



REQUEST FOR PROPOSAL (“RFP”)

***FOR APPOINTMENT OF A CONSULTANT FOR THE
MERGER / AMALGAMATION OF
NATIONAL INSURANCE COMPANY LTD.,
THE ORIENTAL INSURANCE COMPANY LTD. AND
UNITED INDIA INSURANCE COMPANY LTD.***

	<p>National Insurance Company Limited</p>
	<p>The Oriental Insurance Company Limited</p>
	<p>United India Insurance Company Limited</p>

Dated: October 3rd, 2018

To,

Name of Consultant

[PLEASE INSERT THE ADDRESS]

.....

.....

Dear Sir/Madam,

1. Proposals are invited from the Bidders for guiding and implementing all aspects of the merger / amalgamation of three Public Sector General Insurance Companies, namely, The Oriental Insurance Company, National Insurance Co. Ltd., and United India Insurance Co. Ltd., including planning all aspects of the merger / amalgamation, presenting it for approval of the PSGICs and upon approval, assist in implementing the same.
2. The PSGICs had invited an Expression of Interest (EOI) to seek responses from Interested Bidders and I am happy to inform that based on evaluation of the EOI response received, your firm has been shortlisted for issue of RFP for the Proposed Assignment and is now invited to submit its proposal as per the detailed RFP document.
3. The RFP Document is being e-mailed as an attachment on the official e-mail id of the Authorized Representative of your firm. The RFP is being uploaded on the websites of the three PSGICs.
4. The Bidder / Consultant will be required to submit all the Annexures stated in the RFP along with the Proposal. In addition, the Bidder / Consultant must also confirm and give an undertaking to the effect that it is not blacklisted in any manner whatsoever by Central Government or any Regulator / Statutory Body under Government of India on the date of Proposal submission.
5. PSGICs shall select a Consultant as per procedures described in the RFP.
6. Details on the scope of work, terms & conditions etc are provided in the RFP document.
7. Please acknowledge receipt.

Yours sincerely,

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1. Definitions & Abbreviations

Affiliates/Group Companies	Affiliates/Group Companies shall mean member firms working under the common brand name and engaged in the similar activity of accounting/advisory/financial services and registered in India.
Bidder/Applicant/	Bidder/Applicant shall mean the entity or firm who is submitting its Proposal for providing services to the PSGICs.
BFSI	Banking, Financial Services and Insurance Sector
Consultant	Consultant shall mean the selected Bidder for performance and execution of the Proposed Assignment
Contract	Contract shall mean a written Contract signed between PSGICs and the Consultant including subsequent amendments to the Contract in writing thereto.
Day	Day shall mean a calendar day.
Evaluation Committee of the PSGICs	Evaluation Committee of the PSGICs shall mean the committee comprising representatives of the PSGICs for the purposes of this RFP. Suitable technical experts may also be part of the committee to render assistance in the evaluation of the Proposals.
GIPSA	General Insurers'(Public Sector) Association of India; the Project Office to assist in the coordination of the appointment of Consultant for merger / amalgamation of three Public Sector General Insurance Companies, namely, National Insurance Co. Ltd., The Oriental Insurance Company and United India Insurance Co. Ltd.
GOI	Government of India
IRDAI	Insurance Regulatory and Development Authority of India
M&A	Mergers & Acquisitions
Net Worth	Net Worth shall mean the sum of paid up equity capital and reserves from which shall be deducted the sum of revaluation reserves, miscellaneous expenditure not written off and accrued liabilities.
PSGICs	The three Public Sector General Insurance Companies, namely, National Insurance Co. Ltd., The Oriental Insurance Company and United India Insurance Co. Ltd. shall be jointly and severally referred to as PSGICs.

Proposal/Bid	Proposal/ Bid shall mean the Technical Proposal and the Financial proposal submitted in response to the RFP dated 03.10.2018.
Proposed Assignment	Proposed Assignment shall mean merger / amalgamation of three Public Sector General Insurance Companies, namely, National Insurance Co. Ltd., The Oriental Insurance Company and United India Insurance Co. Ltd.
RFP	RFP shall mean this “Request for Proposal” issued by the PSGICs including any amendments thereto.
Significant Shareholders	Shareholders having a holding of $\geq 5\%$ of Bidders share capital
Sub-Contractor	Sub-Contractor shall mean any person or persons or firm or their legal representatives, successors, assignees to whom part of Contract has been given by the Consultant as per the terms and conditions of this RFP.
Turnover	Turnover shall mean combined annual sales turnover of the merged entities and in case of acquisition, the combined annual turnover of acquiring and acquired entities.
Validity Period	Validity Period of the Proposal shall be 180 days from the last date of submission of the Proposal.

2. Introduction & Overview

There is a proposal by the Government of India to merge three Public Sector General Insurance Companies, namely, National Insurance Company Ltd., The Oriental Insurance Company Ltd. and United India Insurance Company Ltd. (“PSGICs”). As on 31.03.2018, PSGICs together have more than 200 Insurance Products with a total premium of Rs. 45126 crores and a Market Share of around 35%. The total employees’ strength of around 42000 spread over 5700 Offices.

A brief overview of the PSGICs is as follows:

- ***The Oriental Insurance Company Limited:***

Incorporated in 1947 with headquarters at New Delhi, “Oriental Insurance” has a Paid-up Share Capital of Rs.200 crores. Gross Direct Premium Income (GDPI) in 2017-18 was Rs.11,452 Crores showing a growth of 6%. It has 1,870 offices including Micro Offices with 12,872 employees. “Oriental Insurance” has its foreign operations in Nepal, Dubai & Kuwait. It has got “B++” (Good) rating from AM Best & Co. (Europe), AAA by CRISIL and iAAA by ICRA.

- ***National Insurance Company Limited:***

Incorporated in 1906 with Headquarters at Kolkata, “National Insurance” has a Paid-up Share Capital of Rs.100 crores. Gross Direct Premium Income (GDPI) in 2017-18 was Rs. 16,244 crores showing a growth of 13.73%. It has 1,743 offices including Micro Offices with 13,440 employees. “National Insurance” has foreign operations in Nepal and operations are conducted through 8 offices there. It also has “AAA/ Negative” rating by CRISIL and "B++ (Good)" rating by A.M. Best Company.

- ***United India Insurance Company Limited:***

Incorporated in 1938 with headquarters at Chennai, “United India” has a Paid-up Share Capital of Rs.150 crores. Gross Direct Premium Income (GDPI) in 2017-18 was Rs.17,430 crores showing a growth of 8.51%. “United India” has 2139 offices with 15,995 employees. It also has been rated as “AAA / Stable by CRISIL.

3. Disclaimer

- 3.1. The Introduction & Overview is only introductory in nature and the Bidders are required to refer to annual reports and other such related information available regarding the PSGICs in the public domain.
- 3.2. The information contained in this RFP or subsequently provided to Bidders whether verbally or in documentary or any other form by or on behalf of PSGICs, is provided to the Bidders on the terms and conditions set out in this RFP and such other terms and conditions subject to which such information is provided.
- 3.3. This RFP does not claim to contain all the information, which each Bidder may require. Each Bidder should, at its own costs without any right to claim reimbursement, conduct its own investigations, analysis and should check the accuracy, reliability and completeness of the information in this RFP and wherever felt necessary obtain independent advice.
- 3.4. Neither PSGICs nor their employees or advisors will have any liability to any Bidder or any other person under the law of Contract, tort, the principles of restitution or unjust enrichment or otherwise for any loss, expense or damage which may arise from or be incurred or suffered in connection with anything contained in this RFP, any matter deemed to form part of this RFP, the award of the Contract and any other information supplied by or on behalf of PSGICs or their employees, any advisors or otherwise arising in any way from the selection process for the PSGICs.
- 3.5. While this RFP has been prepared in good faith, no representation or warranty, express or implied, is or will be made, and no responsibility or liability will be accepted by PSGICs or any of its employees, in relation to the accuracy or completeness of this document and any liability thereof is expressly disclaimed.
- 3.6. PSGICs reserve the right of discretion to change, modify, add to or alter any or all of the provisions of this RFP, without assigning any reasons whatsoever. Such change will be intimated or made accessible to all Bidders or can be accessed on the website of PSGICs. Any information contained in this RFP document will be superseded by any later written information on the same subject made available/accessible to Bidder(s) by the PSGICs.
- 3.7. Information provided in this RFP is on a wide range of matters, some of which may depend upon interpretation of law. The information given is not intended to be an exhaustive account of statutory requirements and should not be regarded as a complete or authoritative statement of law. Further, PSGICs also does not accept liability of any nature whether resulting from negligence or otherwise howsoever caused arising from reliance of any Bidder upon the statements contained in this RFP.
- 3.8. PSGICs may in their absolute discretion, but without being under any obligation to do so, update, amend or supplement the information, assessment or assumptions contained in this RFP.

- 3.9. PSGICs reserves the right to reject any or all the Proposals received in response to this RFP at any stage without assigning any reason whatsoever and without being liable for any loss/injury that Bidder might suffer due to such reason. The decision of the Evaluation Committee of the PSGICs shall be final, conclusive and binding on all the Bidders directly or indirectly connected with the bidding process.
- 3.10. PSGICs reserve the right to appoint its own legal advisor for the Proposed Assignment.

4. Invitation

- 4.1 The PSGICs invite Proposals from a Bidder of repute and proven track record for the execution of the Proposed Assignment. The Bidders desirous of taking up the mandate are invited to submit their Proposal in response to this RFP as per the terms and conditions set out in this RFP.
- 4.2 The criteria and the actual process of evaluation of the proposals in response to the RFP and subsequent selection of the Bidder will be entirely at the discretion of the PSGICs.
- 4.3 The Bidders should have necessary experience, capability and expertise to perform and execute the Proposed Assignment, as per the 'Terms of Reference / Scope of Work' and to adhere to the PSGICs requirements/ terms and conditions outlined in the RFP. The Bidders must comply with all the requirements of this RFP.
- 4.4 This RFP is not an offer by the PSGICs, but an invitation to receive Proposals from the Bidders. No Contractual obligation whatsoever shall arise from the RFP process unless and until a formal Contract is signed and executed by duly authorized official(s) of the PSGICs with the selected Bidder/Consultant.

5. RFP – Time Schedule

S.No.	Particulars	Date & Time	Day
1.	RFP Document made available for Bidders	03.10.2018	Wednesday
2.	Last date & time for receiving written queries from Bidders	09.10.2018 5:00 pm	Tuesday
3.	Date & time of Pre-Bid meeting of Bidders with PSGICs at Project Office, New Delhi on RFP Document	15.10.2018 11:00 am	Monday
4.	Date for issuing clarifications by the PSGICs to the to the queries raised by the Bidders	18.10.2018	Thursday
5.	Last date and time for submission of Technical Proposal and Financial Proposal	05.11.2018 12:00 pm	Monday
6.	Date & time for opening of the Technical Proposal	05.11.2018 12:30 pm	Monday
7.	Place of Submission and Opening the Proposal	Project Office - General Insurers' (Public Sector) Association of India, (GIPSA) Ground Floor, Gate No. 2, Jeevan Tara Building, Parliament Street, New Delhi-110001.	

Note:

- 1. The Technical Proposals shall be evaluated for responsiveness and the Bidders whose Proposal is found responsive shall be invited for Presentation. The date and time for the Presentation shall be communicated at a later date.*
- 2. If a holiday is declared on the dates mentioned above, the Proposals shall be received/ opened on the next working day at the same time specified above and at the same venue communicated otherwise.*

6. Eligibility Criteria

- 6.1 Bidders must read carefully the Eligibility Criteria provided in **Annexure A**. Proposals of only those Bidders who satisfy these conditions will be considered for the evaluation process.

Note: *The Eligibility Criteria will apply to the Bidders along with its Affiliates/ Group companies/ member firms working under the common brand name.*

7. *Conflict of Interest*

- 7.1 PSGICs require the Bidder/Consultant to provide professional, objective, and impartial advice, and at all times hold PSGICs interest paramount, strictly avoid conflicts with other assignment(s) or their own corporate interests, and act without any expectation/consideration for award of any future assignment(s) from the PSGICs.
- 7.2 Without prejudice to the generality of the foregoing, the Bidder/Consultant, and/or any of their Affiliates, shall be considered to have a conflict of interest (and shall not be engaged under any of the circumstances) as set forth below:
- (i) **Conflicting Activities:** The Bidder / Consultant (or any of its Affiliates/ experts and Sub-Contractors), selected to provide consulting assignment/ job for this Proposed Assignment, shall be disqualified from subsequent downstream supply of goods or works or non-consultancy services resulting from or directly related to the Proposed Assignment.
 - (ii) **Conflicting assignment/job:** The Bidder/Consultant (or any of its Affiliates/ experts and Sub-Contractors) shall not be hired for any assignment/job that, by its nature, may be in conflict with another assignment/job of consultancy for the same and/or for another procuring entity.
 - (iii) **Conflicting relationships:** The Bidder/Consultant (or any of its Affiliates/ experts and Sub-Contractors) having a business or family relationship with a member of PSGICs staff who is directly or indirectly involved in any part of (a) the preparation of the Terms of Reference / Scope of Work of the Proposed Assignment, (b) the selection process for the Proposed Assignment, or (c) supervision of the Contract, may not be awarded a Contract, unless the conflict stemming from such a relationship has been resolved in a manner acceptable to PSGICs throughout the selection process and the execution of the Contract.
- 7.3 The Bidder/Consultant shall ensure that employees of PSGICs shall not work as, for or be a part of the firm of Bidder/Consultant during the selection process under this RFP as well as during the performance and execution of the Proposed Assignment.
- 7.4 The Bidder / Consultant has an obligation to disclose any situation of actual or potential conflict that impacts their capacity to serve the best interest of PSGICs, or that may reasonably be perceived as having this effect. Any such disclosure shall be made as per the forms of Technical Proposal provided herewith. If the Bidder / Consultant fail to disclose said situations and if the PSGICs come to know about any such situation at any time, it may lead to the disqualification of the Bidder / Consultant during bidding process or the termination of its Contract during execution of the Proposed Assignment.
- 7.5 The Bidder/Consultant shall not accept for their own benefit any commission, discount, or similar payment in connection with activities pursuant to this RFP, or in the discharge of their obligations under Contract, and the Bidder/Consultant shall take all reasonable steps to ensure that their employees and/or any of its Affiliates shall not receive any such payment.
- 7.6 The Bidder/Consultant shall not receive any other remuneration from any source in connection with the Proposed Assignment except as provided under the Contract.

8. *Earnest Money Deposit*

- 8.1 The Bidder shall submit the EMD of **Rs. 25,00,000 (Rupees Twenty five lacs only)** by way of a demand draft favoring “The Oriental Insurance Company Ltd.” payable at New Delhi.
- 8.2 EMD may be forfeited:
- (a) If the Bidder withdraws the Proposal during the Validity Period; or
 - (b) If the Bidder/Consultant fails to sign the Contract; or
 - (c) If the Consultant fails to furnish Performance Bank Guarantee valid for 3 years on signing of Contract“ or
 - (d) If the Consultant fails to deliver the relevant services within the stipulated period for the Proposed Assignment; or
 - (e) If the Bidder/Consultant fails to comply with any of the terms of RFP and/or Contract.
- 8.3 EMD should be kept in the envelope containing Technical Proposal as per **Annexure D**. Any Technical Proposal envelope not accompanied by the requisite EMD shall be treated as non-responsive and is liable to be rejected.
- 8.4 The EMD of the Bidders who’s Proposal has not been accepted will be returned as early as possible, after completion of process of selection of the Consultant. The EMD of the Consultant shall be refunded only after successful completion of the Proposed Assignment.
- 8.5 No interest is payable on the amount of EMD.
- 8.6 If EMD is forfeited for any reason, the said Bidder will be debarred from further participation in the RFPs floated by the PSGICs for a period of three years.

9. Pre-Bid Meeting

- 9.1 The Pre-Bid Meeting of the Bidders with the PSGICs will be held as provided in the RFP-Time Schedule.
- 9.2 The Bidder may send written queries, if any, via email to merger.gipsa@gmail.com latest by the stipulated date as per the RFP Time Schedule. PSGICs shall issue clarifications to the queries raised by the Bidders via email to all the Bidders as provided in the RFP – Time Schedule. Should PSGICs deem it necessary to amend the RFP as a result of a query raised, it shall be done in accordance with the procedure stated under paragraph 9.3 below.
- 9.3 At any time prior to the deadline for submission of Proposal, PSGICs may modify the RFP by an amendment. The amendment will be binding on all the Bidders. PSGICs, at their discretion may extend the deadline for submission of the Proposals in order to allow Bidders a reasonable time to take the amendment into account.

10. Terms of Reference/Scope of Work

- 10.1 A brief description of the objectives, scope of work, deliverables and reporting requirements, list of activity, tracks, deliverables and timelines and other requirements relating to the Proposed Assignment are provided in **Annexure B** of this RFP.
- 10.2 The expected duration of the Proposed Assignment is 19 months, with a provision for extension, if required on existing terms.
- 10.3 The assignment shall consist of three phases – Design, Implementation and Post Merger/ Amalgamation Integration. The precise timelines of the activities, deliverables and milestones of these phases will be finalized after taking into cognizance of the Consultant's broad Project plan by the PSGICs.
- 10.4 The activities, deliverables and milestones are arranged on the basis of “issues” enlisted by the PSGICs in the Scope of Work rather than Phase wise. For instance, IT issue shall have activities which are to be performed in all the three Phases.
- 10.5 The Bidder / Consultant may add or modify the activity tracks for implementation of the Proposed Assignment based on insights that they may possess at the stage of submission of Proposal as part of their Technical Proposal keeping in mind that the Proposed Assignment is on a turnkey basis and all the objectives of the Proposed Assignment have to be achieved with their active involvement.
- 10.6 The PSGICs and any team set up by it will be at liberty to accept, reject or modify any of the suggestions received from the Bidder / Consultant. The details of Terms of Reference agreed between the two sides will be firmed up at the time of signing of Contract based on Terms of Reference in this RFP and the suggestions given by the Bidder / Consultant as part of their Proposal.
- 10.7 Comments and suggestions on the Terms of Reference including workable suggestions that could improve the quality / effectiveness of the assignment/ job be provided in **Annexure D 7** – Comments and suggestions on Terms of Reference / Scope of Work.

11. Validity Period of the Proposal

- 11.1 Proposals shall remain valid for 180 days, from the last date of submission of the Proposal as per this RFP. PSGICs hold the right to reject a Proposal valid for a period shorter than the Validity Period provided herein as non-responsive, without any correspondence. Any decision taken by the Evaluation Committee of the PSGICs in this regard shall be final, conclusive and binding on the Bidders and shall not be questioned / challenged by the Bidders.
- 11.2 Bidders may be required to give consent for the extension of the period of Validity of the Proposal beyond initial 180 days, if so desired by PSGICs in writing. Refusal to grant such consent would result in rejection of Proposal without forfeiture of its EMD. However, any extension of Validity of Proposals will not entitle the Bidders to revise/ modify the Proposal for higher amount or any unfavorable terms for PSGICs.

12. Preparation of the Proposal

- 12.1 The name of the Proposed Assignment shall be “***Merger / amalgamation of National Insurance Co. Ltd., The Oriental Insurance Company Ltd. and United India Insurance Company Ltd.***”
- 12.1.1 The Technical Proposal is required to be submitted in the format as per **Annexure D** together with **Annexure D1 to D8** and documents in support of the details mentioned in **Annexure C, Annexure K, Annexure L, Annexure M and Annexure N**. The Demand Draft for EMD of Rs. 25, 00,000/- (Rupees Twenty five lakhs only) in favour of “The Oriental Insurance Company Ltd.” payable at New Delhi, should also be kept in the envelope containing Technical Proposal.
- 12.1.2 In preparing their Technical Proposal, Bidders are expected to examine in detail the documents comprising this RFP. Material deficiencies in providing the information requested may result in rejection of a Technical Proposal.
- 12.2 The Technical Proposal shall not include any Financial Proposal. A Technical Proposal containing Financial Proposal shall be declared invalid and rejected.
- 12.3 The Financial Proposal should be submitted as per **Annexure E and Annexure E1** and should clearly indicate the total fees of the consultancy in both figures and words, in Indian Rupees, and signed by the Bidder’s Authorized Representative. In the event of any difference between figures and words, the amount indicated in words shall prevail. In the event of a difference between the arithmetic total and the total shown in the Financial Proposal, the lower of the two shall prevail.
- 12.4 The fee quoted shall state the fee and taxes applicable with present rate (Taxes applicable will be paid as per rate prevailing at the time of actual payment). No out of pocket expenses shall be borne by the PSGICs. The Financial Proposal shall not include any conditions attached to it. Any such conditional Financial Proposal shall be liable for rejection. Payment will be made after deducting tax deductible at source as per applicable tax laws.
- 12.5 The Consultant will have to enter into a formal agreement as per the Model Contract and General Conditions of Contract provided in **Annexure J** within 7 days from the date of acceptance of the Letter of Award. Bidder to note that the General Conditions of Contract may require amendments to conform to the Letter of Award.
- 12.6 Bidder/Consultant shall be responsible for completing the assignment as per the Scope of Work. Subject to the same, Bidder / Consultant may appoint Sub-Contractors where necessary, provided that the Consultant shall be fully responsible and liable to the PSGICs for any act or omission of the Sub-Contractor and there shall be no privity of Contract between the PSGICs and the Sub-Contractors. Bidder / Consultant shall provide full details including copy of the Sub-Contract and other relevant documents of the proposed subcontracting along with its Proposal and the same shall not be changed till the completion of the Proposed Assignment.

- 12.7 Bidder / Consultant shall submit CVs of key personnel (including one Project Director) as per **Annexure D5** with relevant experience to the context of Proposed Assignment. The CVs shall carry weightage according to defined parameters.
- 12.8 Bidder/Consultant to note that substitution of Key Personnel from the Project Team would be only at the request of the PSGICs or due to incapacity or ill health (proper certificate from a competent authority is must), subject to equally or better qualified and experienced personnel being provided to the satisfaction of PSGICs.
- 12.9 The Bidder shall be responsible for all costs associated with the preparation of their Proposals and their participation in the same including subsequent negotiation, visits to the PSGICs or Project Office, presentation etc. The PSGICs will not be responsible or in any way liable for such costs, regardless of the conduct or outcome of the evaluation process.

13. Submission & Receipt of Proposal

- 13.1 The original Proposal, both Technical and Financial Proposals, shall contain no interlineations or overwriting.
- 13.2 While submitting a Proposal, the Bidder should attach a proper index with clearly marked and referenced continuation sheets. Further, an Authorized Representative of the Bidder shall initial all pages of the original Technical and Financial Proposals. The Proposals should include a copy of Power of Attorney as per Annexure M showing that the signatory has been duly authorized to sign the Proposal. The signed and sealed Technical and Financial Proposals shall be marked “Original”.
- 13.3 PSGICs shall not be responsible for postal delay, misplacement, loss or premature opening if the outer envelope is not sealed and/or marked as stipulated and this circumstance may be a cause for Proposal rejection. Any condition put forth by the Bidders, non-conforming the requirements of this RFP shall not be entertained at all and such Proposals shall be rejected forthwith. The decision of the Evaluation Committee of the PSGICs in this regard shall be final, conclusive and binding and shall not be questioned / challenged by the Bidders.
- 13.4 The sealed master envelope, containing two separate sealed envelopes - Technical Proposal (T1 & T2) and Financial Proposal (F1 & F2), duly sealed and super scribing “**RFP dated _____ - PROPOSAL FOR APPOINTMENT OF A CONSULTANT FOR MERGER / AMALGAMATION OF NATIONAL INSURANCE COMPANY LTD., THE ORIENTAL INSURANCE COMPANY LTD. AND UNITED INDIA INSURANCE COMPANY LTD.**” should be submitted at the address given below not later than the last date and time of submission (as per RFP – Time Schedule):

The Chief Executive
General Insurers' (Public Sector) Association of India,
Ground Floor, Gate No. 2, Jeevan Tara Building,
Parliament Street,
New Delhi-110001

It may be noted that the above shall only serve as a Project Office for ease of coordination and administrative convenience for this RFP and, for all intents and purposes, the PSGICs only shall be regarded as the issuers of the RFP.

- 13.5 Any Proposal received by the PSGICs after the deadline for submission shall not be accepted.
- 13.6 Proposals submitted by fax, telex, telegram or e-mail shall not be entertained.

Note: *There should be no indication whatsoever, of any pricing information in the Technical Proposal. Indicating any pricing information in the Technical Proposal will lead to rejection of Technical Proposal.*

14. Submission of Technical Proposal

- 14.1 The invited Bidders should submit their Technical Proposal as per manner set out below so as to reach by the last date of submission mentioned in the RFP - Time-Schedule.
- 14.2 The Bidder shall prepare two copies of the Technical Proposal and shall seal the same in two different envelopes clearly marking each “**Original Technical Proposal – T1**” and “**Copy Technical Proposal – T2**” as appropriate. If the above Proposals are found not properly sealed as above, the same is liable for rejection. The envelopes shall be marked as “**TECHNICAL PROPOSAL FOR APPOINTMENT OF A CONSULTANT FOR MERGER / AMALGAMATION OF NATIONAL INSURANCE COMPANY LTD., THE ORIENTAL INSURANCE COMPANY LTD. AND UNITED INDIA INSURANCE COMPANY LTD.**”
- 14.3 Thereafter, the Technical Proposals (Original Technical Proposal – T1 & Copy Technical Proposal – T2) should be put together in a master envelope as referred in para 14.2.
- 14.4 In addition to the above marking, all the envelopes must be super-scribed with the following information:
- “DO NOT OPEN, EXCEPT IN PRESENCE OF THE BID OPENING COMMITTEE”**
- Name and Address of the Bidder**
- This will enable the PSGICs to return the Proposals unopened, in case it is declared non-responsive for any reason whatsoever.
- 14.5 A softcopy of the Technical Proposal in a USB key shall also be submitted along-with the Technical Proposal in physical form. The language of Proposal should be in English.
- 14.6 The Original Technical Proposal – T1 & Copy Technical Proposal – T2 shall be typed or written in indelible ink and shall be signed and sealed by the Bidder or a person duly authorized to bind the Bidder to the Contract.
- 14.7 The Bidder will take care in submitting the Technical Proposal properly filed so that the papers are not loose. The Technical Proposal which is not sealed as indicated in this RFP may be liable for rejection.
- 14.8 All the formats need to be filled in exactly as per the pro-forma given in the Annexures and any deviation is likely to cause rejection of the Technical Proposal.
- 14.9 The Technical Proposal not submitted in the prescribed format or incomplete in details is liable for rejection. The PSGICs are not responsible for non-receipt of Technical Proposal within the specified date and time due to any reason including postal delays or holidays.
- 14.10 PSGICs shall not allow/permit changes in the Technical Proposal once it is submitted.

14.11 Non-submission or partial submission of the information along with the Technical Proposal could result in disqualification of the Proposal of the concerned bidder.

14.12 The Technical Proposal must not contain any price information.

14.13 The Technical Proposal shall comprise of the following:

Section	Item	Format
	Covering letter on Consultant's letter head duly signed by the authorized signatory with name, title and seal	Annexure C
Eligibility Criteria as outlined in the RFP	All the Annexures, Certificates and Enclosures	As per Annexure A
Technical Proposal	Letter of Technical Proposal	Annexure D
	Particulars to be furnished for Appointment of a Consultant	Annexure D1
	Particulars in respect of experience in Insurance/BFSI/PSU Financial Institutions assignment completed upto 31.3.2018	Annexure D2
	Financial Proposal of the Bidder (without price details)	Annexure D3
	Organization Structure	Annexure D4
	Project Team	Annexure D5
	Write up on the Bidder's comprehension of the Proposed Assignment	Annexure D6
	Comments / Suggestions on Scope of work	Annexure D7
	Information regarding any Conflicting Activities and Declaration thereof	Annexure D8
	Non-Disclosure Agreement	Annexure K
	Integrity Pact	Annexure L
	Power of Attorney	Annexure M
	Certificate	Annexure N

	Sub-Contracts, if any	Detailed write up explaining the need for the subcontracting and quantum, and all details including copies of sub contract and other relevant documents of the proposed subcontracting
Subsequent addendums signed and stamped on every page by the Authorized Representative of the Bidder.		

15. Submission of Financial Proposal

- 15.1 Bidders shall submit the Financial Proposal as per manner set out below so as to reach by the last date of submission mentioned in the RFP – Time Schedule.
- 15.2 The Bidder shall not add any condition / deviation in the Financial Proposal. Any such condition / deviation may make the Financial Proposal liable for disqualification.
- 15.3 The Bidder shall prepare two copies of the Financial Proposal and shall seal the same in two different envelopes clearly marking each “**Original Financial Proposal – F1**” and “**Copy Financial Proposal – F2**” as appropriate. If the above Proposals are found not properly sealed as above, the same is liable for rejection. The envelopes shall be marked as “**FINANCIALPROPOSAL FOR APPOINTMENT OF A CONSULTANT FOR MERGER / AMALGAMATIONOF NATIONAL INSURANCE COMPANY LTD., THE ORIENTAL INSURANCE COMPANY LTD. AND UNITED INDIA INSURANCE COMPANY LTD**”
- 15.4 Thereafter, the Proposals (Original Financial Proposal – F1& Copy Financial Proposal – F2) should be put together in a master envelope as referred in para 13.4.
- 15.5 In addition to the above marking, all the envelopes must be super-scribed with the following information:
- “DO NOT OPEN EXCEPT IN THE PRESENCE OF BID OPENING COMMITTEE”**
- This will enable the PSGICs to return the Proposal unopened, in case it is declared unacceptable for any reason whatsoever.
- 15.6 A softcopy of the Financial Proposal in a USB Key (separate from the USB Key in which Technical Proposal is provided) shall also be submitted along with the Financial Proposal in physical form. The language of the Proposal should be in English.
- 15.7 The Original Financial Proposal – F1& Copy Financial Proposal – F2 shall be typed or written in indelible ink and shall be signed and sealed by the Bidder or a person duly authorized to bind the Bidder to the Contract.
- 15.8 The Bidder will take care of submitting the Financial Proposal properly so that the papers are not loose. The Financial Proposal which is not sealed as indicated in this RFP may be liable for rejection.
- 15.9 All the formats need to be filled in exactly as per the pro-forma given in Annexures and any deviation is like to cause rejection of the Proposal.
- 15.10 The Financial Proposal not submitted in the prescribed format or incomplete in details is liable for rejection. The PSGICs are not responsible for non-receipt of the Financial

Proposal within the specified date and time due to any reason including postal delays or holidays.

- 15.11 PSGICS shall not allow /permit changes in the specifications stated in the Financial Proposal once it is submitted.
- 15.12 Non-submission or partial submission of the information in the Financial Proposal will result in the disqualification of the Proposal of the concerned Bidder.
- 15.13 The Financial Proposal should contain the Price Information only and to be submitted strictly as per the format provided in this RFP.
- 15.14 The Bidder will submit the Financial Proposal keeping in mind the Scope Work /Terms of Reference provided in **Annexure B**.

16. Instructions to Bidder

16.1 The Proposal confirming to the conditions of this RFP shall be submitted at:

The Chief Executive
General Insurers' (Public Sector) Association of India,
Ground Floor, Gate No. 2, Jeevan Tara Building,
Parliament Street,
New Delhi-110001.
Tel. No. 011-23746620, Fax No. 23744599
Email : merger.gipsa@gmail.com

It may be noted that the above shall only serve as a Project Office for ease of coordination and administrative convenience for this RFP and, for all intents and purposes, the PSGICs only shall be regarded as the issuers of the RFP.

16.2 The documents submitted by the Bidder with this RFP shall be considered as part of the Contract documents.

16.3 Proposals that are incomplete in any respect or those that are not consistent with the requirements as specified in this RFP or those that do not contain the documents as per the specified formats may be considered non-responsive and may be liable for rejection.

16.4 Bidders should designate one person (“Contact Person” and “Authorized Representative and Signatory”) authorized to represent the Bidders in its dealings with PSGICs. This designated person should hold the Power of Attorney as provided in **Annexure M** and be authorized to perform all tasks including but not limited to providing information, responding to enquiries etc.

16.5 Proposals shall be submitted on or prior 12:00 pm IST on the date provided in the RFP-Time Schedule.

17. Disqualification

- 17.1 PSGICs shall not consider for the purpose of qualification, any Proposal which has been found to be incomplete in content or supporting documents in the sole discretion of the Evaluation Committee of the PSGICs.
- 17.2 Without prejudice to any other rights or remedies available to PSGICs including the right to disqualify any Bidder at the sole discretion of the Evaluation Committee of the PSGICs with or without assigning any reason, the PSGICs reserve the right to disqualify any Bidder and exclude its Proposal from further consideration for any reason, including, but not limited to, those listed below:
- (a) Misrepresentation/ false statement is made by the Bidder at any stage in this process (including in supporting documentation or otherwise) and whether written or oral.
 - (b) If the Proposal submitted by the Bidder is in any respect inconsistent with, or demonstrates any failure to comply with, the provisions of the RFP, including not being accompanied by the EMDs or the RFP being conditional in any respect.
 - (c) Failure by the Bidder to provide necessary and sufficient information required to be provided in the Proposal in accordance with the RFP.
 - (d) Failure by the Bidder to provide, within the time specified by the PSGICs, the supplemental information/documents for evaluation of the Proposal (even if such information/documents are sought after the deadline).
 - (e) Submission of more than one Proposal by the Bidder whether directly or indirectly (including, making a self bid and as subcontractor of another Bidder) in which case, all such Proposals shall be rejected.
 - (f) If at any time it is discovered that the Bidder is subjected to winding up/insolvency proceedings or other proceedings of a similar nature.
 - (g) In the interest of national integrity, security or otherwise, as may be determined by the PSGICs.
 - (h) Initiation or existence of any legal proceedings, by or against the Bidder which may be prejudiced by the participation of the Bidder.
 - (i) Non-fulfillment of any other condition or requirement by the Bidder as listed in this RFP.
 - (j) If the PSGICs are not satisfied with sources of funds/ownership structure of the Bidder.
 - (k) Bidders who are found to canvass, influence or attempt to influence in any manner the qualification under this RFP, including without limitation, by offering bribes or other illegal gratification, shall be disqualified at any stage and shall be subject to due process of law.

- (l) Any information regarding or in connection with the Bidder which becomes known and is detrimental to Proposed Assignment and/or interest of PSGICs.
 - (m) Breach of Confidentiality obligation by the Bidder will result in disqualification.
- 17.3 If the Bidder does not satisfy any of the requirements as may be issued by the GOI/PSGICs by way of notifications / issue of guidelines / circulars or such similar notifications from time to time, including any additional conditions of disqualifications, the Proposal submitted by the Bidder shall be disqualified.

18. Modification and Withdrawal of Proposals

- 18.1 **Written Notice:** The Bidder may modify or withdraw its Proposal after the submission of the Proposal, provided that PSGICs receive written notice of the modification or withdrawal, before the expiry of deadline prescribed for submission of Proposal in this RFP.
- 18.2 **Signing and Marking of Notice:** The Bidder's modification or withdrawal notice shall be prepared, sealed, marked and delivered in accordance with the procedure set-out for Submission of Proposals and shall be placed in an envelope marked as "MODIFICATION" or "WITHDRAWAL" as appropriate. A duly signed withdrawal notice may also be sent by email, so as to reach the Project Office, before the expiry of deadline for submission of Proposals i.e. last date of receipt of the Proposal.
- 18.3 PSGICs reserve the right to reject the modification of Proposal without providing any reason.

19. Proposal Evaluation & Selection Procedure

- 19.1 Evaluation of the Proposals submitted by the Bidder and the selection procedure under this RFP will be carried out by the Evaluation Committee of the PSGICs.
- 19.2 Bidders are advised that the selection of Consultant shall be on the basis of the evaluation process specified in this RFP. Bidders shall be deemed to have understood and agreed that no explanation or justification for any aspect of the evaluation process will be given and that decision of the PSGICs shall be final without any right of appeal whatsoever.
- 19.3 Technical Proposal submitted by the Bidders would first be scrutinized for eligibility as per the Eligibility Criteria in **Annexure A** with the supporting documents provided by the Bidders. Technical Proposal not complying with any one or more of the criteria provided in **Annexure A** will be rejected and will not be considered for further evaluation.
- 19.4 Bidders after evaluation of responsiveness, found eligible as per 'Evaluation Parameters for responsiveness' set out in **Annexure H** shall be called for a presentation.
- 19.5 The documents submitted by the Bidders shall be scrutinized on the basis of Technical Proposal mentioned in **Annexure D** and Proposals shall be evaluated as per Technical Evaluation parameters mentioned in **Annexure H** and Presentation.
- 19.6 Bidders securing minimum **75** marks as per the scoring given in **Annexure H** shall be considered as qualified for opening of the Financial Proposal. Financial Proposal of all such Bidders shall be opened, and the final selection will be made as per the scoring sheet provided in **Annexure F** in respect of such Bidders.
- 19.7 During evaluation of Bids, PSGICs may, at their discretion, ask a Bidder for clarification of its Proposal. The request for clarification and the response shall be in writing. If the response to the clarification is not received within the prescribed period as may be prescribed by the PSGICs in this regard, the PSGICs reserve the right to make own reasonable assumptions at the total risk and cost of the Bidder.

20. Finalization

- 20.1 PSGICs reserve the right to hold discussions (negotiations) as may be necessary with the selected Bidder / Consultant to freeze the scope of work. These discussions shall not substantially alter (or dilute) the scope of work as stated in **Annexure B**. The Scope of Work so frozen shall form the final scope of work and shall be attached as **Exhibit A** to the Letter of Award.
- 20.2 Financial negotiations shall only be carried out if, due to above negotiations, there is any change in the scope of work which has a financial bearing on the final prices or if the costs/cost elements quoted are not found to be reasonable. In such negotiations, the selected Bidder may also be asked to justify and demonstrate that the prices proposed in the Proposal are not out of line with the rates being charged by the Consultant for other similar assignments. However, in no case such financial negotiation should result in an increase in the financial cost as originally quoted by the Consultant and on which basis the Consultant has been called for the negotiations. If the negotiations with the Consultant fail, the PSGICs shall cancel the bidding procedure and re-invite the bids.
- 20.3 After the discussions / negotiations with the selected Bidder, a Letter of Award (the "LOA") shall be issued by the PSGICs to the Consultant (in duplicate) which shall contain special terms and conditions of the Contract. The Consultant shall, within 7 days of the receipt of the LOA, sign and return the duplicate copy of the LOA in acknowledgement thereof. The failure, delay or evasion by the Consultant to accept the LOA will result in cancellation of the LOA as well as forfeiture of the EMD. The PSGICs further reserves its right to go for fresh bidding at its discretion without providing any reasons.
- 20.4 After acknowledgement of the LOA, the Consultant has to submit the Performance Bank Guarantee for an amount equivalent to 10% of the order within 10 days valid for 3 years. The format of Performance Bank Guarantee is provided in **Annexure I**.
- 20.5 Thereafter, the Consultant shall execute the Contract within seven days of the date of the LOA. The General Conditions of the Contract shall be as per **Annexure J**. The Consultant shall pay for all stamps and legal expenses incidental thereto. The Bidders/Consultants are requested to read all the general conditions provided in **Annexure J** as part of this RFP and satisfy itself on the general conditions. Bidders to note that the said General Conditions of the Contract are subject to change at the discretion of the PSGICs at the stage of finalization of Contract.
- 20.6 The Consultant who has thus acknowledged the LOA and executed the Contract shall commence the Consultancy services within seven days of the date of the LOA or such other earlier date as may be mutually agreed. If the Consultant fails to either sign the Contracts specified above or commence the assignment as specified herein, the EMD of the Consultant shall be forfeited and appropriated.

21. Confidentiality/Non-Disclosure Agreement

- 21.1 As the Consultant (and their employees/representatives) will have access to the data of the PSGICs, the Consultant should treat as confidential all data and information about the PSGICs obtained in the execution of the Proposed Assignment, hold it in strict confidence and should not reveal such data/ information to any other party without the prior written approval of the PSGICs. The employees or the Sub- Contractors engaged by the Consultant in the execution of the Proposed Assignment will maintain strict confidentiality for all data/ information which came into their possession during the course of execution of the Proposed Assignment.
- 21.2 The PSGICs will require the Consultant to sign a confidentiality/non-disclosure agreement for not disclosing or part with any information relating to the PSGICs and its data to any person or persons or authorities, without prior written approval of the PSGICs. Breach of the same will result in cancellation of the Contract apart from other remedies which shall be available to the PSGICs against such Consultant. The draft of non-disclosure agreement is provided in **Annexure K**.

22. Representation & Warranties

- 22.1 That the Bidder/Consultant is a Proprietorship Firm/Partnership Firm / LLP / Company which has the requisite qualifications, skills, experience and expertise in providing Service(s) contemplated by this RFP, possesses the financial wherewithal, the power and the authority to execute, deliver and perform the Proposed Assignment.
- 22.2 That the Consultant shall not affect any change in its constitution which includes reconstitution of the Consultant, mergers, reverse mergers, acquisition and mergers during the currency of the Proposed Assignment without prior written permission of the PSGICs.
- 22.3 That the Bidder/Consultant, any of its partners or the Project Team is not involved in any litigation, potential, threatened and existing, that may have an impact of effecting or compromising the performance, execution and delivery the Proposed Assignment.
- 22.4 That the Bidder/Consultant has the professional skills, personnel and resources /authorizations / approvals / infrastructure that are necessary to execute and perform its obligations under the Proposed Assignment.
- 22.5 That the Bidder/Consultant is expected to carry out its/his assignment with due diligence and in accordance with the prevailing standards of the profession.
- 22.6 That the Bidder/Consultant shall procure all the necessary permissions and adequate approvals and licenses for use of various software and any copyrighted process/product free from all claims, titles, interests and liens thereon and shall keep PSGICs, its directors, officers, employees, representatives, consultants and agents indemnified in relation thereto and in respect of any infringement of any of the intellectual property rights.
- 22.7 That all the representations and warranties as have been made by the Bidder/Consultant with respect to this RFP, are true and correct, and shall continue to remain true and correct through the term of the Proposed Assignment.
- 22.8 That the execution of the Proposed Assignment herein is and shall be in accordance and in compliance with all applicable laws.
- 22.9 That there are –
- (a) no inquiries or investigations have been threatened, commenced or pending against the Bidder/Consultant or any of its Partners or its team members by any statutory or regulatory or investigative agencies.
 - (b) no action or steps or proceedings started/initiated against the Bidder/Consultant by any person for its winding up, dissolution etc., and that the Bidder/Consultant is solvent.
- 22.10 That all conditions precedent under this RFP have been complied.

22.11 That neither the execution and delivery by the Bidder/Consultant of the Proposed Assignment nor the Bidder's/Consultants' compliance with or performance of the terms and provisions of the Proposed Assignment:

- (a) Will contravene any provision of any applicable law or any order, writ, injunction or decree of any court or governmental authority binding on the Bidder/Consultant.
- (b) Will conflict or be inconsistent with or result in any breach of any of the terms, covenants, conditions or provisions of, or constitute a default under any agreement, Contract or instrument to which the Bidder/Consultant is a party or by which it or any of its property or assets is bound or to which it may be subject.

23. *Miscellaneous Terms & Conditions*

- 23.1 Bidders/Consultant may note that GIPSA is the Coordinating body mandated for overseeing the appointment of a Consultant for the Proposed Assignment on behalf of PSGICs. GIPSA shall be the single point contact for the Bidders for the sake of administrative convenience.
- 23.2 Proposals not conforming to the requirements of the RFP may not be considered by the PSGICs. However, PSGICs reserves the right, at any time, to waive any of the requirements of the RFP, if in the sole discretion of PSGICs; the best interests of PSGICs would be served by such waiver.
- 23.3 PSGICs shall have the right to cancel the RFP process at any time prior to award of Contract, without thereby incurring any liabilities to the affected Bidder(s). Reasons for cancellation, as determined by PSGICs, in its sole discretion, may include but are not limited to, the following:
- (a) Services contemplated are no longer required;
 - (b) Scope of work were not adequately or clearly defined due to unforeseen circumstance and/or factors and/or new developments;
 - (c) Proposed fees are unacceptable to the Work;
 - (d) The Project is not in the best interests of the PSGICs;
 - (e) Any other reason.
- 23.4 PSGICs shall not be bound to give any reasons or explain the rationale for its actions / decisions to annul or abandon or to re-issue /re-commence the RFP process or circulate new RFP altogether on the subject matter or any activity or part thereof concerning thereto. Any decision of the PSGICs in this regard shall be final, conclusive and binding on the Bidder and shall not be questioned / challenged by the Bidder.
- 23.5 PSGICs reserves the right to verify the validity of Proposal information and to reject any Proposal where the contents apparently are incorrect, inaccurate or inappropriate at any time during the process of RFP or even after award of Contract..
- 23.6 The Manual for Procurement of Consultancy & Other Services, 2017 issued by Government of India or such modifications, amendments, replacements etc. as may be issued by the Government of India shall apply *mutatis mutandis*. The Bidder shall duly comply with the guidelines mentioned therein as well as other relevant rules and regulations, as applicable. Any omission / noncompliance with the guidelines / rules / regulations shall be the responsibility of the Bidder / Consultant..
- 23.7 PSGICs may choose to take an undertaking from employees of the Consultant to maintain confidentiality of the PSGICs information / documents etc. PSGICs may seek details / confirmation on background verification of Consultant's employees, worked/working on Proposed Assignment as may have been undertaken/ executed by the Consultant. Consultant should be agreeable for any such undertaking / verification.

- 23.8 In the case of re-constitution of the Bidder Consultant, PSGICs, at its discretion may allow the changed entity to continue to perform on same terms and conditions. Otherwise, such change would be sufficient grounds for termination action under this RFP for PSGICs.
- 23.9 PSGICs shall not be liable for any omission, mistake or error in respect of any of the above or on account of any matter or thing arising out of or concerning or relating to the RFP or the bidding process, including any error or mistake therein or in any information or data given by PSGICs
- 23.10 From the time the Proposals are opened to the time the Contract is signed, the Bidders should not contact PSGICs or the Project Office, unless called for. The Bidders should also not contact any of the officers/employees or representatives of the PSGICs or Project Office on any matter related to its Technical Proposal and/or Financial Proposal with a view to influencing the PSGICs in the examination, evaluation, ranking of proposals, and recommendation for award of Contract. Such an effort shall result in the rejection of the Bidders Proposal. Canvassing in any form would lead to disqualification of the Proposal
- 23.11 If there is a conflict between terms of RFP and that of Contract, the terms of RFP shall prevail.

24. Jurisdiction

24.1 All and any disputes or differences arising out of or related to this RFP shall be decided only by the courts or tribunals situated in New Delhi, India. No suit or other legal proceedings shall be instituted elsewhere.

Note: *The said clause is only be applicable for any issue / dispute arising under this RFP.*

Annexure A – Eligibility Criteria

S. No.	Criteria	Documents to be submitted in support*
1.	Bidder should be a reputed and experienced professional consulting firm having experience of at least 5 years for providing advisory services for M&A transactions in India as on 31 st March 2018.	Certified copy of the Certificate of Incorporation issued by the Registrar of the Companies.
2.	Bidder should be having experience of at least 5 years as on 31st March 2018 in M&A transactions in Insurance / BFSI Sector in India.	Credentials (Satisfactory job/services completion certificate,) from the concerned organization(s).
3.	Bidder should have advised, handled and successfully completed at least one transaction of merger / amalgamation & acquisition having a combined annual turnover of INR 5,000 Crores or more in last ten years.	Credentials (Satisfactory job/services completion certificate), from the concerned organization(s).
4.	Bidder or its parent company should have an annual turnover of at least INR 100 Crores as per the last audited consolidated financial statements and must have had profitable operations for at least 3 years of the last 5 years preceding the date of submission of the RFP .	Audited Financial Statements (Balance Sheet and Profit & Loss Account statements) for the preceding three years. Note: In case of non-completion of audit for the FY 2017-18, financials for previous 5 years till FY 2016-17 shall be acceptable. A self-declaration by the authorized signatory of the Bidder be also submitted that the audited accounts of FY 2017-18 is not ready. PSGICs reserve the right to call for the audited financial of FY 2017-18 at a later date.
5.	The Bidder should not have been banned/declared ineligible due to corrupt and fraudulent practices by the Government of India/ State Governments/Regulatory Authorities or should not have been debarred from entering into Contract by any Government/Body/Authority outside India.	A self-declaration to be furnished by the Bidder on the Company's letter head for the same.

6.	The Bidder should have neither failed to perform on any agreement during the last three years, as, evidenced by imposition of a penalty by an arbitral or judicial pronouncement or awarded against the Bidder or its Affiliates /Group Companies/member firms, nor from any project or agreement nor had any agreement terminated for breach by such Bidder or of its Affiliates/Group Companies/ member firms.	A Self-Declaration to be furnished by the Bidder on the Company's letter head for the same.
7.	The Bidder must have merger / amalgamation& acquisition team at New Delhi, Kolkata & Chennai with adequate infrastructure and manpower.	Declaration on the letter head of the Bidder stating details of manpower and infrastructure available with designation, qualification etc. of the manpower posted in each of these locations.

Annexure B - Terms of Reference/Scope of Work

1. PSGICs are looking for a Consultant for the merger / amalgamation of the three PSGICs i.e. National Insurance Company Limited, The Oriental Insurance Company Limited and United India Insurance Company Limited. The Consultant would be responsible for designing, guiding and ensuring the implementation of all aspects required for successful completion of the merger / amalgamation, including planning all aspects of the merger / amalgamation, presenting it for approval of the PSGICs and upon approval, ensuring the effective implementation of the same.

2. **Objective:**

The strategic objective of the project is to build a strong merged entity creating an enterprise of sustainable and growing value that would meet shareholders' expectations, eventually for premium listing.

The proposed merger / amalgamation of three PSGICs intends to create significant value over the medium and long term for all the key stakeholders - Government of India, policy holders and society in general:

- For Merged New Entity -- Largest Non-Life General Insurance Company which is profitable, autonomous and professionally managed.
- For Customer –A customer centric organization offering more choice of non- life insurance products at affordable prices combined with higher level of servicing.
- For Government of India – Improving shareholders' worth so as to render the new entity ready for disinvestment.
- For Society -- All-round Financial Safety and Prosperity, and to promote insurance penetration.

3. **Scope of work:**

Without prejudice to the generality of the fore going, the Consultant will design and develop models, incubate, pilot test, develop resource persons, develop modular action plans for each component of the processes and delivery chain like employees, business, products, offices, technology, investment & finance, and identify legal/regulatory/statutory requirements, and guide the PSGICs leading to full compliance and successfully achieving closure of the Proposed Assignment.

In all the proposed areas, the Consultant would recommend strategies and design keeping in view the immediate term goal of achieving integration and long term goal of attaining a vibrant fast growing organization.

All proposed recommendations would be self-contained with appropriate strategic plan and road map for implementation.

The consultant would also suggest appropriate implementation strategies and structure, guideposts and outcomes.

The document should provide for clear indications of how the design would be arrived at, of the consensus building and institutionalization process of the implementation.

1. Design and Implementation Phase:

The design phase would consist of arriving at agreed upon design for implementing merger plan along with road map and timelines. It should provide for all complexities, criticalities and scale; and clearly state the risk factors and implementation plan.

1.1. Organizational Design Structure:

Assess the Existing Organization structure and key functions of PSGICs. It will seek to achieve Optimum, Vibrant and Effective Governance, Top Management, and Operational structure which would facilitate smooth transition through the merger stage while at the same time provide for meeting future needs. This would be developed keeping in view the observations made in section 2.3 under HR below.

In fulfilling these goals, the Consultant would study especially into:

- 1.1.1.** Understand and deep dive into the Operating Model of these three PSGICs– products & services, distribution channels, governance, market share, revenues, talent availability, marketing & sales structures, technological capabilities, accounting & investment system etc. of each Company.
- 1.1.2.** Assess the operations at field level based on study and discussions at Head Office, Regional Offices, Operating Offices and with policy holders/ intermediaries / other service providers of PSGICs.
- 1.1.3.** Explore, develop and identify through discussion different models of merger / amalgamation, based on the assessment above.
- 1.1.4.** Identify key challenges / issues relating, implementation risk factors along with coping and mitigation plans towards merger / amalgamation plan.

1.2. Envisage Future state and IT Strategy Design:

The objective of this section would be to develop an implementable and feasible IT strategy which can help the organization to smoothly integrate but at the same time prepare itself for the future. It should state clearly the futuristic goal of the IT strategy. The future plan should be comparable to the best in class in Industry with focus on efficient and effective operations, and ensuring operational excellence and giving customer digital experience. It should also state outsourcing strategy and risk management.

- 1.2.1.** Identify immediate and long term goals for IT and undertake a comprehensive gap analysis vis a vis the existing state. This would involve inventorizing the existing systems in use and skill levels.
- 1.2.2.** Develop a business case / plan – target customer segments, products, channels, use of digital – leveraging existing infrastructure, Operating model, and kind of technology and investments required, talent acquisition / retention
- 1.2.3.** Prepare technology transition plan and migration plan outlining with blue print for implementation, etc.
- 1.2.4.** Design an acceptable operating model – key assets to be leveraged including field staff, technology systems / applications, network, office infrastructure etc.

- 1.2.5. To assess and recommend best practices followed in three Companies and other public and private non- life insurers in India, exploiting the commonality with minimal disruptions at implementation stage and at the same time paving for futuristic operations. .

1.3. Transformation Blueprint:

- 1.3.1. Recommend Implementation design, strategy and structure for integrating and transforming organization structure, infrastructure, technology, products and sales management, operating models etc.
- 1.3.2. Develop an implementation plan for the initiatives.

2. Specialization –wise Operational Plan during Design and Implementation Phase:

The various activities for achieving this would include but not limited to:

2.1. Information Technology :

The objective of the IT strategy implementation would be to ensure smooth transition to the integrated systems of the PSGICs. The IT strategic plan would encompass integrating and migrating core systems and essential systems in the first phase, and noncore system in the next phase. It should provide for clear, detailed, micro level plan for integration and migration with cutoffs, milestones, timelines and with no disruption to operations. The plan should also provide for adoption of future technology and digital transformation. It should also provide blue print and model for vendor management. In delivering on the above, the Consultant shall be solely responsible for the outcome based progress and completion, even if any part of the activity is outsourced.

- 2.1.1. To conduct due diligence and develop action plans / mechanism / operational guidelines to utilize the existing IT systems available in each of the three Companies and decide on most appropriate systems for integration. It would in particular look at:
- 2.1.1.1. Core Insurance Application (all business processes, authorization & access control) including Reinsurance, Accounting and Data Analysis
- 2.1.1.2. Portals, internet and mobile apps to get best digital experience
- 2.1.1.3. Investment Systems,
- 2.1.1.4. HR and performance management systems (including PF/Payroll/Performance Appraisal/ Leave Record Maintenance, etc.)
- 2.1.2. In doing the above, it would assess the strengths and weaknesses of each Company's IT systems keeping in view the technology in use, compatibility with other systems, level of maturity attained, migration, storage & utilization of legacy data etc.
- 2.1.3. The Consultant can suggest upgrade of the selected IT System or go for latest IT Software. To finalize and adopt best in class future-ready technology which will sustain technological competence for minimum 5-7 years.
- 2.1.4. To examine all the existing standalone Data base systems such as Budget and Investment Systems, E-mail systems, M.I.S and Reporting, HR Systems, Reinsurance Program Systems etc.
- 2.1.5. It should manage the implementation process of the IT and the tasks would include designing specs and RFPs; assist PSGICs in evaluating, selecting and contracting vendors; and supervising the implementation. The Consultant shall

- be solely responsible for the outcome based progress and completion, even if any part of the activity is outsourced.
- 2.1.6.** It has to ensure through the implementation process that the combined operations in the merged entity continue to be smooth and without any disruption in any of the operations, among others and not necessarily restricted to:
 - 2.1.6.1.** Utilization of IT assets / infrastructure with regard to underwriting, claims, accounting, reinsurance, inter-office transactions, Regulatory compliance, Public Disclosures, Investment portfolios etc.
 - 2.1.6.2.** Exchange of data lying in different systems for combined operations / underwriting / claims / accounting/ reinsurance etc.
 - 2.1.6.3.** Handling Customer related issues on account of delay in issuance of policy, delay in claims settlement (current claims), reporting of new claims, tracking past and present claims, informing customers about renewal of their policies due to likely IT glitches in the initial phase of merger / amalgamation.
 - 2.1.6.4.** Treatment of outstanding claims (suit / non suit) as on the date of merger / amalgamation.
 - 2.1.6.5.** Treatment of long term policies
 - 2.1.6.5.1.** Involving installment premium collection
 - 2.1.6.5.2.** Other long term policies like fire, motor etc.
 - 2.1.6.6.** Change request management and product integration
 - 2.1.6.7.** Ensuring compliances on all regulatory requirements
 - 2.1.7.** All recommendations in the above areas will keep in mind the future requirement of business and possibilities of advanced technology.
 - 2.1.8.** To examine the issues relating to capacity enhancement of that IT Systems, data migration, data integration etc. To explore the possibility of switching to 'cloud storage management' on account of huge data handling.
 - 2.1.9.** It will explore technology which would be client centric and will give the clients great digital experience. It would also explore possibilities of centralized operations, call centers, and centralized databases that would lend for analytics and artificial intelligence.
 - 2.1.10.** To prepare a Standard Operating Procedures to ensure smooth migration in all aspects, more importantly to access and deal with legacy data. Identification of original insurer (since office codes might be same in each company), standardization and sanitization of legacy data within the three Companies prior to merger / amalgamation needs to be done. Standardization of MIS for historic comparative analysis.
 - 2.1.11.** To examine the issues of rationalizing the existing Data Centers, Data Storage, Database Management, Disaster Recovery Centers , Middleware, Network ,Portals, Data Security Tools, Online integrations, Backup Solutions, Monitoring and Resolution systems, WAN & Internet (Including Proxy solutions). To examine combined security tools and Data protection arrangements,
 - 2.1.12.** To examine the existing contractual obligations / liabilities relating to IT Systems. To evaluate the feasibility / efficacy of migration of existing contracts into the new entity, rationalization of vendors, combined data management, rationalizing existing data base licenses.
 - 2.1.13.** To exploit the facility of Document Management System for electronic storage of data eliminating / reducing the need for physical movement of files or folders reducing cost of operation.

- 2.1.14. To bring uniformity in 'Financial Reporting Standards' in line with IND AS and devising common templates for such reporting by the single merged entity on the IT Platform

2.2. **Infrastructure:**

The objective of the consolidation of infrastructure will be to get best economies from the infrastructure. It would explore ways to integrate and optimize infrastructure, and suggest ways to utilize surplus assets keeping in view the organizational design and future requirements. It would assess the infrastructure from business and organizational point of view, keeping in view more so:

- 2.2.1. Multiplicity of Controlling Offices (Head Office / Regional Offices) will require redefining of their role in the merged entity.
- 2.2.2. Multiplicity of Operating Offices (Division / Branch / Micro) – which requires
- 2.2.2.1. Reorganization of offices based on business potential.
- 2.2.2.2. Evaluation and recommendation on Closure / Merger / amalgamation of unviable Operating Offices within each Company.
- 2.2.3. Identification of locations where there are excess offices of three Companies keeping in view the business potential and staff strength of that location.
- 2.2.4. In all these, it would consider strategy of competitors and areas where it has competitive advantage and social obligation,
- 2.2.5. Devising a formula for rationalization of offices – geography wise / location wise.
- 2.2.6. Relocation/ consolidation/ unification of various business verticals assimilating geographical dominance of three Companies
- 2.2.7. Formulating possible structure for new organization in view of all above aspects,
- 2.2.8. Suggesting location of the Corporate Office of the merged entity and regulatory compliances attached thereto.
- 2.2.9. Redeployment / Sale / Disposal of Fixed Assets and Real Estate in / of the offices those are likely to be closed due to merger / amalgamation.
- 2.2.10. To amalgamate Real Estate properties of each of the Company into single name.

2.3. **Human Resources Domain:**

The HR report would seek to provide strategic plan and road map for integrating human resources and creating enabling systems and ambience for leveraging human resources, and providing for capacity building which would help to fulfil future needs and roles. Identify roles that may be required and human resources that would be required, and provide for capacity building including identifying training needs and making a training plan to meet needs arising from integration of PSGICs as well.

- 2.3.1. To rationalize all employees into new entity without any loss of their entitlements in terms of seniority and cadre position with reference to peer group both in proposed merged entity and other Public Sector General Insurance Entities.
- 2.3.2. Make an assessment of the human resources in Insurance Industry, and identify gaps and recommend strategies and capacity building plan.
- 2.3.3. Examining the issue of identified surplus staff and identifying new roles in the context of operational and customer excellence and viable options.

- 2.3.4. Explore various alternative areas for redeployment in following alternate/ additional ways, to suggest a few, to effectively utilize surplus workforce to be explored are:
 - 2.3.4.1. Exploring creating separate service hubs to handle various services like, Health Insurance Claims which are currently being handled by TPAs resulting in reduced administrative cost and claim ratios.
 - 2.3.4.2. Creating dedicated Motor TP Claims servicing hub, on similar lines, to handle Motor TP Claims more efficiently and promptly which would reduce cost by adopting reconciliatory methods and on account of savings on interest component.
 - 2.3.4.3. Creating verticals and mechanism to handle claims upto Rs. 50,000/- for motor and Rs. 1 lac for non-motor claims using IT Systems extensively, in light of IRDAI (Surveyors and Loss Assessors) Regulations, 2015 where survey is not mandatory.
 - 2.3.4.4. Utilizing young recruits in Marketing Functions to target IT savvy and millennial customers/ one-man office in unrepresented areas.
 - 2.3.4.5. Creation of HR vertical till the merger / amalgamation process stabilizes.
 - 2.3.4.6. Creation of Regulatory / Actuarial Department to take care of merger / amalgamation related issues.
 - 2.3.4.7. Other suitable options
- 2.3.5. Optimal and adequate utilization of Officers, and identifying amendments in Transfer & Mobility Policy
- 2.3.6. Designing a suitable VRS Policy and addressing the issue of scarcity of Officers at a senior level as probability of opting VRS by senior management officials (with 2-3 years remaining service period) is more.
- 2.3.7. Redefining Promotion Policy depending upon the availability of staff at various levels of hierarchy. It should recommend appropriate performance management and evaluation system and provide framework for arriving at benchmarks.
- 2.3.8. To address strategies for coping with no fresh recruitments / less promotion opportunities.
- 2.3.9. Strategies and implementation plan for bringing about Organizational cultural integration.
- 2.3.10. Suggestions to motivate employees to play instrumental role in brand building of new entity.
- 2.3.11. Suggestions to measure efficacy of Human Resources post merger / amalgamation.

2.4. Business issues:

This section should provide business strategy post merger in products, markets, sales and channel management, digital marketing, branding, promotion, etc. in the immediate as well as long term taking into consideration competitors' strategy, industry trends and global trends. It should recommend in the existing regulatory context. This should again provide for immediate concerns and long term goals.

- 2.4.1. Identify and address short term loss of business due to teething troubles in the merged entity.
- 2.4.2. Addressing customer/ sales & distribution channels related issues during the initial phase of merger / amalgamation/ amalgamation, for eg. Creating a helpline etc.
- 2.4.3. Studying existing products of three Companies and suggesting their rationalization and / or new products design.

- 2.4.4. Examining various business processes of three Companies and optimal unification of such processes.
- 2.4.5. Relook at aggregate exposure and accordingly, suggesting capacity fixation of merged entity.
- 2.4.6. Suggesting management of huge Agency Force and other distribution channel partners/ service providers in the new mega merged entity.
- 2.4.7. Suggesting ways of handling / consolidation of MACT / Legal cases/ Long tail Liability claims of three Companies

2.5. Financial & Investment issues:

- 2.5.1. To study / examine and suggest on the following:
 - 2.5.1.1. Accounts Integration
 - 2.5.1.2. Whether valuation required at merger / amalgamation stage or only at the time of listing in light of extant Regulations.
 - 2.5.1.3. Analysis / Restructuring of Reinsurance Arrangements, arriving at the new Net Capacities; reconciliation of various reinsurance accounts.
 - 2.5.1.4. Financial settlements like Coinsurance balances, Reinsurance accounts, other inter office entries etc.
 - 2.5.1.5. Bringing uniformity in 'Financial Reporting Standards' in line with IND AS and devising common templates for such reporting by the single merged entity.
- 2.5.2. To advise on ways and means of consolidating the investment corpus of all Companies, handling the subordinate debt, amalgamating & augmenting investment income and related matters, and meeting prudential norms.

2.6. Legal and Regulatory issues:

To study / examine and suggest comprehensive plans towards achieving the following:

- 2.6.1. To define structure of the new Company and accordingly identify legal and regulatory compliance issues attached thereto.
- 2.6.2. To design RFPs for selection of suitable Law Firm(s) to support legal merger and / or independent valuer(s), if required and assist PSGICs in evaluating, selecting and contracting with them.
- 2.6.3. Regularization of existing products and filing of consolidated new products
- 2.6.4. Withdrawal of Company specific products or introducing them as common for the new entity
- 2.6.5. Filing of revised reinsurance arrangement etc.
- 2.6.6. Investment 'category' exposure may go beyond regulatory norms due to merger / amalgamation/ amalgamation; seek Regulatory exemption.
- 2.6.7. Provide roadmap for
 - 2.6.7.1. Augmenting capital
 - 2.6.7.2. Restore/ strengthen solvency
 - 2.6.7.3. Guide / lay down the path for Risk Based Solvency
 - 2.6.7.4. Methods to increase share value of the merged entity
- 2.6.8. This section would also explore if any funding support would be required or if it needs to raise capital in the market.
- 2.6.9. To advise on unification of the Available Solvency Capital and on getting necessary approvals from the Regulators and connected entities. Enumerate the unified reports and records to project a single institutional license with Regulator.
- 2.6.10. To ensure compliances with all laws and regulations.

2.7. Branding and perception issues:

It would look at issues in developing a strong common brand pan India and addressing perceptions around the merger, and ensuring positive communications including in social media.

- 2.7.1. To suggest new name of the merged entity and its logo.
- 2.7.2. To design and finalize series of advertisement & public communication campaigns & media management leading to the creation of single entity with least disruption in business, image or brand equities.
- 2.7.3. How to retain / utilize the brand value created by the three Companies over the decades - Perception about compromise in services on account of merger / amalgamation/ amalgamation.

3. Post Merger / amalgamation/ amalgamation Integration (PMI) Phase:

- 3.1. To handhold the management of all the three companies, throughout merger / amalgamation/ amalgamation process till the new Organization is formed and set in place.
- 3.2. Post implementation support to stabilize structures and operations.
- 3.3. Support to resolve any emergent issues arising during the contract period.
- 3.4. Exit Management, Knowledge transfer and preparation of Way forward document.

4. Deliverables and Reporting Requirements from Consultant:

The consultant would be required to submit a Concept Report, a Progress Report each month, an Interim Report for each issue, a Detailed Project Report (DPR) and a Final Report.

For all activities listed in Annexure B – Terms of Reference / Scope of Work of the RFP document, the consultant will be required to submit the following reports:

- a) **Concept Report:** The Concept report is designed to give the PSGICs confidence that the assignment can be carried out as planned and as agreed upon in the contract.
- b) **Interim Reports:** The consultant shall submit issue wise Interim Report(s) to the PSGICs informing of preliminary results, alternative solutions and major decisions that need to be made in the interim reports. The PSGICs would review and approve draft Interim Report(s).
- c) **Detailed Project Report:** The DPR is due once all the Interim Reports are finalized and approved by PSGICs. The DPR submitted by the Consultant shall be sent for the approval of Competent Authority.
- d) **Progress Reports:** The consultant shall keep the PSGICs regularly informed on a monthly basis about the progress of the assignment. This will be along the milestones and timelines prescribed in the DPR for various areas.
- e) **Final Report:** The Final Report is due at the completion of the assignment.

5. Key Personnel – for Proposed Assignment

The offered Project Team must consist of following key personnel:

S. No.	Key Personnel	Responsibilities
1.	Project Director	He/she should have consulting experience of at least one organization in the Insurance/BFSI Sector. He/she will direct & co-ordinate with Team Leaders. He will be overall in-charge for execution/timely completion/implementation of restructured processes through handholding.
2.	Team Leader	Each Team Leader will lead, co-ordinate and supervise the Subject Matter Experts, Managers and other members of the team.

- (i) The Bidder is to provide Organization Chart in Annexure D4 depending upon its proposed approach, keeping in view manpower / key personnel requirement. The Bidder may refer **Annexure H** - Parameters for Technical Evaluation in this regard.
- (ii) Bidder should provide the CVs of all Key Personnel in the Technical Proposal,
- (iii) The CVs should be recently signed and dated in ink by the respective Key Personnel and countersigned by the Authorized Signatory of Bidder Applicant. CVs should be provided at the responsibility of the Bidder , photocopy or unsigned / countersigned CVs shall be rejected;
- (iv) All Key Personnel should be available until the completion of the Proposed Assignment.
- (v) Substitution of Key Personnel would be only at the request of the PSGICs or due to incapacity or ill health (proper certificate from competent authority is must), subject to equally or better qualified and experienced personnel being provided to the satisfaction of PSGICs.

6. Period, Timeframe for Completion of Proposed Assignment

The period of Consultancy shall be for **19 months** from issue of Letter of Award (LOA). First stage Detailed Project Report (DPR) is to be submitted in 4 months. Second and Final stage of Implementation and PMI shall be as per Para **9. List of Activity Tracks, Deliverables and Timelines** given below:

7. Consultancy milestones for the evaluation of progress:

Milestones shall be used for the evaluation of progress of the Proposed Assignment. PSGICs will use these milestones for the release of payments to the Consultant – As per **9. List of Activity Tracks, Deliverables and Timelines** given below.

8. Payment Schedule as % of total Contract value:

As per **9. List of Activity Tracks, Deliverables and Timelines** given below

Note: The above are based on the Invoicing and Payment terms as indicated at **Annexure G** of this RFP.

9. List of Activity Tracks, Deliverables and Timelines					Consultant Fees	Comments
S No	Activity Tracks	Timeline	Time (in months)	Responsibility	Consulting Fees % age Payable	
Phase 1- Feasibility assessment and Design stage - 4 months + 1 month - 20%						
1	Finalisation of executing agency (Consultant)		T	PSGICs		
2	Submission of Concept Report by the Consultant - Understanding Operating Model of three PSGICs - Comparison of the Current Best Practices of the three PSGICs and/ or Non Life Industry	Award date + 1month	T+1	Consultant	5.00%	
3	Submission of Interim Report(s) by the Consultant - Issue wise - Cost benefit analysis of each issue enlisted in Scope of Work, - recommending best option for implementation with the objective of maintaining efficiency of different business verticals.	Concept Report Submission date + 2 months	T+3	Consultant	10.00%	
4	Review of Interim Reports by PSGICs with suggestions and comments	Interim Reports submission date + 2 weeks	T+3.5	PSGICs		
5	Final submission of Detailed Project Report (DPR) by the Consultant	Reports Review date + 2 weeks	T+4	Consultant	2.50%	
6	Approval of Competent Authority (CA) on the proposal	DPR + 1 month	T+ 5	PSGICs	2.50%	

Merger / Amalgamation of National Insurance Company Ltd.; The Oriental Insurance Company Ltd.;
and United India Insurance Company Ltd.

Request for Proposal dated 03.10.2018#

Phase 2- Implementation stage - 12 months - 40%						
List of Activity Tracks, Deliverables and Timelines					Consultant Fees	
S No	Activity Tracks	Timeline	Time (in months)	Responsibility	Consulting Fees % age Payable	Comments
	IT Issues:					
1	IT Vendor(s) RFP drafting and release	CA Approval Date + 2 weeks	T+ 5.5	Consultant / PSGICs		
2	Assisting PSGICs in IT vendor evaluation , selection and contracting	CA Approval Date + 3.5 months	T + 8.5	Consultant / PSGICs	2.00%	
3	Finalisation of contractual obligations / liabilities relating to IT systems.	CA Approval Date + 10 months	T+15	Consultant / PSGICs	2.00%	
4	Successful implementation of integrated IT system	CA Approval + 12 months	T+17	Consultant / PSGICs	6.00%	
	Infrastructure Issues:					
5	New name of merged entity, new logo, location of its Corporate Office and branding etc	CA Approval + 1 month	T+ 6	Consultant / PSGICs	1.00%	
6	Formulating structure for new organisation	CA Approval + 2 months	T + 7	Consultant / PSGICs	1.00%	
7	Identification and reorganisation of Offices	CA Approval + 5 months	T+10	Consultant / PSGICs	1.00%	
8	Relocation, consolidation, unification of business verticals	CA Approval + 5 months	T+10	Consultant / PSGICs	1.00%	

List of Activity Tracks, Deliverables and Timelines					Consultant Fees	Comments
S No	Activity Tracks	Timeline	Time (in months)	Responsibility	Consulting Fees % age Payable	
	HR Issues:					
9	Review of cadre strength in line with business objectives	CA Approval + 3 months	T+8	Consultant / PSGICs	2.50%	
10	Rationalisation of existing work force	CA Approval + 6 months	T + 11	Consultant / PSGICs	2.50%	
	Business Issues:					
11	Studying existing products of three Companies and rationalisation and/ or introduction of new product	CA Approval + 3 months	T+8	Consultant / PSGICs	2.50%	
12	Examining various business processes and unification of such processes	CA Approval + 3 months	T+8	Consultant / PSGICs	2.00%	
13	Review of aggregate exposure and capacity fixation of merged entity	CA Approval + 5 months	T+10	Consultant / PSGICs	1.00%	
14	Rationalisation of distribution channel partners and service providers	CA Approval + 3 months	T+8	Consultant / PSGICs	2.00%	
	Financial & Investment Issues:					
15	Bringing uniformity in "Financial Reporting Standards"	CA Approval + 3 months	T+8	Consultant / PSGICs	1.00%	
17	Restructuring of reinsurance arrangements	CA Approval + 3 months	T+8	Consultant / PSGICs	1.00%	
18	Accounts integration	CA Approval + 6 months	T+11	Consultant / PSGICs	1.00%	
19	Consolidation of Investment corpus	CA Approval + 4 months	T+9	Consultant / PSGICs	1.00%	

List of Activity Tracks, Deliverables and Timelines					Consultant Fees	Comments
S No	Activity Tracks	Timeline	Time (in months)	Responsibility	Consulting Fees % age Payable	
	Regulatory issues:					
20	Providing roadmap for reviewing/ restoring / strengthening solvency and assessing requirement of augmenting capital.	CA Approval + 6 months	T+ 11	Consultant / PSGICs	2.50%	
21	Compliances relating to product filing / scrapping of unviable / duplicate products	CA Approval + 6 months	T+11	Consultant / PSGICs	2.50%	
22	Compliances of relevant related regulations of IRDAI / Other Bodies	CA Approval + 12 months	T+17	Consultant / PSGICs	2.50%	
	Perception issues:					
23	Advertising and brand building	CA Approval + 12 months	T+17	Consultant / PSGICs	2.00%	
Phase 3 - Post Merger / amalgamation/ amalgamation Integration (PMI) Phase - 2 months - 40%						
1	Program management of IT implementation - stabilisation across all functions, including core and peripheral systems such as finance, investment, RI, HR, distribution, procurement etc	IT vendor selection + 10.5 months	T+ 19	Consultant & DOP	20.00%	
2	Handholding till new Organisation is formed and set in place.	CA Approval + 14 months	T+ 19	Consultant / PSGICs	20.00%	
					100.00%	

Annexure C: Format of the Covering Letter

(On Bidder's Letterhead)

Date:

To,

- (i) The Oriental Insurance Company Limited [TO BE INSERTED];
- (ii) National Insurance Company Limited having its registered office at [TO BE INSERTED];
and
- (iii) United India Insurance Company Limited having its registered office at [TO BE
INSERTED]

(hereinafter jointly and severally referred to as "PSGICs")

SUB: RFP dated _____

Dear Sir,

Please find enclosed our Proposal in response to the RFP dated _____ issued by the PSGICs.

We hereby confirm the following:

1. The Proposal is being submitted by _____ (*name of the Bidder*) in accordance with the conditions stipulated in the RFP Document.
2. We have examined in detail and have understood the terms and conditions stipulated in the RFP issued by the PSGICs and in any subsequent communication sent by the PSGICs. We agree and undertake to abide by all these terms and conditions. Our Proposal is consistent with all the requirements of submission as stated in the RFP or in any of the subsequent communications from PSGICs.

For and on behalf of: (name of the Bidder)

Name of the Person:

Designation:

(Please also affix Company seal)

Annexure D – Letter of Technical Proposal

Letter of Technical Proposal

(On Bidder's Letterhead)

Date:

To,

- (i) The Oriental Insurance Company Limited [TO BE INSERTED]
- (ii) National Insurance Company Limited having its registered office at [TO BE INSERTED];
and
- (iii) United India Insurance Company Limited having its registered office at [TO BE
INSERTED]

(hereinafter jointly and severally referred to as "PSGICs")

Sub: RFP dated _____

Dear Sirs,

With reference to your "RFP dated _____" we, having examined all relevant documents and understood their contents, hereby submit our Technical Proposal for selection as Consultant for merger / amalgamation of the three PSGICs i.e. National Insurance Company Limited, The Oriental Insurance Company Limited and United India Insurance Company Limited. The Proposal is unconditional and unqualified.

1. We agree to keep this offer valid for 180 days from the last date of submitting the Proposal specified in this RFP.
2. We agree to undertake this Proposed Assignment, if allotted by you, as per the scope of work (Terms of Reference / Scope of Work – **Annexure B**) and in accordance with the time frames specified in this RFP as well as on the payment terms mentioned therein.
3. We agree and undertake to abide by all the terms and conditions of this RFP. We submit this Proposal under and in accordance with the terms of this RFP. Our Proposal is consistent with all the requirements of submissions as stated in this RFP and will be kept compliant in case of any subsequent communication from PSGICs.
4. We confirm that the information submitted by us in our Proposal is true and correct.

For and on behalf of: (name of the Bidder)

Name of the Person:

Designation:

(Please also affix Company seal)

List of Documents Enclosed:

1. *Annexures - D1 to D8*
2. *EMD (Details)*

Annexure D1 – Particulars to be furnished for Appointment of a Consultant

(On Bidder's Letterhead)

Sl. No.	Criteria	Documents to be submitted in support
1.	Name of the Bidder Company/Firm	
2.	Date of incorporation of the Bidder Company/Firm	
3.	Complete Address of the Bidder Company/Firm	
4.	Name and contact details of the Authorized Signatory	
5.	Particulars of the authorized signatory: (i) Name (ii) Designation (iii) Contact Number (iv) Fax number (v) Email id	
6.	Number of persons proposed to be assigned for this assignment and their profiles	
7.	Name, address and bank account number of the Bidder's bank	
8.	PAN of the Bidder Company/Firm	
9.	Service Tax Registration Number/GST Registration Number of Bidder	
10.	Office address at Delhi, Chennai & Kolkata	
11.	List of full time professional staff of the Bidder including its affiliates/group companies/member firms working under the common brand name and engaged in similar activities of providing advisor/financial services in India	
14.	Presence in how many cities in India – Please furnish names of the same	
15.	Any other information considered relevant by the Bidder	

The Bidder should provide the following information along with the above-mentioned documents/information:

- (i) Bidder's key businesses, geographical presence in India, brief history and key milestones
- (ii) Group structure, businesses and key group companies (where applicable)
- (iii) Shareholding pattern and global promoter/ parent company (if applicable)
- (iv) Overall financial strength of the Bidder in terms of turnover, profitability and cash flow (liquid assets) situation
- (v) Any other relevant information

Please include (as **Annexure**) suitable proof, where necessary, supporting the information provided in response to the various parameters, with suitable cross-reference.

(Signature, Name, Designation of the Authorized Signatory)

***Annexure D2 – Particulars in respect of experience in any M&A /BFSI M&A/PSU
Consultancy Assignment completed upto 31.3.2018***

(On Bidder's Letterhead)

S. No.	Name of Client Company	Type of Consultancy Assignment (BFSI / PSU Consultancy/ any other M&A)	Type of Sector	Year of commencement of Assignment	Detailed Description given in D2 (a / b / c)
1.					
2.					
3.					
4.					
5.					

Notes:

- 1. The information to be provided in the Format below on each Assignment for which your Firm was legally contracted, either individually as a corporate entity or as one of the major companies within the same / single brand umbrella for D2 a, D2 b and D2 c.*
- 2. Consultants should provide all the details (including documentary evidence like copy of work order / contract document / completion certificate from customer / certificate from auditor) as required in the Form.*
- 3. In case the information required by PSGICs is not provided by the Consultant, PSGICs shall proceed with evaluation based on information provided and may not request the Consultant for further information.*
- 4. The responsibility for providing information as required in this form lies solely with the Consultant.*
- 5. Please cite experience in India only.*

D2 a. Bidder / Consultant's Experience – Handling Strategic and transformational projects relating to M&A in India

The following Format to be utilised for capturing information for each Assignment:

S. No.	Description	Details to be filled
1	Assignment Name	
2	Location – Name of the State	
3	Name and address of the Client Company	
4	Start Date (MM/YYYY)	
5	Completion Date (MM/YYYY)	
6	Name of Associated Consultants, if any	
7	Approx. Value of Contract (in INR)	
8	Approx. Value of services provided by you under the Contract (in INR)	
9	Duration of the Assignment (in months)	
10	Total number of months spent on completion of the Assignment	
11	Narrative description of Project	

D2 b. Bidder / Consultant's Experience – Handling Strategic and transformational projects relating to M&A in BFSI Sector in India

The following Format to be utilised for capturing information for each Assignment:

S. No.	Description	Details to be filled
1	Assignment Name	
2	Location – Name of the State	
3	Name and address of the Client Company	
4	Start Date (MM/YYYY)	
5	Completion Date (MM/YYYY)	
6	Name of Associated Consultants, if any	
7	Approx. Value of Contract (in INR)	
8	Approx. Value of services provided by you under the Contract (in INR)	
9	Duration of the Assignment (in months)	
10	Total number of months spent on completion of the Assignment	
11	Narrative description of Project	

**D2 c. Bidder / Consultant's Experience – Handling Consultancy projects for PSU
Financial Institutions in India**

The following Format to be utilised for capturing information for each Assignment:

S. No.	Description	Details to be filled
1	Assignment Name	
2	Location – Name of the State	
3	Name and address of the Client Company	
4	Start Date (MM/YYYY)	
5	Completion Date (MM/YYYY)	
6	Name of Associated Consultants, if any	
7	Approx. Value of Contract (in INR)	
8	Approx. Value of services provided by you under the Contract (in INR)	
9	Duration of the Assignment (in months)	
10	Total number of months spent on completion of the Assignment	
11	Narrative description of Project	

Annexure D3 – Financial Performance of the Bidder

(On Bidder's Letterhead)

Financial Year	Annual Turnover	Net Profit
F.Y. 2013-14		
F.Y. 2014-15		
F.Y 2015-16		
F.Y 2016-17		
F.Y 2017-18		

Certificate from the Statutory Auditor*

This is to certify that above information relates to the _____ (name of the Bidder) is correct as per information available in the books of the Firm/Company.

Name of the Audit Firm:

Seal of the Audit Firm:

Firm Registration No.:

Membership No.:

Date:

(Signature, name and designation of the Authorized Signatory)

* In case of non-completion of audit for the FY 2017-18, financials for previous 5 years till FY 2016-17 shall be acceptable. A self-declaration by the authorized signatory of the Bidder be also submitted that the audited accounts of FY 2017-18 is not ready. PSGICs reserve the right to call for the audited financial of FY 2017-18 at a later date.

Note: Please fill the above-table and if it is not sufficient, attach printed Annual Financial Statements.

Annexure D4 – Organization Chart

Bidder is required to provide Organization Chart along with identification of key personnel and their key roles for the Proposed Assignment (Refer Point 5. **‘Key Personnel – for the Proposed Assignment’ of Annexure B – Terms of Reference / Scope of work**).

In the above,

- (i) There should be one Project Director for the Proposed Assignment who should be a highly competent and experienced person suitable for the Proposed Assignment and should be a Director/Partner level duly authorized person.
- (ii) Under the Project Director, there should be 6-12 full time Key Personnel (Team Leader / Senior Resource Person) earmarked for the Project with defined key roles in line with the Scope of Work of the Proposed Assignment. The Bidder may decide on the number of Key Personnel required on each issue or one Key Personnel for multiple issues depending upon his core competency in relation to the proposed approach of the Bidder.
- (iii) All team members, to be attached to each key personnel should be shown in the Organization Chart.
- (iv) The Bidder is expected to dwell upon at length on the number of key personnel as well as on the number of team members proposed to be deployed during presentation.
- (v) The Bidder/Consultant should make adequate provision in the Organization Chart for SMEs. SMEs shall be duly qualified and experienced persons in the respective field, such as Insurance, Business Issues, Regulatory Issues etc. to best serve the fulfillment of the Scope of Work by the Consultant.

Annexure D5 – Project Team

(On Bidder's Letterhead)

i. Background of the Project Director:

The Bidder shall provide a detailed background of the proposed Project Director having at least 10 years of relevant experience, awards and accolades which would be relevant to the Proposed Assignment, his/her experience in M&A transactions generally, and specifically in Insurance/BFSI sector. The Bidder shall also provide the Curriculum Vitae of the Project Leader.

This write up along with CV of Project Director will be considered and marked during the technical evaluation.

ii. Background of the Key Personnel :

The Bidder shall provide a detailed background of each of the proposed key personnel (Team Leader and Senior Resource Person), his/her experience, awards and accolades which would be relevant to the Proposed Assignment, his/her experience in M&A transactions and in Insurance/BFSI sector. The Bidder shall also provide the Curriculum Vitae of the key personnel.

This write up along with CV of each key personnel will be considered and marked during the technical evaluation.

iii. Number of Full Time Resource Persons:

- a. Delhi
- b. Chennai
- c. Kolkatta

iv. Curriculum Vitae (CV) of Key Personnel of entire Project Team:

Please provide CVs of Key Personnel (including Project Director, Team Leaders and Senior Resource Persons) who would play key role on the Proposed Assignment. In addition, the Bidder should specify a range of personnel to be deployed on the proposed assignment – Month wise plan for Project Team to be provided.

The CV of key personnel should include the following information: -

1. Name
2. Date of Birth
3. Nationality
4. Office Address
5. Email Id
6. Phone No.

7. Mobile No.
8. Professional Qualification (Indicate College / University / Institution, Degree obtained, dates of obtainment etc.)
9. Certifications and trainings attended
10. Total Number of years of experience
11. Total Number of years with the Firm
12. Areas of expertise and number of years of experience in this area
13. General Experience
- 13.1 Experience in handling strategic and transformational projects relating to M&A in India and abroad
- 13.2 Experience in handling strategic and transformational projects relating to M&A in BFSI Sector in India and Abroad
- 13.3 Experience in handling consultancy projects for PSU Financial Institutions in India and abroad
- 13.4 Any other relevant experience in India and abroad
14. Domain Experience
- 14.1 Area of dominance (Insurance / IT / HR etc.)
- 14.2 Details of experience
15. Details of Non-life Insurance domain expertise in different LOBs and / or area of expertise (if applicable)
16. Detailed key role assigned for the Proposed Assignment
17. Certification about the correctness of information
18. Date, Place and Signature of Key personnel
19. Attestation by Authorized Signatory

Annexure D6 – Write up on Bidders comprehension of PSGICs requirement

(On Bidder's Letterhead)

Bidder shall submit a write-up exhibiting Bidders comprehension of the objective of the RFP, Terms of Reference/Scope of Work and PSGICs requirements. The write-up shall explain how the Bidder, with its proposed Technical Approach and Methodology, Work Plan and his / her capability of subject matter experts be able to achieve the objectives for the PSGICs.

Annexure D7 – Comments / Suggestion on Scope of Work

(On Bidder's Letterhead)

A- On the Scope of Work

Suggest and justify here any modifications or improvement to the Scope of Work you are proposing to improve performance in carrying out the assignment (such as deleting some activity you consider unnecessary, or adding another, or proposing a different phasing of the activities). Such suggestions should be concise and to the point, and incorporated in your Proposal.

The time lines may have to be aligned to various requirements, as may emerge, including approval of the Competent Authority, IRDAI etc.

B- Innovations and Improvements proposed by the Consultant including a vision and strategy on how to make the Merged Entity the Financially strong conglomerate in the Non- life insurance ecosystem in India.

ANNEXURE D8 – Information regarding any Conflicting Activities and Declaration thereof

Are there any activities carried out by your firm or by Affiliates/Group Companies, which are of conflicting nature as mentioned in Section 7 of this RFP.

1. If yes, please furnish details of any such activities.
2. If no, please certify:

We, hereby, declare that our firm, is not indulged in any such activities which can be termed as the conflicting activities under Section 7 of this RFP. We also acknowledge that in case of misrepresentation of the information, our Proposal/Contract shall be rejected/terminated by the PSGICs which shall be binding on us.

Authorized Signature [In full and initials]:

Name and Title of Signatory:

Name of Firm:

Address:

Annexure E – Letter of Financial Proposal

Letter of Financial Proposal

(On Bidder's Letterhead)

Date:

To,

- (i) The Oriental Insurance Company Limited having its registered office at [TO BE INSERTED];
- (ii) National Insurance Company Limited having its registered office at [TO BE INSERTED];
and
- (iii) United India Insurance Company Limited having its registered office at [TO BE INSERTED]

(hereinafter jointly and severally referred to as “PSGICs”)

Sub: RFP dated _____

Dear Sir,

With reference to your RFP dated _____ we submit herein below the Financial Proposal for selection as a Consultant for above.

Our attached Financial Proposal is for the sum of [Insert the amount(s) in words and figures].

We hereby confirm that the Financial Proposal is unconditional, and we agree that this offer shall remain valid for a period of 180 days from the last date of submission of Proposal or such further period as may be mutually agreed upon.

We understand that you are not bound to accept any Proposal you receive.

Thanking you.

Yours sincerely,

Authorized Signature [In full and initials]

Name and Title of Signatory

Name of firm:

Address:

Annexure E1 – Financial Proposal

(On Bidder's Letterhead)

Item No.	Description	Amount
A.	Consultancy Fees / Charges (lump sum amount)	
	[Note: All the expenses relating to the Consultancy personnel-Indian/expatriates) such as salaries, travel, travel and hotel accommodation of Support Personnel, expenses related to meetings, documentation, presentations, as and when required by the PSGICs, etc. shall be borne by the Consultant and shall therefore be included in this quote as total lump sum cost, which shall be taken for evaluation.]	
B.	Applicable GST	
C.	Total Cost of the Consultancy (including GST) (A +B) INR _____(in figures) _____(In words)	

Note:

- (i) *The Financial evaluation shall be based on the above Financial Proposal, including other costs.*
- (ii) *No escalation on any account (excluding applicable GST) will be payable on the above amounts.*
- (iii) *Financial Proposal to be indicated in Indian Rupees. All payments shall be subject to applicable Indian Laws TDS.*
- (iv) *Bidder is required to quote only the lump sum cost for the entire assignment.*

Authorized Signature [In full and initials]

Name and Title of Signatory

Date:

Annexure F – Parameters for selection of a Consultant

S. No.	Parameters	Maximum Marks (Weightage)
1.	Technical Proposal	70
2.	Financial Proposal	30

For example:

Three consultants namely A, B and C participated in the bid process and their technical score are as under:

$$A = 49$$

$$B = 63$$

$$C = 56$$

After converting them into percentile, we get

$$A = (49/63) * 100 = 77.77$$

$$B = (63/63) * 100 = 100$$

$$C = (56/63) * 100 = 88.89$$

The quoted prices for consultants are as under:

$$A = \text{Rs.}8000/-, B = \text{Rs.}9000/-, C = \text{Rs.}10000/-$$

The final cost (lower cost quoted in price bid, in this case it Rs.8000/-) quoted by the bidders converted into percentile score shall be as under:

$$A = (8000/8000) * 100 = 100$$

$$B = (8000/9000) * 100 = 89$$

$$C = (8000/10000) * 100 = 80$$

As the Weightage for technical parameter and cost are 70% and 30% respectively, the final scores shall be calculated as under:

$$A = (77.77 * 0.7) + (100 * 0.3) = 84.44$$

$$B = (100 * 0.7) + (89 * 0.3) = 96.7$$

$$C = (88.89 * 0.7) + (80 * 0.3) = 86.22$$

Hence, the offer of the Consultant (having highest score) would be considered as (H1) Bidder and will be called for the negotiation. The PSGICs Reserves the right to reject even H1 Bid without assigning any reason whatsoever.

***Note:** PSGICs may at its sole discretion, decide to seek more information from the Bidders in order to normalize the bids. However, Bidders will be notified separately, if such normalization exercise (as part of technical evaluation) is resorted to*

Annexure G – Invoicing & Payment

The Payment would be based on 9. List of Activity Tracks, Deliverables and Timelines mentioned in Annexure-B – Terms of Reference / Scope of Work:

Phase	Description	Percentage of Fees
I	Feasibility assessment and Design Stage	20
II	Implementation Stage	40
III	Post Merger / amalgamation Integration (PMI) Stage	40

Annexure H – Parameters for Technical Evaluation

EVALUATION PARAMETERS

Evaluation of Responsiveness

S. No.	Item	Required Response
1	Is the Bidder found Eligible? (Please refer Table A)	Yes
2	Has the Bidder submitted the requisite EMD?	Yes
3	Have all the pages required to be signed by the Authorised representative of the Bidder been signed and sealed?	Yes
4	Has the power of attorney been submitted in the name of Authorised Representative?	Yes
5	In case of Sub-contracting, whether the MOU has been submitted?	Yes
6	Has the Bidder submitted all the required forms of the Technical Proposal?	Yes
7	Does the Technical Proposal contain any financial information?	No
8	Is financial proposal submitted separately in a sealed cover?	Yes

Table A - Scrutiny of Proposal on the basis of Eligibility Criteria

S.No.	Item	Required Response	Document submitted in support of the item
1	Having experience of at least 5 years for providing advisory services for M&A transactions in India as on 31st March 2018.	Yes	
2	Having experience of at least 5 years as on 31st March 2018 in M&A transactions in Insurance / BFSI Sector in India	Yes	
3	Should have advised, handled and successfully completed at least one transaction of M&A having a combined annual turnover of INR 5,000 Crores or more in last ten years.	Yes	
4	Having an annual turnover of at least INR 100 Crores as per the last audited consolidated FS and must have had profitable operations for at least 3 years of the last 5 years	Yes	
5	Is not banned/declared ineligible due to corrupt and fraudulent practices by the GOI/ State Govt./Regulatory Authorities or not debarred from entering into contract by any Govt/Body/Authority outside India.	Yes	
6	Declaration with regard to non-failure to perform during last 3 years.	Yes	
7	Declaration to have M & A team at New Delhi, Kolkata & Chennai with adequate infrastructure and manpower upon their selection.	Yes	

Note : *If the answer is yes, in all the cases, the Bidder is considered Eligible.*

Technical Evaluation Parameters and their weightage

S. No.	Criteria	Sub Criteria	Max. Marks
1	Experience of the Bidder (MM 20)	a. Experience with strategic and transformational projects relating to M & A - no. of transactions in India / Global	6
		Above 16	6
		11 to 15	4
		5 to 10	2
		b. Experience with strategic and transformational projects relating to M & A in BFSI Sector - no. of transactions in India	8
		5 and above	8
		3 to 4	6
		1 to 2	4
		c. Experience with consulting projects for PSU Financial Institutions in India	6
		7 and above	6
	4 to 6	4	
	1 to 3	2	
2	Financial Strength of the Bidder (MM 15)	a. Annual Turnover of the Bidder:	10
		More than INR 750 Crores	10
		From INR 500 Crores to INR 750 Crores	8
		From INR 250 Crores to INR 500 Crores	6
		From INR 100 Crores to INR 250 Crores	4
		b. Average Net Profit during any three years out of last five years:	5

		Above INR 1 Crore	5
		INR 50 Lacs to INR 1 Crore	3
		INR 25 Lacs to INR 50 Lacs	1
3	Understanding of the ToR, Approach, Methodology, work plan, and innovative and / or futuristic (MM 25)	Approach and Methodology:	25
		Overall strategy for immediate objective of integration	2
		Overall strategy for future trajectory post-merger	2
		Due diligence of IT, integration strategy and plan, migration plan with least disruption, and providing for digital transformation and futuristic technology	4
		HR - deployment strategy and with minimum resentment, change management, role identification and capacity building	3
		Integrated Organisational design, governance and operational structure	2
		Product consolidation, new products, digital marketing, channel strategy	2
		Legal and Regulatory compliances	3
		Communication strategy, brand building, promotion	1
		Business and operation continuity plan during transition	2
		Handholding strategy and structure, knowledge management, manuals, SOP plan, documentation	4

4	To be evaluated through Presentation (MM 10)	Implementation Plan, Road Map and Timelines, and Cutover plan for IT:	10
		Comprehensiveness and depth	2
		Clear and defined activities, tasks, and deliverables	2
		Defined timelines flowing from integration strategy and post-merger plan in all areas	2
		Concreteness / feasibility / implementability of plans	2
		Capacity building and training	2
5	Suitability of key personnel (MM 25)	Professional Members of the Team – Profile:	20
		Project Director	5
		Team Leader - Insurance domain	3
		Team Leader – IT	3
		Team Leader - Marketing Strategy	3
		Team Leader – HR	3
		Team Leader - Regulatory / Legal	3
		No. of Senior Resource persons having Non life Insurance domain expertise in different LOBs :	5
		More than 4	5
		3 to 4	3
		1 to 2	1
6	Availability of Infrastructure and Resources of the Bidder (MM 5)	Having full time Resources in each of the three locations - Delhi, Chennai and Kolkatta:	5
		No. of Resources at each location (More	5

Merger / amalgamation of The Oriental Insurance Company Ltd.; National Insurance Company Ltd.,
and United India Insurance Company Ltd.

Request for Proposal dated 03.10.2018#

		than 12)	
		No. of Resources at each location (9 -12)	3
		No. of Resources at each location (6 - 8)	1
	T O T A L (MM 100)		100

Annexure I – Performance Bank Guarantee

(To be appropriately stamped on non-judicial stamp paper of appropriate value as per Stamp Act relevant to place of execution and notarized (or apostilled, as relevant)

Dated:

To,

The Oriental Insurance Company Limited

A-25/27, Asaf Ali Road,

New Delhi – 110002;

Dear Sir,

1. In consideration of

The Oriental Insurance Company Limited having its registered office at A-25/27, Asaf Ali Road, New Delhi – 110002 (hereinafter referred to as the “OICL”, which expression shall include its successors, administrators, executors and permitted assignees);

National Insurance Company Limited having its registered office at 3 Middleton Street, Kolkata - 700071 (which expression shall include its successors, administrators, executors and permitted assignees); and

United India Insurance Company Limited having its registered office at 24, Whites Road, Chennai, 600014 (which expression shall include its successors, administrators, executors and permitted assignees) on one part;

and

M/s. _____ a company registered under the companies Act with its Registered office at _____, (hereinafter referred to as the “Consultant” which expression shall include its successors, administrators, executors and permitted assignees) on the other part;

hereinafter referred to as the “Parties”

having entered into a contract no. _____ dated _____ (hereinafter called the “Contract” which expression shall include all amendments thereto) and the Consultant having agreed to furnish to OICL as lead Company a Performance Bank Guarantee for INR _____ for the faithful performance of the entire Contract;

We, _____, registered under the _____ having head/registered office at _____ (hereinafter referred to as “the Bank,” which expression shall, unless repugnant to the context or meaning thereof include all its successors, administrators, executors and permitted assignees) do hereby agree and undertake to pay immediately on first demand in writing a sum of Rs. _____ (Rupees _____) or such part thereof as may be demanded without any demur or delay and without any reference to the Consultant. Any demand made by OICL on the Bank shall be conclusive and binding as regards the amount due and payable, notwithstanding any dispute(s) pending before any Court, Tribunal, Arbitrator or any other authority and/or any other matter or thing whatsoever.

2. The Bank agrees that the Guarantee herein contained shall be irrevocable and shall continue to be enforceable until it is discharged by OICL in writing. This Guarantee shall not be determined, discharged or affected by the liquidation, winding up, dissolution or insolvency of the Consultant and shall remain valid, binding and operative against the Bank.
3. The Bank also agrees that OICL at its option shall be entitled to enforce this Guarantee against the Bank as a principal debtor, in the first instance, without proceeding against the Consultant and notwithstanding any security or other guarantee that OICL may have in relation to the Consultant’s liabilities.
4. The Bank further agrees that OICL shall have the fullest liberty without the Bank’s consent and without affecting in any manner Bank’s obligations hereunder to vary any of the terms and conditions of the said Contract or to extend time of performance by the said Consultant from time to time or to postpone for any time or from time to time exercise of any of the powers vested in OICL against the said Consultant and to forbear or enforce any of the terms and conditions relating to the said agreement and the Bank shall not be relieved from its liability by reason of any such variation, or extension being granted to the said Consultant or for any forbearance, act or omission on the part of OICL or any indulgence by OICL to the said Consultant or any such matter or thing whatsoever which under the law relating to sureties would, but for this provisions, have effect of so relieving the Bank.
5. The Bank further agrees that any payment made hereunder shall be free and clear of and without deduction for or on account of taxes, levies, imports, charges, duties, fees, deductions or withholding of any nature imposts.
6. The Bank further agrees that the guarantee herein contained shall remain in full force during the period that is taken for the performance of the Contract and all dues of OICL under or by virtue of this Contract have been fully paid and its claim satisfied or discharged or till OICL discharges this Guarantee in writing, whichever is earlier.
7. This Guarantee shall not be discharged by any change in Bank’s constitution, in the constitution of OICL or that of the Consultant.

8. The Bank confirms that this Guarantee has been duly issued with observance of appropriate laws.
9. The Bank also agrees that this Guarantee shall be governed and construed in accordance with Indian Laws and subject to the exclusive jurisdiction of the courts at New Delhi.
10. Any claim under this Guarantee must be received by the Bank before the expiry of this Bank Guarantee. If no such claim has been received by the Bank by the said date, the rights of OICL under this Guarantee will cease. However, if such a claim has been received by the Bank within the said date, all rights of OICL under this guarantee shall be valid and shall not cease until the Bank has satisfied that claim.
11. Notwithstanding anything contained herein above:
 - A) The Bank's liability under this Bank Guarantee shall not exceed Rs. _____ (Rupees _____).
 - B) This Bank Guarantee shall be valid upto _____.
 - C) The Bank shall be liable to pay the guaranteed amount or any part thereof under this Bank Guarantee only and only if OICL serves upon the Bank a written demand or claim on or before _____.

Dated: _____ this _____ day _____ 2018

Yours faithfully,

For and on behalf of the _____ Bank

(Designation)

Address of the Bank

Annexure J –Model Contract General Conditions of the Contract

MODEL CONTRACT AND GENERAL CONDITIONS OF THE CONTRACT

(To be signed with the successful Bidder/Consultant)

This Contract is made and entered into on this ___ day of _____, and ___ by and between

The Oriental Insurance Company Limited having its registered office at [TO BE INSERTED];

National Insurance Company Limited having its registered office at [TO BE INSERTED]; and

United India Insurance Company Limited having its registered office at [TO BE INSERTED];

(Hereinafter jointly and severally referred to as “PSGICs” which expression shall include their successors, administrators, executors and assignees) on the one part

And

M/s. _____ a company registered under the companies Act with its Registered office at _____, referred to as the “Consultant”(which expression shall include its successors, administrators, executors and permitted assignees) on the other part.

Whereas PSGICs are desirous of appointing a Consultant for carrying out merger / amalgamation of the three PSGICs;

And Whereas the Consultant represents that it has the necessary experience for carrying out the PSGICs requirements and has submitted a Bid for providing the required services against PSGICs Tender / RFP dated _____ all in accordance with the terms and conditions set forth herein;

And Whereas PSGICs have accepted the Bid of the Consultant and has placed Letter of Award vide its Letter of Award _____ dated _____ on the Consultant.

Now it is hereby agreed to by and between the parties as under:

1. DEFINITIONS

1.1 Unless inconsistent with or otherwise indicated by the context, the following terms stipulated in this Contract shall have the meaning as defined hereunder:

- (a) **“Contract Period”** shall mean the period stated in the Letter of Award, or such extended period if so agreed by the PSGICs;

- (b) **“Governmental Authority** “shall mean any government authority, statutory authority, government department, agency, commissions, board, tribunal or court or other law, rule, regulation making entity having or purporting to have jurisdiction on behalf of the Republic of India or any state or other subdivision thereof or any municipality, district or other subdivision thereof;
- (c) **“Letter of Award”** shall mean the Letter No. [TO BE INSERTED] dated [TO BE INSERTED] issued by the PSGICs to the Consultant
- (d) **“Parties”** shall mean the three PSGICs (i.e. The Oriental Insurance Company Limited, National Insurance Company Limited, and United India Insurance Company Limited) and the Consultant;
- (e) **“Project”** shall mean the merger / amalgamation of the three PSGICs i.e. The Oriental Insurance Company Limited, National Insurance Company Limited, and United India Insurance Company Limited for which the Scope of Work is referred to in Clause ____ [TO BE INSERTED];
- (f) **“RFP”** shall mean RFP dated ____ issued by the PSGICs;
- (g) **“Services”** shall mean all services to be carried out by the Consultant so as to render the entire Scope of Work stated in the Letter of Award; and
- (h) **“Taxes”** shall mean all taxes, cess, levies etc., including but not limited to GST, education cess, higher education cess, levies, surcharges, or withholdings assessed by any Central or State Government or any Governmental Authority in relation to the Services.

2. **Services**

The Consultant shall perform and deliver to the PSGICs the entire Scope of Work as contained in Exhibit A of the Letter of Award within this Contract Period, as per the terms and conditions contained in this Contract Documents, including their annexure, exhibits etc. which shall be deemed to form and be read and construed as part of this Contract:

- Integrity Pact
- Letter of Award Service Level Agreements
- All completed Annexures of the RFP dated ____ to the extent accepted by the PSGICs
- RFP dated ____ issued by the PSGICs
- Non-Disclosure Agreement
- General Conditions of Contract

- 2.1 All of the foregoing documents together with this Contract are referred to herein as the “Contract.” In the event of a conflict, ambiguity or discrepancy between the contents of the Contract Documents, the order of precedence, shall be as above. It is further agreed that any document which is either not signed or not issued on behalf of the PSGICs shall not form part of the Contract Documents.

3. Project Committee

- 3.1 A Project Committee will be constituted by the PSGICs for purposes of this Contract. The Project Committee will assign personnel of the PSGICs for issuing instructions or directions from time to time which shall be observed and followed by the Consultant.
- 3.2 The Consultant shall apprise the Project Committee of progress of the Project on a periodical basis as may be determined by the Project Committee and with all particulars relating to implementation, compliance and execution of the decisions of the Project Committee.
- 3.3 Consultant agrees that OICL shall serve as the lead company for purposes of invoicing, security deposits, performance bank guarantees etc. for the sake of convenience of having one entity for such purposes without in any manner affecting obligations under the Contract which shall remain as a Contract between the PSGICs and the Consultant with the role of the Project Committee as contemplated above

4. Sole Responsibility of Consultant

- 4.1 The Consultant shall be solely responsible for the performance of the Contract. Subject to the same, the Consultant may subcontract such portions of the Scope of Work as may be approved by the PSGICs, while at all times, being fully responsible for the execution and performance of the Contract. The Consultant shall also liable to the PSGICs for any act or omission on the part of the sub-contractor and there shall be no privity of Contract between the PSGICs and the sub-contractor appointed by the Consultant.

5. Remuneration and Terms of Payment

- 5.1 In consideration of the performance of the Contract, PSGICs shall pay the Fee as stated in the Letter of Award.
- 5.2 All expenses, including but not limited to travelling, boarding & lodging etc. which may be incurred by the Consultant and/or persons deployed by it in connection with this Contract shall be borne and paid by the Consultant and the PSGICs shall not be bound to make payment of any amounts in this regard to the Consultant.
- 5.3 The Fees shall be subject to deductions, if any, in accordance with the provisions of this Contract.
- 5.4 All payment of Fees shall be made after deduction of the applicable taxes and payment shall be made in Indian Rupees only.
- 5.5 All undisputed payments shall be made by the PSGICs by direct credit to the Consultant's Account Number [INSERT], IFS Code No. [INSERT] with [INSERT] Branch of [INSERT] Bank, through NEFT/RTGS payment mode, within [INSERT] working days of the date on which the payments fall due in respect of an undisputed invoice or within [INSERT] days of receipt of undisputed invoice, whichever is later.

- 5.6 Notwithstanding anything contained in this Contract where the Consultant is liable to pay any amount to the PSGICs, on account of damages, discrepancies in the invoices, invocation of indemnity by the PSGICs, third party claims, statutory dues or for any other reason whatsoever, the PSGICs shall, without prejudice to its other rights, be within their rights to adjust such amounts from the Fees payable to the Consultant and raise a demand on the Consultant for the balance amount, if any, and the Consultant shall pay such amount to the PSGICs within 21 working days of receipt of such demand.

6. Taxes, Fees and Accounting

- 6.1 The Consultant will be solely responsible for payment of all Taxes with respect to the provision of the Services. PSGICs liability is restricted to the payment of undisputed Fees to the Consultant as stated in this Contract.
- 6.2 The Consultant and subcontractors shall be liable to pay their respective corporate tax, income tax and any other taxes as may be levied by any Central or State Government or Governmental Authority.
- 6.3 The Consultant's personnel will be liable to pay their respective personal income taxes in respect of such of their fees, salaries and wages as are chargeable under the laws and regulations for the time being in force, and the Consultant shall perform such duties in regard to such deductions thereof as may be imposed on the Consultant by such laws and regulations. The Consultant further undertakes to obtain such licenses, permit etc. renewal from time to time and it shall be solely responsible in the event of contravention of any Act, Laws or rules in this regard.

7. Liquidated Damages

- 7.1 Consultant shall be liable to pay liquidated damages to the PSGICs for any delay in completion of the Scope of Work @ 0.5% per week of delay of the invoice value for the delay/deficient/non-performance for that stage, subject to a maximum of 10% of the total Contract value.

8. Performance Bank Guarantee

- 8.1 The Consultant shall furnish to the Oriental Insurance Company Limited within 10 days from the date of the Letter of Award, an irrevocable Bank Guarantee (as per the proforma in **Annexure I** to the RFP) valid for three years for the faithful performance of the entire Contract.
- 8.2 In the event Consultant fails to fulfill any of the commitments in the Contract or in the event of termination of the Contract and /or in respect of any amount due from the Consultant to the PSGICs, the PSGICs shall have unconditional option under the guarantee to invoke the bank guarantee and claim the amount from the bank. The bank shall be obliged to pay the amount to the PSGICs on demand without demur or delay.

9. Duty of Care

- 9.1 The Consultant shall perform its obligations with due care and diligence in accordance with the highest professional standards of industry practice to the satisfaction of the PSGICs.

10. Code of Conduct

- 10.1 Consultant shall comply with the provision of all laws including Labour Laws, rules, regulations and notifications issued there under from time to time. All safety and labour laws enforced by statutory agencies and by PSGICs shall be applicable in the performance of this Contract and Consultant shall abide by these laws.
- 10.2 Consultant shall take all measures necessary or proper to protect the personnel, work and facilities and shall observe all safety rules and instructions.
- 10.3 Consultant shall, at his own expense, arrange appropriate insurance to cover all risks assumed by the Consultant under this Contract in respect of its personnel deputed under this Contract as well as Consultants equipment, tools and any other belongings of the Consultant or their personnel during the entire period of their engagement in connection with this Contract. PSGICs will have no liability on this account.

11. Representation & Warranties

- 11.1 In addition to the Representation and Warranties stated in the RFP, the Consultant hereby represents and warrants that:
- (a) it is duly incorporated and validly existing under the laws of India and it has corporate power and capacity to own its assets and to enter into and perform its obligations under this Contract;
 - (b) this Contract has been duly authorized by it, and duly executed and delivered by it and constitutes a valid and binding obligation enforceable in accordance with its terms;
 - (c) the execution, delivery and performance of this Contract does not and will not violate the provisions of any applicable Law, contravene the provisions of its bye-laws, constitutional documents or other organizational documents or the documents by which it was created or established or any resolution of its directors or shareholders or the provisions of any indenture, agreement or other instrument to which the Consultant is a party or by which it may be bound, or violate any

judgment, decree, order, or award of any court, government entity or arbitrator;

- (d) the Consultant has all the permissions, licenses, authorities whatever required from the appropriate Government, Statutory/Regulatory authorities to render the Service to the PSGICs and has the necessary capacity, expertise and infrastructure etc., to render the Services.

12. Indemnity

12.1 The Consultant hereby indemnifies and agrees to hold the PSGICs harmless and indemnified at all the times from and against any and all claims, actions, interest, penalties, losses, damages, liabilities, costs or expenses (including, without limitation, reasonable attorneys fees and other dispute resolution costs) that may be suffered by the PSGICs arising out of, or in relation to:

- (a) any inaccuracy in any of the Consultant's representations or warranties or any non-performance of any covenant, obligation, or agreement of the Consultant set forth in the Contract;
- (b) any and all act or omission of the Consultant, its employees, its agents, subcontractors in the performance of the obligations of the Consultant under this Contract; and/ or
- (c) any claim or proceeding against the PSGICs by any employee or other person deployed by the Consultant, Central or State Government or any other Statutory Authority;

12.2 The provisions of this clause shall survive notwithstanding the expiration or termination of this Contract for any reason whatsoever.

13. Intellectual Property Indemnity

13.1 The Consultant hereby indemnifies and holds harmless and shall keep indemnified the PSGICs and its employees and officers from and against any and all suits, actions or administrative proceedings, claims, demands, losses, damages, costs, and expenses of any nature, including attorney's fees and expenses, which may be brought against the PSGICs or the PSGICs may suffer as a result of any infringement or alleged infringement by the Consultant of any patent, utility model, registered design, trademark, copyright, or other intellectual property right registered or otherwise.

14. Termination

14.1 This Contract shall be deemed to have been automatically terminated on the expiry of the Contract Period stated in clause ____.

- 14.2 In addition to any other right of termination, this Contract may be terminated in the event
- (a) the Consultant at any time during the term of this Contract is dissolved, liquidated, undergoes reorganization, becomes insolvent or makes a voluntary assignment of its assets for the benefit of creditors or is adjudged bankrupt, then the PSGICs shall, by a notice in writing have the right to terminate this Contract.
 - (b) Of change in circumstances of the Project. In such an event, the PSGICs and the Consultant shall enter into good faith negotiations to arrive at the most expedient terms of disengagement taking into account accrued rights and liabilities of the Parties.
- 14.3 Any defect, deficiencies noticed in the performance of this Contract, will be promptly remedied by the Consultants within 10 days upon the receipt of written notice from the PSGICs, failing which the PSGICs may terminate the Contract by giving the Consultant 30 (thirty) days written notice
- 14.4 In the event of termination or abandonment of this Contract for any reason;
- (a) the Parties shall be entitled to all rights and remedies available in law in respect of loss or damage suffered by them on account of the termination or abandonment of the Contract;
 - (b) the Consultant shall duly charge all obligations accrued until the date of termination and such other obligations as may be agreed upon in writing between the Parties;
 - (c) the Consultant shall return all materials, documents etc. that may have been made available to it for the purposes of carrying out the scope of work and shall give a written undertaking that it is not holding back any materials, documents, information with respect to the scope of work;
 - (d) the Consultant shall be allowed access to the premises of the PSGICs only to the extent necessary to carry out the its aforesaid obligations; and
 - (e) the Consultant shall only be entitled to payment for the work performed until the date of termination and such other work may be specifically approved for payment by the PSGICs.

15. Consequential Damages

- 15.1 Notwithstanding either party's fault, neither party shall be liable to the other party in respect of any consequential damages whatsoever. The term "Consequential damages" as used herein shall include without limitation, loss of profit, production, business opportunities or use of assets.

16. Force Majeure

- 16.1 Should the Consultant be prevented from performing any of its obligations under the Contract by reason of fire, riots, flood, earthquake, war, civil disturbance or an act of God, the time for performance shall be extended until the operation or such cause has ceased.
- 16.2 If a Force Majeure situation arises, the Consultant shall promptly notify the PSGICs in writing of such conditions and the cause thereof within 7 calendar days. Unless otherwise directed by the PSGICs in writing, the Consultant shall continue to perform its obligations under the Contract as far as is reasonably practical and shall seek all reasonable alternative means for performance not prevented by the Force Majeure event.
- 16.3 If the Force Majeure event continues beyond a period of 4 weeks, the PSGICs shall be entitled, but not obligated to terminate the Contract.

17. Jurisdiction and Applicable Law

- 17.1 This Contract, including all matters connected with this Contract, shall be governed by the laws of India.

18. Arbitration

- 18.1 Any dispute arising out of, or in relation to this Contract shall be referred to arbitration in accordance with the Arbitration and Conciliation Act, 1996.
- 18.2 The number of the arbitrators and the appointing authority will be as under:

Claim amount (excluding claim for interest and counter claim, if any)	Number of arbitrators	Appointing authority
Upto Rs. 50 Lakhs	Sole Arbitrator	Project Committee of the PSGICs.
Above Rs. 50 Lakhs	3 Arbitrators	One arbitrator nominated by each Party and the third Arbitrator, who shall be the presiding arbitrator, by the two arbitrators nominated by each Party. The Presiding Arbitrator shall be a retired Judge of the Hon'ble Supreme Court of India or any of the Hon'ble High Courts of India.

18.3 Parties agree that neither party shall be entitled for any pre-reference or pendent-lite interest on its claims. Parties further agree that any claim for such interest made by any party shall be void.

18.4 The place and seat of Arbitration shall be New Delhi.

20. Independent Consultant Status

20.1 The Consultant shall act as an independent consultant in the performance of the Contract. The Contract does not create any agency, partnership, joint ventures or joint venture relationship between the parties.

21. Integrity Pact

21.1 The Integrity Pact, duly signed by the authorized official of PSGICs and the Consultant will form part of this Contract.

22. Limitation of Liability

22.1 Notwithstanding any other provision, except only in cases of gross negligence, wilful misconduct and / or criminal acts:

- (a) neither Party shall be liable to the other, whether in contract, tort, or otherwise, for any consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided however that this exclusion shall not apply to any obligation of the Consultant to pay Liquidated Damages to the PSGICs.
- (b) Nothing stated herein will limit the Consultant's liability to any third party.

23. Notices and Addresses

23.1 For the purposes of this Contract, the addresses of the Parties will be as follows and all notices, correspondence, reports and all other relevant material in relation to the Contract sent to the Parties at the addresses mentioned below shall be deemed to be sufficient service of notice on the Parties:

For the PSGICS:

[TO BE PROVIDED IN LOA]

For the Consultant:

[PLEASE INSERT]

24. Publicity

24.1 Any publicity by the Consultant in which the name of the PSGICs is to be used should be done only with the explicit prior written permission of the PSGICs. The PSGICs shall be entitled to impose such conditions or restrictions in relation to the manner of use of the name of the PSGICs in any publicity material used by the Consultant.

25. Severability

25.1 Should any provision of this Contract be found to be invalid, illegal or otherwise not enforceable by any court of law, such finding shall not affect the remaining provisions hereto and they shall remain binding on the parties hereto.

26. Specific Remedies

26.1 The Consultant agrees that the PSGICs shall be entitled to an injunction, restraining order, right for recovery, suit for specific performance or such other equitable relief as a court of competent jurisdiction may deem necessary or appropriate to restrain the Consultant from committing any violation or enforce the performance of the covenants, obligations and representations contained in this Contract. These injunctive remedies are cumulative and are in addition to any other rights and remedies the PSGICs may have at law or in equity, including without limitation a right for recovery of the amounts due under this Contract and related costs and a right for damages.

27. Governing Language

27.1 The governing language for the Contract shall be English. All Contract documents and all correspondence and communication to be given and all other documentation to be prepared and supplied under the Contract shall be written in English and the Contract shall be construed and interpreted in accordance with English language.

28. Modification in the Contract

28.1 All modifications leading to changes in the Contract with respect to technical and/or commercial aspects, including terms of delivery, shall be considered valid only when accepted in writing by the PSGICs by issuing an amendment to the Contract. The PSGICs shall not be bound by any printed conditions, provisions in the Consultant's Proposal, invoice, and other documents which purport to impose any condition at variance with or supplement to the Contract.

29. Waivers and Amendments

29.1 None of the terms and conditions of this Contract shall be deemed to be waived by either party unless such waiver is executed in writing by the duly authorized agent(s) or representative(s) of both the Parties. The failure of either Party to exercise any right shall not act as a waiver of such right by such Party.

29.2 No change or modification of this Contract shall be valid unless the same shall be in writing and signed by both Parties.

**Merger / amalgamation of The Oriental Insurance Company Ltd.; National Insurance Company Ltd.,
and United India Insurance Company Ltd.**

Request for Proposal dated 03.10.2018#

For

- i. The Oriental Insurance Company Limited;
- ii. National Insurance Company Limited; and
- iii. United India Insurance Company Limited.

Witness:

For the Consultant:

Witness:

Annexure K – Non - Disclosure Agreement

(To be appropriately stamped on non-judicial stamp paper of appropriate value as per Stamp Act relevant to place of execution and notarized (or apostilled, as relevant)

NON-DISCLOSURE AGREEMENT

This Non-Disclosure Agreement entered into (this “Agreement”) is made on this _____ day of _____, 2018 at _____.

By and Between

This Non-Disclosure Agreement is made and entered into on this ___ day of _____, and _____ by and between

The Oriental Insurance Company Limited having its registered office at [TO BE INSERTED];

National Insurance Company Limited having its registered office at [TO BE INSERTED]; and

United India Insurance Company Limited having its registered office at [TO BE INSERTED].

(hereinafter jointly and severally referred to as “PSGICs” which expression shall include their successors, administrators, executors and assignees) on the one part

And

[●] (*Name of the Consultant*) of [●] (*please specify the registered office of*) (hereinafter called “Consultant” which expression shall unless it be repugnant to the subject, context or meaning thereof shall be deemed to mean and include its successors) of the OTHER PART;

PSGICs and the Consultant wherever the context so permits, shall hereinafter collectively refer to as the “Parties” and individually as a “Party”

WHEREAS PSGICs vide its RFP dated [●] (“RFP”) had invited for the Proposals from Bidders for performing/delivering the services under the Proposed Assignment. The Consultant after going through the RFP and being interested to perform the services required for the Proposed Assignment participated in the bidding process and submitted its Proposal.

WHEREAS the Consultant had represented that it is engaged in the business of providing the services and has all the requisite skills, expertise, experience and necessary facilitates for providing/rendering/delivering the service(s) to PSGICs.

WHEREAS PSGICs based upon the representation and warranties made by the Consultant had entered into an Agreement dated [●] (**the Contract**) for the performance/delivery of services by the Consultant.

WHEREAS, the Consultant is aware and confirms that the information, data, drawings and designs, and other documents made available in the RFP and thereafter regarding the services as furnished by it in the Proposal and during the execution of the Contract or otherwise and all the Confidential Information under the RFP/the Contract is privileged and strictly confidential and/or proprietary to the PSGICs.

NOW THEREFORE, in consideration of the foregoing, the Consultant agrees to all the following conditions for grant of access to PSGICs property/information and other data.

It is hereby agreed as under:

The words and expressions not specifically defined shall have the same meanings as are respectively assigned to them in this RFP/the Contract.

(a) The Parties agree that they shall hold in trust any Confidential Information received by either Party, under the Contract and the strictest of confidence shall be maintained in respect of such Confidential Information. The parties also agree and undertake to:

- (i) maintain and use the Confidential Information only for the purposes of the Contract and only as permitted herein;
- (ii) make copies as specifically authorized by the prior written consent of the other Party and with the same confidential or proprietary notices as may be printed or displayed on the original;
- (iii) restrict access and disclosure of confidential information to such of their employees, agents, vendors, and Contractors strictly on a "need to know" basis, to maintain confidentiality of the Confidential Information disclosed to them in accordance with this clause; and
- (iv) treat Confidential Information as confidential for a period of [●] years from the date of receipt. In the event of earlier termination of this Contract, the Parties hereby agree to maintain the confidentiality of the Confidential Information for a further period of [●] years from the date of such termination.

(b) Confidential Information does not include information which:

- (i) the recipient knew or had in its possession, prior to disclosure, without limitation on its confidentiality;
- (ii) is independently developed by the recipient without breach of the Contract;
- (iii) is in the public domain;
- (iv) is received from a third party not subject to the obligation of confidentiality with respect to such information.
- (v) is released from confidentiality with the prior written consent of the other Party.

The recipient shall have the burden of proving hereinabove are applicable to the information in the possession of the recipient.

- (c) Notwithstanding the foregoing, the Parties acknowledge that the nature of the services to be performed under the Contract may require the Consultant personnel to be present on premises of PSGICs or may require the Consultant's personnel to have access to computer networks and databases of PSGICs while on or off premises of PSGICs. It is understood that it would be impractical for PSGICs to monitor all information made available to the Consultant's personnel under such circumstances and to provide notice to the Consultants of the confidentiality of all such information. Therefore, the Consultant agrees and undertakes that any technical or business or other information of PSGICs that the Consultant's personnel, or agents acquire while on PSGICs premises, or through access to PSGICs computer systems or databases while on or off PSGICs premises, shall be deemed Confidential Information.
- (d) Confidential Information shall at all times remain the sole and exclusive property of the disclosing party. Upon termination of the Contract, confidential information shall be returned to the disclosing Party or destroyed, if incapable of return. The destruction shall be witnessed and so recorded, in writing, by an authorised representative of each of the Parties. Nothing contained herein shall in any manner impair or affect rights of PSGICs in respect of the Confidential Information.
- (e) In the event, any of the Parties hereto becomes legally compelled to disclose any Confidential Information, such Party shall give sufficient notice to the other Party to enable the other Party to prevent or minimize to the extent possible, such disclosure. Neither Party shall disclose to a third Party any Confidential Information or the contents of this Contract without the prior written consent of the other Party. The obligations of this Clause shall be satisfied by handling Confidential Information with the same degree of care, which the receiving party applies to its own similar confidential information but in no event less than reasonable care. The obligations of this clause shall survive the expiration, cancellation or termination of the Contract.
- (f) The Agreement shall apply to all information relating to the Proposed Assignment and execution of the Contract disclosed by the PSGICs to the Bidder under this Agreement.
- (g) Nothing contained in this Agreement shall be construed as granting or conferring rights of license or otherwise, to the Bidder, in any of the Information.
- (h) The parties acknowledge that the Confidential Information will not form the basis of any contract between them.

- (i) This Agreement shall be benefit and be binding upon the PSGICs and the Bidder/Consultant and their Affiliates/Group Companies and Sub-Contractors.
- (j) This Agreement shall continue perpetually unless and to the extent that PSGICs may release in writing.
- (k) This Agreement shall be governed by and construed in accordance with Indian laws.
- (l) The provisions hereunder shall survive termination of the Contract.

For and on behalf of the Bidder

Authorised Signatory:

Name :

Designation

Office Seal

Place:

Date:

Accepted –

We have read this agreement and confirm our agreement with its terms.

Annexure L – Integrity Pact

(To be appropriately stamped on non-judicial stamp paper of appropriate value as per Stamp Act relevant to place of execution and notarized (or apostilled, as relevant)

INTEGRITY PACT

Between

This Integrity Pact is made and entered into on this ___ day of _____, and ___ by and between

The Oriental Insurance Company Limited having its registered office at [TO BE INSERTED];

National Insurance Company Limited having its registered office at [TO BE INSERTED]; and

United India Insurance Company Limited having its registered office at [TO BE INSERTED].

(hereinafter jointly and severally referred to as “PSGICs” which expression shall include their successors, administrators, executors and assignees) on the one part

And

(Name of the Consultant) of [●] (please specify the registered office of) (hereinafter called “Consultant” which expression shall unless it be repugnant to the subject, context or meaning thereof shall be deemed to mean and include its successors) of the other part..... hereinafter referred to as “The Bidder/Consultant”

Preamble

The PSGICs intends to award, under laid down organizational procedures, Contract/s for the merger / amalgamation of the three PSGICs. The PSGICs value full compliance with all relevant laws and regulations, and the principles of economic use of resources, and of fairness and transparency in its relations with its Bidder/Consultant.

Section 1: Commitments of the PSGICs

- (1) The PSGICs commits itself to take all measures necessary to prevent corruption and to observe the following principles: -
 1. No Official of the PSGICs, personally or through family members, will in connection with the Proposed Assignment for, or the execution of a Contract, demand, take a promise for or accept, for him/herself or third person, any material or immaterial benefit which he/she is not legally entitled to.
 2. The PSGICs will, during the RFP process treat all Bidders with equity and reason. The PSGICs will in particular, before and during the RFP process, provide to all Bidders the same information and will not provide to any Bidder confidential / additional information

through which the Bidder could afford an advantage to that particular Bidder in comparison to other Bidders..

3. In case any such preceding misconduct on the part of such official(s) is reported by the Bidder to the PSGICs with full and verifiable facts and the same is prima facie found to be correct by the PSGICs, necessary disciplinary proceedings, or any other action as deemed fit, including criminal proceedings may be initiated by the PSGICs and such a person shall be debarred from further dealings related to the Contract.

Section 2: Commitments of the Bidder/Consultant

- (1) The Bidder / Consultant commit itself to take all measures necessary to prevent corrupt practices, unfair means and illegal activities during his participation in the bid process and during the execution of the Contract. The Bidder / Consultant commit himself to observe the following:
 1. The Bidder / Consultant will not, directly or through any other person or firm, offer, promise or give to any of the PSGICs officials involved in the RFP process or the execution of the Contract or to any third person any material or immaterial benefit which he/she is not legally entitled to, in order to obtain in exchange any advantage of any kind whatsoever during the bid process or during the execution of the Contract.
 2. The Bidder further undertakes that it has not given, offered or promised to give, directly or indirectly any bribe, gift, consideration, reward, favour, any material or immaterial benefit or other advantage, commission, fees, brokerage or inducement to any official of the PSGICS or otherwise in procuring the Contract or forbearing to do or having done any act in relation to the obtaining or execution of the contract or any other contract with the Government for showing or forbearing to show favour or disfavour to any person in relation to the contract or any other contract with the Government.
- (2) Bidder shall disclose the payments to be made by them to agents/brokers or any other intermediary, in connection with this bid/contract.
- (3) The Bidder further confirms and declares to the PSGICs that the Bidder has not engaged any individual or firm or company whether Indian or foreign to intercede, facilitate or in any way to recommend to the PSGICs or any of its functionaries, whether officially or unofficially to the award of the contract to the Bidder, nor has any amount been paid, promised or intended to be paid to any such individual, firm or company in respect of any such intercession, facilitation or recommendation.
- (4) The Bidder, either while presenting the bid or during negotiations or before signing the contract, shall disclose any payments he has made, is committed to or intends to make to officials of the PSGICS or their family members, agents, brokers or any other

intermediaries in connection with the contract and the details of services agreed upon for such payments.

- (5) The Bidder will not collude with other parties interested in the contract to impair the transparency, fairness and progress of the bidding process, bid evaluation, contracting and implementation of the contract.
- (6) The Bidder will not accept any advantage in exchange for any corrupt practice, unfair means and illegal activities.
- (7) The Bidder shall not use improperly, for purposes of competition or personal gain, or pass on to others, any information provided by the PSGICs as part of the business relationship, regarding plans, technical proposals and business details, including information contained in any electronic data carrier. The Bidder also undertakes to exercise due and adequate care lest any such information is divulged.
- (8) The Bidder commits to refrain from giving any complaint directly or through any other manner without supporting it with full and verifiable facts.
- (9) The Bidder shall not instigate or cause to instigate any third person to commit any of the actions mentioned above.
- (10) If the Bidder who is involved in the bid process or any employee of such Bidder or any person acting on behalf of such Bidder, either directly or indirectly, is a relative of any of the officers of the PSGICs, or alternatively, if any relative of an officer of PSGICs who is involved in the bid process has financial interest/stake in the Bidders firm, the same shall be disclosed by the Bidder at the time of filing of Proposal.
- (11) The Bidder shall not lend to or borrow any money from or enter into any monetary dealings or transactions, directly or indirectly, with any employee of the PSGICS

Section 3: Previous transgression

- (1) The Bidder declares that no previous transgressions occurred in the last 3 years immediately before signing of this integrity Pact, with any other Company in any Country in respect of any corrupt practices envisaged hereunder or with any Public Sector Enterprise in India or any Government Department in India that could justify his exclusion from the bid process.
- (2) If the Bidder makes incorrect statement on this subject, he can be disqualified from the bid process or the Contract, if already awarded, can be terminated for such reason

Section 4: Disqualification from tender process and exclusion from future Contracts

If the Bidder, before Contract award has committed a transgression through a violation of Section 2 and or Section 3 or in any other form such as to put his reliability or credibility as Bidder into question, the PSGICs are entitled to disqualify the Bidder from the bid process or to terminate the Contract, if already signed, for such reason.

- (1) If the Bidder / Consultant has committed a transgression through a violation of Section 2 such as to put his reliability or credibility into question, the PSGICs are entitled also to exclude the Bidder / Consultant from future Contract award processes. The imposition and duration of the exclusion will be determined by the severity of the transgression. The severity will be determined by the circumstances of the case, in particular the number of transgressions, the position of the transgressors within the company hierarchy of the Bidder and the amount of the damage. The exclusion will be imposed for a minimum of 6 months and maximum of 3 years.
- (2) A transgression is considered to have occurred, if the PSGICs after due consideration of the available evidence, concludes that no reasonable doubt is possible.
- (3) The Bidder accepts and undertakes to respect and uphold the PSGICs absolute right to resort to and impose such exclusion and further accepts and undertakes not to challenge or question such exclusion on any ground, including the lack of any hearing before the decision to resort to such exclusion is taken. This undertaking is given freely and after obtaining independent legal advice.
- (4) If the Bidder / Consultant can prove that he has restored / recouped the damage caused by him and has installed a suitable corruption prevention system, the PSGICs may revoke the exclusion prematurely.

Section 5: Compensation for Damages

- (1) If the PSGICs have disqualified the Bidder from the bid process prior to the award according to Section 3, the PSGICs are entitled to demand and recover from the Bidder liquidated damages equivalent to Earnest Money Deposit.
- (2) If the PSGICs have terminated the Contract according to Section 3, or if the Principal PSGICs are entitled to terminate the Contract according to Section 3, the PSGICs shall be entitled to demand and recover from the Consultant liquidated damages equivalent to Performance Bank Guarantee.
- (3) The Bidder/Consultant agrees and undertakes to pay the said amounts without protest or demur subject only to condition that if the Bidder / Consultant can prove and establish that the exclusion of the Bidder/Consultant from the bid process or the termination of the Contract after the Contract award has caused no damage or less damage than the amount of the liquidated damages, the Bidder / Consultant shall compensate the PSGICs only to the extent of the damage in the amount proved.

Section 6: Equal treatment of all Bidders / Consultants

- (1) The Bidder / Consultant undertake to demand from all subcontractors a commitment in conformity with this Integrity Pact, and to submit it to the PSGICs before the signing of the Contract.
- (2) The PSGICs will disqualify from the bid process all bidders who do not sign this Pact or violate its provisions.

Section 7: Independent Monitors

- (1) The Bidders agree that the PSGICs may appoint an Independent External Monitor (hereinafter referred to as Monitor) for overseeing and implementation of the Pre-Contract Integrity Pact for procurement of services in the PSGICs.
- (2) The task of the Monitors shall be to review independently and objectively, whether and to what extent the parties comply with the obligations under this Pact.
- (3) The Monitors shall not be subject to instructions by the representatives of the parties and perform their functions neutrally and independently.
- (4) Both the parties accept that the Monitors have the right to access all the documents relating to the project/procurement, including minutes of meetings.
- (5) As soon as the Monitor notices, or has reason to believe, a violation of this Pact, he will so inform the authority designated by the PSGICs.
- (6) The Bidders accepts that the Monitor has the right to access without restriction to all Project documentation of the PSGICs including that provided by the Bidder. The Bidder will also grant the Monitor, upon his request and demonstration of a valid interest, unrestricted and unconditional access to his project documentation. The same is applicable to Sub-Contractors. The Monitor shall be under contractual obligation to treat the information and documents of the Bidder/Sub-Contractor(s) with confidentiality.
- (7) The PSGICs will provide to the Monitor sufficient information about all meetings among the parties related to the Project provided such meetings could have an impact on the contractual relations between the parties. The parties will offer to the Monitor the option to participate in such meetings.

The Monitor will submit a written report to the designated Authority of PSGICs within 8 to 10 weeks from the date of reference or intimation to him by the PSGICs/BIDDER and, should the occasion arise, submit proposals for correcting problematic situations.

Section 8: Facilitation of investigation

- (8) In case of any allegation of violation of any provisions of this Pact or payment of commission, the PSGICS or its agencies shall be entitled to examine all the documents including the Books of Accounts of the Bidder and /or its Sub-Contractors and the Bidder and/or its Sub-Contractors shall provide necessary information and documents in English and shall extend all possible help for the purpose of such examination.

Section 9: Pact Duration

This Pact begins when both parties have legally signed it. It expires for the Consultant 12 months after the last payment under the respective Contract, and for all other Bidders 6 months after the Contract has been awarded.

If any claim is made / lodged during this time, the same shall be binding and continue to be valid despite the lapse of this pact as specified above, unless it is discharged / determined by the PSGICs.

Section 10: Other provisions

- (1) This agreement is subject to Indian Law. Place of performance and jurisdiction is New Delhi. The Arbitration clause provided in the RFP/ Contract shall not be applicable for any issue / dispute arising under Integrity Pact.
- (2) Changes and supplements as well as termination notices need to be made in writing. Side agreements have not been made.
- (3) Should one or several provisions of this agreement turn out to be invalid, the remainder of this agreement remains valid. In this case, the parties will strive to come to an agreement to their original intentions.

The Parties hereby sign this Integrity Pact at _____ on _____,
2018.

For the PSGICs

For the Bidder / Consultant

Place -----

Witness 1: -----

Date -----

Witness 2: -----

Annexure M – Power of Attorney

(To be provided by Bidder/Consultant)

(To be appropriately stamped on non-judicial stamp paper of appropriate value as per Stamp Act relevant to place of execution and notarized (or apostilled , as relevant)

Power of Attorney for signing of RFP

To all to whom these presents shall come, We [●] (name of the entity) having our registered office at (address of the registered office) do hereby exclusively, unconditionally and irrevocably constitute, nominate, appoint and authorize Mr./Ms. (name), [●]son/daughter/wife of [●] and presently residing at [●], who is presently employed with us and holding the position of [●], as our true and lawful attorney (hereinafter referred to as the (“**Authorized Signatory**”)) in our name and on our behalf, to do, execute, and perform all such acts, agreements (with or without any amendments or modifications), deeds, matters and things as are necessary or required in connection with or incidental to submission of our application for qualification for the Proposed Assignment including but not limited to signing and submission of Proposal, affidavits, bids, and other documents and writings, as may be required from time to time, participation in conferences (if any) and providing information/ responses to PSGICs, representing us in all matters before PSGICs and generally dealing with PSGICs in all matters in connection with or relating to or arising out of our Proposal.

AND we hereby agree to ratify and confirm and do hereby ratify and confirm all acts, deeds and things done or caused to be done by the Authorized Signatory pursuant to and in exercise of the powers conferred by this Power of Attorney and that all acts, deeds and things done by the Authorized Signatory in exercise of the powers hereby conferred shall and shall always be deemed to have been done by us concerning or touching these presents as fully and effectually as if we were present and had done, performed or executed the same ourselves.

IN WITNESS WHEREOF WE [●] THE ABOVE NAMED HAVE EXECUTED THIS POWER OF ATTORNEY ON THIS [●] DAY OF [●] AT [●].

(Signature, name, designation and address)

In the presence of:

- 1.
- 2.

Accepted

(Signature, Name, Title and Address of the Authorized Signatory)

(To be duly notarized (or apostilled, as relevant)

Annexure N: Certificate

[To be stamped adequately and notarized (or apostilled, as relevant)]

To

The Oriental Insurance Company Limited having its registered office at [TO BE INSERTED];

National Insurance Company Limited having its registered office at [TO BE INSERTED]; and

United India Insurance Company Limited having its registered office at [TO BE INSERTED].

SUB: RFP dated _____

Certificate

This is with reference to the RFP dated _____ issued by the PSGICs inviting applications for engagement of Consultant for Merger / amalgamation of National Insurance Company Ltd., The Oriental Insurance Company Ltd. and United India Insurance Company Ltd.

I, [*name*], the Authorized Signatory of the Bidder, certify that every part of information provided by the Bidder in the Proposal is true, correct and complete in all aspects on the date of this affidavit.

Capitalized terms not defined in this certificate shall have the meaning ascribed to them in the RFP.

For and on behalf of: (IB)

Signature: (Authorized Signatory of the IB)

Name of the Person:

Designation:

(Please also affix Company seal)

Place:

Date:

|