

Expression of Interest (EoI) 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: 4/DTD/2017

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.

Pay out = Guaranteed Income – Actual Income.

Frequency of Pay Out will be at the end of annual crop cycle.

Sum Insured (SI) will be equal to the Guaranteed Income. 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 kept at 85%.

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).

Mobile number of growers:

The Boards field offices will provide the mobile number of the growers to the Insurance Company for SMS activation.

Time frame for settlement of claim by Insurance Company –

Claims should be settled within 3 weeks from the date of receipt of claim

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 Board 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 Tea Board 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 7th Working Day from the floating of the EOI. The venue will be at the Tea Board, Kolkata.

FORM-1

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 International Price data for last 5 years is given below :

Prices (in US\$/kg) of Tea at Auctions

Year	India	Bangladesh	Sri Lanka	Indonesia	Kenya	Malawi
2011	2.23	2.14	3.25	1.97	2.72	1.61
2012	2.28	2.68	3.07	1.97	2.88	1.70
2013	2.20	2.46	3.44	1.98	2.41	1.82
2014	2.08	2.19	3.53	1.66	2.03	1.43
2015	1.94	2.41	2.97	1.56	2.73	1.56

(Source: ITC Annual Bulletin, 2016)

The above average auction prices are for tea manufactured by factories which procure green leaf from small growers. It is to be noted that the 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

Yield Estimation (cal Yield estimation methodology (Calculation of Guaranteed Income, Sum Insured, payout and claim settlement of the EOI) :

The Small Tea Growers Associations will provide the yield data in terms of made for last 5 years for the districts. The data will be authenticated by the Tea Board.

There being no standard yield estimation methodology, the data from Small Growers would be the basis which will be authenticated by the Tea Board.

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.

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.

Premium Rate, inclusive of all taxes (INR) :

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

Authorised Signatory

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 : 11.02.2017

b. Pre-bid Meeting : 16.02.2017 at 3.00P.M. at Tea Board, Kolkata

c. Last date of receipt of EOI : 02.03.2017 at 3.00P.M.

d. Time and Date of opening of Proposals : 02.03.2017 at 4.00P.M.

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

f. 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.

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. 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.

8. 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.

9. 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.

10. 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.

11. 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.

12. 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 selected bidder will have to execute an agreement with the Tea Board after acceptance of work order.

13. 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.

14. 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.

15. 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.

16. 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.

17. 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. Tender fee, EMD. Performance Security (Terms and Conditions of EOI):

It has been informed by some of the prospective bidders that Non Life Insurance Companies are not required to submit Tender Fee, EMD and Performance Security and are not to be covered under set off clause and delays and liquidation. However, no valid documentary proof or order from the concerned Authority like the IRDA has been produced in this regard. Accordingly, for the purpose of this EOI, the bidders are to submit the following undertaking on their Company's letterhead, duly signed by the Authorized Signatory:

“The Non Life Insurance Companies are not required to submit tender fees, Earnest Money Deposit for participating in any Tender and also are not required to submit Performance Security after receipt of work order as per the Circular dated 07.07.2011, issued by the General Insurance Council. In case it is found later that Non Life Insurance Companies are not exempted from payment of tender fees, Earnest Money and Performance Security, the same shall be paid to the Board failing which the insurance contract shall stand revoked. “

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.