

Responses to queries received under the RFP to appoint an actuarial firm for conducting actuarial valuation of APY (as at 31.03.2023).

Sr. No.	Para No.	Clause Requiring Clarification	Clarification Required	Clarification
1	3	3.2	Please reconfirm the scope is for the 2023 valuation only. Or will the finalised bidder also be appointed for any future exercises. (e.g. the next two valuations?)	The given RFP is floated with the purpose of conducting actuarial valuation of APY Scheme as at 31.03.2023.
2	3	3.2	When was the most recent formal actuarial valuation conducted?	The most recent actuarial valuation was conducted for APY Scheme as at 31.03.2022.
3	3	3.3	Will the assumptions basis for the actuarial simulations be provided by the Authority? If not, then is full past historical data for the pension choice, lapse, mortality by age and gender, along with location available since the start of APY? Do you expect the valuation result including likely joiners in the scheme? If yes, whether an estimate of likely new subscriber will be provided or will there be different scenarios as to the likely new subscriber which will be based on the age, gender, pension choice, location and other parameters? What are the likely parameters to be simulated in probabilistic simulations?	The assumptions are expected to be set by successful bidder in consultation with PFRDA Team on the basis of past historical data related to scheme (which would be provided by PFRDA) and other required macro socio-economic , demographic data etc. need to be arranged by selected firm using verifiable sources. In one of the ToR, it has been explicitly mention that acturial valuation on considering new joinings is to be provided. While setting up assumptions, the modalities of defining new set of subscribers would be undertaken.
4	3	3.4	What type of past historical data is available in order for us to disaggregate the likely shortfall? Especially, information and	All the data related to subscriber profiling along with asset data of scheme will be provided by PFRDA. Information w.r.t. earlier valuations may be provided while setting up assumptions.

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			data/calculations form the last such valuation conducted	
5	3	3.6	Can you please confirm that the reason why the Projected corpus is needed from 2035 till 2065 and not for the period 2023-2034 is because 2023-2034 will be covered by item in scope under para 3.3? Also, you have mentioned projected corpus, but do we also need the liability (or cash outflow?) as well for 2035-2065?	Since the first set of subscribers availing triple guaranteed benefit will start from 2035, the projections are required from 2035 onwards. Yes, liability/cash outflow is also required to be computed.
6	3	3.8	How many iterations of the financial model developed shall be expected from us?	Sufficient number of iterations to arrive at credible and reliable results within the stipulated timeframe are to be conducted. Bidders shall specify the number of simulations they are planning to conduct for the given exercise during the technical presentation.
7	3	5.3	We understand travel is to be included in our quote. Can PFRDA provide an estimate of the required number of physical meetings so we may make an assumption for pricing.	There will be no separate consideration of travel expenses. Minimum 2-3 in person meetings at PFRDA office, New Delhi may be required to attend.
8	5	8.2.1 b) & 8.6	Would PFRDA consider attendance at the pre-bid conference and/or the Bidding presentation by virtual/hybrid mode? In case our representatives need to join by video?	Yes, meeting shall be conducted in hybrid mode, however, the physical presence during technical presentation is advisable. For online meeting request email to be sent on ashish.dongare@pfrda.org.in

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9	8	8.2.1 a) C (presentation) 14	Are there any specific parameters for which stochastic modelling is expected?	It shall be decided with the selected bidder at the time of assumption setting.
10	12	Average net worth for the last three financial years (FY 2019-20 to 2021-22).	Please share the marking schema by which we can know how the bidder can score the maximum marks. Please let us know the average net worth range for the full marks.	0--- 2 crore : 2 marks 2 above-- 5 crore : 4 marks Above 5 crore : 6 marks
12	12	Number of years of experience in actuarial valuation of Pension and related products.	Please share the marking schema by which we can know how the bidder can score the maximum marks. Please let us know the number of years that can fetch us the full marks.	8 marks for 8+ years of experience. If experience is less than 8 years, marks will be proportionately awarded.
13	12	Number of pension schemes/products having minimum fund size of Rs.1000 crores for which actuarial valuation conducted in last 7 years.	Please share the marking schema by which we can know how the bidder can score the maximum marks. Please let us know how many pension schemes/products experience we need to submit to secure full marks.	7 marks for 7 or more valuations conducted. If no. of valuations is less than 7, marks will be proportionately awarded. (*If same assignment done for multiple times, it shall be treated as one while marking)
14	12	Number of pension schemes/products having minimum 1,00,000 members for which actuarial valuation conducted in last 7 years	Please share the marking schema by which we can know how the bidder can score the maximum marks. Please let us know how many pension schemes/products experience we need to submit to secure full marks	7 marks for 7 or more valuations conducted. If no. of valuations is less than 7, marks will be proportionately awarded. (*If same assignment done for multiple times, it shall be treated as one while marking)

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15	12	Number of assignments and clients serviced in respect of Assets and Liability evaluation of funds/schemes.	Please share the marking schema by which we can know how the bidder can score the maximum marks. Please let us know how many assignments and clients do we need to submit to secure full marks	7 marks for 7 or more assignments. If no. of assignments is less than 7, marks will be proportionately awarded. (*If same assignment done for multiple time, it shall be treated as one while marking. ** The different assignments with the same client shall be treated as separate assignment)
16	12	No. of assignments related valuation of guaranteed pension scheme handled by team leaders/ team members	Please share the marking schema by which we can know how the bidder can score the maximum marks. Please let us know how many assignments will fetch us full marks	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)
17	12	8.2.1 a SL N A3, A4, A5	We request PFRDA to please consider email references or telephonic reference calls from global clients as we will not be able to share any Contract copy due to confidentiality clauses.	Please refer to page no. 23, 24 of the RFP.
18	Annexure IV: Technical Proposal Format	Point 8. List of assignments and clients serviced in respect of Assets and Liability evaluation	The data that is sought for is the 'Client wise list and details w.r.t. such assignments' Clarification required: We have a clientele of more than 800 clients. It will be very difficult to provide the Client wise details for all the assignments. What is the essential format for this requirement? Will a self-declaration by the authorized person suffice the requirement?	Please refer to page no. 23, 24 of the RFP and Sr. no 15 of this document.

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19	Annexure IV: Technical Proposal Format	Point 4: Net worth for the past three financial years (FY 2019-20 to 2021-22).	The data sought for this requirement is 'The net worth statements for given FY' Clarification required: Will the Financial statements and P&L statement for the previous fiscal year work for this requirement?	Net worth statements duly certified by a chartered accountant to be submitted. (preferably on the letterhead of CA)
20	Paragraph No. 8: Process of Finalization	Clause No. 8.2 Evaluation of Technical Bid & Financial Bid	Clause No. 8.2.1 Technical bid We understand that the evaluation will be done by the Committee on the criteria mentioned. We wanted to understand how the scores will be assigned to bidders who may rank 2 or 3 in the evaluation criteria	As per marking schema explained in query from 11 to 16. For B-6 to B-10, please refer Sr. No. 23-27
21	3.2	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.	Has any experience analysis (of comparing experience with assumptions for mortality, lapse rate, probability of inactive accounts becoming active in the year) been done in the past or is that also to be included in this exercise before the actuarial valuation is done?	Since it is one of the ToR(s), it is to be treated as one of the deliverable of this RFP .

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22		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.	Is this supposed to be done as a part of the actuarial valuation this year? Or would it be on a separate request?	Since it is one of the ToR(s), it is to be treated as one of the deliverable of this RFP .
23		Technical evaluation B6 :	B6 Manpower commitment in Leadership and Advisory role for implementation of the assignment	Relative marking is to be done

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24		Technical evaluation B7:	B7: Qualification and Experience of Team Leader(s) for this assignment	<table> <tr> <td>Qualification: (New Curriculum)</td> <td>Avg. Experience</td> </tr> <tr> <td>Avg. 13(+) papers : 7 marks</td> <td>Avg. exp. More than 15 years : 7 marks</td> </tr> <tr> <td>Avg. 10-13 papers : 5 marks</td> <td>Avg. exp. 10-15 years : 5 marks</td> </tr> <tr> <td>Avg. 07-09 papers : 3 marks</td> <td>Avg. exp. 7-10 years : 3 marks</td> </tr> <tr> <td>Avg. less than 7 : 0 marks</td> <td>less than 7 years : 0 marks</td> </tr> </table> <p>(Avg. of both shall be considered) (*Experience of only Team leader(s) will be considered)</p>	Qualification: (New Curriculum)	Avg. Experience	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
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Avg. less than 7 : 0 marks	less than 7 years : 0 marks													
25		Technical evaluation B8:	B8: No. of Working Members with relevant experience to be deployed for this assignment	Relative marking is to be done.										
26		Technical evaluation B9 :	B9: Qualifications and Experience of team members that would be deployed for this assignment	<table> <tr> <td>Qualification: (New Curriculum)</td> <td>Avg. Experience</td> </tr> <tr> <td>Avg. 10(+) papers : 7 marks</td> <td>Avg. exp. More than 7 years : 7 marks</td> </tr> <tr> <td>Avg. 7-10 papers : 5 marks</td> <td>Avg. exp. 5- 7 years : 5 marks</td> </tr> <tr> <td>Avg. 5- 7 papers : 3 marks</td> <td>Avg. exp. 1 - 5 years : 3 marks</td> </tr> </table> <p>(Avg. of both shall be considered) (*Experience of only team members other than team leader will be considered).</p>	Qualification: (New Curriculum)	Avg. Experience	Avg. 10(+) papers : 7 marks	Avg. exp. More than 7 years : 7 marks	Avg. 7-10 papers : 5 marks	Avg. exp. 5- 7 years : 5 marks	Avg. 5- 7 papers : 3 marks	Avg. exp. 1 - 5 years : 3 marks		
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27		Technical evaluation B10 :	B10: No. of assignments related valuation of guaranteed pension scheme handled by team leaders/ team members	<table> <tr> <td>1 -3 assignments</td> <td>: 3 marks</td> </tr> <tr> <td>4 -6 assignments</td> <td>: 6 marks</td> </tr> <tr> <td>Above 6 assignments</td> <td>: 7 marks</td> </tr> </table>	1 -3 assignments	: 3 marks	4 -6 assignments	: 6 marks	Above 6 assignments	: 7 marks				
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Note:

- i. Team is referred to the manpower propose to be deployed for this assignment.
- ii. The proposals are to be submitted by 7th June 2012 (3pm) in the tender box placed at first floor, reception of PFRDA office at New Delhi.
- iii. If the proposals are being send by courier or post, it shall be solely responsibility of prospective bidder to ensure that the proposal gets delivered at the right place within the stipulated time.