



Request for Proposal (RFP)
for
Corporate Agency Arrangement for Life Insurance Business

Reference Number: PBGB/P&D(39)/183/2016

Date of RFP: April 30 , 2016

Last Date & Time for Seeking Clarifications to RFP: 5th May , 2016 by 5.00 Pm

Last Date & Time for Submitting Response to RFP: 23rd May , 2016 by 5.00 Pm

PASCHIM BANGA GRAMIN BANK

HEAD OFFICE: Natabar Paul Rod, Chatterjee Para More, Tikiapara , Howrah- 711101
Phone: (033) 2667-2477 Email: PASC3616@DATAONE.IN Fax: (033) 2667-0051/9589

A. General Information

Paschim Banga Gramin Bank, a premier Regional Rural Bank (hereinafter called the “Bank”) is exploring the possibility of entering into a distribution partnership of life insurance products by way of Corporate agency arrangement In view of the new Corporate Agency guidelines notified by IRDAI, for which bank invites proposals from existing life 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 www.paschimbangagraminbank.com.

B. About Paschim Banga Gramin Bank

PBGB is a regional rural bank, sponsored by UCO Bank. The area of operation of the Bank is spread over to 4 districts of West Bengal namely Howrah, Hooghly, Burdwan and Birbhum. The Bank has 230 branches. The Bank is corporate agent of United India Insurance Company Ltd for general insurance business and Life Insurance Corporation of India for life insurance business respectively which will be continued till expiry of agreement.

Highlights of the Bank’s Performance

Parameter	As on 31st March 2016
Total Deposits (Rs. Crores)	3861
Total Advances (Rs. Crores)	1984
Savings Deposit (Rs. Crores)	1890
Net Interest Income (Rs. Crores)	372
Operating Profit (Rs. Crores)	14
Net Profit After Tax (Rs. Crores)	8

- Bank has a Customer Base of above 26 Lac Customers as on 31.03.2016

For further details please visit Bank's website www.paschimbangagraminbank.com

C. Objectives

1.1 In view of the new Corporate Agency guidelines notified by IRDAI, Bank has decided to go for multiple tie up for Life Insurance Business.

1.2 With a view to provide full range of financial products to its customers and to realize full value of its reach and customer base, Bank has taken a view to evaluate and thereafter enter into Corporate Agency Arrangement for distribution of Life 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 Life Insurance Company.

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

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

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

1. Should have been registered with IRDA under the Life Insurance category.
2. Should have a valid IRDA license as on date of submission of RFP response, for procuring insurance business in India.
3. Should have the minimum solvency ratio of 1.5 as on 31.03.2016
4. Should have been operational atleast 3 years in India as on the date of submission of response to RFP.

E. Clarification and Amendment of RFP Documents

The Bidder may request a clarification on any clause in the RFP document up to **May 05, 2016**. Any request for clarification must be sent by standard electronic means to pasc3616@dataone.in **with cc to** ho.planing@mail.pbgb.co.in. The Bank will respond in writing or by standard electronic means load the responses on its website latest by **May 14, 2016**.

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.

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.

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.

G. Proposal Validity

All Proposals shall be valid for a period of 180 days from the last date of submission mentioned in Section H. 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.

H. Short listing & Selection of Insurance Partner :

The RFP response may be sent or submitted at Head Office of Paschim Banga Gramin Bank at the following address, complete with all the requirements as given in the RFP document latest by **17:00 hours by 23..05.2016** addressed to :

The General Manager

Paschim Banga Gramin Bank

HO : Natabar Para Road, Chatterjee Para More, Tikiapara , Howrah – 711 101, West Bengal

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 and 2 soft copies by means of CD .The documents in the CD should be in no other format other than word, excel and power point.

Bank Officials & an expert team as appointed by the bank, will examine the documents submitted by the applicants in connection with the Expression of Interest and prepare a list of qualifiers fulfilling the eligibility criteria. They would further evaluate the responses and may call for any additional details as required. The qualified bidders meeting the eligibility criteria will be called for a presentation and discussion.

Bids of only those Bidders will be evaluated, who meet the minimum eligibility criteria as specified in the RFP.

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

I. Preparation of Proposals

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 but in a single sealed envelope duly super scribed as ***“Paschim Banga Gramin Bank – RFP for Corporate Agency for Life Insurance”***

From the time the Proposals are submitted to the time the Bidders are shortlisted, the Bidder should not contact the Bank on any matter. Any effort by Bidders to influence the Bank in the examination, evaluation, ranking of Proposals, and recommendation for award shall result in the rejection of the Bidders’ Proposal. The Bank reserves the right to seek clarifications from the Bidders.

Covering Letter for Proposal submission

(To be submitted on Company Letter head)

[Location, Date]

To:

***The General Manager
Paschim Banga Gramin Bank
HO : Natabar Para Road, Chatterjee Para More,
Tikiapara, Howrah – 711 101
West Bengal***

Dear Sir,

Sub: RFP for proposed Corporate Agency Arrangement with PBGB for Life Insurance

1. We, the undersigned are duly authorized to represent and act on behalf of [insert] ("**Bidder**")
2. Having reviewed and fully understood all information provided in the RFP Document issued by the Bank, we [Bidder Name] are hereby submitting our Bid.
3. Our Bid is unconditional, valid and open for acceptance by Bank up until 180 days from the last date of submission of the RFP.
4. We undertake that we shall make available to the Bank any additional information / clarification it may find necessary or require to supplement or authenticate the Bid.
5. We hereby agree, undertake and declare as under:
 - a. In the event that the Bank discovers anything contrary to our above declarations, it is empowered to forthwith disqualify us and our Bid.
 - b. We undertake that in case there is any change in facts or circumstances during the Bidding process, and we are being disqualified in terms of the RFP, we shall intimate the Bank of the same immediately.
 - c. We further declare that we have not been declared ineligible for corrupt or fraudulent practices in any bidding process in the past five years.

- d. We confirm that the Bank and its authorized representatives are hereby authorized to conduct any inquiry or investigation to verify the veracity of the statements, documents, and information submitted in connection with this Bid and to seek clarifications from our advisors and clients regarding any financial and technical aspects.
- e. We hereby irrevocably waive any right which we may have at any stage at law or howsoever otherwise arising to challenge or question any decision taken by the Bank in connection with the selection of the Bidder or in connection with the Bidding process, in respect of the above mentioned Proposed Tie-up and the terms and implementation thereof.

6. We understand that:

- a. All information submitted under this Bid shall remain binding upon us
- b. The Bank may in their absolute discretion reject or accept any Bid or cancel the Bidding Process
- c. Bank has the right to reject our Bid without assigning any reason for the Proposed Tie-up and can also reject all Proposals. Otherwise and hereby we waive our right to challenge the same on any account whatsoever.
- d. Bank is not bound to accept any Bid that it may receive pursuant to the RFP

7. We acknowledge that the Bank will be relying on the information provided in the Bid and the documents accompanying such Bid for selection of the Bidders and we declare that all statements made by us and all the information pursuant to this letter are complete, true and accurate to the best of our knowledge and belief.

8. We hereby unconditionally undertake and commit to comply with the timelines as specified in terms of the RFP or as extended by the Bank from time to time at its sole discretion.

9. This Bid shall be governed by and construed in all respects according to the laws of India. Courts in Kolkata, shall have exclusive jurisdiction in relation to any dispute arising from the RFP, this Bid and the Bid process.

We confirm that we are complying to the IRDA guidelines.

Name of the Bidder

Signature of the Authorized Person

Name of the Authorized Person

Company rubber stamp/seal

FORM - 1

COMPANY INFORMATION

A. SNAPSHOT

1	Name of the Applicant Firm			
	Board No.s – Head Office			
	Website			
	Complete address – H.O			
2	Is the company bank promoted?			
3	Names of the JV Partners & % of share holding			
4	Date of Commencement of Business (MM/YYYY)			
5	Number of Branches as on 31.03.16			
6	<i>Financial Information</i>	2013-2014	2014-2015	2015-2016
	1. Invested Capital (INR Crore)			
	2. Profit after Tax (INR Crore)			
	3. Accum. Profit/ Loss(INR Crore)			
	4. Networth (INR Crore)			
	5. Solvency Ratio			
	6. Total AUM (INR Crore)			
7	<i>Business Growth</i>	2013-2014	2014-2015	2015-2016
	1. Number of Policies			
	2. Gross Direct Premium (INR)			
8	<i>Claim Settlement Ratio</i>	2013-2014	2014-2015	2015-2016
	Claims Settlement Ratio – Individual			
	Claims Settlement Ratio – Group			

B. Please provide the List of Top of Management Executives with Names , Designations and E Mail id's

Name	Designation	E Mail Id

C. Please provide the present hierarchy of Bancassurance Department in your organization

D. Please provide District Wise list of number of branches in West Bengal as on March 31, 2016

S No.	District in West Bengal	No. of Branches

FORM - 2**BUSINESS INFORMATION**

Details of Premium collected by the insurance company

Sl. No.	Details	2013-14	2014-15	2015-16
1	Total new business premium			
1 a	Single premium			
1 b	Regular premium			
2	Annualized New business premium			
3	Renewal premium			
4	Product mix			
4 a	ULIP			
4 b	Traditional			
4 c	Par			
4 d	Non Par			
5	Total # of policies			
6	Average premium per policy (INR lakhs)			
7	Average sum assured per policy (INR lakhs)			
8	Persistency ratio (%)			
8 a.	For 13th Month			
8 b	For 25th Month			
8 c	For 37th Month			

FORM 3**PRODUCT & COMMISSION**

Please provide the details of the products offered and commission details in the format as given below:

Name of the Product	Product Category (e.g Endowment, Money Back , Term etc.)	Maximum Commission approved by IRDA	Maximum Commission offered to the Bank *

* Within the permissible IRDA regulations and guidelines.

FORM 4**IRDA PENALTY & WARNING**

FY	Amount of Penalty	Reason for Penalty
2015-16		
2014-15		
2013-14		
2012-13		
2011-12		

FORM 5**CLAIM SETTLEMENT****INDIVIDUAL CLAIMS STATUS (NUMBER OF POLICIES)**

Particulars	2013-14	2014-15	2015-16
Claims pending at start of year (A)			
Claims intimated / booked (B)			
Total Claims (C=A+B)			
Claims paid (D)			
Claims repudiated (E)			
Claims Written Back (F)			
Claims pending at end of year (G=C-D-E-F)			

INDIVIDUAL CLAIMS STATUS (AMOUNT OF CLAIMS)

Particulars	IN INR		
	2013-14	2014-15	2015-16
Claims pending at start of year (A)			
Claims intimated / booked (B)			
Total Claims (C=A+B)			
Claims paid (D)			
Claims repudiated (E)			
Claims Written Back (F)			
Claims pending at end of year (G=C-D-E-F)			

INDIVIDUAL CLAIMS STATUS (NUMBER OF CLAIMS)

Particulars	2013-14	2014-15	2015-16
Claims pending at start of year (A)			
Claims intimated / booked (B)			
Total Claims (C=A+B)			
Claims paid (D)			
Claims repudiated (E)			
Claims Written Back (F)			
Claims pending at end of year (G=C-D-E-F)			

INDIVIDUAL CLAIMS STATUS (AMOUNT OF CLAIMS)

Particulars	IN INR		
	2013-14	2014-15	2015-16
Claims pending at start of year (A)			
Claims intimated / booked (B)			
Total Claims (C=A+B)			
Claims paid (D)			
Claims repudiated (E)			
Claims Written Back (F)			
Claims pending at end of year (G=C-D-E-F)			

FORM 6**CHANNEL WISE BUSINESS**

Please provide information as sought below about the business done by the organization

A. Channel wise Business break up

IN INR

PARTICULARS	Gross Premium		
	2013-14	2014-15	2015-16
Agency Channel			
Corporate Agents - Banks			
Corporate Agents - Others			
Brokers			
Direct Sales Team			
Others			
TOTAL			

B. Segment wise Business break up (in terms of %)

Segment	In terms of % of Gross Direct Premium		
	2013-14	2014-15	2015-16
Retail Business			
Group Business			

FORM 7**BANCASSURANCE EXPERIENCE**

- A. List of Banks / NBFC's Acting as Corporate Agent for the organization as on March 31, 2016

S No.	Name of the Corporate Agent	Nature of Organization (Bank / NBFC)	Date of License (mm/yy)

- B. List of Banks / NBFC's having a Master Policy from the Bidder as on March 31, 2016

S No.	Name of the Bank or NBFC	Date of Commencement of Relationship (mm/yy)	Name of the Product

FORM 8**BUSINESS & REVENUE ESTIMATE**

- A. Please give the Business & Revenue Estimate for next 3 Years for PBGB in accordance to the potential that Bank holds for Life Insurance business.

	Year 1	Year 2	Year 3
Est. Premium Per Annum			
Est. Revenue to the Bank			

Est. - Estimated

- B. Please provide a detailed business strategy & your organization's approach in order to

help the Bank achieve the business & revenue estimate as mentioned in 7 A .

FORM 9

SUPPORT

Please elaborate upon the support that your organization will provide to the bank in each of the areas as mentioned below:

SNo.	Support Item	Strategy / Road Map
1	Manpower	
2	Training	
3	Marketing	
4	Operational	
5	Claims & Service	
6	Grievance Redressal	
6	Technology	
7	MIS	
8	Any Other Support (Pls specify)	

FORM 10

PRODUCT CUSTOMIZATION

Is the insurer open to customizing products based on the bank’s requirements (for individual or group products). Please give atleast 2 examples of product customization for any of the existing relationship (preferably Bank).

FORM 11

GRIEVANCE REDRESSAL

Please provide a data pertaining to grievance redressal in the format given below for last 3 FY’s

FY	Opening Balance of Grievances c/f	Grievances reported during the Year	No. of grievances resolved during the year	No. of grievances pending at the end of the year
2013 – 14				
2014 – 15				

2015 – 16				
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Declaration:

- All the information furnished by us here in above is correct to the best of our knowledge and belief.
- We have no objection if enquiries are made about the work listed by us in the accompanying sheets / annexures.
- We agree that the decision of Paschim Banga Gramin Bank in selection process will be final and binding on us.
- We confirm that we have not been barred / blacklisted / disqualified by any Regulators / Statutory Body in India and we understand that if any false information is detected at a later date, the assignment shall be cancelled at the discretion of the Bank.

Place:

SIGNATURE OF THE APPLICANT

Date:

NAME & DESIGNATION SEAL OF ORGANISATION