

GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS
(RAILWAY BOARD)

**OPEN TENDER NO.2011/F(S)I/IS/1
BID INVITATION**

Offers are invited for and on behalf of the President of India from the Companies registered with Insurance Regulatory Development Authority for carry out General Insurance, including Marine Insurance in India, for Marine Insurance of :-

Description of the Covers	Last date for submission of bids
<p>Open Cover (Basic) ICC(B) for bulk consignments inclusive of broad conditions: Steel items, wheel, tyres, axles, rails & sheets, angles and other similar items, in bulk only. Open Cover (All Risk) ICC(A) for specific items, inclusive of defective packaging losses due to handling etc. throughout the passage of insured items upto the ultimate consignee inclusive of broad conditions.</p> <p>(a)Locomotivespares,Plant/Machinery/signaling/Telecommunication/Microwave/X-ray equipments and Instruments, Hospital Equipments/Diesel & Electrical Loco components/Electrical/Electronic items, similar spares/components and stores of non-fragile nature only.</p> <p>(b) Locomotive and Coaches in knocked down/ Semi Knocked down condition as per ICC (A) Clause.</p> <p>(c) Wheel sets and axles</p> <p>(d) All other materials in form of liquid, thinner, paints, varnish etc, in new drums (subject to an excess of ½% on whole consignment)</p> <p>(e) All material of fragile nature like Insulators/Ceremics/Asbestos/Porcelain and Graphite.</p> <p>(f) Locos fully assembled.</p> <p>(g) Coaches fully assembled.</p> <p>(h) Crane Fully assembled.</p> <p>(i) Track machine fully assembled/complete knocked down condition/semi knocked down condition.</p>	15.02.2011

2. Non-transferable bid documents containing detailed terms & conditions may be collected from the Deputy Director Finance (Stores)III, Room No. 449A, Rail Bhavan, New Delhi-110001. (Between 10.00 hrs. and 14.30 hrs.) on all working days.

3. The tender document can also be down loaded for use on the website www.indianrailways.gov.in.

4. Offers submitted through the agents will not be accepted.

5. Tenders can be submitted on all working days, to DDFS-III, in room No. 449A, upto 1430 hours on 15.02.2011 and the same shall be opened at 1500 Hrs on the same day at Conference Hall, Room No.267, Rail Bhavan, New Delhi, in the presence of bidders who choose to witness the opening of offers. In case 15.02.2011 happens to be a holiday, the date of submission and opening shall be extended to the next working day.
6. Acceptance of the Tender: The purchaser reserves the right to accept a tender for a part or whole of the offer, reject any tender without assigning any reason and may not accept the lowest or any tender. Time for submission of bids would be upto 14.30 hrs. and same will be opened at 15.00 hrs. on 15.02.2011.

(R.S. Khanna)
Deputy Director/Finance (Stores)III
For & on behalf of the President of India
Ministry of Railways, Railway Board,
Room No. 449A,Rail Bhavan,
Raisina Road, New Delhi-110001
Fax No. 011-23384568 , MTNL: 011-23303379

GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS
(RAILWAY BOARD)

No. 2011/FS(S)I/IS/1

New Delhi, dated 04.01 .2011

M/s

(BID INVITATION)

Dear sirs,

Sub: Marine Insurance.

Ministry of Railways (Railway Board) has floated an open Tender No.2011/F(S)I/IS/1 inviting offers from the companies registered with Insurance Regulatory and Development Authority for carrying out General Insurance including Marine Insurance in India for marine insurance of materials procured by Railway. The Contract shall be for a period of one year, commencing from 1st April, 2011, extendable upto another year, on the same rates, terms and conditions. .

A bid invitation is enclosed herewith for your information. The offers are to be submitted by 14.30 hrs. on 15.02.2011 as indicated in the bid invitation.

(R.S. Khanna)
Deputy Director, Finance (Stores)
Room No. 449A,Rail Bhavan,
Raisina Road, New Delhi-110001
Fax No. 011-23383445 , MTNL: 011-23303379

Open Cover Note for bulk consignments inclusive of broad conditions: ICC(B)

1.	Interest	Steel items, wheel, tyres, axles, rails & sheets, angles and other similar items, in bulk only.
2.	Period	01.04.2011 to 31.03.2012 (both days inclusive) Midnight to midnight.
3.	Nature of Cover Required	Insured against Marine risks as per Institute Cargo Clause (B) , Institute War Clauses (Cargo), Institute Strikes Clauses (Cargo), Institute cargo Clauses (Air)
4	Voyage	From any sea port/airport anywhere in the world to any major seaport/airport in India and then to final destination. <u>Per</u> Liners and/or steamers and/or Motor vessel as per Institute Classification Clause, other steamer/vessels held coverage at a premium and on conditions to be arranged. Dispatches by Rail/Road/Air Freight are also covered.
5	Duration of cover	As per standard conditions as Per Institute Cargo Clauses B, Institute War Clauses (cargo) and Institute Strike Clauses(Cargo), Institute Cargo Clauses(Air).
6	Basis of Valuation	FOB/FAS value+10% where the purchase contract is on FOB/FAS basis or C&F basis where the Contract is on C&F value.
7	Exchange Rate for conversion into Indian Currency	BC selling rates of SBI (overseas branch, New Delhi), current on date of issue of Bill of Lading/Airway Bill
8	Premium Rates	Stamp Duty exempted. Service Tax payable extra, as per rates applicable. Premium offered for: Steel items, Rail & Sheets, angle, wheel, tyres, axles and similar items in bulk only
9	Loss prior to declaration and/or shipment	In the event of loss or damage prior to declaration and/or shipment on board the steamer, it is hereby agreed and declared that the basis of valuation shall be prime cost of the goods plus charges actually incurred and for which the

		insured is liable.
10	Declaration	It is condition of this insurance that until completion of this contract, the insured is bound to declare here under each and every shipment or dispatch whether arrived or not and the Insurer is bound to issue policy(ies) of insurance from the office of the Insurance Company. It is understood and agreed that the insurance company shall receive advice of dispatch of each shipments by Airmail / Cable/Tele/Fax/ Email to be sent directly by the suppliers immediately after shipment of the consignment
11	Premium	<p>Quarterly Advance Premium based on the estimated imports for each quarter shall be paid by each unit to the Insurance Company through an account payee cheque.</p> <p>On receipt of Declaration/Import advices the premium payable shall be debited to the advance premium account of the concerned unit. The company shall be bound to send 15 days prior notice to the unit(s) ending every quarter giving details of the premium consumed and balance left in the premium account of the concerned unit(s), so as to ensure that there is no negative balance in the CDA ever.</p> <p>Unit shall review the advance premium account regularly and ensure that adequate advance premium remains with the Insurance Company. A quarterly meeting shall be held by the unit(s) with the Company at the end of each quarter to reconcile position of pending issues, if any.</p>
12	Claims	Payable as shown on policies issued in respect of declaration made under this cover. Claim for damage/shortage of material to be lodged within 30 days of reaching the consignment at ultimate destination.
13	Cancellation	This contract may be cancelled by the Railway by giving 30 days advanced notice in writing to the Company. Consignments where the Risk has already been attached, including within the notice period, shall continue to enjoy the Insurance cover, under the terms and conditions of this contract.
14	Unit Allotted	<p>The above Open Cover is valid for imports of all Indian Railways Units mentioned below:</p> <p>Central Railway Mumbai, Eastern Railway Kolkata, Northern Railway New Delhi, North Eastern Railway Gorakhpur, North-East Frontier Railway Guwahati, Southern Railway Chennai, South Central Railway Secundrabad, South Eastern</p>

		Railway Kolkata, Western Railway Mumbai, East Central Railway Hajipur, North Central Railway Allahabad, East Coast Railway Bhuvneshwar, North Western Railway Jaipur, South Western Railway Hubli, West Central Railway Jabalpur, Chittaranjan Locomotive Works Chittaranjan, Diesel Locomotive Works Varanasi, Integral Coach Factory Chennai, Diesel Component Works Patiala, Rail Coach Factory Kapurthala, Rail Wheel Factory Bangalore, Central Organisation of Railway Electrification Allahabad, COFMOW New Delhi, RDSO Lucknow, Metro Railway Kolkata, Delhi, Chennai.
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Open Cover Note for specific items, inclusive of defective packaging losses due to handling etc. throughout the passage of insured items upto the ultimate consignee inclusive of broad conditions : ICC(A)

1.	Interest	(a) Locomotive spares , plant/Machinery/signaling/Telecommunication/Microwave/ X-ray equipments and Instruments, Hospital Equipments/ Diesel & Electrical Loco components/ Electrical/ Electronic items, similar spares/components and stores of non-fragile nature only. (b) Locomotive and Coaches in knocked down/ Semi Knocked down condition (c) Wheel sets and axles (d) All other materials in form of liquid, thinner, paints, varnish etc, in new drums (subject to an excess of ½% on whole consignment) (e) All material of fragile nature like Insulators/Ceramics/Asbestos/Porcelain and Graphite. (f) Locos fully assembled. (g) Coaches fully assembled. (h) Crane Fully assembled. (i) Track machine fully assembled/complete knocked down condition/semi knocked down condition
2.	Period	01.04.2011 to 31.03.2012 (both days inclusive) Midnight to midnight.
3.	Nature of Cover Required	Insured against all risks of loss or damage as per Institute Cargo Clauses (A), Institute Cargo Clauses (air)/Institute Replacement clause/Institutional Classification Clauses/Schedule of minimum premium etc.

		, Institute War Clauses (Cargo), Institute Strikes Clauses (Cargo)
4	Voyage	<p>From any sea port/airport anywhere in the world to any major seaport/airport in India and then to final destination.</p> <p><u>Per</u></p> <p>Liners and/or steamers and/or Motor vessel as per Institute Classification Clause, other steamer/vessels held coverage at a premium and on conditions to be arranged. Dispatches by Rail/Road/Air Freight are also covered.</p>
5	Duration of cover	As per standard conditions as Per Institute Cargo Clauses A, Institute War Clauses (cargo) , Institute Strike Clauses(Cargo) and Institute Cargo Clauses (Air).
6	Basis of Valuation	FOB/FAS value+10% where the purchase contract is on FOB/FAS basis or C&F basis where the contract is on C&F value.
7	Exchange Rate for conversion into Indian Currency	BC selling rates of SBI (overseas branch New Delhi), current on date of issue of Bill of Lading/Airway Bill
8	Premium Rates	<p>Stamp Duty exempted. Service Tax payable extra, as per rates applicable.</p> <p>Premium offered for:</p> <p>(a) Locomotive spares, Plant/Machinery/signaling/ Telecommunication/Microwave/X-ray equipments and Instruments, Hospital Equipments/Diesel & Electrical Loco components/Electrical/Electronic items, similar spares/ components and stores of non-fragile nature only.</p> <p>(b) Locomotive and Coaches in knocked down/ Semi Knocked down condition</p> <p>(c) Wheel sets and axles</p> <p>(d) All other materials in form of liquid, thinner, paints, varnish etc, in new drums (subject to an excess of ½% on whole consignment)</p> <p>(e)All material of fragile nature like Insulators/Ceramics/Asbestos/Porcelain and Graphite.</p> <p>(f) Locos fully assembled.</p> <p>(g) Coaches fully assembled.</p> <p>(h) Crane Fully assembled.</p> <p>(i) Track machine fully assembled/complete knocked down</p>

		condition/semi knocked down condition
9	Loss prior to declaration and/or shipment	In the event of loss or damage prior to declaration and/or shipment on board the steamer, it is hereby agreed and declared that the basis of valuation shall be prime cost of the goods plus charges actually incurred and for which the insured is liable.
10	Declaration	It is condition of this insurance that until completion of this contract, the insured is bound to declare here under each and every shipment or dispatch whether arrived or not and the Insurer is bound to issue policy(ies) of insurance from the office of the Insurance Company. It is understood and agreed that the insurance company shall receive advice of dispatch of each shipments by Airmail / Cable/Tele/Fax/ Email to be sent directly by the suppliers immediately after shipment of the consignment
11	Premium	<p>Quarterly Advance Premium based on the estimated imports for each quarter shall be paid by each unit to the Insurance Company through an account payee cheque.</p> <p>On receipt of Declaration/Import advices the premium payable shall be debited to the advance premium account of the concerned unit. The company shall be bound to send 15 days prior notice to the unit(s) ending every quarter giving details of the premium consumed and balance left in the premium account of the concerned unit(s), so as to ensure that there is no negative balance in the CDA ever.</p> <p>Unit shall review the advance premium account regularly and ensure that adequate advance premium remains with the Insurance Company. A quarterly meeting shall be held by the unit(s) with the Company at the end of each quarter to reconcile position of pending issues, if any.</p>
12	Claims	Payable as shown on policies issued in respect of declaration made under this cover. Claim for damage/shortage of material to be lodged within 30 days reaching the consignment at ultimate destination.
13	Cancellation	This contract may be cancelled by the Railway by giving 30 days advanced notice in writing to the Company. Consignments where the Risk has already been attached, including within the notice period, shall continue to enjoy the Insurance cover, under the terms and conditions of this

		contract.
14	Unit Allotted	<p>The above Open Cover is valid for imports of all Indian Railways Units mentioned below:</p> <p>Central Railway Mumbai, Eastern Railway Kolkata, Northern Railway New Delhi, North Eastern Railway Gorakhpur, North East Frontier Railway Guwahati, Southern Railway Chennai, South Central Railway Secundrabad, South Eastern Railway Kolkata, Western Railway Mumbai, East Central Railway Hajipur, North Central Railway Allahabad, East Coast Railway Bhuvneshwar, NorthWestern Railway Jaipur, South West Railway Hubli, West Central Railway Jabalpur, Chittaranjan Locomotive Works Chittaranjan, Diesel Locomotive Works Varanasi, Integral Coach Factory Chennai, Diesel Component Works Patiala, Rail Coach Factory Kapurthala, Rail Wheel Factory Bangalore, Central Organisation of Railway Electrification Allahabad, COFMOW New Delhi, RDSO Lucknow, Metro Railway Kolkata, Delhi, Chennai</p>

SPECIAL NOTES

1. Eligibility and Commercial Conditions:

1.1 The firms/companies registered with Insurance and Regulatory and Development Authority, 3rd Floor, Parisrama Bhavanam, Basheerbagh, Hyderabad -500 004 for General Insurance business , including Marine Insurance in India will be eligible for consideration. Offers submitted through agents will not be considered. Testimonials/Certificate in this regard may kindly be enclosed with the offer.

1.2(a) The tenderer should give details of Company's profile, Marine insurance business handled during the last 2-3 years, details of the clients, claim settlement ratio etc. which may be of relevance to this tender.

(b) The firms who have done marine insurance business with IR in any of the last five years should additionally give the following details:

Name of the Rly Unit attached to the Company	Closing Particulars Recd.during the year April-March	Policy Cover Issued during the year April-March	Claims Received (if any)	Claims settled	Balance in CDA of the Unit if any, Date of refund of CDA	Remarks If any

1.3 Complete information as desired in preceding paras should be furnished. If there are any deviations to this, a deviation statement indicating the clause/sub-clause, deviation proposed and justification thereof should be enclosed. The rate should be quoted covering the items mentioned.

1.4 Indian Railways is seeking comprehensive protection for all import consignments, under “Open Cover”. Hence offers should be devoid of conditionalities that impede the effort of railway units to get Insurance cover. Tenderers are requested to offer their quotes based on a “Per Sending Limit” (PSL) of Rs. Nineteen (19) Crores. The value of PSL shall be as per details furnished in the respective “Bills of Lading”, as detailed in Clause 1.6 below. For consignments valuing over Rs. Nineteen (19) Crores, tenderer may quote additional premium, as percentage of the premia quoted for consignments within PSL.

1.5 The evaluation of the offers shall be done based on the premium offered for consignments under “PSL” specified in Clause 1.4 above. Railway however reserves the right to negotiate on conditions offered and for reduction in rates offered, including for the surcharge quoted for consignments in excess of Rs. Nineteen Crores. Intending tenderers may please note that in case of failure of negotiations, the original offer will continue to hold good and in no circumstances shall the negotiated offer be higher to the original offer. **Negotiations shall be conducted with the technically eligible lowest offer, referred to as L1.**

1.6 For the purposes of assessing the value of the consignment, the details furnished in the bill of Lading shall hold good, though there may be several consignments under different Bills of lading in the same declaration/vessel.

1.7 The policy should be issued within 48 hrs of receiving the closing particulars etc., for both consignments upto and above the PSL.

1.8 Wherever a Surveyor is to be appointed, the same shall be done within 72 hours of receipt of information regarding claim, under intimation to the Railway unit making the claim. In case of the need for an additional survey, one more survey may be conducted, within three weeks of the submission of the initial survey report, duly ensuring that time lines as specified in clause 1.9 below are adhered to.

1.9 The Claims are to be settled within a period of 90 days from the date of lodging of claim. A claim would be considered to have been preferred on issue of the same, either by letter, Fax, email or telephonically, whichever is earlier. Telephonic references shall be confirmed by Fax and day of the conversation shall be deemed to be the date for preferment of the claim.

1.10 Once a claim has been accepted by the Insurance Company, payment has to be made via Demand Draft/Pay Order on a Schedule Commercial Bank of India and drawn in favor of Financial Advisor and Chief Accounts Officer of the beneficiary Railway. Such payment should be made within 7 days of the acceptance of the claim, pending which Railway shall be entitled to charge interest @ SBI Base Rate + 4%.

1.11 The offer should clearly specify the actions required to be taken by Railways for “Minimizing Losses” as specified in the Institute Cargo Clauses, duly ensuring that these are in consonance with the terms and conditions specified in this tender.

1.12 At the conclusion of the Agreemental period, any monies still lying at the deposit of the Insurer, towards payment of premium, should be refunded to the Railway units concerned, within 90 (ninety days) of completion of the Agreement, else Railway shall have the right to charge interest at SBI Base Rate + 10%, from the date of expiry of Agreement.

1.13 In case the offer is accepted, the successful tenderer shall be required to submit the contact details including Name, Designation, contact number of Key Personnel dealing with Railway’s Marine Insurance business as also address for correspondence, Fax no., email id for intimation of details from issue of Insurance cover and/or claims including for loss and damage.

This must also include the details of the Grievance redressal Manager of the Organization, who may be approached in case of unsatisfactory service.

The successful tenderer shall also be required to circulate the above details including the terms and conditions of the Agreement, to the different Railway units, within seven days of issue of Acceptance.

1.14 The individual Railway units shall be directed to deposit quarterly advance Premium, based on estimated imports for each quarter, as spelled out in the Tender conditions. However, in case of the funds at the credit of any particular unit being less than the premium required, the Insurer can deduct the balance from surplus funds of another Railway unit, deposited with the insurer, duly intimating both the units in this regard. Further, at the end of each quarter, the Insurer shall furnish details of advance premia deposited, deductions therefrom for issue of policies and policies issued, to the individual Railway units and Railway Board. This would also include details of shortages in funds of any unit made good by adjustments from surplus of any other unit.

1.15 Dispute Resolution: In case of any disputes relating to Insurance policies, the following dispute resolution mechanism shall be adopted:

a) The Claimant Railway shall seek to resolve the outstanding issues through its authorized representative, represented by the Dy.CMM/CMM with the named functionary of the Insurance Company, within one month of the intimation of the dispute by the Railway or the Insurance Company, as the case may be.

b) In case the above mechanism fails to resolve the issue, the matter shall be referred for joint discussion between the named Authority of the Insurance Company and EDFS and EDRS(P) of Railway Board.

Interested tenderers are required to furnish details of the nominated functionaries on their side who shall be part of the dispute resolution mechanism.

The above provisions in no way restrict Railway’s right to seek relief, through appeal to IRDA and seeking relief through judicial process, under applicable laws.

1.16 In case, the date of bid opening is subsequently declared a holiday, the bids will be opened on the next working date at the appointed time.

2 INCOMPLETE BIDS ARE LIABLE TO BE SUMMARILY REJECTED.

3 Railway reserves the right to cancel the tender at any stage without assigning any reason.

4 SUBMISSION OF OFFERS:-

4.1 The offers should be submitted in duplicate in sealed packet. All terms and conditions having bearing on price shall be clearly spelt out. The name and address of the bidder should clearly appear on the envelope.

4.2 VALIDITY OF OFFER :-The tenderer must keep their offer open for acceptance for a minimum period of 60 days from the date of opening of tender.

4.3 LAST DATE OF RECEIPT OF TENDERS:Offers should reach the Dy. Director Finance (Stores) II, Ministry of Railways (Railway Board), Room No. 449 A , Rail Bhavan, New Delhi-110001 not later than 14.30 hrs on 15.02.2011.

4.4 OPENING OF OFFERS: The offers of all the tenderers will be opened at 15.00 hrs on 15.02.2011 in the presence of the firm's representative who may like to be present at Conference Hall, Room No. 267, Rail Bhavan, New Delhi. In case 15.02.2011 happens to be a holiday, the date of submission and opening shall be extended to the next working day.

5 Acceptance of Tender :- The purchaser reserves the right to accept a tender for a part or whole of the offer, reject any tender without assigning any reason and may not accept the lowest or any tender.

6. The Contract shall be for a period of one year, commencing from 1st April, 2011, and may be extendable upto another year, on the same rates, terms and conditions.

(R.S. Khanna)
Deputy Director, Finance (Stores)III
For & on behalf of the President of India
Ministry of Railways, Railway Board,
Room No. 449A,Rail Bhavan,
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