



## **AGRICULTURE INSURANCE COMPANY OF INDIA LIMITED**

5<sup>th</sup> Floor, PLATE B&C, NBCC OFFICE BLOCK 1, EAST KIDWAI NAGAR, NEW DELHI-110023

Ph. No: 011-24600424, email: [hoinvestmentgroup@aicofindia.com](mailto:hoinvestmentgroup@aicofindia.com)

Dated: 23.04.2024

Place: New Delhi

<p><b>Tender for Selection of Investment Risk Management Systems and Process (IRMS&amp;P) Audit of Investment functions in Agriculture Insurance Company of India limited (Head Office)</b></p>
---

Agriculture Insurance Company of India Limited (AIC) has been formed at the behest of Government of India, consequent to the announcement by the then Hon'ble Union Finance Minister in his General Budget Speech FY 2002-03 that, "to subserve the needs of farmers better and to move towards a sustainable actuarial regime, it was proposed to set up a new Corporation for Agriculture Insurance".

As per IRDAI Investment Regulation 2016, dated 1<sup>st</sup> August 2016, The Investment Risk Management Systems and Process (IRMS&P) shall be reviewed once in two financial years or such shorter frequency as decided by the Board of Insurer, by a Chartered Accountant firm and file the certificate issued by such Chartered Accountant, with the Authority.

Bids are invited from reputed experienced Chartered Accountants firms to conduct Investment Risk Management Systems and Process (IRMS&P) Audit of Investment Department (Head office) of the Company to audit for FY 2022-23 & 2023-24 to be completed within a period of Three(3) weeks from the date of allotment of tender.

The scope of Audit and the Auditor's roles & responsibilities shall be as per the relevant Circulars and Regulations issued by IRDAI from time to time, and also the Technical Guide on Internal/Concurrent Audit of Investment Functions of Insurance Companies issued by ICAI (in consultation with IRDAI) for Non-Life Insurers from time to time, and further as per such additional scope of System audit as may be intimated by the Management of the Company from time to time at no extra fee. Specifically, if any new Report or change of Format is advised by the IRDAI, then the same shall be provided by the firm, during the Audit period, at no extra fee.

## ELIGIBILITY CRITERIA

S.No.	Particulars	Documents to be Submitted	Remarks
1.	The bidder should be a Chartered Accountant firm registered with the Institute of Chartered Accountants of India (ICAI).	Copy of the Certificate of Registration with ICAI.	Mandatory
2.	The bidder firm should have experience, for at least four years, in conducting reviews of Risk Management Systems and Process of either Banks or Mutual Funds or Insurance Companies or have, on behalf of IRDA conducted Investment Inspection of Insurance Companies.	Details of project executed, (during last 4 years- Financial year wise) on bidder's letter head.	Mandatory
3.	As per Technical Guide on Investment Risk Management Systems and Process (IRMS&P) Audit of Investment Functions of Insurance Companies issued by The Institute of Chartered Accountants of India (ICAI), on the date of appointment as an Auditor for certifying Investment Risk Management Systems and Processes, the Auditor must not hold more than two audits of Internal, Concurrent and Risk Management Systems Audit, all taken together. Hence, the Audit firm, can at the maximum hold not more than three Audits (i.e., Investment Risk Management Systems and Process Audit, Internal Audit, Concurrent Audit – all taken together), apart from Statutory Audits at any point of time. For this purpose, at the time of appointment, the insurer shall obtain a declaration to this effect from the firm of Chartered Accountants. The Insurer shall, file with IRDA, the confirmation obtained from the Chartered Accountant firm, within 7 days of such appointment.	Self-Declaration on Firm's letterhead.	Mandatory
4.	The firm should not have been prohibited/debarred by any regulating agency including IRDA, RBI, SEBI, ICAI etc	Self-Declaration on Firm's letterhead.	Mandatory
5.	The Auditor appointed for certifying the Investment Risk Management Systems and Process, should not have conducted the following assignments for the same Insurer proposing to be appointed as Systems Auditor, for a period of two years immediately preceding his appointment: - i. Statutory Audit ii. Any Internal Audit iii. Any Concurrent Audit	Self-Declaration on Firm's letterhead.	Mandatory

	iv. Any consulting assignment, whether or not related to audit Functions.		
--	---	--	--

#### TECHNICAL CRITERIA CUM EVALUATION

S.No.	Particulars	Documents to be Submitted	Marks
1.	The Bidder firm should have experience of conducting system audit in General Insurance Companies as below: 1 to 3 General Insurance Company 4 to 6 General Insurance Company More than 6 General Insurance Company	Name of the General Insurance companies with a brief of work on firm's letterhead.	15 20 35
2.	The firm should be adept in compliance of Indian laws. The firm should be well versed with compliance of all relevant regulations/guidelines issued by IRDAI, RBI, SEBI, CAG, and any other regulations applicable to Insurance/Reinsurance industry from time to time.	Self-Declaration on Firm's letterhead.	20
3.	The firm should be able to conduct audit in changed scenario of applicability of IFRS/IND AS, whenever implemented.	Self-Declaration on Firm's letterhead.	15
4.	The Bidder firm should have full-time professionally Qualified staff across from Accounting (CA/ICWA/equivalent), Information Technology, Forensic background as below: 1-2 Members/Qualified Staff 3-5 Members/Qualified Staff More than 6 Members/Qualified Staff	Details of partners/employees on bidder's letter head	10 15 20
5.	The Bidder, its Partners and Employees should not have been banned/declared ineligible for corrupt and fraudulent practices by the Govt. of India/State govt's/any regulatory authorities and should not have any disciplinary proceedings pending against the applicant firm, its partners, or its employees with ICAI or other regulatory authorities.	Self-declaration on bidder's letter head	10

Note 1: Bidder must fulfill all mandatory eligible criteria. After fulfilling eligibility criteria, bidder will be considered for technical evaluation. Bidder must score more than 60 to technically qualify for this proposal.

Note 2: The company has the right to modify the eligibility/technical criteria, if required.

Documents mentioned in Eligibility Criteria and Technical Criteria cum evaluation must be mandatorily submitted. Failure to submit the required documents along with tender shall render the applicant ineligible for opening of financial bid.

The applicant firm is requested to provide a brief profile on firm's letterhead as per the details mentioned below:

<b>PROFILE OF THE FIRM</b>
Year of Establishment
Office Address
No of Partners in the Firm and their Qualifications
List Of Non-Life Insurance Companies where the firm has performed System Audit in the last 10 years.

#### **BID SECURITY DECLARATION**

Bidders shall have to furnish, as part of bid, Bid Security Declaration as per Annexure1.

**A bid not accompanied by Bid Security Declaration shall be rejected being non-responsive at the bid opening stage.**

#### **PROCEDURE FOR SUBMISSION OF BIDS:**

The bids in response to this tender must be submitted online in two parts:

#### **ELIGIBILITY CUM TECHNICAL BID & FINANCIAL BID.**

The Bids will be submitted as below:

#### **Eligibility cum Technical Bid**

The Eligibility cum Technical bid shall be complete in all respects with required documents and contain all information asked for. All the firms who qualify the eligibility cum technical bid evaluation shall be eligible for opening of their financial bid. Firms submitting incomplete bids or bids submitted without requisite documents or bids submitted after the last date and time of submission of bids shall be summarily rejected and their financial bids shall not be opened. The decision of AIC in this regard shall be final and binding.

**IT SHOULD NOT CONTAIN ANY PRICE INFORMATION.** If any price information is mentioned, the Bid will be rejected.

## **Financial Bid**

The SINGLE CONSOLIDATED COMMERCIAL BID must be submitted. The Bid to be quoted by firm/s should be inclusive of all charges/statutory levies including TA/DA and excluding GST. The GST will be paid extra. The quoted amount is fixed towards execution of the work. The Commercial Bid should not contradict the eligibility Bid in any manner and shall be unconditional. If there is a discrepancy between words and figures, the amount in words shall prevail.

## **Important Dates**

<b>Tender Issue Date</b>	<b>23.04.2024</b>
<b>Last Date for Bid Submission</b>	<b>07.05.2024 @ 3:00 pm</b>
<b>Technical Bid Opening</b>	<b>07.05.2024 @ 3:30 pm</b>
<b>Financial Bid Opening</b>	<b>07.05.2024 @ 5:00 pm</b>
<b>Declaration Of Results</b>	<b>07.05.2024 @ 06:00 pm</b>

## **Place for Opening of Bids**

Office of CIO

Agriculture Insurance Company of India

Plate B&C, 5<sup>th</sup> Floor, Office Block-1,

East Kidwai Nagar, New Delhi-110023

## **Evaluation Process**

Eligibility-cum-Technical bids of the bidders shall be evaluated by the Technical Committee. First of all, technical bids will be checked with respect to their completeness. Any bid not fulfilling the eligibility criteria mentioned will be straightaway declared as technically disqualified. Financial Bid will not be opened for such Bidders. The Bidders who qualify the eligibility cum-Technical Bid evaluation criteria shall be considered for Commercial evaluation and the successful Bidder will be determined based on the Lowest Commercial Quote (L1) as per the stated Commercial Evaluation process.

Bidders are advised to examine the tender in greater detail, and to carry out, at their cost, such studies as may be required for submitting their respective BIDs for award of the contract including implementation of the contract.

Bids will be evaluated for the tender on the basis of the lowest cost by a Bidder for rendering the services as specified in this tender.

In this tender the term “Lowest Bidder” shall mean the Bidder who is quoting the lowest BID price.

Generally, the Lowest Bidder shall be the selected Bidder. In case such Lowest Bidder withdraws or could not submit originals of documents as required under this tender. AIC reserves the right to award the tender to L2 or L3 subject to them matching the price of the L1. After the declaration of L1 bidder, AIC would issue letter of acceptance to the L1 bidder to be returned by him duly signed and stamped within Seven Working days after the issuance of such Letter. The Letter of acceptance together with the terms of this tender document shall form a binding contract and no separate agreement would be required to be entered.

## **General Terms and Conditions**

### **Duration of Contract**

The firm has to complete Investment Risk Management Systems and Process (IRMS&P) Audit of Investment Department (Head office) of the Company to audit for FY 2022-23 & 2023-24 within a period of three weeks from the date of allotment of tender.

### **Payment Terms**

1. AIC will pay to the firm for the deliverables & Services, as per the terms and conditions of the tender upon receipt of invoices and completion of work to the satisfaction of AIC subject to the approval of the competent authority.
2. If an invoice is found to have been rendered incorrectly after payment, any underpayment or overpayment will be recoverable by or from the firm, as the case maybe, and, without limiting recourse to other available means including set-off against any amount subsequently due by AIC to the firm under the contract.
3. The firm will not be entitled to charge AIC for any other fees, charges, or expenses (including travel and accommodation, document reproduction, transportation and courier charges, and telecommunications charges, etc.) in addition to the Charges mentioned in the Payment Schedule.
4. No advance payment shall be made by AIC to the firm.
5. AIC reserves the right to temporarily withhold payment and impose penalty, if it is not satisfied with progress made during that period or if there is delay in activity timelines.

### **Penalty Clause**

In case the successful bidder fails to carry the work within the prescribed timeline, it would attract a penalty of Rs. 10,000.

### **Termination**

AIC shall, in addition to other remedial/coercive steps to be taken as provided in the conditions of contract or under law, be entitled to terminate the contract if the Firm:

1. Makes default in proceeding with the works with due diligence and continues to do so even after a notice in writing from AIC, then on the expiry of the period as specified in the notice.
2. Commits default/breach in complying with any of the terms and conditions of the contract and does not remedy it or fails to take effective steps for the remedy to the satisfaction of AIC.

3. Become insolvent or has initiated the process of insolvency.

AIC, at its sole discretion, may terminate the agreement with the successful bidder without assigning any reason whatsoever by giving 15 days notice.

### **Indemnification**

1. The bidder/Firm shall indemnify and keep indemnified AIC from and against any and all claims, direct losses, injuries, liabilities, reasonable costs and expenses, direct damages, actions or proceedings which may be made or taken against the AIC by any person arising out of any breach, action or inaction of the bidder under this TENDER/Contract.

2. The bidder/Firm is to also ensure the compliance of laws including labour laws as applicable and shall indemnify AIC for any liability arising out of such violation / breach of any provision of laws.

### **Confidentiality**

The bidder/successful bidder shall not disclose any information deemed to be confidential information or any confidential information acquired during the tender process or execution of contract, without written consent of AIC. The successful bidder shall enter into a Non-disclosure Agreement with AIC after the award of contract.

### **Limitation of Liability**

Unless otherwise stated, neither party shall, in any event, regardless of the form of claim, be liable for any indirect, special, punitive, exemplary, speculative or consequential damages. Subject to the above and unless otherwise stated, the maximum aggregate liability of the Firm shall, regardless of the form of claim, be the total contract value. The Parties agree that the following shall be excluded from purview of such limitations:

- Breach of Confidentiality
- Breach of Intellectual Property
- Gross Negligence
- Willful misconduct
- Indemnification

### **Applicability of laws and jurisdiction**

The TENDER and any subsequent agreement between AIC and the successful bidder shall be governed in accordance with the laws of India for the time being in force and will be subject to the exclusive jurisdiction of Courts at Delhi (with the exclusion of all other courts).

## **Dispute Resolution**

All disputes arising out of any subsequent agreement signed with the successful bidder shall be settled amicably between the parties at first. In the event the dispute is not resolved amicably, the same shall be referred for Arbitration to a sole arbitrator to be appointed mutually in accordance with the Arbitration and Conciliation Act, 1996. In case the parties fail to mutually appoint a sole arbitrator, then each party shall appoint one arbitrator and the two so appointed arbitrators shall appoint a third arbitrator who shall preside over the arbitration proceedings. The place of such Arbitration will be at New Delhi and Language will be English. Each party shall bear its own cost in this regard. For the purposes of the Contract, any disagreement relating to the interpretation and application of the terms of the Contract, tender Document and other relating documents shall not be construed as dispute and shall not be subject to Dispute Resolution Clause if such clause is clear and unambiguous in its language and the procedure followed by the Company is in accordance with the Contract, Tender Document and other relating documents and related manuals and SOPS, if any.

## **Intellectual Property**

The Intellectual Property Rights in the nature of Copyright, trademark or any other right provided during the term of the contract or at any time thereafter including either Party's brand name, logos, designs etc. vests solely and exclusively at all times into the concerned Party and the Parties agree and undertake that they shall not set an adverse claim at any time either during the term of the contract or at any time thereafter.

The Firm shall not infringe the IPR of the company or any third party. All information, documents and data coming in the possession of the Firm during the execution of the work shall at all times remain the property of the company. The Firm shall not make or allow any of his employee or agents etc. to make an unauthorized copy, use, access, or other utilization of this material commercially or otherwise, directly, or indirectly except as agreed to by the company. The Firm shall also ensure complete confidentiality of the information and data provided to it while carrying out the job.

## **Force Majeure**

1. "Force Majeure" means an event which is beyond the reasonable control of a Party, is not foreseeable, is unavoidable and not brought about by or at the instance of the Party claiming to be affected by such events and which has caused the non-performance or delay in performance, and which makes a Party's performance of its obligations hereunder impossible or so impractical as reasonably to be considered impossible in the circumstances, and includes, but is not limited to, war, riots, civil disorder, earthquake, fire, explosion, storm, flood or other extreme adverse weather conditions, strikes, lockouts or other industrial action (except where such strikes, lockouts or other industrial action are within the power of the Party invoking Force Majeure to prevent), confiscation or any other action by Government Bidders.

2. If by reason of Force Majeure, either party hereto is rendered unable wholly or in part to carry out its obligations under this Agreement then such party shall give notice and full particulars of Force Majeure in writing to the other parties within 15 days of occurrence of the and the obligation of the party giving such notice, so far as it is affected by such Force Majeure, shall be suspended during the continuance of the



inability then claimed. Such party shall endeavor to remove or overcome such inability with all reasonable dispatch.

### **Conflict of Interest**

AIC requires that the Firm provides professional, objective, and impartial advice and at all times hold AIC's interest's paramount, avoid conflict with other assignments or its own interests, and act without any consideration for future work. The Firm shall not accept or engage in any assignment that would be in conflict with its prior or current obligations to AIC, or that may place it in a position of not being able to carry out the assignment in the best interests of AIC.

### **Relationship between AIC and the Bidders**

It is clarified that no binding relationship exists between any of the bidders/successful bidder and AIC. There exists no relationship of employee or employer, agent or principle, or master or servant.

### **Terms of Tender**

1. The bidder shall accept bid in entirety and in the event any term is not accepted, or conditional bid is submitted, such bid shall be liable for rejection.
2. The responses to this TENDER must be complete and comprehensive with explicit documentary evidence in support as mentioned in this TENDER. Information should be submitted in the same format as per the Annexure(s) attached and failure to submit the bid as mentioned in this TENDER may render the bid non-compliant and may be rejected at the sole discretion of AIC.
3. The bids shall remain valid for THIRTY days after the date of opening of eligibility bids. A bid shall be deemed to be non-responsive, if submitted with a shorter validity period. The bid validity may be extended with the consent of the bidder.
4. Bids received after the date and time specified in the Activity Schedule will not be considered and will be rejected.
5. No Bidder shall contact AIC or its employees through any means of communications on any matter relating to this bid, from the time of the bid opening to the time the Contract is awarded. If the bidder wishes to bring additional information to the notice of AIC, it should do so through the designated email-id as given in the Activity Schedule or in writing till the evaluation process is over. Any effort by a Bidder to influence AIC in its decisions on bid evaluation, bid comparison or contract award may result in rejection of the bid.
6. The bidder shall be responsible for and bear all the costs incurred in connection with participation in the TENDER process, preparation, and submission of its bid, including, but not limited to, costs incurred in conduct of informative and other diligence activities, participation in meetings/ discussions/ presentations, preparation of proposal, in providing any additional information required by AIC to facilitate the evaluation process.
7. The bid prepared by the Bidder, as well as all correspondence and documents relating to the bid exchanged by the Bidder and AIC shall be in English language. As far as numbers are concerned the same should be in Hindu-Arabic Numerals.
8. Bidder shall not have a conflict of interest that may affect the evaluation process. Any bidder found to have a conflict of Interest shall be disqualified. In the event of disqualification, AIC shall forfeit and

appropriate the EMD without prejudice to any other right or remedy that may be available to AIC hereunder or otherwise.

9. Any request for the change in the terms and conditions of the TENDER document, will not be accepted.
10. During evaluation of bids, AIC may, at its discretion, ask the Bidder for clarifications on its bid. The request for clarification and the response shall be in writing.
11. No bid can be modified or withdrawn by a bidder after the submission of the bid and in case any bid is amended or withdrawn after the due date of submission, the EMD shall be forfeited. The bid and all the supporting documents submitted by the bidders shall be the property of AIC.
12. AIC may terminate the bidding process at any time without assigning any reasons whatsoever. AIC makes no commitments, express or implied, that this process will result in a business transaction with anyone.
13. This TENDER document does not constitute an offer by AIC. The bidder's response to this TENDER may or may not result into selection of bidder(s) after completion of selection process as detailed in this TENDER document.
14. AIC reserves the right to accept or reject any proposal, and to annul the bidding process and reject all proposals at any time, without thereby incurring any liability to the affected bidder or bidders or any obligation to inform the affected bidder or bidders of the grounds for its action.
15. A bidder may be disqualified and its bid may be rejected if it is found that bidder has submitted false information or has been involved in any fraud or corrupt practices during the submission of bids.

General Manager and Chief Investment Officer (CIO)

Agriculture Insurance Company of India Limited

(On bidder's letterhead)

**Annexure 1**

**Bid Security Declaration in lieu of EMD**

To,  
General Manager and Chief Investment Officer (CIO)  
Agriculture Insurance Company of India Limited,  
5th Floor, "Plate B and C" NBCC Office, Block 1, East Kidwai Nagar,  
New Delhi-110023

Date:

Dear Sir,

**Sub: BID SECURITY DECLARATION in respect of -Tender for Investment Risk  
Management Systems and Process (IRMS&P) Audit**

We hereby undertake to abide by all the tender conditions unconditionally. We further undertake as follows:

- a. We will not withdraw our bid during the period of bid validity specified in the tender.
- b. In the case we are one of the successful bidders who are being empaneled, we will not withdraw or amend the tender conditions or impair or derogate from the tender.

In the event of any breach of this undertaking, we understand and acknowledge that we shall be blacklisted for a period of 03 years from the date of breach from any existing or future assignments with AIC.

Date: \_\_\_\_\_  
Place: \_\_\_\_\_

Signature of authorized person with seal  
Name of Authorized Signatory



## Annexure 2

The applicant firm is requested to provide their Financial Bid as per the details mentioned below:

FINANCIAL BID		
PROFESSIONAL CHARGES	AMOUNT IN ₹	AMOUNT (IN WORDS)

\*Quoting the Financial Bid in decimals is not permissible.

Name, signature, and Seal of Authorized Signatory

Place:

Date:

(On bidder's letterhead)

### **Annexure 3**

#### **Intellectual Property and Confidentiality**

1. Confidential Information” shall mean any data or information shared by AIC during the tenure, in whatsoever form, whether written or oral and in whatever medium provided or created during the subsistence of engagement. The confidential information including any intellectual property, existing or created in future, shall always remain the sole and exclusive property of AIC.
2. You shall not at any time disclose Confidential information to any third party except with the prior written consent of AIC and shall not remove, modify, or destroy the confidential information/intellectual property during the course of engagement.
3. You shall indemnify and hold harmless the AIC for all costs, expenses, damages etc. as a result of unauthorized disclosure, modification or destruction of the confidential information and/or unauthorized usage of intellectual property. AIC shall be entitled to recover damages for breach of any of the provisions under this clause, determinable by AIC and/or avail any other remedies available under law against such breach.
4. You shall also always comply with all the terms of prevailing Code of Conduct and Information Management Policy during the tenure. For this purpose, you hereby confirm that you have read and understood the same and hereby accept the same.
5. You shall, on termination or early determination, immediately handover all confidential information/intellectual property together with any copies and in any event not later than 30 days after termination or early determination.
6. Notwithstanding anything contained herein, the provisions of this clause shall survive and continue even after the termination or early determination.”

Name, signature, and Seal of Authorized signatory

Place:

Date: