



## Central Wool Development Board

Ministry of Textiles, Govt. of India,

C-3, Shastri Nagar, Near Shastri Circle, Jodhpur. (Raj.) 342003

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### **Invitation of Technical and Financial bids for sheep Insurance Scheme**

Central Wool Development Board, Govt. of India is implementing Sheep Insurance scheme in 12<sup>th</sup> plan period (2012-17). The basic objectives of the scheme is to provide insurance cover to sheep in the case of accident including fire, lightning, storm, tempest, flood, inundation earthquake, Famine and diseases contracted or occurring during the period of insurance policy in all over India. The scheme proposed to cover about **28.00 lacs** sheep but actual number may be higher or lower across the country during 12<sup>th</sup> plan **for a period of one year or 3-years.**

This bid will be operational for 5 years starting from f/y 2013-14. Financial assistance is extended to sheep through this scheme where **80% (a portion)** of the premium shall be borne by the Central Wool Development Board (CWDB), Ministry of Textiles & remaining amount of premium will be contributed by sheep owner itself.

With this background, Two packet system with technical and financial bids are invited from all insurance companies dealing with Animal Health insurance and registered with IRDA for implementation of Sheep Insurance Scheme for Sheep. The main features of the scheme are as follows-

#### **1. Objectives of the scheme-**

1.1 The basic objectives of the scheme is to provide insurance cover to sheep in the case of accident including fire, lightning, storm, tempest, flood, inundation, earthquake, Famine and diseases contracted or occurring during the period of insurance policy at any place of the country.

1.2 All Sheep whether male or female shall be eligible for "Sheep Insurance Scheme". The scheme is to cover Sheep between the age group of 1 year to 9 years.

1.3 The responsibility to insurance is insurance agency & insurance agency will be the implementing agency for this scheme.

#### **2. Benefits-**

Eligible benefits will be as follows-

(Amount in Rs.)

In the event of death of sheep sum insured will be payable to the owner of sheep	Rs.3000/- per sheep or sum insured will be decided by the I.A. (through vet.)
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**3. Claim procedure:**

The breeder will inform about death of sheep to I.A., if any & agency will take up the matter with insurance agency to complete the documents etc. Further detail procedure if any has to be given by insurance company

Further, the insurance company shall have to settle the claims up to the death of 5 sheep on the basis of panchnama, No postmortem, no death certificate is required.

**4. Technical bids and Eligibility (To be submitted as per proforma in Annexure-I in separate envelope)**

4.1 The insurance company must have a valid license from IRDA to deal in Animal insurance. Please attach copy along with the bid.

4.2 The insurance company should have Animal insurance business of at least Rs.100 crore per year. The company must give details of gross premium income of last three years. Please attach copy of work order along with bid. The company should have its presence either through its own offices/representatives/TPAs in major wool producing states in the country like Rajasthan, Gujarat, Himachal Pradesh, Uttar Pradesh, Uttarakhand, Haryana, Jammu & Kashmir, Maharastra, Andhra Pradesh & Karnataka etc. the insurance company must give documentary proof thereof. In case, this is not so, this should be organized within one month of the award of the work order and a documentary proof be submitted thereof immediately. The insurance company must give the details of the office network in India.

4.3 The insurance company must have tie-ups with veterinary officers in or around at major Wool producing states in the country like Rajasthan, Gujarat, Himachal Pradesh, Uttar Pradesh, Uttarakhand, Haryana, Jammu & Kashmir, Maharastra, Andhra Pradesh & Karnataka etc. for age verification & post mortem and other facilities required for settlement of claim. If current coverage is not available, then they will have to establish presence in major wool producing states within one month of the award of the work order and submit documentary proof thereof. The Insurance Company shall have to provide insurance agent at

cluster level. The Whole responsibility to implement the insurance scheme shall be with insurance agency.

## **5. Other conditions-**

5.1 After the work order is awarded to the Company, an amount equivalent to the Government's contribution of the premium amount and service tax to the extent of Rupees approved per animal of the premium of the total number of sheep to be covered will be released to the Insurance Company. Implementing agency shall send a progress report to the office of Executive Director, Central Wool Development Board, Jodhpur (Raj.) indicating the number of sheep enrolled and funds utilized for the same. On receipt of the progress report, which will be corroborated further by a certificate from insurance agency will take steps to release the next installment of the premium. Once UCs has been received for 100% then only the next year's premium will be released.

5.2 One sheep would normally receive the benefits for one year/ 3 years on payment of his/her share of the premium for each year.

5.3 Primacy should be given for renewals.

5.4 Out of total premium offered by insurance company, CWDB will bear 80% of the total premium per sheep per year and remaining premium shall be contributed by the sheep owners.

5.5 The Policy shall be valid for a period of 12 months, from the date of receipt of premium by the insurer.

5.6 The insurance company will prepare information related to the scheme/beneficiaries in vernacular languages in different states.

5.7 The responsibility to provide enrollment forms and tags to enroll the sheep shall rest with the insurance company.

5.8 The Insurance Company shall submit monthly progress report of total number of sheep enrolled. The insurance company will send the above progress report monthly to the office of the central wool Development Board indicating number of sheep insured, funds utilized and the claims settled as well as claims pending for more than 15 days with reasons thereof in the prescribed format.

5.9 Insurance company will inform regarding reason of claim rejected to I.A. within 30 days after submission of claim.

5.10 The insurance company will hold meetings with the implementing agency/nodal agency, if any, of scheme and CWDB as per requirement to review the implementation of the Sheep Insurance Scheme and take suitable steps to resolve all issues.

### **Arbitration clause**

In case of any dispute or difference shall arise, such difference shall independently of all other questions be referred to the decision of a sole arbitrator to be appointed in writing by the CWDB or if any, they can not agree upon a single arbitrator within 30 days of any party invoking arbitration, the same shall be referred to a panel of three arbitrators comprising of two arbitrators, one to be appointed by each

of the parties to resolve the disputes/differences and the third arbitrator to be appointed by such two arbitrators. For which a panel of three names is sent to other party and it can chose one. Arbitrations shall be conducted under and in accordance with the provisions of Arbitrations and conciliation Act, 1996.

**6. Financial bids (As per Annexure-II to be submitted in separate envelope)**

6.1 The insurance company should quote annual premium per sheep and premium rate for 3- years as per Annexure II.

6.2 Premium quoted should be valid for 5 years without any increase.

6.3 The insurance company should agree to roll over to the next policy period the surplus amount if the claim paid, claims in process including IBNR and TPA charges is less than 70% of the annual premium accrued then the balance amount would be refunded to the CWDB.

6.4 The responsibility for collection of Sheep owner's share of premium will lie with the insurance company/Nodal agency.

6.5 The Technical bids and financial bids in two separate sealed envelopes should be sent to the following address in the format enclosed in Annex.-I&II respectively **before 2.00 PM on or before 9.10.2013.**

The Executive Director,  
Central Wool Development Board, Ministry of Textiles,  
Govt. of India, C-3 Shastri Nagar, Jodhpur

6.6 Office of the central Wool Development Board reserves the right to accept or reject any or all bids without assigning any reason.

6.7 Technical Bids shall be opened at 4.00 PM in the office of Central Wool Development Board, Jodhpur on same day i.e.9.10.2013.

6.8 For any further clarification, the Executive Director can be contacted, on any working day.

**6.9 The death claim rate (sum insured) of the sheep will be decided by the concerning state govt. implementing agency fixed in consultation with vet. Doctor. Accordingly the 80% of total premium will be borne by the Board and remaining will be borne by the sheep owner.**

6.10 The Board will give following incentive for postmortem/health/death certificate to vet./Para vet. of implementing agency. Insurance company will certify the PM / health / death certificate received from concerning state govt. agency

S.N.	Particulars of the incentive	incentive per animal
1.	Motivational Charges/incentive to para vet (for tagging work )	5/-
2.	Health Certificate for insured animal issued by Veterinarian	5/-
3.	Post Mortem/Death Certificate issued by Veterinarian	100/-

K.K.Goyal  
(Executive Director)

**ANNEXURE-1**  
(Technical Bids)  
(Sealed in separate envelope)

**1. COMPANY PROFILE**

Name of the Insurance Company	
Registered office of the Insurance Company	
IRDA Licence Number and validity (Pl. attach a photo copy)	

**2. Financial standing of the company for the last 3 years**

(Rs. In Crores)

Year	Gross premium income	Paid up capital	Net worth	Net profit before tax

**3. Office Network in India**

(Address proof/contact details to e provided herewith)

State	No. of offices of the Insurance Co.
Rajasthan	
Gujarat	
H.P.	
U.P.	
Uttarakhand	
J&K	
Maharastra	
Karnataka	
A.P.	
Haryana	
Others	

4. Sheep Insurance experience (Pl. attach Photo copies of work orders)

Name of Insurance Scheme	year	No. of animals covered	Nature of Policy	Total Premium collected	Amount of claims incurred (Claim ratio)

- claims incurred means claims outstanding at the end of the year+ claims paid during the year claims outstanding at the beginning of the year.

**ANNEXURE-2**

(Financial Bids)

(Sealed in separate envelope)

**From**

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**To,**

**The Executive Director,**

**Central Wool Development Board,**

**C-3, Shastri Nagar, Jodhpur**

**Sir,**

Sub: appointment of General Insurance Company for providing Sheep Insurance Cover to sheep

We have read and understood all the terms and conditions of your Sheep Insurance Scheme and agree to abide the same.

We------(insurance Company) herewith give our price proposal for selection of our company for the above mentioned project for a period of 5 years.

We will be paid a rate of Rs.-----(-) per Sheep as per the details worked out below.

Premium	Rs.-----
Service Tax	Rs.-----
Total	Rs.-----

We will ensure 80% renewals in the year 2014-15 & 2015-16 and so on.

Yours faithfully,

Date-----  
Place

Signature  
Full Name  
Designation  
Address-  
(Name of the company)