

Imphal, the 16th September 2017

Invitation of bids for selection of Insurance Companies as Implementing Agencies (IA) for “Pradhan Mantri Fasal Bima Yojana (PMFBY)” for Manipur State for Rabi 2017-18 season

1. Offers are invited from all Insurance Companies designated / empanelled by DAC&FW, Government of India for submission of their financial bid (**Annexure-I**) for carrying out implementation of “**Pradhan Mantri Fasal Bima Yojana (PMFBY)**” in Manipur State for Rabi 2017-18 season.
2. The Operational Guidelines (OGs) issued by Government of India would be the final guidelines for implementation of this scheme and shall prevail in case of any conflict between the clauses in bid document & the OGs.
3. During Rabi 2017-18 season, the PMFBY will be implemented in 9 **districts** of Manipur State covering **Mustard crop**.
4. District-wise Sum insured/Scale of Finance, Indemnity Level and Expected Area insured are given in **Annexure-II**.

Coverage and Exclusions:

• Coverage of Risks

Following stages of the crop and risks leading to crop loss are covered under the scheme.

- I. **Prevented Sowing/ Planting Risk** - Insured area is prevented from sowing/planting due to deficit rainfall or adverse seasonal conditions.
- II. **Standing Crop(Sowing to Harvesting)** - Comprehensive risk insurance is provided to cover yield losses due to non-preventable risks viz. Drought, dry spells, flood, inundation, pests and diseases, landslides, natural fire and lightening, storm, hailstorm, cyclone, typhoon, tempest, hurricane and tornado.
- III. **Post-Harvest Losses** - Coverage is available only up to a maximum period of two weeks from the harvesting for those crops which are allowed to dry in cut and spread condition in the field after harvesting against specific perils of cyclone, cyclonic rains and unseasonal rains. (last date by which harvesting should have been done is mentioned in seasonality discipline)
- IV. **Localized Calamities** - Loss/damage resulting from occurrence of identified localized risks of hailstorm, landslide and inundation affecting isolated farms in the notified area.

• Exclusions

General exclusions:

Losses arising out of war and nuclear risks, malicious damage and other preventable risks (refer para IV.2 of OGs of PMFBY).

• Coverage of farmers

- I. **Compulsory component:** - All farmers availing Seasonal Agricultural Operation (SAO) loans from financial institutions (i.e. loanee farmers) for the notified crop are to be covered compulsorily.
- II. **Voluntary component:** - The scheme is optional for non-loanee farmers. All farmers who have not availed any crop loan and are willing to get covered under PMFBY can purchase insurance through Banks/ Insurance Companies / their designated agents.

Selection of Insurance Company as Implementing Agency (IA):

- i) Selection of Implementing Agency will be done by adopting the cluster approaches as envisaged in OGs.
- ii) For the implementation of the scheme in Manipur, all the 9 districts are included in a single cluster.
- iii) The Bidders are required to quote the Premium up to two decimal points.
- iv) District wise and crop wise expected area insured (hectare) are given in **Annexure-II**
- v) Expected Coverage (Expected Area Insured in Hectare multiplied by Sum Insured/ Scale of Finance per Hectare) will be considered as the weights to arrive at the Weighted Average Premium Rate for the cluster.
- vi) Final selection of IA from the bidders shall be done based on the lowest weighted average premium quoted by the company for the notified crop within the cluster of districts (refer para XXIII.9 of OGs of PMFBY).
- vii) The insurance company quoting Lowest weighted premium rate in the cluster would be declared as L-1 (refer para XXIII.9 of OGs of PMFBY for evaluation process).
- viii) If any company declines after being declared L1, the company may be barred for the coming seasons and the L2 may be given the cluster for implementing the crop insurance scheme at L1 district-crop combination rates and so on to L3, L4 bidder as per the consent of insurance company.
- ix) Premium bids not in conformity of the above conditions will be summarily rejected and will not be considered for the season.

Premium rate and subsidy:

All farmers (loanee or non-loanee) enrolled under PMFBY would be entitled for subsidy on the premium. The maximum premium payable by the farmers will be 1.5 % of the sum insured or actuarial premium rate, whichever is lower, for the notified Mustard crop during Rabi season. The difference between the actuarial premium rate and farmer share would be equally borne by the State Government and Central Government in the ratio of 50:50.

Based on the fair estimates of coverage, State Government will ensure to make an advance payment of 50% of subsidy liability to insurance companies and will settle the balance subsidy payment on submission of final figures by insurance companies.

Claim liability:

Insurers shall be responsible to settle all the admissible claims to be arisen due to the conditions/eventualities as detailed in paras XI.10, XII to XVI of operational guidelines of PMFBY. Insurers shall be responsible for payment of claims upto the ceiling as stated in para VIII.4 of Operational guidelines of PMFBY.

Bank Services Charges:

Bank and other financial institutions etc. shall be paid service charges @ 4% of the premium collected from farmers. Rural agents engaged in providing insurance related services to farmers may be paid appropriate commission as decided by the insurance company, subject to cap prescribed under IRDAI regulations. Banks may submit their Invoice in the format prescribed as **Annexure-IV**.

Notification of crops and area:

The scheme will operate on the principle of "Area Approach" in the defined areas called Insurance Unit (IU). For Rabi 2017-18 season, Notified Area will be EO (Agri) Circle. Sub-division (Agri) wise EO (Agri) Circles will be a part of the notification for Rabi 2017-18 season.

Indemnity Level & Threshold yield (TY):

Threshold yield for a notified area will be average yield of the last 7 years multiplied by Indemnity Level. Crop wise proposed Indemnity Level for Rabi 2017-18 season are given in **Annexure II**.

However, past yield data along with the latest available cropped area for the last 10 years are available only at the (higher) Sub-Division (Agri) level, which will be used for premium calculation and fixation of Threshold Yield of the Notified areas. Crop wise, district wise and Sub-Division (Agri) wise past yield data along with the latest available cropped area are provided in **Annexure-III**.

Seasonality discipline:

Below given Seasonality / cut off dates have been proposed in the Department, which will be approved in the SLCCCI meeting.

Sl. No.	Activities	Time Lines
1	Cut-off Date for Availing Insurance	31.12.2017
2	Cut-off Date for submission of yield data	28/2/2018

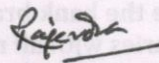
Roles of Insurance Companies

- i) Ensuring payment of bank service charges to banks @4% of the premium collected from banks.
- ii) Providing monthly progress returns/ statistics/ information to State and Central Government.
- iii) Endeavouring for 100% coverage of the loanee farmers through Banks/Financial Institution, etc.
- iv) Facilitate the bank branches/ intermediaries/ agents to upload the details of insured farmers and beneficiaries with all requisite details on Crop Insurance portal well in time.
- v) Redressal of all Public Grievances within the time fixed by IRDAI. Provide toll free number where farmers can approach for redressals of grievance, intimate claims in case of localized calamity, seek information on coverage, etc.
- vi) The coverage of loanee farmers should be carried out by insurance companies themselves, use of agents / brokers are not allowed.
- vii) Claim processing and payment to Banks/Farmers within the prescribed timelines.
- viii) Marketing and publicity of Scheme, Insurance company will ensure the marketing and publicity of the scheme and submit a report with photographs to State and Central Government.
- ix) Distribution of Declaration form/proposal form to bank/financial institution branch/s.
- x) Submission of reports to State and Central Government.
- xi) **Within two months after sowing** State government will furnish the unit wise notified cropped area sown to respective IA.
- xii) State Government will submit CCE's results of all notified crops for notified area in standard format within stipulated date to respective IA.
- xiii) Awareness and publicity – extensive efforts to generate publicity and create awareness of PMFBY at grass-root levels / locations including bank branches. Also coordinate with the States and other agencies for awareness and publicity of the scheme.
- xiv) Other role & responsibilities as detailed in para XXIV.3 and XXV of OGs of PMFBY.

Roles and Responsibility of State Government

- i) Take suitable action for adoption of new technology for early loss assessment and better administration of scheme. Implementing CCE using handheld devices, recording coordinates photographs, etc.
- ii) Issuance of necessary instructions to Regional Meteorological Centres of IMD and other government/ quasi government agencies for supplying weather data on real-time basis to insurance company.
- iii) To undertake extensive awareness and publicity campaigns of Scheme amongst farming community through agriculture and extension Departments to maximize coverage of the farmers specially non-loanee farmers.

- iv) Submission of yield data for all notified crops and insurance units to insurance companies in standard format within stipulated date.
- v) To furnish to the insurance companies the insurance unit wise area sown of insured crops within two months from the sowing period.
- vi) Assist insurance companies for assessment of crop loss of individual insured farmers caused by localized perils and also assist in post-harvest losses.
- vii) To undertake requisite number of CCE in the notified area following single series, and provide the yield data to the insurance company within the prescribed cut-off date, along with results of individual CCEs.
- viii) Allow insurance companies to co-observe and witness CCEs, and permit them to access various records including Form-2 / Table-B at grass root / district / state level used for recording data of CCEs by States. State shall strengthen audit process of conducting CCE with necessary checks and balances. Audio/Video recording of CCEs shall be implemented besides other process to ensure accuracy of CCE.
- ix) IA should settle the claims (if any) within 3 weeks after receipt of yield data from State government.
- x) Any disputes related to PMFBY should be addressed to Principal Secretary, Department of Agriculture / cooperation of the State Govt.
- xi) Awareness and publicity – extensive efforts to generate publicity and create awareness of PMFBY at grass-root levels / locations including bank branches. Also coordinate with the States and other agencies for awareness and publicity of the scheme.
- xii) Other role & responsibilities as detailed in para XXIV.2 of OGs of PMFBY.



(Ph. Rajendra Singh)
Director of Agriculture: Manipur

Format of financial bid

Date:

From

[insert name & address of the Bidder]

To,

Dear Sir,

Sub: Financial Bid for Implementation of the PMFBY in the Manipur State, for Rabi 2017-18 season

With reference to your Tender Document dated (Insert Date) we, [insert name of Bidder], wish to submit our Financial Bid for the award of the Contract(s) for the implementation of the Pradhan Mantri Fasal Bima Yojna (PMFBY) in the Manipur State, for Rabi 2017-18 season.

1. We hereby submit our Financial Bid, which is unconditional and unqualified. We have examined the Tender Documents.
2. We acknowledge that the State Government will be relying on the information provided in the Financial Bid for evaluation and comparison of Financial Bids received from the designated / empanelled Insurance companies by DAC&FW for the award of the implementation of the PMFBY in the State. We certify that all information provided in the Financial Bid is true and best to the knowledge of the company.
3. We shall make available to the State Government any clarification it may find necessary or require to supplement or authenticate the facts & figures in Financial Bid.
4. We acknowledge and declare that the State Government is not obliged to return the Financial Bid or any part thereof or any information provided along with the Financial Bid, other than in accordance with the provisions set out in the Tender Documents.
5. We are quoting the following Premium rates district-wise crop-wise as given in Annexure-II.

[Note to Bidders: The Bidders are required to quote the Premium up to two decimal points.]

6. We acknowledge, confirm and undertake that we have an adequate reinsurance support to safeguard the interest of the farmers, State Government and Central Government
7. We agree and undertake to abide by all the terms and conditions of the Tender Document and OGs of PMFBY.

8. This Bid shall be governed by and construed in all respects according to the laws for the time being in force in India. The competent courts at State capital will have exclusive jurisdiction in the matter.

In witness thereof, we submit this Financial Bid under and in accordance with the terms of the Tender Documents.

Dated this *[insert]* day of *[insert month]*, 2017

[Signature]

In the capacity of

Chief Underwriting Officer

Duly authorized to sign this Bid for and on behalf of _____*[name of Bidder]*

Bidding for Rabi 2017-18 Season									
Cluster	District	Crop	Indmny Level	Scale of Finance (Rs./Ha)	Expected Area Insured (Ha)	Expected Sum Insured (Rs.)	Quoted Actuarial Premium Rate in % (upto 2 Decimal places)	Expected Premium (Rs.)	Weighted Average Premium Rate
1	Chandel	Mustard	80%	26666	1022	27252652		0	
1	Churachandpur	Mustard	80%	26666	1016	27092656		0	
1	Senapati	Mustard	80%	26666	1062	28319292		0	
1	Tamenglong	Mustard	80%	26666	1004	26772664		0	
1	Ukhurul	Mustard	80%	26666	1498	39945668		0	
1	Imphal West	Mustard	80%	26666	1092	29119272		0	
1	Imphal East	Mustard	80%	26666	1256	33492496		0	
1	Thoubal	Mustard	80%	26666	1528	40745648		0	
1	Bishnupur	Mustard	80%	26666	2172	57918552		0	
						310658900		0	

Annexure-III

District	Sub-Division (Agri)	Yield (Kg/ Ha)										Area (Ha) (2016-17)	Indemnity Level	Threshold Yield (Kg/Ha)
		2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17			
Chandel	Chakpikarong	737	942	717	911	875	810	841	871	821	820	1402	80%	680
	Chandel	753	949	732	913	877	815	845	882	843	846	1153	80%	688
Churachandpur	Singhat	750	872	691	846	819	805	813	865	838	859	990	80%	668
	Thalon	753	880	686	833	813	800	827	864	833	845	840	80%	665
	Churachandpur	734	851	701	862	824	811	826	870	857	866	710	80%	676
Senapati	Saikhul	737	835	560	815	776	814	805	828	811	831	903	80%	649
	Kangpokpi	753	854	569	816	800	819	822	842	806	828	1032	80%	655
	Tadubi	746	831	550	836	824	821	812	841	819	819	720	80%	660
Tamenglong	Nungba	740	894	676	869	845	821	857	866	846	864	1180	80%	682
	Tamenglong	763	869	665	848	815	829	855	878	850	861	1330	80%	678
Ukhrul	Kamjong	741	738	621	713	697	795	800	829	801	826	1815	80%	624
	Ukhrul	746	737	621	717	703	791	796	838	829	825	1930	80%	628
Imphal West	Wangoi	737	598	889	692	697	867	868	901	865	881	1271	80%	660
	Langjing	750	588	874	727	710	881	871	900	863	869	1461	80%	665
Imphal East	Lamlai	748	636	836	704	708	857	865	899	887	901	1510	80%	665
	Eringbung	738	637	839	722	710	896	882	929	878	911	900	80%	677
	Jiribam	754	652	834	707	697	860	875	917	904	917	731	80%	672
Thoubal	Thoubal	747	782	899	788	773	885	610	848	865	875	2160	80%	645
	Kakching	738	770	908	804	806	893	607	847	867	880	1660	80%	652
Bishnupur	Bishnupur	741	721	980	735	736	845	829	846	834	842	2910	80%	648
	Moirang	746	738	986	746	739	846	831	847	833	837	2521	80%	649

Bank Name _____

Invoice no _____

Address of Bank _____

Date _____

PAN No. _____

Tin No. _____

To,

Name of Insurance Company

Address of Insurance Company

Description	Rate	Total
Bank service charges, for servicing the crop insurance scheme as per state government notification no _____ Dated _____ issued by the State Govt of _____	4% of the farmer share remitted to insurance company	
	Sub Total	
	Service Tax @ _____%	
	Total due	

Service Tax Registration Number: _____

Your invoice total is Rupees _____ only.

All payments may be transferred through NEFT in bank account no _____

Name of the bank _____ IFSC code _____

MICR code _____

If you have any questions concerning this invoice, contact phone _____

For _____ Bank

Authorized Signatory

