



FAISALABAD DEVELOPMENT AUTHORITY, FAISALABAD

**TERMS OF REFERENCE
FOR
GROUP INSURANCE OF REGULAR EMPLOYEES OF U.D WING
FDA, FAISLABAD FOR THE PERIOD OF FIVE YEARS
(2024-2028)**

**Office: OPPOSITE ALLIED-II HOSPITAL
MALL ROAD, FAISALABAD
Phone: 041-9200097**

INTRODUCTION

Faisalabad Development Authority, Faisalabad invites sealed bids from financially sound firms /organizations (to be called as insurance companies hereinafter) registered with sales tax department, having National Tax Number (NTN) for provision of GROUP LIFE INSURANCE POLICY under Section 5 of the Punjab Government Employees Welfare Fund Ordinance, 1969 to its 272 regular employees. The period of insurance cover will be of five (05) years based on the annual insurance policies and annual premium. The benefit of group insurance is not admissible to a Government Servant at the time of retirement under the existing law/rules relating to Group Insurance. In case of death of a Government Servant in service or within five years of retirement his or her nominated family member/members are entitled for Group Insurance benefits. The insurance companies fulfilling criteria may participate in the bidding process.

- Dealing insured members more than 100,000 (individual & corporate clients, government organizations)
- GST and Income Tax registered company

A Firm will be selected in line with the article 45 (3) Quality and Cost Based Selection of the Punjab Procurement Rules (PPRA), 2014 and methods and procedures described thereof.

PREPARATION OF PROPOSALS

The Firms are invited to submit separate Technical Proposal and a Financial Proposal. The proposals should be in separate marked and sealed envelopes.

Faisalabad Development Authority, Faisalabad would also like to have following information with the sealed bids (Technical Proposal and Financial Proposal) on Existing and Proposed plans of benefits:

TECHNICAL PROPOSAL:

Technical proposal should contain following and any additional information

- a. A brief description of the organization (minimum 5 years of working experience)
 - The insurance company should be registered with Income and Sales Tax Departments (if required)
 - Complete organizational portfolio with offices in the province
 - Company size (complete hierarchy/organogram of the organization)
 - Company rating evidence
 - Experience with government, semi government and autonomous bodies
 - Total professional experience
 - Market share and list of present clients
 - Performance certificates from the customers
 - Proof of company as legal entity
 - Affidavit indicating that company is not blacklisted by any government, semi government or autonomous body
 - Asset base
 - Quality work and efficiency
 - List of policy exclusions
 - Time period for settlement of LIFE claims

- b. An outline of recent (minimum 05 years) experience on assignments of similar nature mentioning assignment description, client, location, duration (start and finish dates), approximate value of services in handling life insurance business.
- c. Copy of letter certifying company's rating by PACRA/JCR.VIS
- d. Company understanding of the objectives, their approach towards the assignment and a description of methodology that the company proposes to perform activities
- e. The insurance company will be bound to provide the service from the date of commencement of the contract mutually agreed between the parties.

FINANCIAL PROPOSAL:

- a. Prices quoted shall remain valid for a period of 60 months from the closing date of proposal.
- b. All prices must be quoted in Pak Rupees and should include any Taxes applicable, such as GST, Income Tax, etc. If not specifically mentioned in the Quotation, it will be presumed that the prices include all the taxes. Any subsequent change in tax regime would be adjusted accordingly
- c. FDA, Faisalabad has right to increase or decrease the number of employees depending upon new induction or deduction. Current no. of employees are listed in the table below.
- d. The financial bid should be submitted in the format given at Annex-A.

Financial proposal for Employee Group Life Insurance should be based on following information:

Class of Government Servant	Number of Government Servants	Sum Assured
BS 1-4	119	150000
BS 5-10	31	175000
BS 11-15	73	300000
BS 16	19	450000
BS 17	18	600000
BS 18	10	875000
BS 19	01	1050000
BS 20 & above	01	1250000

SUBMISSION, RECEIPT AND OPENING OF PROPOSALS

The sealed bids (marked bid title on envelope) along with CDR must be delivered to **Director (P&D), U.D Wing, FDA Main Building Opposite Allied-II Hospital, Mall Road, Faisalabad by 11:00 A.M on 30.11.2023..** The bids will be publically opened at **11:30 A.M** in the presence of the interested bidders or their authorized representatives who may wish to attend.

- An authorized representative of the Insurance Firm shall initial all pages of the original Technical and Financial Proposals before submission.
- The signed Technical and Financial Proposals shall be marked "ORIGINAL"
- Late receiving bids after due time will be rejected and returned to the bidders unopened.
- No alteration or amendment will be allowed in any case at the time of bid opening.
- The original and all copies of the Technical Proposal shall be placed in a sealed envelope clearly marked "TECHNICAL PROPOSAL". Similarly, the original Financial Proposal shall be placed in a sealed envelope

clearly marked "FINANCIAL PROPOSAL". The envelopes containing the Technical and Financial Proposals shall be placed into an outer envelope and sealed clearly mentioned "**QUOTATION FOR HIRING OF FIRM FOR GROUP INSURANCE OF EMPLOYEES OF U.D WING FDA, FAISALABAD FOR THE PERIOD 2024-2028**"

- The financial proposals of only those technically responsive bidders who obtained minimum 65% marks shall be opened.
- Prices shall be fixed for a five year term no escalation for rates shall be allowed for the five year period to the insurance provider.
- Payment of insurance premium shall be made with 15 days of the anniversary of the insurance contract, premium for first year shall be paid within 15 days from approval of the contract.
- FDA, Faisalabad will not be responsible for any cost or expenses incurred by bidders in connection with preparation or delivery of bids.
- Quotations received through any other mode / addressed to any other person will not be entertained.

EVALUATION OF PROPOSALS:

PPDCL shall evaluate the Proposals based on the below formulae:

Total Score = Technical Score (A) + Financial Score (B)

Total Score = 100

Technical Score = 80

Financial Score = 20

A) Technical Score (80) = Credit Rating Score (30) + Past Experience (50) + Time period to settle claims (20)

Credit Rating (based on PACRA's rating) Score

Description	Rating	Score
Exceptionally Strong	AAA	30.00
Strong	AA	20.00
Good	A	10.00

Past experience score

Description	Experience in years	Score
Exceptionally Strong	50 or more	50.00
Strong	25-49	25.00
Good	0-25	12.50

Time period to settle claims (20)

Score = 20 x (time period to settle claims of Firm's under evaluation – lowest quoted time period) / Lowest quoted time period)

B) Financial Score (20) = 20 – (20 x (Firm's premium under evaluation – Lowest quoted premium) / Lowest quoted premium)

The company with the lowest quote will be allotted full marks i.e. 20 against the financial quote, financial scores for other companies have been proportionately reduced with the respective increase in their insurance premiums.

Award of Contract

The Proposal will be the basis for contract negotiations and ultimately for a signed Contract with the selected Firm. Services contract will be for a period of 5 years.

The client in pursuance of PPRA Rule 56 requires the successful Firm to furnish 5% of the total contract amount as performance guarantee.

After completing negotiations the Client shall award the Contract to the selected Firm and promptly notify all Firms who have submitted proposals. The Insurance company is expected to commence the assignment from 01.01.2024.

Important Note: FDA, Faisalabad may reject all the bids/offers at any time prior to the acceptance of a bid/offer.

Annex-A
(Template of Financial Bid)

Class of employees	Number of employees	Sum Assured	Monthly Premium (Rs.)	Annual Premium (Rs.)
BS 1-4	119	150000		
BS 5-10	31	175000		
BS 11-15	73	300000		
BS 16	19	450000		
BS 17	18	600000		
BS 18	10	875000		
BS 19	01	1050000		
BS 20 & above	01	1250000		
Total No.	272	Net Premium Payable (Rs.)		

Note: Quote rates after thoroughly studying the terms of reference given in this document on the basis of the employees data.

Name & Postal Address of Firm

_____ Signature _____

_____ Name _____

Email: _____ Desg _____

Tel: _____ Cell _____

NTN _____ Stamp _____

GST No. _____ PNTN (PRA) _____

Signature and Stamp of bidder