECTION OF INSURANCE COMPANY**

Dairy Development Directorate, Bihar, Patna invites sealed Request for Proposal (RFP) in two bid system (i.e. containing Technical and Financial duly super scribing with "TECHNICAL BID" & FINANCIAL BID") from "Different Insurance companies working in Bihar" (Registered office/Branch office in Bihar) for fixation of premium for one year "Milch Cattle Insurance" coverage of Animals of Bihar. Government, Private Insurance Company registered with IRDAI are eligible for participation in RFP. Animals to be covered under this proposal are as follows:-

1. Indigenous, crossbred Milch Cattle & Buffalo.

**The RFP should be submitted to Director, Dairy Development Directorate, Bihar, Patna, 3<sup>rd</sup> Floor, Vikas Bhawan, New Secretariate-800015 in a sealed envelope (containing both sealed Technical Bid envelope and sealed Financial Bid envelope), duly marked as "RFP Milch Cattle Insurance coverage of Animals of Bihar".** The last date for receiving of RFP in the office of Director, Dairy Development Directorate, Bihar, Patna is 31.08.2023 till 3:00 PM. The Pre-bid meeting will be held on 16.08.2023 at 3:00 PM in the chamber of Director Dairy, Patna. The technical bid will be opened on 31.08.2023 at 4:00 PM in the Dairy Development Directorate, Bihar, Patna before the Technical Committee and the final decision on the proposals will be taken by the Purchase Committee which will be binding to all. In case dates mentioned for pre-bid meeting or technical bid is/are found/declared as holiday then the next working day will be the date for said purpose. The RFP document can be downloaded from Department website-<http://www.ahd.bih.nic.in>.

The details of RFPs offer, terms and conditions may be seen on the Department website-<http://www.ahd.bih.nic.in>.

  
22/08/23  
09/08/23

**Director**

**Dairy Development Directorate**  
**Bihar, Patna**

## General Conditions of RFP

“Milch cattle insurance” as a component of state scheme 7 Nischay-2 is to be implemented in all the 38 districts of Bihar through Dairy Development Directorate, Bihar, Patna. This component aims towards uncertainties by providing protection mechanism to the farmers against any eventual loss to their animals due to death and demonstrate the benefits of insurance of livestock to the people. For this, sealed RFPs are invited from insurance companies for fixation of premium charges for insurance under following terms and conditions (as per guidelines of the administrative approval of the scheme (Letter No. 2269 dated 27.06.2023).

### The Terms and conditions are as follows :-

1. The indigenous/crossbreed milch animals Cattle/Buffalo will be under the purview of the “cattle insurance”.
2. Benefit of subsidy can be taken up to 4 Cattle unit per beneficiary per household. 1 Cattle unit can also avail the benefit of subsidy.
3. Total 5000 (Five thousand) Cattle will be covered for all categories of beneficiaries. Target may be increased or decreased as per the Govt. decision.
4. The rate of premium for one year policy quoted by the Agency shall not exceed 5% under any circumstances. Premium amount for one cattle will comprise 75% by State govt. and 25% by beneficiaries. The maximum cost of animal will be Rs. 60000/-.
5. The animals insured will have to be properly and uniquely identified at the time of insurance. The traditional method of ear tagging or the recent technology of fixing microchips could be used at the time of taking the policy. The cost of fixing the ear tags or the recent technology of fixing microchips will be borne by the insurance companies. Beneficiary shall be responsible for safe keeping of ear Tag/microchip, failing which he/she will not be eligible to claim insured amount.
6. The tag already available on the animal will be utilized and there shall be no dispute in settlement of claims on account of utilization of the existing ear tags. Tag should be mandatory for all animals and beneficiary will change the earlier tag after buying.
7. While processing an insurance proposal, two photograph will be taken. One photograph of the animal with the owner and one photograph of the animal clearly displaying the EAR TAG shall be taken. It will be mandatory for the insurance company to keep these photos in records. The cost of the photos and EAR TAG will be borne by the company.
8. Insurance policy will be covered only after a valid Health Certificate issued by Registered Veterinary Doctor. Ear Tag No. should be mentioned in Health Certificate.
9. Just after payment of “premium-share by owner” the policy will be effective for coverage of insurance. Premium share by owner will be paid to company agent after selection. Insurance company will provide a copy of receiving of the premium Amount for insurance to owner.
10. In case the farmer’s copy to the insurance policy paper is lost, then the insurance company would immediately issue duplicate insurance policy paper.
11. Only Four documents would be required by the insurance company for settlement of claim of full sum insured namely (i) Information of death of animal by the owner to the insurance company, (ii) Insurance policy paper, (iii) Claim form & (iv) Postmortem report of Registered Veterinary Doctor.
12. Claim intimation should be intimated to the District Dairy Development Office of the district & nominated person of insurance Company by phone/mobile/E-mail/SMS as soon as possible. The carcass should not be disposed off at the time of lodging claim and it should

- be made available for inspection of Insurance Company, if it desires and inform to do so within 6 hours of intimation. If Insurance Company does not inform for inspection of carcass within 6 hours of intimation, owner will dispose after post-mortem report.
13. The claim shall be settled within 15 days of receipt of aforesaid four documents by the company. If the agency fails to settle the claim within 15 days of submission of required above mentioned documents, the agency will be liable to pay a penalty of 12% compound interest per annum to the beneficiary.
  14. The beneficiary should **get maximum benefit as per IRDAI rules after death** of the animals. If there is delay in setting a claim or the claim is rejected, it must be fully justified by the concerned insurance company to the claimant and information to District Monitoring Committee along with District Dairy Development Officer.
    - i. District Dairy Development Officer - Chairman
    - ii. Dairy Field Officer - Member
    - iii. Representative of Insurance Agency - Member
  15. In case of sale of the insured animal or otherwise transfer of animal from one owner to other, before expiry of the insurance policy, the benefit of insurance coverage will shift to new owner. The formalities for transfer of cattle policy and fees and sale deed etc required for transfer should be mentioned in Insurance Document Paper.
  16. The Director Dairy reserves the right to amend any part of RFP.
  17. The Director Dairy reserves the right to reject all or any RFP.
  18. The Insurance Company should have office/s in Bihar state. The insurance company may take help of IRDAI approved intermediary.
  19. The Insurance Company should have been in existence for more than 5 years.
  20. The Insurance Company should have 3 years experience of performing similar assignment in any State within India.
  21. The Insurance Company should have dedicated software for generation of MIS and reports. Access to the software should be made available to all the district dairy development officer for this purpose.
  22. Ear tagging of animal with its INAPH entry with address of owner is mandatory. This will be done with local veterinary officer.
  23. The Insurance Company will be responsible for collection of Insurance documents from the district dairy development office within stipulated time. District dairy development officer will send monthly Insurance report to Director Dairy.
  24. In case of dispute the decision of the Director, Dairy Development Directorate will be final and binding to the insurance company.
  25. Terms of payment-
    - a. Secure advance of an amount not exceeding the subsidy amount for 3 months target may be released by Director Dairy, upon signing of agreement with the company on the basis of Bank Guarantee is provided by the company.
    - b. The payment will be made by Director Dairy on monthly basis or will be adjusted from advance upon submission of district wise policy report and bill by the company.
  26. Normally a single insurance company will be entrusted for insurance work in state. If lowest rate quoting company does not cover the all area of Bihar then other company with coverage may be allotted the uncovered area on L1 premium rate. Insurance companies may mutually agree to distribute different area of Bihar for insurance coverage on L1 premium rate.

27. The Technical bid and Financial bid should be sealed in separate envelopes super scribed with "Technical Bid" and "Financial Bid" respectively. These two envelopes are to be put together in a large envelope which should be sealed and super scribed with RFP for Risk Management and Cattle insurance". The RFP should reach the office of the Director, Dairy Development Directorate, Bihar, Patna-800015 on or before ..... up to ..... PM by hand/Speed post/registered post. The technical bid will be opened on ..... at ..... PM in the office of the Director, Dairy Development Directorate, Bihar, Patna-800015 before the Technical Committee.
28. Technical bid should essentially include-
- i. Photocopy of certificate of registration with IRDAI.
  - ii. Proof of experience of minimum three (3) years in the field of Cattle insurance.
  - iii. Photocopy of GST registration certificate.
  - iv. Affidavit regarding non-blacklisting by the Central Govt./any State Govt./any Govt. Undertaking/Semi Govt. institution of India.
  - v. Address of branch office/s in Bihar State.
  - vi. Declaration to accept all the terms and conditions of the RFP.
29. All the enclosure must be attested/self attested by the bidder.
30. The technical bid will be opened before the members of the technical committee on 31.08.2023 at 4:00 PM in the Dairy Development Directorate in which the authorized representative of the bidder firm may remain present.
31. The technical committee will recommend opening only those financial bids which fulfill the terms & conditions of the technical bid.
32. Financial bid should be in the format (See Annexure-II)
33. The rate of premium will be finalized by the purchase committee of L1 Premium quotation basis. The decision of purchase committee will be final.
34. The completion time of work is one year from the date of issuing order. The rate quoted shall be applicable for one year from the date of issuing order and for all the schemes sanctioned by Bihar Govt.
35. The successful bidders will have to execute an agreement within one week with the Director Dairy incorporating all the terms & conditions of the RFP notice on non Judicial Bond Paper of appropriate denomination.
36. Extension in time for completion of work :- Extension in time for completion of work with or without liquidity damages beyond the originally stipulated period require the approval of Director, Dairy Development.
37. RFP paper along with annexure and enclosure should be indexed by bidder. Topic wise page no. should be clearly mentioned in the index.
38. In case of dispute, the decision of the Director, Dairy Development will be binding to all.
39. All legal proceeding, if necessity arises shall be subject to the jurisdiction of competent court of justice in Bihar.
40. More information may be obtained from the Director Dairy (Telephone No.-0612-2202556) or the departmental website [www.ahd.bih.nic.in](http://www.ahd.bih.nic.in).

**Director**  
**Dairy Development Directorate**  
**Bihar, Patna**

## Annexure-I

### Technical Bid information Format

Sl. No.	Perticulars	Page No.	
1	Photocopy of certificate of registration with IRDAI (Must be 5 year old).		
2	Proof of experience of minimum three (3) years in the field of Livestock insurance.		
3	Photocopy of GST registration certificate.		
4	Affidavit regarding non-blacklisting by the Central Govt./any State Govt./any Govt. Undertaking/Semi Govt. institution of India.		
5	Address of branch office/s in Bihar State.		
6	Payment to the farmers of sum insured in case of death		
7	Declaration to accept all the terms and conditions of the RFP.		

Sign & Seal of authorized person

## Annexure-II

### Format of Financial Bid

SI. No.	Description of item	Rate of premium (%) (Maximum 5%)*	Remarks
1	Insurance Policy of one cattle unit for one year.		

\* Applicable GST or any other Government Taxes extra.

Sign & Seal of authorized person

## AGREEMENT DRAFT

THIS 'AGREEMENT' is made at Patna on the ..... day of ..... 2023.

### BETWEEN

The Director, Dairy Development Directorate, Bihar, Patna, Department of Animal & Fisheries Resources, Govt. of Bihar, Patna (Hereafter referred to as Director Dairy), as FIRST PARTY.

### AND

..... having its registered office at ..... registered under the ..... having its Bihar State Head Office at ..... and country head office ..... represented by ..... (hereinafter referred to as .....) as SECOND PARTY whose expressions shall mean and include, unless excluded by or repugnant to the context or meaning hereof to mean and include its successors heirs and assigns.

WHEREAS, Dairy Development Directorate invited RFP vide ..... (Annexure-I) from Different Government or Private Insurance companies working in Bihar for fixation of premium for one year "Risk management and Cattle Insurance" coverage of Milch Animals of Bihar.

AND WHEREAS, in pursuance to the RFP, ..... submitted its bid after accepting Terms & conditions of RFP for providing the aforesaid services.

AND WHEREAS, the Govt. of Bihar has selected ..... as a successful bidder as per financial committee decision dated- ..... Memo No.- ..... dated- ..... and ..... has agreed to accept all RFP terms & conditions.

AND WHEREAS, ..... has agreed to carry out the Cattle Insurance at L1 rate (decided by financial committee).

AND WHEREAS, Dairy Development Directorate has approved the financial committee decision dated- ..... Memo No.- ..... dated- ..... and accorded approval for providing the services as mentioned, on the terms and conditions as set out therein.

### NOW IT IS AGREED BY AND BETWEEN THE PARTIES HERE TO AS FOLLOWS:

A. **Project Period** :- For 1 year from the date of issue of work Order.

B. **Insurance of Animal**

1. The indigenous/crossbreed milch animals Cattle/Buffalo will be under the purview of the "cattle insurance".

2. Benefit of subsidy can be taken up to 4 Cattle unit per beneficiary per household. 1 Cattle unit can also avail the benefit of subsidy.
3. Total 5000 (Five thousand) Cattle unit will be covered for all categories of beneficiaries. Target may be increased or decreased as per the Govt. decision.
4. The rate of premium for one year policy quoted by the Agency shall not exceed 5% under any circumstances. Premium amount for one cattle will comprise 75% by State govt. and 25% by beneficiaries.
5. The animals insured will have to be properly and uniquely identified at the time of insurance. The traditional method of ear tagging or the recent technology of fixing microchips could be used at the time of taking the policy. The cost of fixing the ear tags or the recent technology of fixing microchips will be borne by the insurance companies. Beneficiary shall be responsible for safe keeping of ear Tag/microchip, failing which he/she will not be eligible to claim insured amount.
6. The tag already available on the animal will be utilized and there shall be no dispute in settlement of claims on account of utilization of the existing ear tags.
7. While processing an insurance proposal, one photograph of the animal with the owner and one photograph of the animal clearly displaying the EAR TAG shall be taken. It will be mandatory for the insurance company to keep these photos in records. The cost of the photos and EAR TAG will be borne by the company.
8. Insurance policy will be covered only after a valid Health Certificate issued by Registered Veterinary Doctor. Ear Tag No. should be mentioned in Health Certificate.
9. District Dairy Development Officer of concerned area will select the animals and insurance coverage will be provided by the insurance company.
10. Just after payment of "premium-share by owner" the policy will be effective for coverage of insurance. Premium share by owner will be paid to company agent after selection in presence of District Dairy Development Officer. Insurance company will provide a copy of receiving of the premium Amount for insurance to owner.
11. In case the farmer's copy to the insurance policy paper is lost, then the insurance company would immediately issue duplicate insurance policy paper.
12. Only Four documents would be required by the insurance company for settlement of claim of full sum insured namely (i) Information of death of animal by the owner to the insurance company, (ii) Insurance policy paper, (iii) Claim form & (iv) Postmortem report of Registered Veterinary Doctor.
13. Claim intimation should be intimated to the District Dairy Development Officer & nominated person of insurance Company by phone/mobile/E-mail/SMS as soon as possible. The carcass should not be disposed off at the time of lodging claim and it should be made available for inspection of Insurance Company, if it desires and inform to do so within 6 hours of intimation. If Insurance Company does not inform for inspection of carcass within 6 hours of intimation, owner will dispose after post-mortem report.
14. The claim shall be settled within 15 days of receipt of aforesaid four documents by the company. If the agency fails to settle the claim within 15 days of submission of required above mentioned documents, the agency will be liable to pay a penalty of 12% compound interest per annum to the beneficiary.
15. The beneficiary should **get maximum benefit as per IRDAI rules after death** of the animals. If there is delay in setting a claim or the claim is rejected, it must be fully justified

by the concerned insurance company to the claimant and information to District Monitoring Committee along with District Dairy Development Officer.

- i. District Dairy Development Officer - Chairman
- ii. Dairy Field Officer - Member
- iii. Representative of Insurance Agency - Member

- 16. In case of sale of the insured animal or otherwise transfer of animal from one owner to other, before expiry of the insurance policy, the benefit of insurance coverage will shift to new owner. The formalities for transfer of cattle policy and fees and sale deed etc required for transfer should be mentioned in Insurance Document Paper.
- 17. .... will provide dedicated software for generation of MIS and reports. Access to the software should be made available to all the veterinary officers and the District Dairy Development Officer for this purpose.
- 18. .... will ensure delivery of ear tags, applicators and cover note books at the district level for smooth functioning of the scheme.
- 19. .... will be responsible for collection of Insurance documents from the District Dairy Development Officer and delivery of Insurance policy at the district office within stipulated time. District Dairy Development Officer will send monthly Insurance report to Director Dairy.
- 20. In case of dispute the decision of Director, Dairy Development Directorate will be final and binding to the insurance company.
- 21. Secure advance of an amount not exceeding the subsidy amount for 3 months target may be released by Director Dairy, upon signing of agreement with the company on the base of Bank Guarantee is provided by the company.

**C. Extension in time for completion of work :-**

Extension in time for completion of work with or without liquidity damages beyond the originally stipulated period require the approval of the Director Dairy Development Directorate.

- D. In case of dispute, the decision of the Director, Dairy Development Directorate will be binding to all.
- E. All legal proceeding, if necessity arises shall be subject to the jurisdiction of competent court of justice in Bihar.

**SIGNED, SEALED AND DELIVERED BY**

..... (Second Party)	<b>DAIRY DEVELOPMENT DIRECTORATE, PATNA (First Party)</b>
Witnesses	Witnesses
1. Signature :-	1. Signature :-
Name :-	Name :-
Address :-	Address :-
2. Signature :-	2. Signature :-
Name :-	Name :-
Address :-	Address :-