

Ref: A/cs/Ins/60/51/2023-24

Date: 28.12.2023

### **Expression of Interest (EOI)**

Oil India Limited (OIL) is a premier Maharatna Central Public Sector Undertaking, under the Ministry of Petroleum & Natural Gas, Govt. of India. It is engaged in the business of Exploration, Production and Transportation of Crude oil, and Natural gas and Production of LPG. With a glorious legacy of hydrocarbon exploration spanning over five decades and with the core purpose of 'The fastest growing energy company with global presence providing value to stakeholders', OIL has carved a niche as a leading Indian national Oil and Gas company in the upstream sector. A fully integrated upstream company, OIL has widespread operations in India and overseas and is also engaged in generation of renewable energy. The Company has its registered office in Duliajan, Assam and its Corporate Office is located at Noida, UP.

Through this Expression of Interest, OIL invites applications from experienced and established Insurance brokers holding valid direct broking license granted by IRDAI, to manage the insurance portfolio of the Company and assist and advise in various insurance related matters at no cost to the Company.

#### **A. The Scope of work of the Insurance Broker will be as detailed below :-**

- I. Review of all existing Insurance Policies
  - i. Carrying out Risk Inspections and surveys/ studies required to understand OIL's end-to-end Insurance requirements and determination of sum assured and premium outgo.
  - ii. Critical examination of the existing policies which are due for renewal in terms of :
    - a) Risk Coverage,
    - b) Cost effectiveness,
    - c) Valuation/fixation of sum assured,
    - d) Rating,
    - e) Clauses,
    - f) Warranties,
    - g) Conditions,
    - h) Excesses,
    - i) Any Other
  - iii. Suggesting improvements with respect to Sl. No. (i) & (ii) and executing the same during renewal of Insurance policies.
  - iv. Preparing risk notes and framing all documents for tenders including insurance tender documents, and finalizing the terms and conditions thereof including but not limited to :
    - a) Coverage, including add-on coverage
    - b) Excess (Monetary/Time)
    - c) Period of indemnity





- d) Policy wordings,
- e) Policy clauses and warranties.

This should be in line with laid down procedures of the Company including applicable CVO/CVC guidelines.

- v. Inviting bids from reputed insurance companies licensed to operate in India and in overseas countries, where OIL has operations, and evaluation of qualified bidders.
- vi. Negotiating and finalizing the Terms and Conditions of insurance optimizing cost, cover, terms and quality/ quantum of service in accordance with laid down procedure of OIL.
- vii. Scrutinizing the wording of the final policy document to protect OIL's interests with regard to settlement of claims.
- viii. Assisting OIL in placement of Insurance Policies with optimized premium and required cover
- ix. Preparing comparative financial statements of bids-both Technical and Commercial.

## II. Resolution and Management of Claims

- i. Coordinating and ensuring prompt realization of past claims.
- ii. Assisting in speedy realization of premium refunds.
- iii. Coordinating with Insurance Companies, surveyors etc. for settlement of claims in a time bound manner.
- iv. Coordinating with insurers for immediate intimation and survey.
- v. Documentation of claims. The broker has to arrange all documentation from OIL's Offices for lodging claims.
- vi. Resolving various queries of insurers/surveyors during claim processing
- vii. Guidance in relation to interpretation of policy wordings/conditions, warranties, deductibles etc. during claims processing.
- viii. To arrange for submission of monthly report on claims settlement position and pending issues.

## III. Miscellaneous Services

- i. Assisting OIL in any new Insurance Policy which may arise out of operational needs.
- ii. Technical assistance in any Project Insurance Policies, including but not limited to Crude Oil and Natural Gas Insurance Policies as and when required.
- iii. Keeping OIL informed of the latest IRDAI regulations and guidelines.
- iv. Informing and advising OIL, from time to time, on developments in the insurance industry having impact on the Company.
- v. Providing any other Consultative/Advisory services related to the Insurance Portfolio of OIL both in India and overseas.
- vi. Assisting OIL in any other matter related to Insurance and Risk management, irrespective of the location of the Insurable assets, including insurance matters related to OIL's employees.
- vii. Brokers must submit an undertaking in official letterhead certified by Principal Officer to visit OIL's field headquarters whenever required from the date of issue of LOA.

## B. Eligibility Criteria

Sr. No.	Parameter	Document(s) / Other Requirement(s)
(i)	Must be an IRDAI accredited insurance broker with minimum experience of operating as direct licensed insurance broker for 3 (Three)	Self-certified copies of valid IRDAI Licenses covering the 3 years period

	consecutive years up to 31.03.2023. Brokers having experience of less than 3 years will not be eligible. Brokers must hold a valid IRDAI licence at the time of submission of bid/EOI.	From 01.04.2020 to 31.03.2023 and current licence period.
(ii)	Must have an annual turnover of Rs. 10 Crore (only from insurance broking activities) in any of the last three financial years i.e. 2020-21, 2021-22 & 2022-23.	Copy of audited financial statements for FY 2020-21, 2021-22 & 2022-23 supported by turnover certificate from insurance broking activities duly certified by a Chartered Accountant.
(iii)	Have handled the insurance portfolio of minimum 2 (Two) Central/State PSUs during the last 3 (Three) completed financial years i.e. 2020-21, 2021-22, 2022-23 as direct broker.	Engagement / Mandate letter issued by the Central/State PSU clients on their official letter heads.
(iv)	Have handled at least an average of Rs. 150 Crore of premium in the last 3 (Three) financial years i.e. 2020-21, 2021-22, 2022-23 from General Insurance Business as broker.	<b><u>Any of the following documents:</u></b> (i) Certification from the client. (ii) Certification from insurance company. (iii) Certification from CEO/Principal Officer and Statutory Auditor of the Insurance Broker
(v)	Experience of handling premium of Rs.10 crore from one client in any of the previous 3 (three) years to be reckoned from the original bid closing date.	Same documents as required in Point no B (iv) above.
(vi)	Net worth of the bidder must be positive as at the end of the FY ending immediately preceding the original bid closing date.	Same documents as required in Point no B (ii) above.

### C. **SELECTION OF BROKERS:**

OIL intends to appoint two (02) numbers of IRDAI approved brokers for the insurance jobs as mentioned at sl. no. A above based on the ranking as per the bid evaluation criteria, i.e., **H1** [with highest marking as per bid evaluation criteria] & **H2** [with second highest marking as per bid evaluation criteria].

#### NOTE:

- i. The bidders must score minimum 50 marks out of total 100 marks in order to qualify for selection. In case, only one bidder scores 50 or more marks, then only one bidder shall be appointed.

#### ii. **Distribution of works for Award:**

Policies will be distributed in the ratio of 80:20 among H1 and H2 bidder. In case of one bidder satisfying the qualification score, policy distribution will be 100% to the selected bidder.



#### D. Bid Evaluation Criteria

Sr. No.	Parameter	Document(s) / Other Requirement(s)	Weightage	Score
I.	<b><u>Location</u></b>			
(i)	<p>Functional office in the vicinity of OIL's field headquarters in any of the locations mentioned below :</p> <p>Duliajan Dibrugarh Tinsukia Digboi</p> <p>a) The Office(s) should be manned by staff having requisite qualifications of Insurance Broking as approved by IRDAI and capable of providing necessary services to OIL.</p> <p>b) Broker should have employees having qualification as per Regulation 9(F)(iii) of IRDA (Insurance Broker) Regulations, 2002</p>	<p>Self-attested details of each branch office with the following information as per Annexure I:</p> <ol style="list-style-type: none"> <li>1. Address of Branch</li> <li>2. Name of Head of the Branch with designation</li> <li>3. Landline and cellular Phone Nos. of the Branch Head and other contact personnel with official e-mail id.</li> <li>4. Name and designation of the employee who shall directly involve in providing services to OIL with following details:  Year of passing / clearing Insurance Broking Qualifications as approved by IRDAI and also provide copy of certificate.</li> </ol> <p><b>Note: If all the required information is not given, no points will be awarded.</b></p>	<p>For office – 5 Points</p> <p>For qualified employee – 5 points</p>	10 Points
II.	<b><u>Experience</u></b>			
(i)	<p>The bidder should be holding a direct broking license granted by IRDAI for a minimum period of 3 (Three) consecutive financial years up to <u>31.03.2023</u></p>	(a) Proof of accreditation with IRDAI. Each financial year to be considered as experience must generate a minimum turnover of Rs.10 crores per applicable financial year.	8	3 Points
	3 Years to Less than 5 Years			

		(b) Copies of audited Financial Statements for the applicable years as Proof		
	5 Years to Less than 10 Years			6 Points
	10 Years & Above			8 Points
(ii)	<p><u>Number of clients handled in crude oil and gas production, petroleum refining, pipeline transportation, petro- chemicals, mining companies in India during the last 3 (three) years up to 31.03.2023</u></p> <p>1 to 3</p> <p>Above 3</p> <p><b>Note: The broker should be directly appointed by the client.</b></p>	Direct Engagement / Mandate letter issued by the clients in their official letter heads.	5 Points	<p>1 Point</p> <p>Above 3 clients, one point for each client up to 4 Points</p> <p>Additional 1 Point for client handled in crude oil and natural gas (E&amp;P) business.</p>
(iii)	<p><u>Number of PSU clients handled as at Bid Submission date</u></p> <p>2 clients</p> <p>Up to 3 clients</p> <p>Up to 5 clients</p> <p>Above 5 clients</p> <p><b>Note: The broker should be directly appointed by the client.</b></p>	Direct Engagement / Mandate letter issued by the clients in their official letter heads.	4 Points	<p>1 Point</p> <p>2 points</p> <p>3 Points</p> <p>4 Points</p>
(iv)	<p><u>Premium handled in FY 2022-23 sourced from General Insurance Business only (excluding GPA) from a single client</u></p> <p>Less than Rs. 20 Cr.</p> <p>Rs.20 Cr. to Less than Rs. 25 Cr.</p> <p>Rs. 25 Cr. to Less than Rs. 30 Cr.</p> <p>Rs. 30 Cr. and above</p> <p><b>Note: The broker should be directly appointed by the client</b></p>	<p><b>Any of the following documents:</b></p> <p>(i) Certification from the client.</p> <p>(ii) Certification from insurance company.</p> <p>(iii) Certification from CEO/Principal Officer and Statutory Auditor of the Insurance Broker.</p> <p>(iv) Policy Copy with broker's name endorsed.</p>	10 Points	<p>1 Point</p> <p>4 Points</p> <p>7 Points</p> <p>10 Points</p>



(v)	<u>Total Premium handled in FY 2022-23 sourced from General Insurance Business only (excluding GPA)</u>	<b>Any of the following documents:</b> (i) Certification from the client. (ii) Certification from insurance company. (iii) Certification from CEO/Principal Officer and Statutory Auditor of the Insurance Broker	10	
	Below Rs. 200 Cr			1 Point
	Rs. 200 Cr to Less than Rs. 250 Cr			4 Points
	Rs. 250 Cr to Less than Rs. 300 Cr			7 Points
	Rs. 300 Cr and above			10 Points
	<b>Note: The broker should be directly appointed by the client</b>			
(vi)	<u>Experience in lodging and settling a minimum of 5 (Five) claims (other than GPA claims) each worth at least Rs. 2 crore or more in last 3 (Three) completed Financial Years till 31.03.2023</u>	a) <b>Any of the following documents:</b> (i) Documentary evidence from the client (ii) Copies of Discharge Voucher duly attested/ certified by CEO / Principal Officer/ Authorised Signatory of the client	10	
	Minimum 5 claims			1 Point
	6 to 7 claims			3 Points
	More than 7 claims			1 Point for each claim above 7, maximum up to 10 Points
	<b>Note: The broker should be directly appointed by the client.</b>			
<b>III.</b>	<b>Capability</b>			
(i)	<u>Total number of full-time employees based in India as on the bid submission date</u>	Documentary evidence duly attested by CEO/ authorized signatory / principal officer of the Insurance broker.	5	
	Less than 50			1 Point
	50-99			2 Points
	100-149			3 Points
	150 & above			5 Points

(ii)	<u>Total number of IRDAI Broker License certified employees directly involved in providing brokerage services to clients as at Bid Submission date.</u>	Documentary evidence duly attested by CEO/ authorized signatory / principal officer of the Insurance broker.	5	
	Less than 10			1 Point
	10-19			2 Points
	20-29			3 Points
	30 & above			5 Points
	<b>Note: Broker Qualification as per Regulation 9(F)(iii) of IRDA (Insurance Broker) Regulations, 2002</b>			
(iii)	<u>Experienced in-house team handling Oil &amp; Gas E &amp; P Business in India comprising of Minimum 5 (Five) Members</u>	(i) Curriculum vitae of the team leader and other core Team members showing Names, Qualification and Experience, duly attested by CEO/ Authorized Signatory / Principal Officer of the Insurance broker.	5	
	Team Leader Experience			
	Less than 5 years			1 Point
	5 years to less than 10 years			3 Points
	10 years and above			5 Points
(iv)	<u>In-house Risk Engineering Team of the broker with experience of surveys in Oil &amp; Gas E&amp;P industry.</u>	(i) Curriculum vitae of the team leader and other core Team members showing Names, Qualification and Experience, duly attested by CEO/ Authorized Signatory / Principal Officer of the Insurance broker.	5	
	Team Leader Experience			
	Less than 5 years			1 Point
	5 years to less than 10 years			3 Points
	10 years and above			5 Points
(v)	<u>No penalties levied by IRDAI and no mid term termination by any PSU/CPSU during the last 3 (Three) consecutive Financial Years up to 31.03.2023</u>	Undertaking duly signed by the CEO/ Authorised Signatory/Principal Officer of the Insurance broker.	5	5 Points
	Note: Termination here signifies on account of fraud, malpractice or inefficiency on the part of the broker.			
IV.	<b>Financial Strength</b>			



	<u>Average Turnover (only from insurance broking activities) of the last 3 Completed Financial Years i.e. 2020-21, 2021-22 &amp; 2022-23</u>	Copies of audited balance sheet for the last 3 (Three) completed financial years supported by turnover certificate certified by a Chartered Accountant.	8 Points	
	10 Cr. to Less than 30 Cr.			2 Point
	30 Cr. to Less than 50 Cr.			4 Points
	50 Cr. to Less than 70 Cr			6 Points
	70 Cr. and above			8 Points
<b>V.</b>	Presentation by eligible bidders		10	10 Points
	<b>TOTAL</b>		<b>100</b>	

#### **Bid Rejection Criteria:**

- I. The bidders who do not meet all the eligibility criteria referred in part B shall be rejected summarily.
- II. Documentary evidence in support of the above-mentioned selection criteria is to be submitted with the bid document, duly attested as indicated in Para B & D above. Non-compliance shall make the bid liable for rejection.
- III. The Insurance Broker's brochure is to be attached with the bid documents. Non-Submission of this brochure shall be liable for rejection of the bid. In case any declaration made is found to be incorrect/false, the bids will not be considered for further evaluation, and any agreement made will be terminated forthwith without prejudice to any other legal/penal action.

#### **IV. Bid Evaluation**

1. The bids will be evaluated based on points obtained by the bidders as per the assessment criteria above. The successful bidder will be selected based on highest numbers of points obtained.
2. In the event of the bidders scoring equal marks, the resultant tie shall be broken by giving credence to the broking firms having higher turnover in the last audited financial year.

- V. OIL reserves the right to accept / reject any offer either in full or in part without assigning any reason whatsoever.

#### **VI. Remuneration of the Insurance Brokers**

Oil India Limited shall not pay any fee/expenses/remuneration/ honorarium to the broker for any activity carried out by the insurance broker in connection with any insurance work done prior to, during or after the period of engagement. Thus, **there shall be no monetary claim by the broker to OIL.**



## **VII. Duration of Consultancy**

The contract will be awarded for a period of 2 years with a provision for extension by one year solely at the discretion of OIL. Performance of the brokers will be evaluated on the basis of their ability to optimise premium outgo and improve the claim settlement ratio both in terms of numbers and period of settlement. Extension of the contract if required, shall be awarded with the same Terms & Conditions, of the initial contract, at the sole discretion of OIL. OIL reserves the right to terminate the engagement at any point of time during the contractual period if performance of the broker is found not satisfactory.

## **VIII. Bid Preparation and Submission**

The bid shall be typed in indelible ink and signed by the authorized signatory of the Bidder who shall also put initials on each page of the bid. The bidder shall provide all the information required to be provided as per Points B [Eligibility Criteria] and D [Bids Evaluation] above. If all the necessary information and valid supporting documents are not provided, the bid shall be summarily rejected.

The EOI along with supporting documents/ credentials/ certificates etc. must reach **Shri Abhijit Das, GM (F&A), Oil India Limited, P.O. Duliajan- 786 602, Assam, India** in a sealed cover on or before **13:30 hrs. on 25th January 2024**. The bids so received will be opened at **14:00 hrs.** on the same day in the presence of authorized representatives of the bidders and the Company.

The details of the OIL's contact person for this EOI is as follows:-

Ms. Ipsita Das  
Senior Accounts Officer  
Oil India Limited  
Duliajan, 786602(Assam)  
Ph. No. 0374- 2808573  
[ipsita.das@oilindia.in](mailto:ipsita.das@oilindia.in)



(Abhijit Das)  
General Manager  
Finance & Accounts Department  
OIL INDIA LIMITED



## ANNEXURE I

**FORMAT TO BE ISSUED BY THE BIDDER FOR PROVIDING DETAIL OF OFFICES IN THE VICINITY OF OIL'S FIELD HEADQUARTERS TO BE ISSUED IN THEIR LETTER HEAD**

### TO WHOM IT MAY CONCERN

This is to certify that M/s \_\_\_\_\_ (Name of Bidder) has its office at the below locations:

Sl. No.	Location	Address with Phone No.	Name of Head of the branch with Designation	Phone no. of the head with e-mail id
1				
2				
3				
4				

The details of the employees having Broker Qualification as per Regulation 9(F)(iii) of IRDA (Insurance Broker) Regulations, 2002 is as below:

Sl. No.	Name of the employee(s)	Phone no. of the employee with e-mail id	Certification Validity*
1			
2			
3			
4			

\*Note: Attach copy of certification of the above employee(s).

[Signature of the Authorized Signatory]

Name:

Designation: