



Bank Note Paper Mill India Private Limited
(A joint venture of SPMCIL, a Government of India Undertaking and BRBNMPL, a wholly owned subsidiary of Reserve Bank of India)

TENDER FOR COMPREHENSIVE RISK INSURANCE (IAR AND STANDARD FIRE AND
SPECIAL PERIL POLICY) FOR
BANK NOTE PAPER MILL INDIA PRIVATE LIMITED, MYSURU (DOMESTIC BIDDING)

Contact Details:

The Chief General Manager
Bank Note Paper Mill India Private Limited Registered & Corporate office:
Administrative Building,
Paper Mill Compound, Note Mudran Nagar,
Mysuru- 570003, Karnataka, India
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SECTION-1

Notice Inviting Tender (NIT)

Tender No. BNPM/CO/Comprehensive Risk Insurance/982/2018-19

Date:01 March 2019

Interested bidders fulfilling the eligibility criteria as per section 2 are invited to submit the sealed tender in 2 parts (Techno commercial bid and price bid).

Name of work/service for which bid is invited	Comprehensive Risk Insurance – including IAR policy for the paper mill and Standard Fire and special Peril policy for the Inventory/stock-in trade, Administrative building including the furniture and fixtures, office equipment etc.,
Bid Security (EMD)	Not applicable
Cost of Tender Document	Nil
Due date and time for submission of bid	18 th March 2019 – 17:00 hrs
Date of opening techno-commercial bid	18 th March 2019 – 17:15 hrs
Date of opening of price bid	22 nd March 2019 – 15: 00 hrs
Venue for bid submission and opening	Registered and Corporate Office, Administrative Block, Entry Gate No. 1, Paper Mill Compound, Note Mudran Nagar, Mysuru - 570003

The bidders or their designated representatives, who intend to bid, are invited to attend the opening of technical bid and price bid at the date and time mentioned as above.

Bidder(s) are advised to quote strictly as per terms and conditions of the tender documents and not to stipulate any deviations/exceptions. Once quoted, the Bidder shall not make any subsequent price change after due date and time of submission of bid. Price changes through any other mode shall render the offer liable for rejection.

This NIT is an integral and inseparable part of the enclosed Bid Document.

Yours faithfully,

For and on behalf of
Bank Note Paper Mill India Private Limited
Sd/-
(A K Mandal)
Chief General Manager



Section 2

Eligibility Criteria

SI.No.	Eligibility criteria
Technical Criteria	
1	<p>The tenderer should have underwritten and serviced in any of the last 5 years ending as on 28/02/2019 at least :</p> <p>one comprehensive fire and special peril policy and/or Industrial all risk policy covering Material damage and business interruption for a minimum sum insured value of Rs.1640 Crore, or</p> <p>two comprehensive fire and special peril policy and/or Industrial all risk policy covering Material damage and business interruption for a minimum sum insured value of Rs.1025 Crore each, or</p> <p>Three comprehensive fire and special peril policy and/or Industrial all risk policy covering Material damage and business interruption for a minimum sum insured value of Rs. 820 Crore each.</p>
2	<p>The tenderer should be a registered Indian non-life Insurer in accordance with the Insurance Act and approved by IRDA (Insurance Regulatory & Development Authority) as Non-Life Insurer and should have a license to carry out Insurance Business in India under non- life insurance sector. (Please provide registration certificate)</p>
3	<p>The tenderer should not have been blacklisted/debarred anytime during last 3 years ending 28/02/2019 from participation in a tender floated by any central/state PSU including Security Printing and Minting Corporation of India Limited, New Delhi and Bharatiya Reserve Bank Note Mudran Private Limited, Bangalore or any state/central government department/institutes or any autonomous funded and/or controlled by any state/central government. (A declaration to this effect is to be attached)</p>
4	<p>The intending tenderer should be in business for a minimum period of 3 years till 28/02/2019. (Please provide registration certificate)</p>
Financial Criteria	
5	<p>The tenderer should not have suffered net loss in any of the last three – years ending 31/03/2018. (Please provide audited balance sheet and profit and loss account)</p>
6	<p>The Net Worth of the tenderer should be positive as per audited financial statement as on 31/03/2018 and should not have eroded more than 30%.</p>



7	<p>The Available Solvency margin of the tenderer should be highest of the following as on 31/03/2018:</p> <ul style="list-style-type: none"> i. Rs.100 Crores ii. a sum equivalent to 20% of the net premium as per the audited financial statements for the year ended 31.03.2018* or iii. a sum equivalent to 30% of net incurred claims as per the audited financial statements for the year ended 31.03.2018* <p>* Please quote amount (Please provide the computation of the above duly signed by the authorized person of the bidder)</p>
8	<p>The tenderer should have a history of claim settlement ratio ranging between 80%-90% for the last 3 financial years ending 31/03/2018. (Please provide documentary evidence)</p>
9	<p>The tenderer should at-least be rated AAA or equivalent (in insurance claims paying ability rating) by anyone of the credit rating agencies operating in India for the last two years ending 31/03/2017 and 31/03/2018 and their international re-insurers should have at least a rating of BBB+ or equivalent by anyone of international credit rating agencies. (Please provide documentary evidence). The insurer have to declare their reinsurer whose credential as above has to be assessed.</p>



SECTION-3

Instructions to Bidders and general terms and conditions

1. Bank Note Paper Mill India Private Limited (BNPMIPL) i.e. the Employer is a company incorporated under the Companies Act 1956 and having its Registered and Corporate Office, Administrative Block, Entry Gate No. 1, Paper Mill Compound, Note Mudran Nagar, Mysuru – 570003 shall include its successors and permitted assigns invites bids for comprehensive risk insurance as per details described in the scope of work of the tender document.

2. The employer shall be represented by its Managing Director or other officers of the company as authorized by the Managing Director.

3. Bids from Joint Venture / Consortium: Not acceptable

4. Bid currency

All premiums quoted by bidders shall be in INR only on firm price basis.

5. Cost of Bidding

The bidder shall bear all costs associated with the preparation and submission of the bid, and BNPMIPL will in no case, be responsible or liable for these costs, regardless of the conduct or outcome of the bidding process.

6. Preparation and submission of Bids

Duly completed tender shall be submitted in a sealed envelope as under:

- Techno Commercial Bid should be submitted consisting of:

Sealed Envelope 'A' - which should contain the following:

- a. Section 2 – eligibility criteria printed on the letter head of the bidder and duly signed by the authorized representative along with all documentary evidences as mentioned in section 2.
- b. Bid forwarding letter.
- c. Authorization letter from the company on the company letter head.

Sealed Envelope 'B' – which should contain the following:



a. Other terms and conditions – mentioned in section 3 of this tender – duly printed on the letter head of the bidder, dully filled up and signed by the authorized representative.

b. Section 4 – Scope of cover – duly printed on the letter head of the bidder, dully filled up and signed by the authorized representative.

Both envelope A and B should be sealed and put in a separate **sealed envelope 1** (super – scribing “Techno-Commercial Bid)

- Price bid should be submitted in a separate sealed **envelope 2** (super- scribing “Price bid”)

Both envelop 1 and 2 shall be put in sealed envelope 3. The sealed envelope 3 should be super- scribed “Tender for comprehensive risk insurance”. The name and address of the tenderer shall be clearly mentioned on the sealed envelope 3.

Bid should be signed by duly authorized representative.

7. Bid Validity

Bids shall be kept valid for 90 days from the last date of submission of bid. A bid valid for a shorter period may be rejected by BNPMIPL as non-responsive.

In exceptional circumstances, the Employer may request that the bidders to extend the period of validity for a specified additional period. The request and the responses thereto shall be made in writing or by fax / e-mail.

Bidder will not be permitted to modify his bid, but will be required to extend the Validity of its bid for the period of the extension.

8. Bid Opening and Evaluation

Bid will be opened in the presence of bidders’ authorized representatives who intends to attend, at date, time and location stipulated in the tender document.

9. Priced Bid Opening:

BNPMIPL will open the price bids of those bidders whose bid is determined to be technically and commercially responsive. Bidders may depute their authorized representative to attend the opening of price bid.

10. Examination of Bids & Determination of Responsiveness



Prior to the detailed evaluation of bids, the Employer will determine whether each bid (a) has been properly signed; (b) is accompanied by the required documents; (c) is substantially responsive to the requirements of the bidding documents; and (d) provides any clarification and/or substantiation that the Employer may require to determine the responsiveness.

11. Correction of Errors

Bids determined to be substantially responsive will be checked by the Employer for any arithmetic errors. Errors will be corrected by the Employer as follows:

a. where there is a discrepancy between the amounts in words and figures, the amount in words will govern; and

b. Where there is a discrepancy between the unit rate and the total resulting from multiplying the unit rate by the quantity, the unit rate as quoted will govern.

c. The amount stated in the bid will be adjusted by the Employer in accordance with the above procedure for the correction of errors and, with the concurrence of the bidder, shall be considered as binding upon the bidder. If the bidder does not accept the corrected amount of bid, its bid will be rejected, and the bid security, if any shall be forfeited.

12. Evaluation and Comparison of Bids

Evaluation of bid shall be done on following basis:-

a. Evaluation of the techno-commercial bid:

- Envelope A containing the eligibility criteria will be opened and eligibility criteria will be evaluated first.
- Once it is satisfied that the bidder has met all the eligibility criteria, envelope B will be opened and evaluated.

b. Only the bids that are Techno-commercially qualified and substantially responsive to the Bid conditions would become eligible for the opening of the priced bids.

c. The total premium quoted for IAR policy consisting of cover for material damage and business interruption together with add-on covers **will only be** considered for evaluation. The premium quoted for standard fire and special peril policy **will not be** considered for evaluation.



d. Bidders having lowest premium amount for the given scope of cover shall be evaluated for the purpose of ranking. Thereafter, the bidder(s) identified as quoted lowest overall premium amount for the given cover among all the bidders will be declared the overall L1 bidder and accordingly rest of the bidders will also be rated as L2, L3...Ln in ascending order depending upon their quoted cumulative premium amount in the price bid for given cover.

e. In case of tie in quoted premium rates for the inbuilt (excluding add-on cover) cover, at any stage between/among bidders, the bidder having higher net worth in the last financial year shall be declared lowest between/among them.

f. The employer shall have the option to award the entire contract of insurance to the overall L1 bidder for the entire risk cover. The employer, however, shall be at liberty (option) to allocate the total contract value among other insurer/(s), subject to matching the rate quoted by L1 bidder, with allocation of higher share to the L1 party being the lead insurer. **This is an option available to the employer but not an obligation. The employer shall decide at its sole discretion. The employer's decision shall be binding and will not be liable to be challenged.**

13. Signing of Agreement:

BNPMIPL will issue Letter of Intent to the successful bidder on 29th March 2019 who shall sign and return the acceptance copy to BNPMIPL on the same day.

14. Acceptance and rejection of bid:

The company reserves the right to accept or reject any tender, and to annul the tendering process and reject all tenders, at any time prior to award of contract, without thereby incurring any liability to the affected tenderer or any obligations to inform the affected tenderer of the ground for the company's action.

The quotation submitted by the bidders who are found to have deficiency in service, pending settlement of claim etc. on the date of evaluation may be liable to be rejected at the sole discretion of company.



15. Other general terms and conditions

Sl.no	Terms and conditions	Accepted	Deviation, if any
i	It shall be the obligation of the bidder to quote for both inbuilt cover and optional/add-on cover. However, the owner will have an option to accept/reject/going in for optional/add-on covers. Once option is exercised the rates and terms quoted by the successful bidder shall be firm and binding.		
ii	The tenderers are requested to quote the premium net of discount if any, for the scope of cover and shall include all duties, taxes and all expenditure to be incurred by the tenderer and will remain firm and shall not be subject to any variation on any account except GST. Upward/downward variation in GST shall be settled at actuals.		
iii	Bid submitted with a conditional discount such as quantity/volume discount etc. will not be acceptable. The bidders are requested to take note of the above and refrain from quoting conditional discounts as otherwise the bid may be liable for rejection.		
iv	Prices quoted by the successful bidder shall remain firm and fixed and valid until completion of the contract and will not be subject to variation on any account except variation in GST as stated in point ii.		
v	BNPMIPL will pay the insurance premium to the lead insurer/sole insurer as the case may be.		
Vi	The terms and conditions of cover and the wordings of the policies, warranties and clauses should be strictly in-line with IRDA provisions (erstwhile TAC rules) and draft policy/guidelines issued by IRDA from time to time. Due regard may also be given to internationally accepted norms. Any deviation from standard cover with add-ons at standard terms and conditions with standard exclusions and standard policy excess shall not be acceptable.		



Vii	Standard minimum excess/deductible as per IRDA/TAC rules shall only be applicable.		
viii	In case of any violation of IRDA Tariff provision or any other applicable provisions, risks and responsibility shall be entirely on the insurer. As such the insurer shall be solely and legally responsible to BNPMIPL for effective execution of the policy co-ordination, collection of premium, issue of policy document, settlement of claim, refund of premium, if any etc.		
ix	Amount of sum insured specified is provisional and may vary.		
Xi	The bidder will be able to provide the risk coverage and issue the policies in original with effect from midnight of 31/03/2019		
Xii	The employer shall have the option to award the entire contract of insurance to the overall L1 bidder for the entire risk cover. The employer, however, shall be at liberty (option) to allocate the total contract value among other insurer/(s) with allocation of higher share to the L1 party being the lead insurer. This is an option available to the employer but not an obligation. The employer shall decide at its sole discretion. The employer's decision shall be binding and will not be liable to be challenged.		
Xiii	The contract awarded may be renewed for a further period of 2 years (renewable at the end of each year) with the winning bidder(s) subject to satisfactory performance of the insurer and a confirmation by the insurer that the rate, terms and conditions etc. will remain the same.		
Xiv	Inventory/stock-in trade will be covered under a separate fire and special peril policy		
Xv	Administrative building including the furniture and fixtures, office equipment etc., will be covered under a separate fire and special peril policy		



Xvi	<p>In case it is required to foreclose the policy before the expiry of the term say after 3 months from the date of the renewal, you will refund the premium proportionate to the period of the term elapsed. Deviation, if any, should be clearly stated with reasons.</p> <p>Alternative to the above proposal may also be suggested for short closure of the policy.</p>		
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Section-4

Scope of comprehensive risk insurance consisting of IAR policy and Standard Fire and Special Peril Policy

I. BPPMIPL intends to avail the following known & significant risks under **Industrial All Risk Policy (IAR)** with all standard cover with add-ons at standard terms & conditions of the policy with standard exclusions and standard policy excess:

Scope of cover & Properties covered	Estimated sum insured (Rs. in crore)	Confirmation by the bidder	Deviations, if any by the bidder
<p>All Risks including Fire & Allied Perils except those excluded under the standard IAR policy:</p> <p>i. Buildings other than Admin building</p> <p>ii. Plant and Machinery including Pipe line</p> <p>iii. Furniture & Fixture</p> <p>iv. Stock in process including fuel oil</p> <p>a. Theft and burglary (on first loss basis)</p> <p>b. Due to Machinery breakdown</p>	<p>140.00</p> <p>1395.00</p> <p>10.00</p> <p>5.00</p> <p>150.00</p> <p>1395.00</p>		
<p>Add-on cover to material damage:</p> <p>a. Due to earthquake</p> <p>b. STFI (Storm, cyclone, typhoon, tempest, hurricane, tornado, flood & inundation, Hail storm)</p> <p>c. Terrorism cover for building, plant & machinery and business interruption due to fire and allied</p>	<p>1525.00</p> <p>1550.00</p> <p>1850.00</p>		



<p>perils</p> <p>d. Additional sum insured for escalation in cost up to 25% of the sum insured value of properties</p> <p>e. Omission to insure, alteration & extension up to 5% of the sum insured</p> <p>f. Impact damage due to insured's own rail / road vehicles. Forklifts, cranes, stackers and the like and articles dropped there from.</p>	<p>155.00</p> <p>78.00</p> <p>1,550.00</p>		
<p>Section 2: Business Interruptions</p> <p>Standard definitions, basis of Insurance, standard exclusions shall apply as also standard conditions</p> <p>a. Fire loss of Profit (Indemnity Period 6 months)</p> <p>b. Machinery breakdown Loss of Profit (Indemnity Period 6 months)</p>	<p>300.00</p> <p>300.00</p>		
<p>Deductibles:</p> <p>The extent of claims not payable under the policy (Compulsory excess)</p> <p>For Material Damage:</p> <p>5% of claim amount subject to minimum of Rs 25 lacs for sum insured of Rs 1500 crore and up to Rs 2500 Crore.</p>	<p>Page 14 of 21</p>		

<p>For Business Interruption: FLOP: 7 days standard gross profit irrespective of the amount. MLOP: 14 days standard gross profit irrespective of the amount.</p>			
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II. BMPMIPL intends to avail the following known & significant risks under **Standard fire and special peril policy** with all standard cover at standard terms & conditions of the policy with standard exclusions and standard policy excess, if any:

Scope of cover & Properties covered	Estimated sum insured (Rs. in crore)	Confirmation by the bidder	Deviations, if any by the bidder
Administrative building with contents – Being situated in a separate risk block outside the factory	5.00		
Stocks - Raw materials - Finished goods - Stock of mould cover material Premium quoted includes earthquake, STFI & Terrorism cover	150.00		



Note:

- a. Estimated sum insured value and estimated premium are indicative and may vary at actuals when determined.
- b. Standard risk cover, exclusions and conditions etc for IAR policy and Standard fire and special peril policy should be furnished separately duly signed by the bidder which should form part of the contract.
- c. The technical bid shall consist the following (Refer section 3 for instruction on submission of bid)
 - i. Bid forwarding letter
 - ii. Authorization letter from the company on the company letter head.
 - iii. Documentary evidences supporting the fulfilment of eligibility criteria – refer section 2
 - iv. Standard risk cover, exclusions and conditions etc for IAR policy and Standard fire and special peril policy duly signed by the bidder
 - v. Other terms and conditions – mentioned in section 3 of this tender – duly printed on the letter head of the bidder, dully filled up and signed by the authorized representative.
 - vi. Section 4 – Scope of cover – duly printed on the letter head of the bidder, dully filled up and signed by the authorized representative
- d. Price bid shall be unconditional and shall be submitted in the prescribed format. Price bid shall be submitted in separate envelope. Refer the instruction to bidders for details.



Section-5

Format for submitting Price bid

(Price bid is to be submitted in consideration of comprehensive cover in each section read with standard exclusions and conditions)

Scope of cover & Properties covered	Estimated sum insured (Rs. in crore)	Rate of premium (per Rs.)	Premium (in Rs.)	GST (in Rs.)	Total premium payable (in Rs.)
Industrial All Risk Policy					
All Risks including Fire & Allied Perils except those excluded under the standard IAR policy:					
i. Buildings other than Admin building	140.00				
ii. Plant and Machinery including Pipe line	1395.00				
iii. Furniture & Fixture	10.00				
iv. Stock in process including fuel oil	5.00				
c. Theft and burglary (on first loss basis)	150.00				
d. Due to Machinery breakdown	1395.00				
Add-on cover to material damage:					
a. Due to earthquake	1525.00				
b. STFI (Storm, cyclone, typhoon, tempest, hurricane, tornado, flood & inundation, Hail storm)	1550.00				
c. Terrorism cover for					



<p>building, plant & machinery and business interruption due to fire and allied perils</p> <p>d. Additional sum insured for escalation in cost up to 25% of the sum insured value of properties</p> <p>e. Omission to insure, alteration & extension up to 5% of the sum insured</p> <p>f. Impact damage due to insured's own rail / road vehicles. Forklifts, cranes, stackers and the like and articles dropped there from.</p>	<p>1850.00</p> <p>155.00</p> <p>78.00</p> <p>1550.00</p>				
<p>Section 2: Business Interruptions Standard definitions, basis of Insurance, standard exclusions shall apply as also standard conditions</p> <p>a. Fire loss of Profit (Indemnity Period 6 months)</p> <p>b. Machinery breakdown Loss of Profit (Indemnity Period 6 months)</p>	<p>300.00</p> <p>300.00</p>				
<p>Deductibles: The extent of claims not payable under the policy (Compulsory excess)</p> <p>For Material Damage: 5% of claim amount subject to minimum of Rs 25 lacs for sum insured of Rs 1500 crore and up to Rs 2500 Crore.</p> <p>For Business Interruption:</p>					



FLOP: 7 days standard gross profit irrespective of the amount.					
MLOP: 14 days standard gross profit irrespective of the amount.					
Standard Fire and Special Peril Policy					
Material damage to:					
•Administrative building with contents – Being situated in a separate risk block outside the factory	5.00				
• Stocks					
-Raw materials	150.00				
-Finished goods					
-Stock of mould cover material					
*Premium shall include earthquake, STFI & Terrorism cover					

Note:

1. The premium quoted shall be all inclusive. Statutory stamp duty applicable on marine imports shall be paid extra at actuals and the same need not be quoted. GST should be quoted as per format in the bid with the applicable rate. Any upward/downward variation in GST shall be settled at actuals. No other escalation shall be entertained.

2. The amount of sum assured may vary at actuals. The rate quoted shall also be valid for changed value of sum assured.



Section-6
Format of bid forwarding letter

Date:

To,

The Chief General Manager (Finance)

Bank Note Paper Mill India Private Limited Administrative Building, Entry Gate No.1,
Paper Mill Compound, Note Mudran Nagar, Mysuru – 570003

Dear Sir,

Sub: Submission of techno commercial bid

Ref: Tender No. BNPM/CO/Comprehensive Risk Insurance/982/2018-19 dated 01.03.2019

With reference the above we _____Insurance Company hereby submit our bid as under:

1. We have noted, understood and agreed (with or without deviation) to all the terms and conditions of the tender document for Industrial All Risk Policy. In token of our acceptance we have signed and enclosed the entire tender document including NIT, Instruction to the bidder, compliance to general terms and conditions duly signed by the authorized representative.
2. We have prepared and submitted the bid strictly as per the format and instruction given in the tender document.
3. Techno commercial bid and price bid have been submitted in separate sealed envelopes duly super scribing techno commercial and price bid and both the sealed envelope have been put in third envelop super scribing tender for comprehensive risk insurance.
4. The price bid is submitted un-conditionally i.e. without any condition and strictly as per the price bid format.
5. Techno-commercial bid is not having any mention of the price.
6. The bid is submitted for both IAR and Standard Fire and Special Peril Policy- for inbuilt covers and add-on covers.
7. The bid submitted is valid for 90 days from the last date of submission of bid.
8. We accept that the decision of BNPMIPL in acceptance/rejection/evaluating the bid and awarding contract is final and binding on us.



The undersigned is duly authorized to sign the bid document and attestation. The terms and conditions shall be binding on the insurance company represented by undersigned (Authorization letter in original is attached is herewith)

For and on behalf of

_____ Insurance Company Limited

(Authorized signatory)

