

**Expression of Interest by Insurance  
Companies for Empanelment and  
Implementation of  
Central Sector Revenue Insurance  
Scheme  
For Plantation Sector for Tea  
(RISPC)**



**Tea Board India**

Under Ministry of Commerce & Industry, Department of Commerce,

Government of India

14, B.T.M. Sarani, Kolkata 700 001

**TENDER NO: 3/DTD/2016**

The Tea Board India intends to implement the Central Sector Revenue Insurance Scheme for Plantation crops (RISPC) on pilot basis during one crop cycle spread over two years commencing from 2016-17 in selected 3 districts in 3 States (Annexure-I). The performance of the scheme will be evaluated at the end of year 2017-18 for up-scaling of the scheme to the entire country.

**Objective:**

The objective of the proposed scheme is to protect growers from anticipated losses in revenue caused by fall in international/domestic prices, yield loss due to adverse weather parameters/pest attacks or failure of crop due to factors beyond human control through crop specific insurance mechanism that will be supported with subventions from the PSF Corpus as per agreed norms. Insurance support shall be provided to cover the revenue losses on account of fall in the average yield and/or the average prices.

**Coverage:**

The insurance premium subvention under RISPC is for small growers of Tea. There are 57355 small growers from the targeted districts in the country. During the pilot period, the scheme shall benefit 57355 small growers of 3 pilot districts covering approximately 44223.63 ha. of plantation area. Large growers can join the scheme on payment of entire insurance premium as they are not eligible for premium subsidy.

RISPC is compulsory for growers registered with Tea Board in the pilot districts/member grower availing benefits under other schemes of Government through Tea Board/ loanee growers. RISPC shall be optional for other growers. Banks lending to the plantation growers shall finance the grower's share of premium, besides the crop loan and investment credit, as the case may be. Premium amount will be debited to the account of growers by banks on receipt of notification from the Tea Board for coverage of the crop on compulsory basis.

**Insurance premium Subsidy:**

The Insurance premium subsidy calculated on actuarial basis, shall be shared between Central Government (through Tea Board), State Governments and growers in the ratio of 75:15:10. In case the State Government in the area/region covered by the scheme does not come forward to contribute its share of subsidy for premium, growers' share of premium shall increase to that extent.

**Calculation of Guaranteed Income, Sum Insured, payout and claim settlement:**

Guaranteed Income (Rs. per Hectare) shall be the product of Average yield (of past five years), Average Price (of past five years) and Indemnity Level.

Guaranteed Income = Average Yield (Ha) X Average Price (Rs/Ha) X Indemnity Level per hectare

Average yield / price = average of last 5 years yield / price excluding the year under consideration.

Actual income (Rs.) = Actual Yield (Kg/Ha) X Current Price (Rs.) per hectare.

Actual Yield / ha (AY) would be determined as provided by the Small Growers Associations for last 5 years and vetted by the Tea Board. The yield estimation methodology shall be as arrived at through mutual consent by the Tea Board and the Insurance Company.

Current Price will be average Domestic e-auction district wise for CTC tea manufactured and sold by Bought Leaf Tea Factories for the year under consideration.

Payout = Guaranteed Income – Actual Income.

Sum Insured (SI) will be predefined as fixed by Tea Board as a fraction of Guaranteed Income (GI) (Say 70% of GI) calculated for tea.

The Insurance Companies would work out premium on the Sum Insured (SI) and will declare the same for tea in advance.

The payout as defined above would be calculated on Guaranteed Income. Actual claim payable would be adjusted to the Sum Insured (SI).

Indemnity level is to be kept at 90%.

### **Funding:**

The funding by the Central and State Government share over RISPC pilot project for tea for 2016-17 and 2017-18 will be followed as per scheme guidelines.

### **Selection of Insurance Companies:**

The selection of Insurance Companies for implementing the pilot scheme and during up-scaling of the scheme will be done by inviting bids. The Insurance Companies shall develop SMS based information system based on latest technology and notify the growers, policy holders on due date for payment of premium, date of settlement of claims and the amount, weather indicators etc. The selection will be on the basis of lowest quote of premium/ha.

### **Modus Operandi:**

Tea Board will be the Nodal Agency for implementing the scheme. The Board will implement the scheme through selected Insurance Company in the pilot districts. The Tea Board shall collect list of growers with all details in close cooperation of designated banks and the same shall be uploaded in its website.

Insurance Companies shall collect growers' share of premium. Tea Board shall collect State Government share and pass on the same to the respective insurance Companies along with GOI share of premium. Insurance Companies; will settle claims within the prescribed time limit to be given in the operational guidelines of the scheme. Payment shall be effected directly into the accounts of growers on settlement of claims. Tea Board shall do the work of certification and coordination in settling claims.

Tea Board and the Insurance Companies will launch drives to increase awareness and publicity to the scheme.

### **Purpose of EOI:**

The purpose of this EOI is to provide interested 'bidders' with the necessary information to enable them to prepare and submit their responses in conformity with the Terms of Reference (ToR).

## Terms of Reference (ToR)

- i. Insurance Companies to liaise with the State Governments/Tea Board/Agencies / Institutions involved in the implementation of the scheme.
- ii. Furnish necessary details to Tea B o a r d as may be required as per the Notifications.
- iii. Underwriting- responsibilities of processing and acceptance of risk.
- iv. Develop SMS based information system based on latest technology and notify the growers, policy holders on due date for payment of premium, date of settlement of claims and the amount, weather indicators etc.
- v. Claim processing finalization on receipt of yield data and payment within the prescribed time limit in the operational guidelines of the scheme.
- vi. Obtain Re-insurance arrangements, if felt necessary.
- vii. Develop databases (crop yield and weather data) and related databases.
- viii. Review of implementation of RISPC and provide regular feedback for its effective implementation to T e a B o a r d.
- ix. Disclose designated Agents in writing before underwriting of insurance for the cycle.
- x. Ensuring payment of commission/service charges to banks/other agents for implementing the scheme.
- xi. Awareness and publicity – extensive efforts to create awareness about the scheme amongst growers.
- xii. Providing monthly progress reports/returns to T e a B o a r d and State Governments.
- xiii. Facilitate the bank branches / intermediaries/agents to upload the details of insured growers and beneficiaries with all requisite details on their websites well in time.
- xiv. Redressal of public grievances within the time limit fixed by IRDA.
- xv. Coverage of loanee/registered growers to be carried out by Insurance Companies themselves, use of brokers/agents are not allowed.

Pre-Qualification Criteria for short listing of 'Bidders' based on EOI:

| Sl.No. | Parameters   | Weightage (%) |
|--------|--|---------------|
| 1      | Past experience of the firm                                | 40%           |
| 1.1    | No. of Years experience                                    | 10%           |
| 1.2    | Past experience in implementing projects of similar nature | 20%           |
| 1.3    | Past Experience in implementing schemes in related sector  | 10%           |
| 2      | Infrastructure   | 20%           |
| 3      | Financial strength   | 20%           |
| 4      | Marketing channel  | 10%           |
| 5      | Human Resource for implementing the scheme                 | 10%           |
|        | Total  | 100 %         |

The Tea Board shall shortlist those 'bidder(s)' who secure a minimum of 60% marks based on above allocations. Financial bids of only those Insurance Companies who secure the minimum qualifying marks would be opened for evaluation.

The Insurance Company selected by the Committee with lowest financial offer (premium) will be nominated for implementing the scheme. A tripartite agreement shall be signed between the Tea Board, the State Government and the representative Insurance Company. In case the State Government is not willing to share the subsidy burden, a bi-partite agreement shall be executed between the Tea Board and the Insurance Company.

The format for submission of EOI application is enclosed as **FORM-1**. The format for Financial Bid is at **FORM-2** and Summary Schedule is at **Annexure 2**.

The Tea Board reserves the right to accept or reject any clause or the entire EOI without assigning any reason whatsoever.

**Validity:** The application submitted in response to this EOI shall constitute an offer, which shall remain open for acceptance until the contract is awarded by the Tea Board. Neither this EOI nor any response submitted by the bidder(s) in response to this EOI shall constitute a legally binding agreement unless and until accepted by the Tea Board.

**Confidentiality:** The EOI must not be reproduced in whole or in part without the prior written consent of Tea Board. All information contained within this EOI is given in strict confidence. It should not be divulged, irrespective of whether the recipient Bidder(s) proposes to submit an application to the Tea Board or to any third party without the prior written consent of the Department.

**Proprietary Information:** All restrictions on the use of data contained within an application and all confidential information must be clearly stated by the Bidder(s). Proprietary information submitted in an application in response to the EOI will be handled in accordance with the applicable law(s) of the Government.

**Pre Bid Meeting:** A pre bid meeting will be held with the interested bidders on the 7<sup>th</sup> Working Day from the floating of the EOI. The venue will be at the Tea Board, Kolkata.

Format for letter of Proposal

Ref.No.

Date:

To

The Secretary  
Tea Board India  
14, B.T.M. Sarani  
Kolkata 700 001.

Subject: Expression of Interest(EOI) for empanelment and implementation of Revenue Insurance Scheme for T e a-reg.

Madam,

With reference to your letter of invitation No            Dated            on the subject cited above, we wish to apply for Empanelment and implementation of Pilot Revenue Insurance Scheme for tea during crop cycle 2016-17 and 2017-18. In this connection, the following documents are submitted in two separate envelopes:

1. Technical Bid (duly marked as envelop No. 1- Technical Bid) containing brief about:
  - Profile of the Organisation and experience
  - Approach & Methodology of the scheme
  - Past Experience of the Firm
  - Infrastructure
  - Financial Strength
  - Marketing Channel
  - Human Resource for implementing the scheme
  
2. Financial Bid (duly marked as Envelope No.2-Financial Bid) containing Financial Bid in the prescribed Format.

**Enclosures: as above.**

**Yours faithfully,**

**Authorized Signatory**

### Annexure-1

| Crop | State       | Pilot District | No. of small growers having land holding upto 10 ha | Area covered (ha) |
|------|-------------|----------------|---|-------------------|
| Tea  | Assam       | Golaghat       | 10044   | 9223.63           |
| Tea  | Tamil Nadu  | Nilgiris       | 38311   | 27000.00          |
| Tea  | West Bengal | Jalpaiguri     | 9000  | 8000.00           |

#### Yield Data of Golaghat District, Assam

| Sl.No. | Name of the Block                       | Made Tea Yield (per ha) small growers |      |      |      |      |
|--------|---|---------------------------------------|------|------|------|------|
|        |   | 2011                                  | 2012 | 2013 | 2014 | 2015 |
| 1      | Kakodonga Deb. Block                    | 1844                                  | 1747 | 1882 | 1908 | 2070 |
| 2      | Morongi Dev. Block                      | 2038                                  | 1908 | 2018 | 2022 | 2232 |
| 3      | Golaghat Central Dev. Block(kathalguri) | 1827                                  | 1730 | 1844 | 1860 | 2054 |
| 4      | Golaghat West Dev. Block(Bokakhat)      | 1844                                  | 1763 | 1957 | 2038 | 2038 |
| 5      | Golaghat South Dev. Block(Sorupather)   | 2216                                  | 1941 | 2199 | 2232 | 2491 |
| 6      | Gomariguri Dev. Block                   | 2426                                  | 2038 | 2232 | 2297 | 2507 |
| 7      | Golaghat East Dev. Block(Podumoni)      | 1827                                  | 1747 | 1795 | 1827 | 2038 |
| 8      | Golaghat North Dev. Block (Dergaon)     | 1860                                  | 1763 | 1884 | 1908 | 2066 |
| 9      | Total(average for the district)         | 1985                                  | 1829 | 1976 | 2011 | 2189 |

#### Yield Data of Nilgiris District, Tamil Nadu – small growers yield figures

| S.No. | Region   | Yield/ha |
|-------|----------|----------|
| 1     | Coonoor  | 2500     |
| 2     | Kotagiri | 2700     |
| 3     | Kundah   | 2200     |
| 4     | Ooty     | 2500     |
| 5     | Gudalur  | 2600     |
| 6     | Pandalur | 2600     |

**Yield date of Jalpaiguri District, West Bengal – small growers yield figures**

| Sl.No | Name of block    | Year    | Yield/ha GL | Yield/ha made tea |
|-------|------------------|---------|-------------|-------------------|
| 1     | Jalpaiguri Sadar | 2011-12 | 18271       | 4007              |
|       |                  | 2012-13 | 18154       | 4007              |
|       |                  | 2013-14 | 18648       | 3981              |
|       |                  | 2014-15 | 18401       | 4089              |
|       |                  | 2015-16 | 18401       | 4035              |
| 2     | Maynaguri        | 2011-12 | 17537       | 3846              |
|       |                  | 2012-13 | 17413       | 3819              |
|       |                  | 2013-14 | 17660       | 3873              |
|       |                  | 2014-15 | 17784       | 3900              |
|       |                  | 2015-16 | 17487       | 3835              |
| 3     | Dupguri          | 2011-12 | 17043       | 3738              |
|       |                  | 2012-13 | 16796       | 3883              |
|       |                  | 2013-14 | 17166       | 3764              |
|       |                  | 2014-15 | 16549       | 3629              |
|       |                  | 2015-16 | 16178       | 3548              |
| 4     | Raiganj          | 2011-12 | 18895       | 4144              |
|       |                  | 2012-13 | 18278       | 4008              |
|       |                  | 2013-14 | 18895       | 4144              |
|       |                  | 2014-15 | 18648       | 4089              |
|       |                  | 2015-16 | 18648       | 4089              |
| 5     | Malbazar         | 2011-12 | 17413       | 3819              |
|       |                  | 2012-13 | 17043       | 3738              |
|       |                  | 2013-14 | 17290       | 3792              |
|       |                  | 2014-15 | 17166       | 3764              |
|       |                  | 2015-16 | 17043       | 3736              |

| Average auction prices of CTC teas (Rs/Kg) sold by Bought leaf factories of Golaghat district, Assam |        |        |        |        |        |
|--|--------|--------|--------|--------|--------|
| Month/Year   | 2011   | 2012   | 2013   | 2014   | 2015   |
| Jan  | 96.86  | 80.54  | 113.24 | 100.75 | 100.56 |
| Feb  | 81.50  | 76.13  | 115.95 | 95.22  | 82.19  |
| Mar  | 71.73  | 73.69  | 118.48 | 80.93  | 68.01  |
| Apr  | 65.92  | 82.68  | 122.64 | 123.77 | 104.64 |
| May  | 111.16 | 149.43 | 122.20 | 142.13 | 122.23 |
| Jun  | 111.55 | 139.58 | 121.14 | 152.66 | 118.55 |
| Jul  | 103.31 | 132.74 | 118.78 | 151.28 | 127.62 |
| Aug  | 92.15  | 129.88 | 114.72 | 138.24 | 126.97 |
| Sep  | 92.85  | 126.52 | 115.79 | 127.23 | 125.47 |
| Oct  | 92.50  | 117.64 | 118.15 | 124.56 | 120.64 |
| Nov  | 89.06  | 124.04 | 116.84 | 122.26 | 124.63 |



| Average auction prices of CTC teas (Rs/Kg) sold by Bought leaf factories of Jalpaiguri district, West Bengal |        |        |        |        |        |
|--|--------|--------|--------|--------|--------|
| Month/Year   | 2011   | 2012   | 2013   | 2014   | 2015   |
| Jan  | 74.39  | 79.26  | 107.74 | 92.30  | 97.68  |
| Feb  | 70.57  | 74.17  | 108.52 | 88.73  | 86.56  |
| Mar  | 72.15  | 74.52  | 119.89 | 84.88  | 80.21  |
| Apr  | 99.14  | 119.66 | 122.77 | 128.89 | 108.70 |
| May  | 97.10  | 128.06 | 116.96 | 120.67 | 106.78 |
| Jun  | 105.44 | 128.10 | 116.89 | 131.31 | 102.13 |
| Jul  | 95.04  | 115.27 | 104.93 | 119.87 | 94.30  |
| Aug  | 84.52  | 111.41 | 94.48  | 105.13 | 90.92  |
| Sep  | 77.95  | 103.68 | 93.52  | 101.47 | 85.38  |
| Oct  | 77.97  | 97.18  | 93.15  | 99.07  | 83.53  |
| Nov  | 77.07  | 105.93 | 95.06  | 98.79  | 96.46  |
| Dec  | 74.27  | 109.68 | 93.40  | 95.84  | 99.63  |
| Jan to Dec   | 82.44  | 104.53 | 101.54 | 104.96 | 94.23  |

| Average auction prices of CTC teas (Rs/Kg) sold by Bought leaf factories of Nilgiri district, Tamil Nadu |       |       |        |       |       |
|--|-------|-------|--------|-------|-------|
| Month/Year   | 2011  | 2012  | 2013   | 2014  | 2015  |
| Jan  | 70.53 | 67.89 | 98.21  | 79.42 | 74.76 |
| Feb  | 72.67 | 70.97 | 97.75  | 83.15 | 78.67 |
| Mar  | 70.97 | 72.51 | 106.22 | 77.23 | 78.68 |
| Apr  | 64.57 | 75.99 | 103.80 | 72.98 | 75.83 |
| May  | 57.37 | 85.05 | 92.13  | 79.76 | 65.88 |
| Jun  | 57.24 | 84.08 | 90.81  | 75.35 | 64.12 |
| Jul  | 55.88 | 77.03 | 86.37  | 68.31 | 65.58 |
| Aug  | 56.79 | 84.65 | 84.69  | 61.78 | 64.22 |
| Sep  | 62.97 | 89.91 | 87.12  | 70.88 | 66.13 |
| Oct  | 67.01 | 83.97 | 79.31  | 68.93 | 71.47 |
| Nov  | 61.37 | 89.05 | 73.70  | 61.37 | 73.79 |
| Dec  | 60.54 | 95.55 | 71.49  | 65.36 | 81.13 |
| Jan to Dec   | 62.10 | 81.67 | 88.25  | 71.58 | 70.96 |

The above average auction prices are for tea manufactured by factories which procure green leaf from small growers. It is to be noted that for the purpose of price paid for green leaf to supplier small tea growers by manufacturers, the price actually paid to small growers Rs. per kg of green leaf would be as follows :

Golaghat : Average auction price \* 0.65 \* 0.2165

Jalpaiguri : Average auction price \* 0.58 \* 0.2190

Nilgiri : Average auction price \* 0.65 \* 0.2500

From

Date :

(insert name & address of the Bidder)

To  
The Secretary  
Tea Board India  
14, B.T.M. Sarani,  
Kolkata – 700 001

Subject : Financial Bid for implementation of Revenue Insurance Scheme for tea  
(RISPC) ..... for crop cycle 2016-17 and 2017-18.

Dear Madam,

With reference to your Tender Document dated (insert date) we, (insert name of Bidder) wish to submit our Financial Bid for Empanelment and award of the Contract(s) for the implementation of RISCPC for crop cycle 2016-17 and 2017-18.

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 and Tea Board 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 Tea Board for the award of the implementation of the RISPC. 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 Tea Board, Government of India, 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/Tea Board 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 per Ha district-wise for tea for the crop cycle (Note to Bidders: The Bidders are required to quote the Premium rate upto two decimal points.
6. We acknowledge, confirm and undertake that we have an adequate re-insurance support to safeguard to interest of the growers, State Government and Central Government.
7. We agree and undertake to abide by all the terms and conditions of the Tender Document and operational guidelines of RISPC.

Continued to next Page →

**FORM-2**

**Format of Financial Bid**

Continued from pre page

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 component 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), 2016

(Signature)

In the capacity of .....

Chief Underwriting Officer

Duly authorized to sign this Bid for and on behalf of

(Name of Bidder)

## Annexure2

### SUMMARY SCHEDULE

Name of the Assignment: Empanelment and Selection of Insurance Companies for implementing RISPC.

Name of the Client: Tea Board India

Method of selection: Quality cum cost based system. The Technical and Financial Proposals To be submitted in two separate sealed envelopes.

The proposal submission address is: The Secretary, Tea Board India,  
14, B.T.M. Sarani, Kolkata – 700 001.

**Towards clause to clause compliance, copy of every page of the EOI to be signed with seal/stamp of the bidder and submitted along with the Technical Proposal.**

a. Date of release of EOI : 07.11. 2016

b. Pre-bid Meeting : 15.11.2016 at 1500 hrs.

c. Last date of receipt of EOI : 28.11.2016

d. Time and Date of opening of Proposals : 28.11.2016 at 1500 hrs.

e. Place of opening of Pre-qualification Proposals: Tea Board India, 14, B.T.M. Sarani,  
Kolkata – 700 001

e. Validity Period of the Technical and Financial Proposals: Proposal must remain valid for ninety (90) days after the submission date.

Clarifications may be requested not later than 3 days before the date of submission of the proposal.

The address for requesting clarification is: Secretary, Tea Board India,  
14, B.T.M. Sarani, Kolkata – 700 001.

Bid security (EMD) shall be Rs. 100,000/- (Rupees one lakh only) payable in the form of demand draft in favour of "Tea Board, Kolkata".

Tender Documents may be downloaded from the site of Tea Board ([www.teaboard.gov.in](http://www.teaboard.gov.in)), and a DD of Rs. 5000/- in favour of Tea Board payable at Kolkata, which is non-refundable, should be attached with the Technical Bid of tender as the cost of tender document.

## TERMS AND CONDITIONS

### 1. DEFINITIONS:

- a) "TEA BOARD" means Tea Board Of India, a Commodity Board under the Government of India, Ministry of Commerce and Industry and having its Head Office at 14 B.T.M Sarani, Kolkata 700001.
- b) "Tea Board" means the Chairman Tea Board, Kolkata, acting through the Secretary, Tea Board, Kolkata
- c) "The Bidder" means "Service Provider" or Insurance Company who participates in this tender and submits its bid.
- d) "The Agency" means the successful bidder providing the services under the contract
- e) "The services" means all the services which the Insurance company is required to submit to the Tea Board under the contract.
- f) "Provisional acceptance letter/letter of intent" means the intention of Tea Board to place the work order on the bidder.
- g) The "Work Order" means the order placed by Tea Board Insurance company signed by Tea Board, including all attachments and appendices thereto and all documents incorporated by reference therein.
- h) The work order shall be deemed as "Contract" appearing in the document.

### 2. ELIGIBLE BIDDERS:-

The eligible bidder shall be an Indian Insurance Company

### 3.COST OF BIDDING:

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

### 4. BID DOCUMENTS:

The Bid Documents include:

Technical bid: Apart from other forms / documents specified in this EOI , documentary evidence to be submitted for :

|  |
|--|
| Past experience of the firm                                |
| No. of Years experience                                    |
| Past experience in implementing projects of similar nature |
| Past Experience in implementing schemes in related sector  |
| Infrastructure   |
| Financial strength   |
| Marketing channel  |
| Human Resource for implementing the scheme                 |
| Current IT Return and turnover status                      |
| Certificate of incorporation                               |
| Experience certificates                                    |

Financial bid: As per format of financial bid

The Bidder is expected to examine all instructions, forms, terms and specifications in the Bid

Documents. Failure to furnish all information required as per the Bid Documents or submission of bids not substantially responsive to the Bid Documents in every respect will be at the bidders risk and shall result in rejection of the bid.

#### **5. AMENDMENT OF BID DOCUMENTS:**

- a. At any time, prior to the date of submission of bids, Tea Board may, for any reason, whether at its own initiative or in response to a clarification requested by a prospective Bidder, may modify the bid documents by amendments.
- b. The amendments shall be notified in Writing, Email or by FAX to all prospective bidders on the address intimated at the time of purchase of bid document from the Tea Board and these amendments will be binding on them.
- c. In order to afford prospective bidders reasonable time in which to take the amendments in account in preparing their bids, the Tea Board may, at its own discretion, extend the deadline for the submission of bids suitably.

#### **6. BID PRICES:**

- a. The bidder shall give the total composite price of all levies and taxes. The basic price need to be individually indicated against the services it proposes to supply under the contract as per price schedule given in relevant Section in Indian Rupees
- b. Prices indicated in the price schedule shall be entered in the following manner:
  - (i) The price of the services, and service Tax, and other statutory taxes payable by the bidder.
  - (ii) The agency shall quote as per price schedule for all the items given in the schedule of requirement.
- c. The prices quoted by the bidder shall remain fixed during the entire period of contract and shall not be subject to variation on any account. **A bid submitted with an adjustable price quotation will be treated as non-responsive and rejected.**
- d. The prices quoted by the bidder shall be of sufficient detail to enable the Tea Board to arrive at prices of equipment/system offered.
- e. "Discount", if any offered by the bidders shall not be considered unless they are specifically indicated in the price schedule. Bidders desiring to offer discount shall therefore modify their offers suitably while quoting and shall quote clear NET PRICE taking all such factors like discount, etc into account.
- f. The price approved by Tea Board will be inclusive of levies and taxes. Break-up in various heads like service, and service Tax and other taxes paid/payable is for the information of the agency and any change in these shall have no effect on price during the scheduled period of delivery.

#### **7. BID SECURITY:**

- a. The bidder shall furnish, as part of his bid, a bid security for an amount of Rs. 1,00,000 (Rupees one Lakh only).
- b. The bid security is required to protect the Tea Board against the risk of bidders conduct, which would warrant the security's forfeiture.
- c. The bid security shall be in the form of a crossed Demand Draft or bank guarantee from a Scheduled Bank in favour of "TEA BOARD Kolkata". Payment in any other form is not acceptable.
- d. A bid not secured in accordance with the conditions in this document shall be rejected by the Tea Board as non-responsive.
- e. The bid security of the unsuccessful bidder will be discharged/returned as promptly as possible, but not later than 30 days after the expiry of the period of bid validity prescribed by the Tea Board.

- f. The successful bidder's bid security will be discharged upon the bidder's acceptance of the advance work order satisfactorily and furnishing the performance security.
- g. The bid security may be forfeited:  
If a bidder withdraws his bid during the period of bid validity specified by the bidder on the Bid form, or

In the case of a successful bidder, if the bidder fails to sign the contract in accordance with the terms and conditions provided later in this document, or

to furnish performance security as specified later in this document.

#### **8. FORMAT AND SIGNING BID:**

The bidder shall prepare the bid in separate envelopes for Technical bid and Financial bid, clearly super scribing the name on the envelopes.

The bid shall be typed or printed and signed by the bidder or a person/persons duly authorized to bind the bidder to the contract. The letter of authorization shall be indicated by written power-of attorney accompanying the bid. All pages of the original bid, except for unamended printed literature shall be signed by the person / persons signing the bid. The bids submitted shall be sealed properly (wax or PVC tape sealed).

The bid shall contain no interlineations, erasures or overwriting except as necessary to correct errors made by the bidder in which case such corrections shall be signed by the person/persons signing the bid.

#### **9. SUBMISSION OF BIDS : SEALING AND MAKING OF BIDS:**

The bidder shall prepare separate envelopes for technical as well as financial bids with clear marking of the same on the top of each envelope and shall also seal both the envelopes with wax or PVC tape. The two bids will further be sealed in an outer envelope with wax or PVC tape.

The inner and outer envelopes shall be:

Addressed to the Tea Board on the following address:

Secretary, Tea Board of India, 14 BTM Sarani, Kolkata-700 001.

Bearing the tender number and the words 'DO NOT OPEN BEFORE..... (due date) and the inner and outer envelopes shall indicate the name and address of the bidder to enable the bid to be returned unopened in case it is received late.

Tenders shall be dropped in the Tender Box at 8th Floor, O/o Tea Board, Kolkata. The responsibility for ensuring that tenders are delivered in time would vest with the bidder.

The Tea Board shall not be responsible if the bids are delivered elsewhere.

If the outer envelope is not sealed and marked as specified above, the Tea Board shall not accept the bid. In case the inner envelopes are not sealed and marked as specified above, the bid shall be rejected.

#### **10. LATE BIDS:**

Any bid received by Tea Board after the deadline for submission of bids prescribed by Tea Board shall be rejected and returned unopened to the bidder.

## **MODIFICATION AND WITHDRAWAL OF BIDS:**

The bidder may modify or withdraw his bid after submission provided that the written notice of the modification or withdrawal is received by the Tea Board prior to the deadline prescribed for submission of bids.

The bidder's modification or withdrawal notice shall be prepared, sealed, marked and dispatched as required in the case of bid submission. A withdrawal notice may also be sent by email, but followed by a signed confirmation copy, post marked not later than the deadline for submission of bids.

No bid shall be modified subsequent to the deadline for submission of bids.

### **11. AWARD OF CONTRACT:**

Tea Board shall consider placement of orders for work execution on those bidders whose offers have been found technically (type-approved/validated by the Tea Board), commercially and financially acceptable.

### **12. TEA BOARD'S RIGHT TO ACCEPT ANY BID AND TO REJECT ANY OR ALL BIDS:**

Tea Board reserves the right to accept or reject any bid, and to annul the bidding process and reject all bids, at any time prior to award of contract without assigning any reason whatsoever and without thereby incurring any liability to the affected bidder or bidders on the grounds for the Tea Board's action.

### **13. ISSUE OF ADVANCE WORK ORDER OR LOI:**

The issue of an Advance Work Order or LOI (Letter of Intent) shall constitute the intention of Tea Board to enter into the contract with the bidder.

The bidder shall, within 15 days of issue of an advance work order, give his acceptance along with performance security. **The selected bidder will have to execute an agreement with the Tea Board after acceptance of work order.**

### **14. ANNULMENT OF AWARD:**

Failure of the successful bidder to comply with all the requirements as specified above shall constitute sufficient ground for the annulment of the award and forfeiture of the bid security in which event Tea Board may make the award to any other bidder at the discretion of Tea Board or call for new bids.

### **15. PERFORMANCE SECURITY:**

- a. The agency shall furnish performance security to the Tea Board for an amount of 10% of contract value within 15 days of Agency's receipt of the Advance Work Order.
- b. The proceeds of the performance security shall be payable to the Tea Board as compensation for any loss resulting from the agency's failure to complete its obligations under the Contract.
- c. The performance Security Bond shall be in the form of bank guarantee issued by a Scheduled Bank and in the format provided in the Bid Document.
- d. The performance Security Bond will be discharged by the Tea Board 3 months after completion of the Agency's performance obligations under the Contract.
- e. The selected agency will have to execute an agreement with the Tea Board on Non Judicial stamp paper of appropriate value and in format to be provided by Tea Board

### **16. SUBCONTRACTS:**



The Agency shall notify Tea Board in writing of all subcontracts awarded if not already specified in his bid. Such notification in his original bid or later shall not relieve the Agency from any liability or obligation under the Contract.

**17. DELAYS, LIQUIDATED DAMAGES:**

In case of extension in the Delivery, the recovery shall be made on the basis of following percentages of value of Contract / work completion, which the bidder has failed to supply / complete the work:

| S. No. | Condition  | LD %  |
|--------|--|-------|
| 1.     | Delay up to one fourth period of the prescribed period /   | 2.5 % |
| 2.     | Delay exceeding one fourth but not exceeding half of the   | 5.0 % |
| 3.     | Delay exceeding half but not exceeding three fourth of the | 7.5 % |
| 4.     | Delay exceeding three fourth of the prescribed period      | 10 %  |

The maximum amount of liquidated damages shall be 10%.

If the agency requires an extension of time in completion of contractual supply on account of occurrence of any hindrance, he shall apply in writing to the authority, which has placed the supply order, for the same immediately on occurrence of the hindrance, with justifications, but not after the stipulated date of completion of Delivery. Delivery period may be extended with or without liquidated damages if the delay in the supply of services is on account of hindrances beyond the control of the bidder.

Liquidated Damages would be deducted from the Payment due for that milestone as mentioned

**Forfeiture of Performance Security**

Forfeiture of Security Deposit: Security amount in full or part may be forfeited in the following cases:

When the terms and conditions of contract is breached.

When the bidder fails to make complete delivery of services satisfactorily.

When contract is being terminated due to non-performance of the bidder.

Notice of reasonable time will be given in case of forfeiture of security deposit. The decision of the Tea Board in this regard shall be final.

**18. FORCE MAJEURE:**

a) If any time, during the continuance of this contract, the performance in whole or in part by either party or any obligation under this contract shall be prevented or delayed by reason of any war, or hostility, acts of the public enemy, civil commotion sabotage, fires, floods, explosions, epidemics, quarantine restrictions, strikes, lockouts or act of God (Herein after referred to as events) provided notice of happenings, of any such eventuality is given by either party to the other within 21 days from the date of occurrence thereof, neither party shall by any reason of such event be entitled to terminate this contract nor shall either party have any such claim for damages against the other in respect of such non-performance or delay in performance, and deliveries under the contract shall be resumed as soon as practicable after such event may come to an end or cease to exist, and the decision of Tea Board as to whether the delivery have been so resumed or not shall be final and conclusive, provided further that if the performance, in whole or part of any obligation under this contract is prevented or delayed by reason of any such event for a period exceeding 60 days either party may, at his option terminate the contract.

b) Provided also that if the contract is terminated under the clause, Tea Board shall be at liberty to take over from the bidder at a price to be fixed by Tea Board, documents /materials in possession of the bidder at the time of such termination of such portions thereof as Tea Board may deem fit excepting such materials bought out components and stores as the contracts may with the concurrence of Tea Board elect to retain.

#### **19. TERMINATION FOR DEFAULT:**

Tea Board may, without prejudice to any other remedy for breach of contract, by written notice of default, sent to the Agency, terminate this contract in whole or in part.

- (a) If the Agency fails to deliver any or all of the services within the time period(s) specified in the Contract or any extension thereof granted by Tea Board.
- (b) If the Agency fails to perform any other obligation(s) under Contract: and
- (c) If the Agency, in either of the above circumstance (s) does not remedy its failure within a period of 30 days (or such longer period as Tea Board may authorize in writing) after receipt of the default notice from Tea Board.

In event Tea Board terminates the contract in whole or in part, Tea Board may procure, upon such terms and in such manner, as it deems appropriate, services similar to those undelivered and the Agency shall be liable to Tea Board for any excess cost for such similar services. However, the Agency shall continue performance of the contract to the extent not terminated.

#### **20. TERMINATION FOR INSOLVENCY:**

Tea Board may at any time terminate the contract by giving written notice to the Agency, without compensation to the Agency, if the Agency becomes bankrupt or otherwise insolvent as declared by the competent court provide that such termination will not prejudice or affect any right or action or remedy which has accrued thereafter to Tea Board.

#### **21. ARBITRATION:**

- a) In the event of any question, dispute or difference arising under this agreement or in connection there-with except as to matter the decision of which is specifically provided under this agreement, the same shall be referred to sole arbitration of the Chairman, Tea Board, Kolkata. The agreement to appoint an arbitrator will be in accordance with the Arbitrator and conciliation Act, 1996. There will be no objection to any such appointment that the arbitrator is a TEA BOARD Servant or that he was to deal with the matter to which the agreement relates or that in the course of his duties as a TEA BOARD Servant he has expressed views on all or any of the matter under dispute. The award of the arbitrator shall be final and binding on the parties. In the event of such arbitrator to whom the matter is originally referred, being transferred or vacating his office or being unable to act for any reasons whatsoever such Chairman, Tea Board or the said officer shall appoint another person to act as arbitrator in accordance with terms of the agreement and the person so appointed shall be entitled to proceed from the stage at which it was left out by his predecessors.
- b) The arbitrator may from time to time with the consent of parties enlarge the time for making and publishing the award. Subject to aforesaid Indian Arbitration and Conciliation Act 1996 and the Rules made there-under, any modification thereof for the time being in force shall be deemed to apply to the arbitration proceeding under this clause.
- c) The venue of the arbitrator proceeding shall be the office of the Chairman Tea Board Kolkata, or such proceeding places as the arbitrator may decide.

#### **22. SET OFF:**

Any sum of money due and payable to the bidder (including security deposit refundable to him) under this contract may be appropriated by TEA BOARD or any other person or persons contracting through TEA BOARD and set off the same against any claim of the Tea Board or TEA BOARD or such other person or persons for payment of a sum of money arising out of this contract made by the bidder with TEA BOARD or such other person or persons contracting through TEA BOARD

## PERFORMANCE SECURITY BOND FORM

THIS DEED OF GUARANTEE MADE THIS ..... DAY OF..... between the Tea Board Of India (A Government Of India Commodity Board), having its HQ at 14 B.T.M Sarani, Kolkata (hereinafter called the "TEA BOARD") (which expression shall unless excluded by or repugnant to the context include its successors and assignees) of one part and ..... (hereinafter called the "Bank") (Which expression shall unless excluded by or repugnant to the context include its successors and assignees) of the other part.

WHERE THE TEA BOARD accepted the tender of M/s ..... (hereinafter called the Agency) for service to the TEA BOARD..... as per Contract No. .... Dated..... (hereinafter referred to as the said contract)

AND WHEREAS the said contract provides that agency shall furnish Bank Guarantee to the extent of ten percent of the value of the contract as and by way of security for the due observance and performance of terms and conditions of the contract.

AND WHEREAS at the request of the Agency the Bank has agreed to execute these presents.

NOW THE DEED WITNESSED AND IT IS HEREBY AND DECLARED BY AND between the parties hereto as follows:

The bank hereby irrevocably and unconditionally guarantees to the TEA BOARD that the Agency shall render all necessary and efficient services which may be required to be rendered by the Agency in connection with and/or for the performance of the said contract and further guarantees that the services by the Agency under the said contract shall be actually performing the work required of it to the satisfaction of the TEA BOARD and shall be free from any defects and/or otherwise whatsoever and in the event of the agency failing or neglecting to render necessary services as foresaid and/or in the event of the services failing to give satisfactory performance or proving and particularly warranty clause mentioned therein, the Bank shall of ..... against any loss or damage that may be caused to or suffered by the TEA BOARD by reason of any breach by the Agency of any of the aforesaid terms and conditions and the Bank further undertake to pay the TEA BOARD, such sum not exceeding Rs..... on demand and without DEMUR in the event of the Agency's failure to perform and discharge the aforesaid several duties and obligations on his part to be observed and performed under the said contract and/or deficiencies and defects on the satisfactory performance of the services.

The decision of the TEA BOARD as to whether the Agency failed to or neglected to perform or discharge his duties and obligation as aforesaid and/or whether the services are free from deficiencies and defects are capable of performing the work required and as to the amount payable to the TEA BOARD by the Bank herein shall be final and binding on the Bank

The liability of the bank under this Guarantee shall be as of principal Debtor.

The Guarantee herein contained shall remain in full force and effect during the period that would be taken for performance of the aforesaid terms of the said contract and it shall continue to be enforceable 3 months after the final deliverable is completed, all the dues of TEA BOARD under or

by working of the said contract have been fully paid and it is certified by TEA BOARD that the terms and conditions of the said contract have been fully and properly carried out by the said Agency and a No Demand Certificate submitted to this effect by the Agency.

The bank further agrees that the Guarantee herein contained shall remain in full force and effect for a period of 3 months after the final deliverable is completed and all dues from Tea Board has been fully paid thereof and also that the extension of the Guarantee will be provided for by the Bank for such period beyond the said period of 3 months from the date of completion of final deliverable and all dues from Tea Board has been fully paid as the TEA BOARD may feel necessary in this behalf provided further that if any claim accrues against the bank before the expiry of the said period of 3 months from the date of submission of final deliverable and all dues from Tea Board has been fully paid or an extension thereof the same shall be enforceable against the bank notwithstanding the fact the same is enforced after the said period of 3 months from the date of submission of final deliverable and all dues from Tea Board has been fully paid or any extension thereof.

The Guarantee herein contained shall not be affected by any change in the constitution of the Agency or the bank and shall be a continuing one.

The TEA BOARD has fullest liberty, without affecting the Guarantee to postpone for any time and from time to time, any of the powers exercisable by it against the Agency and either reinforce or forbear any of the terms & conditions of the said contract and Bank shall not be released from its liability under this Guarantee by any exercise by TEA BOARD of the liberty with reference to the matter referred aforesaid or by reasons of time being given to the Agency or any other forbearance, act or the omission on the part of TEA BOARD or any indulgence by TEA BOARD to the Agency or any other matter or thing whatsoever which under the law relating to sureties shall but for this provision have the effect of so releasing of from its such liability.

The Bank undertake not be revoke this Guarantee during its currency except with the previous consent of TEA BOARD in writing.

NOTWITHSTANDING anything contained herein before, our liability under this guarantee is restricted to Rs.....(in words) .....Our guarantee shall remain in force till (period to be mentioned). Unless a demand in writing for a claim under this guarantee is lodged with us on or before (date should be mentioned) all your rights under this guarantee shall be forfeited and shall be released and discharged from all liabilities there-under.

IN WITNESS WHEREOF the parties have executed these presents the day and year therein above-written.

|   |  |
|---|--|
| Signed and Delivered by the Attorney for and on behalf of the Bank in the presence of: 1. _____<br>2. _____ | Signed and Delivered by the Attorney for and on behalf of the Bank in the presence of:<br>_____<br>_____ |
|---|--|

**Proforma for Letter of Authorization for Attending Bid Opening**

**Subject: Authorization for attending Bid opening on -----in the tender at Tea Board Kolkata for Revenue Insurance Scheme for Plantation Crop of Tea Board**

Following persons are hereby authorized to attend the bid opening for the tender mentioned above on behalf of \_\_\_\_\_(Bidder) in order of preference given below.

| Order of preference | Name | Specimen Signature |
|---------------------|------|--------------------|
| <hr/>               |      |                    |

I

II

Alternate Representative \_\_\_\_\_

Signature of Bidder

Or

Officer authorized to sign the bid on behalf of the bidder.

Note:

Maximum of two representatives will be permitted to attend bid opening. In cases where it is restricted to one, first preference will be allowed. Alternate representative will be permitted when regular representative are not able to attend.

Permission for entry to the hall, where the bids are to be opened, may be refused in case the authorization as prescribed above is not received.

**PRE-STAMPED RECEIPT**

**FOR REFUND OF EARNEST MONEY DEPOSIT**

Received with thanks from the TEA BOARD, 14,B.T.M.Sarani. Kolkata-700001Kolkata, a sum of Rs 1,00,000/- (Rs. One lakh Only), towards the refund of earnest money deposit paid in respect of the EOI of **Revenue Insurance Scheme for Plantation Crop** Tea Board against EOI number ----  
-----.

Date:

Signature of Bidder  
(on one-rupee revenue stamp)

Note: Earnest Money Deposit will be returned to unsuccessful bidders only after finalization of the tender.

Name & Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_