Directorate of Fisheries

Animal and Fisheries Resources Department

Government of Bihar

Directorate of Fisheries
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Govt. of Bihar

Request for Proposal for
"Selection of Insurance Broker for Aquaculture Crop Insurance"

Directorate of Fisheries, Animal and Fisheries Resources Department, Government of Bihar, invites Request for Proposal (RFP) for selection of **IRDAI licensed insurance broker** to provide technical, operational and implementation support and overseeing effective implementation. The shortlisted agency will service the captioned Aquaculture Crop Insurance of Fishes. The fishes that will be covered under the aquaculture crop insurance are IMC, Pangasius, Exotic Carp and Other cultured species in the State.
Insurance intermediary shall be doing the intermediation and coordination between the Directorate of Fisheries at the district level, Insurance company and beneficiaries for successful implementation of the scheme.
The proposals received from insurance intermediaries against this RFP will go through Technical Bid Evaluation.
The proposal for selection of intermediary/Broker should be submitted to The Directorate of Fisheries, Vikash Bhawan, New Secretariat, Patna-800015 and in the prescribed format in sealed envelope clearly labeled as Request for Proposal for ***"Selection of Insurance Broker for Aquaculture Crop Insurance".***
Interested & qualified agencies are requested to submit their proposal along with the supporting documents, non-refundable bid document fees of Rs. 5,000/- (Five Thousand Rupees Only) & refundable demand draft of Rs. 1,00,000/- (One Lakh Rupees Only) as Earnest Money Deposit (EMD) in the form of demand draft/Bank Guarantee in favour of "Director Fisheries, Bihar, Patna" by 17th October, 2023 (Tuesday) till 5:00 PM by Registered/Speed Post/Courier/Offline.

The detailed terms and conditions for qualification of the bidders for the submission of bids, *etc.* are indicated in the bidding documents, which can be downloaded from Department's website- https://state.bihar.gov.in/ahd

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Director, Fisheries
Patna, Bihar

(Animal & Fisheries Resources Department, Govt. of Bihar)
New Secretariat, Bailey Road,
Patna- 800 001, Ph # 0612-2535800/2535899

Request for Proposal for
"Selection of Insurance Broker for Aquaculture Crop Insurance"

Important Dates and Events

Sr. No.	Items	Date & Time
1.	Last Date and Time of Submission of Queries and Clarifications	3rd October, 2023 (Tuesday) till 5:00 PM
2.	Pre-proposal submission meeting date and venue	5th October, 2023 (Thursday) at 3:00 PM at Department's Meeting Hall on 2nd Floor, New Secretariat, Bailey Road, Patna- 800 001.
3.	Last Date and Time of Submission of Proposals	17th October, 2023 (Tuesday) till 5:00 PM
4.	Opening of Technical Proposal	19th October, 2023 (Thursday) at 4:00 PM in Department's Meeting Hall on 2nd Floor, New Secretariat, Bailey Road, Patna- 800 001.
5.	Cost of Bid document	Rs. 5,000/- (Five Thousand Rupees Only)
6.	Earnest Money Deposit	Rs. 1,00,000/- (One Lakh Rupees Only)
7.	Address for Communication	Directorate of Fisheries, Vikash Bhawan, **New Secretariat, Bailey Road, Patna- 800 001, Ph # 0612-2535900/2535899**
8.	Nodal person for general queries	Pawan Kumar Paswan, Deputy Director Fisheries (SPU), Directorate of Fisheries, New Secretariat, Bailey Road, Patna- 800 001, Ph # 0612-2535800/2535899 Mobile No. – 9473191540
9.	Website	*https://state.bihar.gov.in/ahd*
Amendment /corrigendum, if any, shall be published at above mentioned web address. If no amendment /corrigendum is published, the published RFP remains unchanged.		

Introduction

Bihar is a land-locked state with an agrarian economy. Fisheries is confined to freshwater only. It is bestowed with vast and varied fisheries potential inland aquatic resources in the form of chaurs (wetlands), mauns (oxbow lakes). Reservoirs & lakes, rivers, ponds & tanks, network of canals etc. these water resources are being harnessed through different governmental schemes at various degree of success. Current fish production in the State is to the tune of 8.46 lakhs metric tons (2022-23). Further increase of fish production shall come from culture and culture-based-capture fisheries as capture fisheries catch has reached its stagnation or decline. Therefore, horizontal expansion of aquaculture is imperative to meet the ever-growing demand of fish in the State.

The fisheries sector in Bihar has been steadily growing and playing a significant role in the State's economy. Bihar is blessed with an extensive network of rivers, lakes, ponds, and reservoirs, providing ample opportunities for fish cultivation. The fisheries sector in Bihar primarily focuses on both freshwater and brackish water aquaculture.

Here are some key aspects of the fisheries sector in Bihar:

1. Fish Production: Bihar has witnessed a substantial increase in fish production over the years. The State has seen a shift from traditional capture fisheries to organized aquaculture. In recent years, Bihar has been consistently among the top fish-producing states in India.

2. Major Fish Species: The major fish species cultivated in Bihar include Indian major carps (rohu, catla, mrigal), common carp, silver carp, grass carp, and various other species suitable for local consumption and commercial purposes.

3. Aquaculture Practices: Both traditional and modern aquaculture techniques are prevalent in Bihar. Traditional methods involve the use of ponds, tanks, and small reservoirs for fish rearing. Modern practices include the adoption of advanced techniques such as composite fish culture, cage culture, and biofloc technology.

4. Government Initiatives: The government of Bihar has implemented several initiatives to promote the fisheries sector. These include the establishment of fish seed farms, construction of new fish ponds, training programs for fish farmers, and financial assistance schemes to encourage entrepreneurship in fisheries.

5. Marketing and Value Addition: Efforts are being made to strengthen marketing infrastructure and value addition in the fisheries sector. This includes the establishment of fish markets, cold storage facilities, and processing units to ensure better price realization for fish farmers and reduce post-harvest losses.

To safeguard the interest of the fish farmers and people engaged in fisheries activities, aquaculture crop insurance is to be implemented in the State and for the same Third Party Administrator (TPA) is to be selected through inviting Request for Proposal (RFP).

Need for Aquaculture Crop Insurance

Aquaculture crop insurance plays a crucial role in mitigating risks and providing financial security to aquaculture farmers in Bihar. Here are some reasons highlighting the need for aquaculture crop insurance in Bihar:

Vulnerability to natural disasters: Bihar is prone to natural disasters such as floods, cyclones, and droughts. These events can have a devastating impact on aquaculture farms, causing substantial losses in terms of fish mortality, infrastructure damage, and loss of income. Aquaculture crop insurance provides a safety net by compensating farmers for such losses, helping them recover and rebuild their businesses.

Disease outbreaks: Aquaculture farms are susceptible to disease outbreaks, which can result in significant losses. Disease outbreaks can occur due to various factors, including poor water quality, inadequate farm management practices, and the introduction of pathogens. Aquaculture crop insurance provides coverage against disease-related losses, enabling farmers to minimize financial losses and manage risks effectively.

Encouraging investment and sustainable practices: The availability of aquaculture crop insurance encourages farmers to adopt better farm management practices, including sustainable and responsible aquaculture techniques. It provides a safety net that encourages farmers to invest in modern technologies, infrastructure, and training, leading to increased productivity and profitability in the long run.

In summary, aquaculture crop insurance is essential in Bihar to safeguard aquaculture farmers against the risks and uncertainties associated with natural disasters, disease outbreaks, market price fluctuations, and input cost variability. It promotes financial stability, encourages sustainable practices, and supports the growth and development of the aquaculture sector in the region.

General Terms and Conditions for submission of Bid

1. The Insurance Broker will aid in appointing insurance company where department decision will be final. The mode of appointment of insurance company will be finalized between the department and selected insurance intermediary mutually as mentioned in the - **Insurance Regulatory And Development Authority of India (Insurance Brokers) Regulations, 2018 – Code of Conduct – Insurance Broker –** ***Conduct in matters relating to client relationship*** – **(h)** Insurance broker can obtain written mandate from client to represent the client to the insurer and communicate the grant of a cover to the client after effecting insurance. Unless it is specifically mentioned otherwise, the written mandate obtained from the client shall be valid for a period of one year if the mandate has no validity period mentioned. However, in the case of pre-underwritten policies or retail/individual policies there is no requirement of obtaining mandate from the client.
2. Technical evaluation of proposals submitted by the firms will be done as per the mentioned criteria in the RFP. Firm getting the highest marks will be declared as successful bidder and will be awarded the job.
3. The successful bidder will have to execute a tripartite agreement within six weeks with the DoF, Bihar and Insurance Company incorporating all the terms & conditions of this proposal notice and RFP on non-judicial Bond Paper of appropriate denomination.

4. Insurance Broker shall be doing the intermediation & coordination between the Directorate of Fisheries at the State and district level, Insurance Company and beneficiaries for successful implementation of the scheme.
5. Insurance Broker shall have representatives in all the operational districts who will ensure the total targeted number of fish farmers are covered under the scheme within stipulated timeframe.
6. Insurance Broker shall be responsible to make the necessary IEC activities (Information Education & Communication) amongst the fish farmers and spread awareness about the programme.
7. Insurance Broker shall be responsible for making intimation of claims to Insurance Company of claims and arranging visit of surveyor for physical verification and for doing required documents submission of the same to Insurer. Intermediary shall facilitate and assist the transfer of Fish Farmer's share of premium to the Insurance Company for underwriting of Policy.
8. After the payment of premium share by beneficiary, the policy will be effective for coverage of risk management and insurance Premium share by owner should be electronically transferred in favor of Insurance Company.
9. Follow up with Insurer to obtain Insurance policies and further to check & confirm for Policies issued in line with tender conditions.
10. Similarly at the time of claims, Insurance Intermediary shall be responsible for collection of entire set of required documents for claim settlement and submit to Insurance Company for settlement of Claims. This process may be carried out either by way of hard copy or soft copy as may be agreed upon with mutual consent from Insurer and Insurance Broker. Insurance Broker will also act as a coordinator/facilitator between Farmer/Insurer and Govt. officials for smooth implementation of the Scheme.
11. Claim intimation should be intimated to the District Fisheries Officer of the concerned district & nominated person of Insurance Company/Intermediary by phone/mobile/E-mail/SMS as soon as possible.
12. The pond should not be cleared of the dead fish/mortality 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 after intimation. If Insurance Company does not inform for inspection of pond within 6 hours of intimation owner will dispose off the dead fish.
13. The beneficiary should get full payment of the sum insured in case of death of minimum 80% of the fish (or as decided by DoF, Bihar, Patna), if there is delay in settling a claim or the claim is rejected, it must be fully justified by the concerned insurance company to the claimant and Informed to District Monitoring committee/District Fisheries Officer along with Directorate of Fisheries, Bihar, Patna.
14. Insurance Intermediaries should make endeavor to facilitate the process of claim settlement and see the same gets settled within agreed timeline after submission of documents by the beneficiary.
15. Insurance Intermediary will provide regular updates/reports & MIS to the Directorate of Fisheries on the status of Enrolment, Claims and Customers queries & Complaints (if any).
16. Extension in time for completion of work: Extension in time for completion of work may be approved by the Director, Directorate of Fisheries.

17. In case of dispute, the decision of the Director, Directorate of Fisheries will be binding to all.
18. The Director, Directorate of Fisheries reserves all the right to amend any part of Proposal.
19. The Director, Directorate of Fisheries reserves the right to reject all or any proposal.
20. All legal proceeding, if necessity arises shall be subject to the jurisdiction of competent court of justice in Bihar or Patna.
21. Insurance intermediary/broker will get their commission/insurance brokerage from the insurance company (to be selected) as per IRDAI instruction as notified.
22. DoF, Bihar reserves the right to change schedule of the bidding process or cancel the bid without any prior notice/information.

Pre- Qualification criteria & Technical Evaluation Criteria

Pre-qualification criteria		
Sr. No.	**Requirement Description**	**Supporting evidence to be annexed**
1.	The bidder should be a Legal Business entity registered under IRDAI. Post Registration experience- The organization should be in existence for at least 10 years.	Incorporation / Registration/ IRDAI License Copies/Certificates are to be submitted.
2.	PAN, GSTN & Udhyog Aadhar (non-mandatory)	Certificates of each item are to be annexed.
3.	The bidder should not have been blacklisted by any government agency/ organization for corrupt or fraudulent practices or deficiencies of services as on date of submitting the RFP documents along with declaration/certificate. *(Proposal will be rejected if failed to submit the document.)*	An affidavit from Notary Public is to be submitted in this regard.
4.	Bidder should not have any non-tax litigation pending in any court in India.	A self-declaration signed by the authorized signatory is to be submitted.
5.	Bidder should have an Average Annual Turnover of not less than Rs. 10.00 Crores in the last three consecutive financial years.	Certified copies of Audited financial statement of last three consecutive financial years i.e., 2019-20, 2020-21 and 2021-22 are to be attached.
6.	Bidder should have valid Insurance Broking License issued by IRDAI for minimum 10 years	IRDAI License copy to be attached.

Technical Evaluation Criteria

Groups	Sl. No.	Particulars	Marking Criteria	Remarks	Max. Marks
About the Insurance Intermediary	1	No. of Years of holding an insurance broking License granted by IRDAI	0-10 Yrs.: 2 Marks More than 10 yrs.: 5 Marks	IRDA License to be attached	5
	2	Business Premium Turnover of the insurance intermediary for FY 20-21, 21-22, 22-23	INR 0-10 Cr: 2 Marks INR 10-20 Cr: 3 Marks INR 20 Cr & above: 5 Marks	Certified by auditor	5
Experience in working for PSU clients & Govt. Scheme	3	No. of Central Govt. / State Govt. / Any Govt. undertaking/ Semi Govt. Institute handled in last 3 years	For every client: 1 Marks	Work orders/mandates to be attached	5
	4	Should have experience of fisheries/livestock/agriculture insurance in Bihar or other state.	In Bihar : 3 marks Other State: 2 marks for each state	Work Order/Policy copies/ Invoice to be attached	15
Experience in livestock/Fisheries Insurance	5	Experience of handling insurance premium amount in fisheries/livestock/agriculture insurance in last three years.	Rs 50,00,000 - Rs 2,00,00,000: 5 marks Rs 2,00,00,000-5,00,00,000 :7 marks More than Rs 5,00,00,000: 20 marks	Proof needs to be attached	20
	6	Experience of handling insurance claims (on paid basis) in	Rs 2,00,00,000-Rs 35,00,00,000: 5 marks	Proof needs to be attached	20

Groups	Sl. No.	Particulars	Marking Criteria	Remarks	Max. Marks
		fisheries/livestock/agriculture insurance in last three years.	Rs 35,00,00,000- Rs 50,00,00,000: 7 marks More than 50,00,00,000: 20 marks		
	7	Having office in Patna (Bihar) as on 31st May 23 or willing to open office in Patna (Bihar) if contract is awarded	Already having office in Patna – 10 Marks Will open office in Patna – 5 Marks	Rent Agreement, Communication to IRDAI Self-Declaration	10
Presence in Bihar	8	**a.** Number of full-time employees of the bidder pan India having requisite qualification of insurance broking as approved by IRDAI **b.** Number of full-time employees of the bidder in Patna having requisite qualification of insurance broking as approved by IRDAI (Broker Qualified Person).	0-20: 3 Marks More than 20: 5 marks Each employee: 1 mark Max: 5 marks	(a) Auditor certificate required along with all supporting docs.	10
Own Technology Team/Solution	9	Bidder should have its own mobile application to upload photos, proposal form, Health certificate & required documents including Claims intimation etc Software should be able to generate various reports/ MIS & give access to concerned officials of the department.	(a) Already having application - 10 Marks (b) Will be providing application later if contract is awarded – 5 Marks	Self-Declaration	10
Total Marks					**100**

Roles and responsibilities of an Insurance Broker/Intermediary

a. Maintaining dedicated software for monitoring the progress of the scheme and providing all the related reports to DoF, Bihar on a regular basis.
b. Access to the software made available to all the concerned officers and stakeholders in the districts for regular monitoring and updation of the scheme.
c. Use of technology in the form of Mobile Application as well as web based application for capturing all the relevant details which is synced with the dedicated software for operationalisation of the aquaculture crop insurance.
d. Appointment of POSs and district coordinators for creating awareness of the aquaculture crop insurance scheme and its benefits to the poor farmers and accordingly initialising the insurance process.
e. Timely progress chart for each month is prepared and shared with the Department on a regular basis i.e., providing of the MIS and other data in digital form to the department.
f. Coordination with the insurance company and Department.
g. Collect the Premium and deposit it in the dedicated bank account of the Insurance Company relating to the beneficiary share of premium through the Point of Sales.
h. Facilitation of claims settlement which includes establishment of dedicated call centre which works 7 days in a week to aid the farmer to get a one point contact for all insurance claim related queries and grievances. This will further help in the penetration of the insurance and building faith among the farmers towards the insurance.
i. In case of claim the software should be able to give the status of claim file at any point of time.

Selection of Insurance Company

- The Insurance Broker will aid in appointing insurance company where department decision will be final. The mode of appointment of insurance company will be finalized between the department and selected insurance intermediary mutually as mentioned in the - **Insurance Regulatory And Development Authority of India (Insurance Brokers) Regulations, 2018 – Code of Conduct – Insurance Broker –** ***Conduct in matters relating to client relationship*** **– (h)** Insurance broker can obtain written mandate from client to represent the client to the insurer and communicate the grant of a cover to the client after effecting insurance. Unless it is specifically mentioned otherwise, the written mandate obtained from the client shall be valid for a period of one year if the mandate has no validity period mentioned. However, in the case of pre-underwritten policies or retail/individual policies there is no requirement of obtaining mandate from the client.
- Insurance intermediary/broker will get their commission/insurance brokerage from the insurance company (to be selected) as per IRDAI instruction as notified.

Scope of Work

Role of Broking Agency

Insurance Broking Agency would be functioning as a Strategic Consultant arm of DoF, Bihar and would be assisting in the Post Placement Process of the program. Insurance Broking agency would undertake the following action items as post placement activities.

Species Covered

The species that will be covered under the aquaculture crop insurance are Indian Major Carps (IMC), Exotic Major Carp (EMC), Pangasius and other cultured species in the State.

Components Covered under the "Aquaculture Crop Insurance"

Only one component will be covered under the insurance scheme : –

- Fish production from pond fisheries

Proposed Area of coverage under the Aquaculture Crop Insurance Scheme

The fish farmers of all the 38 districts of Bihar will be covered under the scheme.

Risks Covered under the Aquaculture Crop Insurance

Safeguard fish farmers from natural calamities like floods, drought, storm, poisoning and other threats as identified by DoF, Bihar.

Area of coverage per fish farmer

Each fish farmer can apply under the Aquaculture Crop Insurance Scheme and minimum area to get enrolled under the scheme will be as follows:

S. No.	Activity	Minimum Coverage per farmer per unit	Maximum Coverage per farmer per unit
1.	Fish production from pond fisheries	0.1 Ha	1 Ha