



Government of Jammu and Kashmir
Mission Directorate, Pradhan Mantri Fasal Bima Yojna (PMFBY)
Lalmandi Srinagar-190001

1. Agricultural Insurance Company of India Limited
2. IFFCO-Tokio, General Insurance Company Limited
3. Bajaj Allianz, General Insurance Company Limited.
4. ICICI-Lombard General Insurance Company Limited
5. HDFC-ERGO General Insurance Company Limited
6. Future Generali India, General Insurance Company Limited
7. SBI General Insurance Company Limited
8. Tata AIG General Insurance Company Limited
9. Reliance General Insurance Company Limited
10. Cholamandalam MS General Insurance Company Limited
11. Universal Sompo General Insurance Company Limited
12. Shriram General Insurance Company Limited
13. United India Insurance Company Limited
14. National Insurance Company Limited
15. Oriental Insurance Company Limited
16. New India Assurance Company Limited
17. Bharti AXA Insurance Company Ltd.
18. Royal Sundaram General Insurance Company

No: JDAE/PMFBY/2016-17/ 5465-5505

Dated: 27.03.2017

Sub: Implementation of Pradhan Mantri Fasal Bima Yojna (PMFBY) in Kashmir Division of J&K State initially for a period of One Year w.e.f. Kharif 2017 and Rabi 2017-18- invitation of Bids-regarding.

Sir,

Bids are invited from the empanelled Insurance Agencies (IAs) so as to reach this office by or before 10-04-2017 by 2:00 p.m. The Scheme is to be implemented initially for a period of One Year (Kharif 2017, Rabi 2017-18) in 10 districts covering 139 blocks of Kashmir Division covering 05 crops viz. Paddy, Maize, Oil-Seed, Saffron and Apple. The terms and conditions are detailed in the enclosed Bid document.

The IAs can approach the designated/concerned officers for technical clarification/data requirement, if any. The information is also available on our websites www.diragriju.nic.in & www.diragrikmr.nic.in. No separate Bid notice will be sent to the bidders. They are requested to adhere to the timeline as provided in the Bid document. The division wise/crop wise area in Kashmir Division for implementation of PMFBY in J&K State has been notified vide Govt. Order No. of J&K Order No. 265- Agri of 2016, dated 16-11-2016. The details of which is as under;

Particular	Crop	Area (ha)
Kashmir division	Paddy	35335
	Maize	20185
	Oilseed	20278
	Saffron	916
	Apple	35625
Total		112339

The Bid document details about the scope of work, terms & conditions to be followed. In this connection, all the service providers are being informed through the medium of this communiqué regarding participation in the process by submitting closed bids in accordance with the terms and conditions mentioned in the Bid document. The IAs shall submit their bids preferably by registered or speed post for speedy/timely evaluation of Bids/Offer by Bid evaluation committee as approved by SLCCCI.

A generous response thereof is solicited in the interest of farmer welfare.

Yours faithfully,
Sd/-
(Altaf Aijaz Andrabi)
Mission Director PMFBY
Jammu & Kashmir.

Copy of the above:

1. Chief General Manager, NABARD for information;
- 2-3. Director Agriculture, Jammu/Kashmir, for information;
- 4-5. Director Horticulture, Jammu/Kashmir, for information;
6. Convenor, J&K Bank, Corporate Headquarter, Srinagar;
.....they will nominate their members for Bid opening and evaluation committee as approved by the SLCCCI and be directed to attend the meeting as per the timeline given in the Bid document.
7. Pvt. Secy. to Financial Commissioner, APD, for information of the Financial Commissioner, Jammu.
8. Pr. Private Secretary to Joint Secretary (Credits), Ministry of Agriculture and Cooperation, Government of India, Krishi Bhawan, New Delhi.
9. Accounts Officer, Directorate of Agriculture, Jammu/Kashmir for information.
10. Information Officer, Directorate of Agriculture, Kashmir, with the request that he would publish the bid document in Leading Local and National Dailies
11. In-Charge Website, Directorate of Agriculture, Kashmir, with the request that he would upload the bid document on the official website



Bid Document

Invitation of bids for selection of Insurance Companies as Implementing Agencies (IA) for Pradhan Mantri Fasal Bima Yojna (PMFBY) in respect of Kashmir Division of J & K State, initially for a period of One Year, i. e. Kharif 2017 and Rabi 2017-18.

1. Offers are invited from all Insurance Companies designated/empanelled by DAC&FW, Government of India for submission of their financial bid (**Annexure-I**) for carrying out implementation of “Pradhan Mantri Fasal Bima Yojna (PMFBY)” in respect of Kashmir Division of J & K state initially for the period of One Year i. e. Kharif 2017 & Rabi 2017-18.
2. The Operational Guidelines (OGs) issued by Government of India would be the guiding parameter for implementation of this Scheme and shall prevail in case of any conflict between the clauses in bid document and the OGs.
3. During the year as notified above, the PMFBY will be implemented in 10 Districts of Kashmir Division of J & K State (except Leh & Kargil) covering notified cereals, oil seeds and annual commercial/annual horticulture crops viz., Paddy, Maize, Oilseeds (Mustard), Saffron (Annual) and Apple (Annual). The number of the crops to be brought under PMFBY shall be increased under a notification to be issued by the J&K Government in the coming years.
4. District-wise, crop-wise sum insured (SI)/Scale of Finance (SOF) and indemnity levels are available in **Annexure-II** to this bid document.
5. Coverage and Exclusions

❖ Coverage of Risks

Following stages of the crop and risks leading to crop loss are covered under the Scheme.

- I. **Prevented Sowing/ Planting Risk** -Risk Insurance is provided when insured area is prevented from sowing/planting due to deficit rainfall or adverse seasonal conditions.
- II. **Standing Crop/(Sowing to Harvesting)** - Comprehensive risk insurance is provided to cover yield losses due to non-preventable risks viz., drought, dry spells, flood, inundation, pests and diseases, landslides, natural fire

and Lightning, storm, hailstorm, cyclone, typhoon, tempest, hurricane and tornado.

- III. **Post-Harvest Losses** - Coverage is available only up to a maximum period of two weeks from the harvesting for those crops which are allowed to dry in cut and spread condition in the field after harvesting against specific perils of **hailstorms, cyclone, cyclonic rains and unseasonal rains**. (*Last date by which harvesting should have been done is mentioned in seasonality discipline*).
- IV. **Localized Calamities** - Loss/damage resulting from occurrence of identified localized risks of **hailstorm, cloudburst, landslide and inundation affecting isolated farms in the notified area**.

6. **Coverage of farmers:**

- I. Compulsory component: All farmers availing Seasonal Agricultural Operation (SAO) loans from financial institutions (i.e. loanee farmers) for the notified crop/s are to be covered compulsorily.
- II. Voluntary component: The scheme is optional for non-loanee farmers. All farmers who have not availed any crop loan and are willing to get covered under PMFBY can purchase insurance through **Banks/Insurance Companies/their designated agents**.

7. **General exclusions:**

Losses arising out of war and nuclear risks, malicious damage and other preventable risks are not covered (refer para IV.2 of OGs of PMFBY).

8. **Selection of Insurance Company as Implementing Agency (IA):**

The final selection of IA from the bidders shall be done based on the lowest weighted premium quoted by the Company for all notified crops within the Cluster (District) (refer Para XXIII.9 of OGs of PMFBY). In case any Company does not quote for one or more notified crops in the Cluster (District), the bid will be rejected for that Cluster (District). Selection of Implementing Agency will be made by adopting the Cluster-wise (district-wise) approach over the cluster approach as envisaged in OGs.

The Insurance Company quoting lowest weighted premium rate in the Cluster (District) would be declared as L-1 (refer Para XXIII.9 of OGs of PMFBY for evaluation process) and will implement PMFBY for both loanee and non-loanee farmers. **If any Company declines after being declared L1, the Company shall be barred for the coming season and L2 may be given the contract for the District for implementing the crop**

insurance scheme as L1 District-crop combination rates and so on to L3, L4 bidder as per the consent of insurance company.

9. **Premium rate and subsidy:**

All farmers (loanee or non-loanee) enrolled under PMFBY will have to pay maximum premium 2% of the sum insured for Kharif crops, 1.5% for Rabi Crops or actuarial premium rate, whichever is lower, for food crops (all Cereals & Pulses), oil seeds and maximum 5% of sum insured or actuarial premium rate, whichever is lower, for annual commercial/annual horticulture crops. The difference between the actuarial premium rate and farmer share would be equally borne by the State Government and Central Government in the ratio of 50:50.

Based on the fair estimates of coverage, State Government will ensure to make an advance payment of 50% of subsidy liability to insurance companies and will settle the balance subsidy payment on submission of final figures by insurance companies.

10. **Claim liability:**

Insurers shall be responsible to settle all the admissible claims which would arise due to the conditions/eventualities as detailed in Para XI.10, XII to XVI of operational guidelines of PMFBY. Insurers shall be responsible for payment of claims up to the ceiling as stated in Para VIII.4 of Operational guidelines of PMFBY.

11. **Bank Services Charges:**

Bank and other financial institutions etc. shall be paid service charges @ 4% of the premium collected from farmers. Rural agents engaged in providing insurance related services to farmers may be paid appropriate commission as decided by the insurance company, subject to cap prescribed under IRDAI regulations. Banks may submit their Invoice in the format prescribed as **Annexure-III**.

12. **Notification of Crops and Area:**

The scheme will operate on the principle of "Area Approach" in the defined areas called Insurance Unit (IU). The scheme in the state will operate on block level covering village/villages, Panchayat/Panchayats of a particular block for notified crops. (List of notified crops along with notified village/villages, Panchayat/Panchayats is attached at **Annexure-IV**).

13. Notified Automatic Weather Stations (AWS):

For the purpose of on account payment of claims and claims for prevented sowing/planting risk, Indian Meteorological Department has been notified/approved as weather data provider/expert agency whose report/methodology would be used in assessing the extent of losses and computation of payment and the notified AWS and automatic rain gauge (ARG) fulfils/meet the standards/ norms/ criteria as envisaged in Report of the Committee which has been circulated by DAC & FW in 2015.

14. Notification of Calamity year(s) for the Calculation of Threshold Yield (TY):

According to provisions contained in OGs, maximum two calamity years (if any) are excluded to arrive at the Threshold Yield (TY). The Actual Yield at Reference Unit Area (RUA) which would be determinate to CD Block level (or in absence, for the next higher level) for 10 previous seasons may be collected from the Department on or before the date reflected in the timeline. The yield data of the Department will be final for the purpose of calculating claims. The threshold yield based on which claims are to be calculated is provided in Annexure-V.

15. Crop Cut Experiments for Apple and Saffron:

Crop Cut Experiments as approved by SKUAST-K for evaluating yield of Saffron crop viz. stigma & pistils per unit area has made it mandatory to have 50 plants/ m² at initial stage of corm sowing. The said plant stand is being maintained only in those saffron field which have been rejuvenated under National Mission on Saffron, therefore, production/productivity for rejuvenated saffron areas has been maintained separately by concerned Chief Agriculture Officers but plant population of 50 Plants/m² is not being maintained under traditional saffron cultivation methods, therefore, SKUAST-K being Advisors to State Government for all Agriculture Policies and Plans has desired that areas rejuvenated under National Mission on Saffron needs to be brought under Pradhan Mantri Fasal Bima Yojna which has been accepted in totality, therefore, production/productivity figures maintained by Chief Agriculture Officers at various blocks have been annexed and is also uploaded on the official website of Director Agriculture Kashmir (www.diragrikmr.nic.in) and (www.jkapd.nic.in) as part of **annexure V** (for Saffron Crops) to this Bid document.

Scientific methods firmed up for Crop Cut Experiments by SKUAST-K in respect of Saffron and Apple will form part of to this Bid Document. (Annexure VIII).

16. Seasonality Discipline:

The below-given Seasonality/cut-off dates have been decided in consultation with all the designated/empanelled Insurance Companies/stakeholders:-

S.No.	Activity	Kharif	Rabi
1.	Issuance of Administrative Instructions by Government of India	February	August
2.	Conduct of SLCCCI meeting to decide for notification of Crops and Notified areas, limits of Sum Insured, and adoption of level of Indemnity etc.	April	September
3.	Issuance of Notification by SLCCCI of State/UT	April	September
4	Entry of requisite information on Crop Insurance portal	Within a week of issuance of notification.	
5	Loaning Period (loan sanctioned) for Loanee farmers covered on Compulsory basis.	April to July	October to December
6	Cut-off date for receipt of Proposals of farmers /debit of premium from farmers account (loanee & non-loanee).	31 st July	31 st December
7	Cut-off date for receipt of consolidated Declarations/proposal of Loanee farmers covered on compulsory basis and non-loanee farmers covered on Voluntary basis From Bank branches (CBs/ RRBs) to respective insurance companies and DCCBs for PACS	Within 15 days for loanee farmers and 7 days for non loanee farmers after cut-off date.	
8	Cut-off date for receipt of Declarations of farmers covered on Voluntary basis from designated Insurance Agent(s) to Insurance Companies	Within 7 days of receipt of declaration/premium.	
9	Cut-off date for receipt of Proposal of Loanee farmers covered on compulsory basis and non-loanee farmers covered on Voluntary basis from respective DCCBs/ Nodal Banks (for cooperatives)	Within 7 days of receipt of Declarations by the respective Nodal bank offices	
10	Uploading of soft copy of the details of individual insured farmers by Commercial banks /RRBs / PACS / Intermediaries	Within 15 days after cut-off date for collection of premium from farmers	
11	Cut-off date for receipt of yield data	Within a month from final harvest.	
12	Processing, Approval and Payment of Final Claims based on yield data	Three weeks from receipt of yield data	

***Any Notification issued by the GOI with regard to the above mentioned Seasonality Discipline shall be a binding on the Empanelled Insurance Companies/Service Providers to be compliant.**

17. Roles of Insurance Companies

- Ensuring payment of bank service charges to banks @4% of the premium collected from banks.
- Providing monthly progress returns/ statistics/ information to State and Central Government.
- Endeavouring for 100% coverage of the loanee farmers through Banks/Financial Institution, etc.
- Facilitate the bank branches/ intermediaries/ agents to upload the details of insured farmers and beneficiaries with all requisite details on Crop Insurance portal well in time.
- Redressal of all public grievances within the time fixed by IRDAI. Provide toll free number where farmers can approach for redressals of grievance, intimate claims in case of localized calamity, seek information on coverage, etc.
- The coverage of loanee farmers should be carried out by Insurance Companies themselves. Use of agents / brokers is not allowed.
- Claim processing and payment to Banks/farmers shall be within the prescribed timelines.
- Insurance company will ensure the marketing and publicity of the Scheme and submit a report with photographs to State and Central Government.
- Distribution of Declaration form/proposal form to bank/financial institution branch/s.
- Submission of reports to State and Central Government.
- Awareness and publicity - extensive efforts to generate publicity and create awareness of PMFBY at grass-root levels / locations including bank branches. Also coordinate with the States and other agencies for awareness and publicity of the scheme.
- Other role & responsibilities as detailed in Para XXIV.3 and XXV of OGs of PMFBY.

18. Roles and Responsibility of State Government

- Within two months after sowing, State government will furnish the unit-wise notified cropped area sown to respective IAs.
- State Government will submit CCE's results of all notified crops for notified area in standard format within stipulated date to respective IA.

- Take suitable action for adoption of new technology for early loss assessment and better administration of scheme. Implementing CCE using handheld devices, recording coordinates, photographs, etc.
- Issuance of necessary instructions to Regional Meteorological Centres of IMD/SAUs and other government/ quasi government agencies for supplying weather data on real-time basis to insurance company.
- Submission of yield data for all notified crops and insurance units to Insurance Companies in standard format within stipulated date (**Annexure-V**)
- To furnish to the Insurance Companies the insurance unit wise area sown of insured crops within two months from the sowing period.
- Assist Insurance Companies for assessment of crop loss of individual insured farmers caused by localized perils and also assist in post-harvest losses.
- To undertake requisite number of CCE in the notified area following single series, and Department of Agriculture will provide the yield data duly authenticated by the concerned Chief Agriculture Officer of the District for a particular Reference Unit Area viz., CD Block to the Insurance Company within the prescribed cut-off date, alongwith results of individual CCEs.
- Allow Insurance Companies to co-observe and witness CCEs, and permit them to access various records including Form-2 / Table-B at grass root / district / state level used for recording data of CCEs by States. State shall strengthen audit process of conducting CCE with necessary checks and balances. Audio/Video recording of CCEs shall be under taken besides other process as to ensure accuracy of CCE.
- IA should settle the claims (if any) within 3 weeks after receipt of yield data from State government.
- Any disputes related to PMFBY should be addressed by Financial Commissioner, Agriculture Production Department, J&K State whose decision on those disputes would be final and shall be binding upon all the stake holders.
- Other role and responsibilities as detailed in Para XXIV.2 of OGs of PMFBY.

19. Dispute Redressal:

The Bidding Process, the Tender Documents and the Bids shall be governed by and construed in accordance with the laws of India/ State of J&K and the competent courts of Jammu and Kashmir shall have exclusive jurisdiction over all disputes arising under, and pursuant to and/or in connection with the Bidding Process. Any dispute relating to bid document and bidding process will be resolved by the SLTC on crop insurance.

Any dispute related to claims of PMFBY will be addressed by District Level Monitoring Committee of the concerned district, however if the disputes are not addressed by the District Level Monitoring Committee then the issues would be addressed by Financial Commissioner, APD

whose decision shall be final and shall be binding upon the parties.

20. Conditions:

- i. The selected IA should have a **DIVISIONAL** level office.
- ii. The Selected Implementing Agencies (IA) should have /will open an office at each District headquarter with regular land line phone apart from mobile phone. One staff capable to handle the calls should be available in the office. The company is to submit details of the office, officer In-charge, phone no. etc. before getting the work order.
- iii. All other conditions mentioned in the Operational Guidelines issued by the Department of Agriculture, Cooperation & Farmer Welfare, Ministry of Agriculture & Farmer Welfare, Govt. of India, New Delhi are to be implemented in letter and spirit.
- iv. The competent authority reserves the right to reject any or all tenders without assigning any reasons thereof.

21. Power of exemption:

Observation of above instructions on the part of the tenderer is strictly obligatory. However, the State Level Technical Committee on crop insurance may in any exceptional cases exempt a particular tenderer from observing one or more of the instructions / of stipulations on the recommendations of the Committee.

22. Date/ Time Schedule :

S. No	Activity	Time line	Venue
i.	Availability of Tender Document	27-03-2017	Directorate of Agriculture Lalmandi Kashmir/ Talab Tiloo, Jammu.
ii.	Submission of Final Bid Document	10 th of April, 2017 up to 11:00 am	
iii.	*Technical Bid Opening (in presence of bidders)	10 th April 2017 at 11.00 a.m. by the Bid opening & evaluation committee	
v.	*Financial Bid Opening (in presence of bidders)	10 th of April 2017 at 11.30 a.m. by the Bid opening & evaluation committee	
vi.	*Finalization of Bid (in presence of bidders)	11 th of April 2017 at 11.00 a.m. by the Bid opening & evaluation committee and recommendation to State Govt. for holding of SLCCCI	
vii.	*Submission of consent for contract of work	19 th of April 2017 as approved by SLCCCI	

** Opening and Conveying of Bids would be held at Directorate of Agriculture, Talab Tiloo, Jammu.*

22. List of empanelled AICs: Enclosed as Annexure-VI

23. Government of Jammu and Kashmir has already issued the Notification for implementation of PMFBY in the state of J&K vide Government Order No. 265 Agri of 2016, Dated: 16-11-2016 and the approved terms and conditions shall be a guiding principal for the service provider for successful implementation of the Scheme. (Enclosed as Annexure VII)

For more details Insurance Companies can contact the Mission Director /Dy. Mission Director for Crop Insurance and for any clarification regarding Horticulture Crops the respective Divisional Directorates of Horticulture Jammu/Kashmir may be approached. Moreover, detail of overall district-wise long term weather data can be accessed / downloaded from our departmental website www.diragriimu.nic.in, www.diragrikmr.nic.in, www.hortikashmir.gov.in, www.hortijmu.jk.gov.in under heading "Climate of J & K" for general information of the Agriculture Insurance Companies. The Crop/ Horticulture statistics of J & K can be accessed from www.ecostatjk.nic.in. The bid document along-with enclosure as mentioned in the bid document is also available on www.diragriimu.nic.in & www.diragrikmr.nic.in and website of Agriculture Production Department, J&K Government for the convenience/information of all the stakeholders.

Sd/-

(Altaf Aijaz Andrabi)
(Mission Director, PMFBY)
J&K.

Copy of the above:

1. Chief General Manager, NABARD, with the request to nominate a member for Bid opening and evaluation committee with the direction to attend the meetings on 10th and 11th of April, 2017 as per the schedule given under Para. 23 of the Bid Document;
- 2-3. Director Agriculture, Jammu/Kashmir, with the request to nominate a member for Bid opening and evaluation committee and with the direction to attend the meetings on 10th and 11th of April, 2017 as per the schedule given under Para. 23 of the Bid Document;
- 4-5. Director Horticulture, Jammu/Kashmir, with the request to nominate a member for Bid opening and evaluation committee with the direction to attend the meetings on 10th and 11th of April, 2017 as per the schedule given under Para. 23 of the Bid Document;
6. Convenor, J&K Bank, Corporate Headquarter, Srinagar, with the request to nominate a member for Bid opening and evaluation committee with the direction to attend the meetings on 10th and 11th of

April, 2017 as per the schedule given under Para. 23 of the Bid Document;

7. Accounts Officer, Directorate of Agriculture, Jammu, with the request to attend the meetings on 10th and 11th of April, 2017 as per the schedule given under Para. 23 of the Bid Document;
8. Pvt. Secy. to Financial Commissioner, APD, for information of the Financial Commissioner, Jammu.
9. Pr. Private Secretary to Joint Secretary (Credits), Ministry of Agriculture and Cooperation, Government of India, Krishi Bhawan, New Delhi, for information.
10. Deputy Mission Director, PMFBY, for information and immediate follow up.
11. Information Officer, Directorate of Agriculture, Kashmir, with the request that he would publish the bid document in Leading Local and National Dailies
12. In-charge Website, Directorate of Agriculture, Kashmir

Issued through Information and Publications, Directorate of Agriculture
Jammu/Kashmir.