



पेंशन निधि विनियामक और विकास प्राधिकरण  
PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY

# REQUEST FOR PROPOSAL

**APPOINTMENT OF ACTUARIAL FIRM**

*for*

**CONDUCTING ACTUARIAL VALUATION**

(AS ON 31.03.2024)

*of*



**ATAL PENSION YOJANA**

A MINIMUM GUARANTEED PENSION SCHEME OF GOVERNMENT OF INDIA

ADMINISTERED BY PFRDA

## DISCLAIMER

1. This document is being published in order to enable the interested and eligible applicants to make an offer in the appointment process of an actuarial firm for selection for conduct of actuarial valuation as on 31.03.2024 of the Atal Pension Yojana (APY) by the Pension Fund Regulatory and Development Authority (PFRDA) on behalf of Department of Financial Services, Government of India.
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8. When any proposal is submitted pursuant to this RFP, it shall be presumed by PFRDA that the bidder has fully ascertained and ensured about its eligibility to provide services of actuarial firm on the date of submission of its proposal, under the respective governing laws and regulatory regimen, and it has obtained the necessary approvals and permission, and suffers no disability in law or otherwise to act as such.

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## 1. INVITATION FOR OFFERS

**1.1** Pension Fund Regulatory and Development Authority on behalf of Department of Financial Services, Government of India, intends to appoint an actuarial firm for actuarial valuation of Atal Pension Yojana to estimate the likely shortfall or otherwise on account of triple-benefits\* offered by scheme and suitable provisioning for gap funding thereunder by Government of India.

{\* Triple benefits are (i) minimum guaranteed pension to subscriber (ii) same amount of pension to spouse of subscribers (iii) return of pension corpus accumulated till the age of 60 years (i.e. contribution + returns generated on it) to nominee }

Please go through the notification(s) issued in relation to APY dated 16.10.2015, 19.02.2016, 22.03.2016 and 10.08.2022.

**1.2** Interested Actuarial Firms are invited to submit their proposals for the assignment, which must include the following, as detailed subsequently in this document.

- a) Technical Proposal and
- b) Financial Proposal

**1.3** It may be noted that:

(i) the costs of preparing the proposal are not reimbursable. The Bidder(s) shall bear all direct or consequential costs, losses and expenditure associated with or relating to the preparation, submission, and subsequent processing of their Bids, including but not limited to preparation, copying, postage, delivery fees, expenses associated with any submission of samples, demonstrations, or presentations which the Authority may require, or any other costs incurred in connection with or relating to their Bids. All such costs, losses and expenses shall remain with the Bidder(s), and the Authority shall not be liable in any manner whatsoever for the same or any other costs, losses and expenses incurred by a Bidder(s) for participation in the tender regardless of the conduct or outcome of the tender and

(ii) the Authority reserves the right to reject any proposal at any stage without assigning any reason.

**1.4** The Actuarial Firm is required to provide professional, objective, and impartial service without any consideration for future work, and strictly avoid conflicts with other assignments or their own corporate interests.

**1.5** The Actuarial Firm must observe the highest standards of ethics during the selection process and in execution of the work under the contract. PFRDA may reject a proposal at any stage if it is found that the Actuarial Firm or any of its member selected for award of work was not eligible or has indulged in corrupt or fraudulent activities in competing for or in getting the award, and may also declare the Actuarial Firm ineligible or blacklist the firm, as may be deemed appropriate.

**1.6** For the purpose of this RFP, the expressions PFRDA & Authority may be read, interchangeably.

## **2. ABOUT PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY (PFRDA) AND ATAL PENSION YOJANA (APY)**

### **2.1 Pension Fund Regulatory and Development Authority (PFRDA): -**

2.1.1 Pension Fund Regulatory and Development Authority (PFRDA) was initially established by the Government of India on 10<sup>th</sup> October 2003 to promote old age income security by establishing, developing and regulating pension funds, to protect the interests of subscribers to schemes of pension funds and for matters connected therewith or incidental thereto. PFRDA has now been constituted under the Pension Fund Regulatory and Development Authority Act, 2013 w.e.f. 01.02.2014.

2.1.2 The Central Government has introduced the National Pension System (NPS) with effect from 01.01.2004 to new entrants to Central Government services (excluding Armed Forces). Most of the State Governments and State autonomous bodies have also adopted NPS and NPS has also been made available to all other citizens of India on voluntary basis with effect from 01.05.2009.

2.1.3 Further, Public Sector Undertakings (PSUs) and many Corporate have joined NPS. NPS is also offered on voluntary basis to all citizens of India under the All Citizen Model.

2.1.4 The NPS is based on a unique individual Permanent Retirement Account Number (PRAN) created for individual subscribers. In this system, a subscriber periodically accretes savings into his/her Permanent Retirement Account (PRA) and uses the accumulations at the time of retirement to procure a pension. Subscribers in this system enjoy a variety of facilities and rights including portability of the NPS account across jobs and locations, choices regarding selection of Pension Fund and investment schemes, etc.

2.1.5 NPS Lite Scheme was launched in the year 2010 to cater to the needs of the weaker and economically disadvantaged sections of the society. Further, in the year 2015, Government of India has launched Atal Pension Yojana (APY).

### **2.2 Atal Pension Yojana (APY): -**

2.2.1 The Government of India has introduced a pension scheme called the Atal Pension Yojana (APY), with effect from 1<sup>st</sup> June, 2015, pursuant to the announcement in the budget for 2015-16 on creating a universal social security system for all Indians, especially the poor, the under-privileged and the workers in the unorganized sector. APY is being administered by the Pension Fund Regulatory and Development Authority (PFRDA) under the overall administrative and institutional architecture of the NPS.

2.2.2 Atal Pension Yojana (APY) is open to all citizens of India in the age group of 18-40 years having savings account in Bank or Post-Office. Provided that from 1st October, 2022, any citizen who is or has been an income-tax payer, shall not be eligible to join APY.

2.2.3 APY is a voluntary, periodic contribution-based pension system under which the subscriber would receive the following benefits:

(i) Central Government guaranteed minimum pension amount: Each subscriber under APY based on the scheme / plan chosen is entitled to receive a Central Government guaranteed minimum pension of Rs. 1000/- per month or Rs. 2000/- per month or Rs. 3000/- per month or Rs. 4000/- per month or Rs. 5000/- per month, as the case may be, after the age of 60 years until his/her death.

(ii) Central Government guaranteed minimum pension amount to the spouse: After the subscriber's demise, the spouse of the subscriber shall be entitled to receive the same pension amount as that of the subscriber until the death of the spouse.

(iii) Return of the pension wealth to the nominee of the subscriber: After the demise of both the subscriber and the spouse, the nominee of the subscriber shall be entitled to receive the pension wealth, as accumulated till the age of 60 of the deceased subscriber.

2.2.4 Under the APY, the subscribers would receive the fixed minimum pension of Rs. 1000/- per month, Rs. 2000/- per month, Rs. 3000/- per month, Rs. 4000/- per month and Rs. 5000/- per month, at the age of 60 years, depending on their contributions, which itself would be based on the age of joining the APY. A subscriber joining the scheme of Rs. 1,000/- monthly pension at the age of 18 years would be required to contribute Rs. 42/- per month. However, if he joins at age 40, he has to contribute Rs. 291/- per month. Similarly, a subscriber joining the scheme of Rs. 5,000 monthly pensions at the age of 18 years would be required to contribute Rs. 210 per month. However, if he joins at age 40, he has to contribute Rs. 1,454/- per month. The contribution chart is provided in the notification of APY dated 16.10.2015.

2.2.5 The minimum age of joining APY is 18 years and maximum age is 40 years. Therefore, the period of contribution by any subscriber under APY would be at least 20 years or more. The latest Status of APY scheme is given below:

<b>ATAL PENSION YOJANA (AS ON 31.03.2024)</b>			
<b>No. of Enrolment / Subscribers</b>	<b>Contributions (Amt. in Rs. Crs.)</b>	<b>Net Contribution excluding Exit (Amt. in Rs. Crs.)</b>	<b>Asset Under Management (Amt. in Rs. Crs.)</b>
<b>Gross: 6,43,52,154 Active: 5,55,11,722</b>	<b>31,098.02</b>	<b>27,715.82</b>	<b>36,531.26</b>

APY Notification and other scheme details are available on PFRDA website [www.pfrda.org.in](http://www.pfrda.org.in)

### 3. TERMS OF REFERENCE

- 3.1. To establish the financial performance and the status of APY scheme in a risk-return-growth analytic framework and future likely performance of the scheme.
- 3.2. To conduct actuarial valuation of APY scheme (by estimating actuarial value of APY scheme required for meeting the future liability and projected value of APY corpus) and provide an estimate regarding the likely shortfall or otherwise on account of the triple-benefit\* offered under APY scheme for existing cohort of subscribers as on 31.03.2024 by considering verifiable assumptions in respect of mortality, demographic profile, lapse rate, probability of inactive accounts becoming active in the year, rate of investment returns on the corpus, inflation, rate of discount amongst others for existing set of subscribers.
- 3.3. To estimate likely shortfall or otherwise on account of the triple-benefit offered by scheme after considering the likely number of new subscribers joining APY scheme in the next 10 years by considering both most likely and probabilistic scenarios in a simulation framework.
- 3.4. To disaggregate likely shortfall or otherwise on account of the triple-benefits\* offered under APY scheme year-wise, gender-wise, etc.
- 3.5. To estimate the liability on account of the triple-benefits under the APY scheme guaranteed by Government of India after considering the provisions of Gap funding made therefor.
- 3.6. To estimate the APY corpus position to meet guaranteed pension liability for the period 2035-36 to 2064-65 on an annual basis.
- 3.7. To derive and suggest mechanism to reduce the gap funding requirement, if estimated so in the present actuarial valuation, including suggestions on appropriate asset allocation pattern for APY scheme as well as APY Gap fund scheme. Further, to evaluate the impact of upgrade/downgrade of the pension amount on actuarial assessment in long-run.
- 3.8. To assess the long-term financial sustainability of the scheme by developing a financial model based on actuarial assumptions & analysis to determine the impact of suggested future changes envisaged to the pension scheme like re-assessment/re-fixation of contribution rates, restricting benefits of scheme to subscriber and spouse only etc., applicable to new set of subscribers.
- 3.9. To assess and suggest cost-effective feasible options to pay the minimum guaranteed pension to APY subscribers during decumulation phase.
- 3.10. To identify the reasons for possible present or future financial disequilibrium associated with payout due to the minimum guarantee offered by Govt. of India under the scheme.
- 3.11. To submit a detailed actuarial valuation report to the Authority covering the given terms of reference appropriately, within the stipulated time period and certifying the same. This report shall comply with applicable Actuarial Practice Standard issued by Institute of Actuaries of India.
- 3.12. Any other relevant aspects.



{\* Triple benefits are (i) minimum guaranteed pension to subscriber (ii) same amount of pension to spouse of subscribers (iii) return of pension corpus accumulated till the age of 60 years (i.e. contribution + returns generated on it) to nominee} as laid down in the Govt. notification(s) dated 16.10.2015, 19.02.2016, 22.03.2016 and 10.08.2022.

#### **4. QUALIFICATIONS/ DISQUALIFICATIONS**

4.1 The applicant entity / actuarial firm may be a Partnership Firm/ Limited liability partnership/company registered in India, and possessing relevant experience as sought here under.

4.2. At least one member of an Actuarial Firm / company should be a fellow member of the Institute of Actuaries of India (under the Actuaries Act, 2006) or a member of any equivalent Institute outside India and should possess an actuarial qualification that is valid and recognized by the Institute of Actuaries of India. At least one such member shall be the part of team deployed for this assignment in case selected under this core process.

4.3. At least one member of the Actuarial Firm must have a post actuarial qualification professional work experience of at least 3 years with total work experience of 7 years.

4.4. The Actuarial Firm should have carried out the actuarial valuation of at least 3 schemes offering pension and related benefits, in the immediately preceding 7 financial years.

4.5. No member of the team deployed for this assignment should have been held guilty of professional or any other misconduct under the Actuaries Act, 2006 or any rules there under or in any other such proceedings of the Institute of Actuaries of India or by any equivalent Institute outside India or by any court of law / Authority, as the case may be.

4.6. The actuarial firm or its members should not have been blacklisted /debarred/disqualified by any regulator/ statutory body or Government entity or any international/national agency for corrupt or fraudulent practices, nor should its contract or agreement with any party for providing services been terminated on account of any breaches by it during the past 5 years.

#### **5. TERMS AND CONDITION FOR CONSULTANCY FEE & REMUNERATION**

5.1 Actuarial Firm shall state the chargeable consultancy fee in INR for the valuation of APY scheme in Financial Bid. Consultancy fees so quoted should be excluding taxes.

5.2 The member(s) of valuation team are expected to visit PFRDA office at New Delhi, for the discussion on valuation of APY Scheme after the Award of Contract whenever called for.

5.3 The consultancy fees quoted should include the travel and other expenses since PFRDA would not reimburse the travel expenses for any of such meetings. However, it is proposed that whenever possible and a physical meeting is not required, the communication between PFRDA and appointed Actuarial firm shall be through post, video-conference facility and e-mail.



## 6. GENERAL CONDITIONS

- 6.1 Bid should be submitted separately for technical bid and for financial bid.
- 6.2 **Submission of Bid:** Bid should be submitted latest by **31 July 2024 (Wednesday)** (by **15:00 Hrs**) at the head office of the Authority (Refer address at 8.6.1) after publication of notice on PFRDA website i.e. [www.pfrda.org.in](http://www.pfrda.org.in)
- 6.3 The bid submitted after the stipulated deadline will not be entertained at all and shall be returned unopened without being considered for any evaluation.
- 6.4 The bid and any other relevant documents shall only be signed by a person legally authorized to do so on behalf of the applicant and bind itself.
- 6.5 The cover envelop of the RFP shall have the subject line “**Proposal for Actuarial Valuation of APY as on 31.03. 2024**”
- 6.6 **Rejection of All Proposal and Re-invitation:** Authority will have the right to reject any or all proposals and invite Re-bids at any time before award of contract without assigning the reasons thereof.
- 6.7 **Payment Terms:** The payment shall be released after completion of the job to the satisfaction of the Authority and within thirty days of the submission of the tax invoice by the actuarial firm.
- 6.8 **Professional Liability:** The appointed actuarial firm shall conduct itself and provide the requisite services contracted for with utmost diligence and professional competence, commensurate to the standards /code, as are set up and to be ascribed to by the professionals registered by Institute of Actuaries of India from time to time.
- 6.9 **Standard of Ethics:** The selected actuarial firm shall observe the highest ethical standard during execution of the contract and shall not indulge in any corrupt, fraudulent collusive or coercive practice. If such instance is found before or after award of contract, the Authority shall have the right to terminate the services of the actuarial firm, as the case may be.
- 6.10 **Conflict of Interest:** The actuarial firm and its affiliates shall not engage in consulting activities in conflict with the interest of the Authority during the engagement. The actuarial firm should provide professional objective and impartial advice and without any consideration for award of any future work.
- 6.11 **Data Security:** Actuarial Firm should take sufficient care for data security measure to ensure the protection and confidentiality of data and reports. All information/documents submitted in any form either physically or electronically by PFRDA to the selected Actuarial Firm at any point of time shall be the exclusive property of PFRDA on which the Actuarial firm shall have no right whatsoever and which shall not be used in any manner, other than for provision of services, as sought under this process.
- 6.12 **IPR Rights:** The Actuarial Firm shall undertake that data given to them by the Authority and any information generated from the data provided shall not be used by them for any other purpose. The

PFRDA will absolutely own and have exclusive rights including all intellectual property rights over all reports, data and information generated by the selected Actuarial Firm in the course of its engagement. Such firm will not claim any rights over any of the data or information generated by it at any point of time. The firm will not use any data or information generated under this RFP for any financial or commercial benefits (other than the provision of services as sought for). All deliverables, outputs, plans, drawings, specifications, designs, reports, and other documents and software submitted by the bidder shall become and remain the property of the Authority and subject to laws of copyright and must not be shared with third parties or reproduced, whether in whole or part, without the Authority's prior written consent.

Subject to the above, no intellectual property rights of any nature shall be transferred from one party to the other in the course of performing any obligations or otherwise. The Actuarial Firm may use certain tools, processes or methodologies of its own in performing the services of which the ownership of all intellectual property rights and any other rights shall vest with the actuary.

6.13 **Indemnity:** The bidder shall indemnify and hold harmless, free of cost, the Authority, its officers from and against all suits, actions or administrative proceedings, claims, demands, losses, damages, costs, and expenses of any nature, including lawyer's fees and expenses, which may arise in respect of the services provided by the bidder under this RFP, as a result of any infringement or alleged infringement of any patent, utility model, registered design, copyright, or other Intellectual Proprietary Rights (IPR) or trademarks, registered or otherwise existing on the date of the contract arising out of or in connection with any design, data, drawing, specification, or other documents or services provided or designed by the Actuarial Firm/ company for or on behalf of the Authority.

6.14 **Applicable Law and settlement of Disputes:** The disputes, if any arising out of this selection process, shall be subject to the exclusive jurisdiction of courts at New Delhi only. Post the award of the contract, the disputes, if any, arising thereunder, shall be settled in terms of the provisions of the Arbitration and Conciliation Act, 1996, as provided under such contract.

6.15 **Delivery Period and Compensation Clause:** The selected actuarial firm shall submit the data requirement within 10 calendar days. The Actuarial Firm/ Company will be required to submit the results of study to Authority within 45 calendar days of getting the preliminary evaluation data from the Authority or from CRA. In the event of delay in submission of actuarial report following compensation may be recoverable/sought by the actuarial firm:

In case delay is more than 28 calendar days, 50% deduction in the fees payable to the actuarial firm or the contract may be cancelled by the Authority without any obligation to make any payment, whatsoever, of the consultancy fee. However, in case the delay is genuine due to reasons beyond the control of the Actuarial Firm, the Authority may seek reduced compensation or waive the same, at its sole discretion, but without there being any obligation to do so.

## 7. ASSIGNMENT OF SPECIFIC INFORMATION

7.1 The report shall contain details of all the information/assumptions used in arriving at the conclusion, such as age wise data of subscriber, pension amount and accumulation rates, the scheme withdrawal rates, mortality rate, interest rate and inflation rate etc.

7.2. The valuation should be specific and report should be submitted point wise vis-a-vis to the Terms of References.

7.3. The membership data and asset data of the APY scheme will largely be provided by one of the Central Record Keeping Agency appointed by Authority i.e. Protean e-Gov Technologies Ltd (Protean CRA). Actuarial firm may also assess the data through Annual Reports, Audited Accounts etc. Actuarial firm is required to arrange other requisite data including macroeconomic, demographic variables etc. from reliable data sources with proper justifications.

## 8. PROCESS OF FINALIZATION

### 8.1 Completeness of bid documents

8.1.1 A Committee of officers of Authority constituted for the purpose will open and evaluate the contents of the proposal received to ascertain that all documents/information requirements are provided in the format and in the manner specified. Committee will have all rights to reject the proposal, if it is of the opinion that proposal received is not in accordance with the prescribed format under this selection process and causing hinderance for evaluation.

8.1.2 Authority may, where desired necessary, seek further clarifications from any or all the bidders in respect of any information provided in their proposal received in response to the RFP.

8.1.3 The Applicant must furnish clarifications within the stipulated time frame failing which the proposal submitted by the Applicant concerned will be treated as incomplete and non-responsive and liable to be rejected.

### 8.2 Evaluation of Technical Bid & Financial Bid

#### 8.2.1 Technical bid

a) The Technical bids of all the applicants satisfying the qualifications specified in Clause 4 of the RFP will be evaluated. All the specifications/requirements are required to be satisfied on the date of submission of the bid by the respective bidders and not on any later date or time. The Technical Proposal, which includes presentation, will be evaluated by the Committee on the basis of the criteria mentioned in the table below:

SL. N.	CRITERIA	MAX. SCORE
A	<b>FINANCIAL AND PAST EXPERIENCE IN RELATED AREAS</b>	<b>35</b>
1	Average net worth for the last three financial years (FY 2021-22 to 2023-24*). <i>Marking Scheme:</i> R.s 0 – Rs. 2 Crore: 2 Marks Rs. 2 – Rs. 5 Crore: 4 Marks Above Rs. 6 Crore: 6 Marks	6

	*Provisional or Actual.	
2	<p>Number of years of experience in actuarial valuation of Pension and related products/ schemes.</p> <p><i>Marking Scheme:</i></p> <p>0 – 2 Years : 2 Marks 3 – 5 Years : 4 Marks 6 – 7 Years : 6 Marks 8 Years &amp; Above: 8 Marks</p>	8
3.	<p>Number of pension schemes/products having minimum fund size of Rs.1000 crores for which actuarial valuation conducted in last 7 years.</p> <p><i>Marking Scheme:</i></p> <p>0 – 3 Valuations : 3 Marks 4 – 7 Valuations : 5 Marks Above 7 Valuations: 7 Marks</p> <p>(*If same assignment is done for multiple times, it shall be treated as 1 while marking)</p>	7
4.	<p>Number of pension schemes/products having minimum 1,00,000 members for which actuarial valuation conducted in last 7 years</p> <p><i>Marking Scheme:</i></p> <p>0 – 3 Valuations : 3 Marks 4 – 6 Valuations : 5 Marks 7 &amp; Above Valuations: 7 Marks</p> <p>(*If same assignment is done for multiple times, it shall be treated as 1 while marking)</p>	7
5.	<p>Number of assignments and clients serviced in respect of Assets and Liability evaluation of funds/schemes.</p> <p><i>Marking Scheme:</i></p> <p>0 – 3 Evaluations: 3 Marks 4 – 6 Evaluations: 5 Marks 7 &amp; Above Evaluations: 7 Marks</p> <p>(*If same assignment is done for multiple times, it shall be treated as 1 while marking. ** The different assignments with the same client shall be treated as separate assignment)</p>	7
<b>B</b>	<b>PROFILE OF THE TEAM TO BE DEPLOYED FOR CONDUCTING ACTUARIAL VALUATION</b>	<b>40</b>
6.	<p>Manpower commitment in Leadership and Advisory role for implementation of the assignment</p> <p><i>Marking Scheme:</i> Relative.</p>	8

7.	Qualification and Experience of Team Leader(s) for this assignment <i>Marking Scheme:</i>	8
	<b>Qualification: (New Curriculum)</b> <b>Avg. Experience</b>	
	Avg. 13(+) papers: 7 marks                      Avg. exp. More than 15 years: 7 marks	
	Avg. 10-13 papers: 5 marks                      Avg. exp. 10-15 years: 5 marks	
	Avg. 07-09 papers: 3 marks                      Avg. exp. 7-10 years: 3 marks	
	Avg. less than 7: 0 marks                      less than 7 years: 0 marks	
(Avg. of both shall be considered) (*Experience of only Team leader(s) will be considered and atleast 1 Team Leader should be full actuary (i.e. qualified in 13 papers))		
8.	No. of Working Members with relevant experience to be deployed for this assignment <i>Marking Scheme:</i> 2 – 3 Years: 2 Marks 4 – 5 Years: 4 Marks 6 – 7 Years: 6 Marks More than 7 Years: 8 Marks	8
9.	Qualifications and Experience of team members that would be deployed for this assignment <i>Marking Scheme:</i>	8
	<b>Qualification: (New Curriculum)</b> <b>Avg. Experience</b>	
	13 papers: 7 marks                                      Avg. exp. More than 7 years: 7 marks	
	Avg. 10-12 papers: 5 marks                      Avg. exp. 5-7 years: 5 marks	
	Avg. 07-09 papers: 3 marks                      Avg. exp. 1-5 years: 3 marks	
	(Avg. of both shall be considered) (*Experience of only team members other than team leader will be considered and atleast two team members should be assigned besides the team leader(s))	
10.	No. of assignments related valuation of guaranteed pension scheme handled by team leaders/ team members <i>Marking Scheme:</i> 1 -3 assignments: 3 marks 4 -6 assignments: 6 marks Above 6 assignments: 7 marks (* If the same assignment is handled by different team leaders/members [at the same or different time period], it shall be treated as one while marking)	8
<b>C</b>	<b>PRESENTATION</b>	<b>25</b>
11.	Understanding of the context, requirement and purpose.	5
12.	Details of previous similar kind of assignments completed. Details shall include fund size, membership details, turnaround time for assignment completion etc.	5
13.	Details of IT capabilities/infrastructure in terms of high-Volume Data Processing	5
14.	Details of capabilities to undertake deterministic as well as stochastic modelling.	5

15.	Plan of action to undertake the given assignment including the timelines for various stages like finalizing of assumptions/scenario, sharing the draft results, sharing the draft report, submission of final report.	5
<b>GRAND TOTAL (A+B+C)</b>		<b>100</b>

- b) Bidder(s) who fulfill the eligibility criteria and have submitted all required documents in their Technical Proposal will be invited to make presentations on their Technical Proposal at a date/time to be specified and conveyed by PFRDA and scores will be assigned by the Committee for the technical proposal and presentations made by the bidder.
- c) The Bidder(s) scoring 60 marks or more in the Technical Evaluation (i.e. 60 out of 100), will be shortlisted for opening of their commercial bid.
- d) Financial Bids of the shortlisted technically qualified Bidders will be opened in the presence of Bidder's authorized representatives on the date/time specified under Clause 8.4 of the RFP.
- e) For giving score for past experience and related areas, experience in foreign financial markets will also be considered. However, preference will be given and higher score will be provided to experience in Indian Market at the discretion of evaluation committee.

### 8.2.2 Financial bid

- a) Applicants, who qualify the requirements/specification as laid down in the Technical Bid, would only be short-listed for the evaluation of financial bid and any applicant not satisfying the parameters contained in the technical bid shall not be considered for further evaluation. Financial bids will be evaluated on the basis of total of net quotation by the applicants for all the tasks.
- b) The proposals shall be valid for a period of one year from the date of opening of the Financial Bid. In exceptional cases PFRDA may seek extension of the bid validity period.

### 8.2.3 Evaluation and Identification of Best Evaluated Bid

- a) The Commercial bid/proposal of only those bidders (technically qualified) who had scored a minimum of 60 marks on the Technical Proposal would be opened. The final selection will be done on a composite evaluation of the technical score and commercial score of the technically qualified bidders. The composite evaluation criteria will be the Quality cum Cost Based System (QCBS) where Technical Bid will get a weightage of 70% and Commercial/Financial Bid will get a weightage of 30%. Total Score (T) for each Bid shall be computed as:

$$T = 0.7*(TS/HTS) + 0.3*(FL/F)$$

TS = Total Technical Score of each bidder

HTS = Highest technical score among the bidders

F = Commercial bid price quoted by each bidder

FL = Lowest commercial bid price among technically qualified bidders

- b) The Bid/Proposal, that obtains the highest Total Score (T) value, will be rated as the Best Value Bid.



c) In the process of examination, evaluation and comparison of proposal, PFRDA may, at its discretion, ask bidder(s) for clarification of its proposal which the bidder will be obliged to furnish in writing, failing which its bid will not be evaluated further. The bidder(s) are expected to respond/provide the information/clarifications within the stipulated time and failure to provide the information within stipulated time frame may lead to disqualification of the bidder.

### **8.3. Negotiations, Finalization and Notification of award**

8.3.1. The evaluation cum selection committee shall reserve the right to negotiate, if required, with the bidder whose proposal has been ranked 1st. If PFRDA is unable to finalize the agreement with the bidder ranked 1st, PFRDA may proceed to the next ranked bidder (2nd), and so on until a contract is awarded, if it deems it appropriate to do so, without there being any obligation in any manner. PFRDA reserves the right to present a contract to the bidder selected for negotiations. Contract will be awarded to the bidder whose proposal conforms to the RFP and is, in the opinion of PFRDA, the most advantageous and provides the best value to the project and other technical factors considered. PFRDA reserves the right to call for a re-bid if, in its opinion, the bids received are not reasonable after the evaluation. The opinion of PFRDA may be final in this regard. Evaluation will be based on the proposals submitted and any additional information requested by PFRDA. Prior to expiry of the validity period, PFRDA shall notify the successful bidder in writing that its proposal has been accepted.

8.3.2 Post notification of acceptance of proposal, the Agreement will be signed with the qualified bidder.

8.3.3 The Competent Authority of the PFRDA reserves the right to annul all bids or discontinue this tender process, at any stage prior to signing of the contract, without assigning any reason.

**8.4 Key Activities and Dates:** The indicative schedule of key activities for the purpose of this RFP is outlined below:

Key Activities	Date and Time
Issuance of Request for Proposal (RFP)	01-Jul-24 (Monday)
Last date of receiving queries from bidders	13-Jul-24 (Saturday) before 15:00 Hrs
Pre-Bid Meeting	22-Jul-24 (Monday) at 15:00 Hrs
Last date and time for submission of proposals	31-Jul-24 (Wednesday) before 15:00 Hrs
Technical Proposal opening	31-Jul-24 (Wednesday)
Presentations by bidders	06-Aug-24 (Tuesday)
Financial Proposal opening	08-Aug-24 (Thursday)
Issuance of Letter of Award	16-Aug-24 (Friday)
Signing of Agreement	20-Aug-24 (Tuesday)

\*PFRDA reserves the right to change any date/time mentioned in the schedule above under intimation to all concerned. Applicants are invited to be present through their authorized representative at the time of opening of Technical Bid and Financial Bid.



## 8.5 Clarifications on the RFP

8.5.1 A prospective bidder requiring any clarification on the RFP documents may notify PFRDA in writing as per format **Annexure IV** on following mail id [pravesh.k@pfrda.org.in](mailto:pravesh.k@pfrda.org.in) and [ruby.bhaosagar@pfrda.org.in](mailto:ruby.bhaosagar@pfrda.org.in). All queries and clarifications should reach PFRDA by **15:00 Hrs** on **13 July 2024 (Saturday)** Any queries received after the indicated date and time will not be entertained.

## 8.6 Pre-bid Meeting

8.6.1 The bidder's authorized representatives (not exceeding two) may like to attend the Pre-bid meeting at their own cost, which would take place at the venue mentioned below:

**Pension Fund Regulatory and Development Authority**  
**World Trade Center,**  
**E-500, Fifth Floor, Tower-E,**  
**Nauroji Nagar, New Delhi - 110029**

8.6.2. Participation is not mandatory. However, if a bidder chooses not to (or fails to) participate in the Pre-bid conference or does not submit a written query, it shall be assumed that they have no issues regarding the terms of the RFP. The Authority would provide clarifications to the bidders in the pre-bid meeting only. The Authority may prepare and upload responses to the queries and clarifications by the bidders in a consolidated manner on the website. The Authority will not entertain or respond to bidders' queries and clarifications after pre-bid meeting.

8.6.3. The purpose of the meeting would be to clarify queries on any aspect pertaining to the document. Based on discussions held during the pre-bid meeting, amendments/ clarifications in the RFP Document will be hosted on the websites of the PFRDA – [www.pfrda.org.in](http://www.pfrda.org.in) at **18:00 Hrs** on **23 July 2024 (Tuesday)**.

## 9. RFP DOCUMENTATION:

The proposal submitted by the Applicant shall comprise the following documents:

9.1.1	<b>Envelope I:</b> Technical proposal including all the technical information, as laid down in Clause 8.2 duly filled in along with all attachments/schedules duly completed and with a covering letter, duly signed by the authorized representative of the Applicant. Technical Bid format at <b>Annexure IV</b>
9.1.2	<b>Envelope II:</b> The Applicant's financial proposal, as per the format – <b>Annexure V</b> , along with a covering letter signed by the authorized representative of the Applicant.
9.1.3	No Deviation Certificate to be signed as per <b>Annexure II</b>
9.1.4	Any other information that is to be submitted during the course of the proposal process.

There must be an index at the beginning of the proposal detailing the summary of all information contained in the proposal. All pages in the proposal must be serially numbered, and signed by a person legally authorized to do so on behalf of the applicant firm/company.

The RFP, ensuing communications, and Agreement entered into shall determine the legal and commercial relationship between the bidders and the Authority. No other Government or Procuring Entity's document/ guidelines/ Manuals, notwithstanding any mention thereof in the RFP or Agreement, shall have any locus-standii in such a relationship. Therefore, such documents/ guidelines/ Manuals shall not be admissible in any legal or dispute resolution or grievance redressal proceedings.

## **10. GENERAL DISCLAIMER**

10.1 This document is being published by the PFRDA in connection with the proposed appointment of actuarial firm for conducting actuarial valuation of APY.

10.2 This document does not constitute or should it be interpreted as an offer or invitation for the appointment of actuarial valuer described herein.

10.3 This document is meant to provide information only and upon the express understanding that recipients will use it only for the purpose of furnishing a Proposal for being appointed as a actuarial valuer of the APY Scheme of Government of India. No representation or warranty, expressed or implied, will be made as to the reliability, accuracy or the completeness of any of the information contained herein by the Authority, its employees and other associated agencies. They have no legal liability, whether resulting from negligence or otherwise, for any loss, damages, cost, or expense that may arise from/ incurred/ suffered howsoever caused to any person, including any Bidder, on such account.

10.4 The Authority reserves the right to reject any or all proposals or cancel/withdraw the Request for Proposal (RFP), at any stage, without assigning any reason whatsoever and in such case no intending Applicant shall have any claim arising out of such action. At any time prior to the deadline for submission of proposals, the Authority may modify, for any reason deemed necessary, the RFP by amendment notified in writing or by email to all the Applicants who have received this RFP and such amendment shall be binding on them.

Before the deadline for submitting bids, the Authority may update, amend, modify, or supplement the information, assessment or assumptions contained in the RFP by issuing corrigenda and addenda. The corrigenda and addenda shall be published in the same manner as the original RFP and/ or by email to bidders who have already submitted their bids. However, the bidders' responsibility is to check the website(s) for any corrigenda/ addenda. Any corrigendum or addendum thus issued shall be considered a part of the RFP. To give reasonable time to the prospective bidders to take such corrigendum/ addendum into account in preparing their bids, the Authority may suitably extend the deadline for the bid submission, as necessary, though it shall not be obliged to do so in any manner.

10.5 The recipients of the RFP should carry out an independent assessment and analysis of the requirements for appointment as actuarial valuer and of the information, facts and observations contained herein.

10.6 This document has not been filed, registered or approved in any jurisdiction. Recipients of this document should inform themselves of any applicable legal requirements and conform to the same.

10.7 The Authority reserves the right to not consider for the purpose of qualification, a proposal which is found to be incomplete in content and/or attachments and/or authentication etc. or which is received after the specified date and time, or not delivered as per the specified procedure.

10.8 Without prejudice to any other rights or remedies available to the PFRDA, actuarial valuer may be disqualified and their proposals rejected for any reason whatsoever including those listed below:

10.8.1 Material mis-representation by the Applicant in the Proposal.

10.8.2 Failure by the applicant to provide the information required to be provided in the proposal in accordance to the relevant Clauses of this document.

10.9 The Applicant failing to satisfy the eligibility and requisite qualification criteria specified herein are not eligible to have their applications considered, on the date of submission of proposal.

10.10 All proposals and accompanying documents received within the stipulated time will become the property of the Authority and will not be returned. The hardcopy version will be considered as the official proposal.



## ANNEXURE I: BID LETTER FORM

Date

**The Chief General Manager**  
**Pension Fund Regulatory and Development Authority (PFRDA)**  
World Trade Center,  
E-500, Fifth Floor, Tower-E,  
Nauroji Nagar, New Delhi - 110029

Dear Sir,

**Ref: Request for proposal for appointment of Actuarial Firm for actuarial valuation of Atal Pension Yojana as of 31.03.2024**

Having examined the RFP documents, the receipt of which is hereby duly acknowledged, we are eligible to submit the proposal and are authorized to submit the same. Further, we the undersigned, offer to provide the services as required and outlined in the RFP for **Actuarial Firm/Actuary**. We agree to meet such requirements and provide such services as set out in the RFP documents. We attach hereto our response to the RFP document, which constitutes our proposal for being considered for the assignment.

We undertake, if our proposal is accepted, to adhere to the stipulations put forward in the RFP or such adjusted plan as may subsequently be mutually agreed between us and Authority or its appointed representatives.

We agree to unconditional acceptance of all the terms and conditions set out in the RFP documents. We confirm that the information contained in this proposal or any part thereof, including its exhibits, schedules, and other documents and instruments delivered or to be delivered to the PFRDA is true, accurate, and complete in all respects and we fully satisfy the eligibility conditions as mentioned in the RFP document on the date of submission of our bid. This proposal includes all information necessary to ensure that the statements therein do not in whole or in part mislead PFRDA as to any material fact. It is hereby confirmed that I/We are entitled to act on behalf of our corporation/company/firm/organization and empowered to sign the documents, which may be required in this connection.

We further understand that the finalized prices will be frozen **till the time of completion of the assignment** from the date of entrustment of assignment and that the PFRDA may at its discretion ask the **Actuarial Firm** to alter the implementation strategy as per the requirement of PFRDA from time to time.

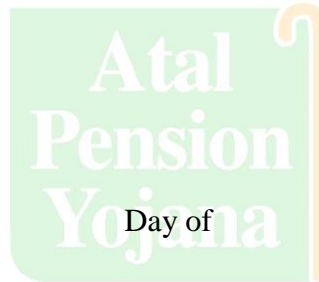
We shall observe strict confidentiality of all the information passed on to us in course of the tendering process and shall not use the information for any purpose other than the current tender.

We submit that none of the members of our organization/company/firm have been held guilty of professional or any other misconduct under the Actuaries Act, 2006 or any rules there under or in any other such proceedings of the Institute of Actuaries of India or by any equivalent Institute outside India or by any court of law/ Authority.

We further submit that our organization/company/firm or our members have not been blacklisted /debarred/disqualified by any regulator/ statutory body or Government entity or any international/national agency for indulging in any corrupt or fraudulent practices, nor our contract or agreement with any party for providing services has been terminated on account of any breaches by us, during the past 5 years.

We also understand that PFRDA is not bound to accept the bid either in part or in full. If PFRDA rejects the bid in full or in part, PFRDA may do so without assigning any reasons therefor.

We also undertake to provide any information/documents that may be sought from us, at any time, failing which we understand our bid is liable to be rejected at any stage.



Dated this

Day of

2024

Authorized Signature [In full and initials]

(in the capacity of)

Duly authorized to sign the RFP Response for and behalf of:

(Name of the Company)  
bidder)

(Seal/Stamp of

Address for Correspondence

## ANNEXURE II: NO DEVIATION CERTIFICATE

Date:

**To**

**The Chief General Manager**  
**Pension Fund Regulatory and Development Authority (PFRDA)**  
World Trade Center,  
E-500, Fifth Floor, Tower-E,  
Nauroji Nagar, New Delhi - 110029

Dear Sir/Madam,

I/We understand that any deviation/exception in any form from our bid against the RFP dated 01 July 2024 may result in rejection of our bid. We, therefore, certify that we have not taken any exceptions/deviations anywhere in the bid and we agree that if any deviation is mentioned or noticed, our bid may be rejected. We also understand that the Authority may disqualify us if found that the exception was not reported at the time of application even after the selection at any stage of assignment.

Yours faithfully,

(Signature of Authorized Signatory)

Name:

Designation:

Company Seal:

Note: This “No Deviation Certificate” should be written on the letter head of the bidder duly signed and stamped with date by a person competent and having authorized power to bind the bidder.

**ANNEXURE III : PRE BID QUERY FORMAT**

<b>Sr. No</b>	<b>Para No.</b>	<b>Clause Requiring Clarification</b>	<b>Clarification Required</b>





**ANNEXURE IV: TECHNICAL PROPOSAL FORMAT**

**TECHNICAL PROPOSAL SUBMISSION LETTER**

[Location, Date]

From:

**(Actuary/Actuarial Firm)**

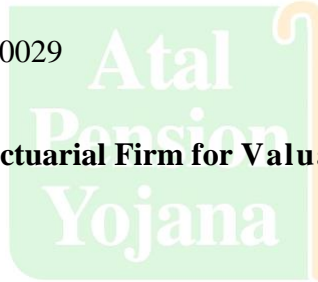
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To:

**The Chief General Manager**  
**Pension Fund Regulatory and Development Authority (PFRDA)**  
World Trade Center,  
E-500, Fifth Floor, Tower-E,  
Nauroji Nagar, New Delhi - 110029

**Subject: Appointment of Actuarial Firm for Valuation of APY Scheme as  
of 31.03.2024**



Sir / Madam,

I / We, the undersigned on the behalf of (Name of the Actuarial Firm) am/are authorized and offer to undertake the assignment of actuarial valuation of APY scheme for the PFRDA, in accordance with your RFP document dated \_\_\_\_\_.

I hereby submit my Technical Proposal for the same.

I understand PFRDA is not bound to accept any proposal it receives.

Yours Sincerely,

Signature:

**Name of Actuarial Firm**

**Address**

## STRUCTURE FOR SUBMITTING TECHNICAL PROPOSAL

Sl No	Description	Data Sought	Supporting Document required
1.	Name of the Actuarial Firm submitting the proposal	Full name	Partnership Agreement/ Certificate of Incorporation /any other legal document establishing the constitution/registration of the firm in the given name
2.	Address with telephone No., Fax ID, etc.	All relevant details	Valid Address proof
3.	Names and designations of the persons authorized to make commitments to the proposal with following details: a) Telephone and fax numbers of contact persons b). E-mail addresses of contact persons (*Authorised person must be a fellow member of Institute of Actuaries of India or any equivalent Institute outside India.)	All relevant details including qualification and experience of authorized person	To be provided on letterhead signed by the authorized person.  Valid Certificate of Membership, Cert. of practice (issued by Institute of Actuaries of India or any equivalent Institute outside India) of authorized person
4.	Net worth for the past three financial years (FY 2020-21 to 2023-24).	Net worth statements for given FY to be provided.	Net worth statements duly certified by a Chartered Accountant, preferably, on the letterhead of CA.
5.	Number of years of experience in actuarial valuation of Pension and related products	All relevant details duly signed by authorized person to be provided.	Work orders/ Letter of appointment/completion certificate/ any other document establishing the years of experience.
6.	List of pension schemes/products having minimum fund size of Rs.1000 crores for which actuarial valuation conducted in last 7 years.	Client wise list with fund size of respective scheme to be provided on letter head duly signed by authorized person	Work orders/ Letter of appointment/completion certificate/ any other document establishing the work/assignment undertaken.
7.	List of pension schemes/products having minimum 1,00,000 members	Client wise list with membership data of respective scheme to be provided on letter head	Work orders/ Letter of appointment/completion certificate/ any other

Sl No	Description	Data Sought	Supporting Document required
	for which actuarial valuation conducted in last 7 years.	duly signed by authorized person	document establishing the work/assignment undertaken
8.	List of assignments and clients serviced in respect of Assets and Liability evaluation	Client wise list and details w.r.t. such assignments to be provided on letter head duly signed by authorized person	Work orders/ Letter of appointment/completion certificate/ any other document establishing the work/assignment undertaken.
9.	Details of qualifications of team members to be deployed for this assignment	Team memberwise list detailing academic qualification graduation onwards and actuarial qualifications (no. of paper qualified, year of passing)	Valid Certificate of Membership, Cert. of practice (issued by Institute of Actuaries of India or any equivalent Institute outside India) of authorized person,
10	Information on professional work experience of team members	Team memberwise list detailing relevant years of experience	Profile of each team members to be provided on letterhead of the firm duly signed by authorized person Experience certificates, letter of appointment or any other document establishing the work experience
11	No. of assignments related valuation of guaranteed pension scheme handled by team leaders/ team members	Clientwise list of such.	Profile of each team members to be provided on letterhead of the firm duly signed by authorized person.
12	GST Registration Certificate (GSTIN)		Copy of GST Registration Certificate (GSTIN)
13.	Undertaking as per Para 4.5& 4.6  Manpower Commitment	As per format Attached#.	Undertaking to be provided by letterhead duly signed by the authorized person  Undertaking to be provided by letterhead duly signed by the authorized person

# Manpower Commitment:

Sr. No.	Name	Qualification	Experience	No. of assignments related valuation of guaranteed pension scheme handled

It is to note that format prescribed above is indicative and applicants are advised to ensure that the technical proposal submitted covers all the points relevant to clause 4 and clause 8.2.1 of this RFP.

## ANNEXURE V: FORMAT OF FINANCIAL PROPOSAL

### FINANCIAL PROPOSAL SUBMISSION LETTER

[Location, Date] From:

(Name of the **Actuarial Firm**)

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To:

**The Chief General Manager**  
**Pension Fund Regulatory and Development Authority (PFRDA)**  
World Trade Center,  
E-500, Fifth Floor, Tower-E,  
Nauroji Nagar, New Delhi - 110029

**Subject : Appointment of Actuarial Firm for Valuation of APY Scheme as  
of 31.03.2024**

Sir / Madam,

I / We, the undersigned on the behalf of (Name of **Actuarial Firm**), offer to undertake the assignment of actuarial valuation of APY scheme for the PFRDA, in accordance with your RFP document dated 01 July 2024. The enclosed Financial Bid is for the sum of ----- (in words .....). (This amount is inclusive of Consultancy Fee, Travel and Other Expenses Excluding applicable taxes).

The Financial Bid shall be binding upon the Firm / Company, up to completion of the period of the contract as specified in the RFP Document.

I/We understand you are not bound to accept any proposal you receive.

Yours Sincerely,

Signature:

**Name of Actuarial Firm**

Address

## FORMAT FOR SUBMISSION OF FINANCIAL PROPOSAL

Particulars	Amount (Rs.)
Lump sum fee for Actuarial Evaluation of Atal Pension Yojana of Government of India as of 31.03.2024. (inclusive of Consultancy Fee, Travel and Other Expenses excluding applicable taxes)	..... In Figures ..... In words
<b>Total</b>	

Signature:

**Name of Actuarial Firm**

Address

