

EXPRESSION OF INTEREST (EOI)

For

Actuarial Valuation & Investment Management

of

Samajik Suraksha Yojana (SSY) and the schemes under it

by

Labour Department, Government of West Bengal

Invites response from Actuary /Actuarial - Investment Management Firms

Last date for submission of EOI: 03.12.2018 upto 2:00 PM

Disclaimer

The information contained in this EOI document or information provided subsequently to vendor(s) or applicants whether verbally or in documentary form by or on behalf of Labour Department, is provided to the vendor(s) on the terms and conditions set out in this EOI document and all other terms and conditions subject to which such information is provided.

This EOI document is not an agreement and is not an offer or invitation by Authority to any parties other than the applicants who are qualified to submit the bids ('vendors'). The purpose of this EOI is to provide the vendor(s) with information to assist the formulation of their proposals. This EOI does not claim to contain all the information each vendor may require. Each vendor should conduct its own investigations and analysis and should check the accuracy, reliability and completeness of the information in this EOI and where necessary obtain independent advice. Authority makes no representation or warranty and shall incur no liability under any law, statute, rules or regulations as to the accuracy, reliability or completeness of this EOI. Authority may in its absolute discretion, but without being under any obligation to do so, update, amend or supplement the information in this EOI.

Schedules and Contact Information

Name of the organization	Labour Department, Government of West Bengal
Date of issue	02.11.2018
Last date for submission of queries seeking clarification	16.11.2018
Date of Pre-bid meeting	19.11.2018 at 3:00 pm
Last Date and Time for submission of proposals in response to this Request for EOI	03.12.2018 at 2:00 pm
Date and Time of Opening of Proposals	03.12.2018 at 4:00 pm
Venue for pre-bid meeting/Opening of proposals	Labour Department, Government of West Bengal , Conference Hall, 12th Floor, New Secretariat Building, 1 K. S Roy Road
Contact person	Shri Ikhlaque Islam, Special Secretary, Labour Department
Email ID	jslab2016@gmail.com

Note:

Any Corrigenda / Extension of dates / Clarifications / Responses to bidders' queries in respect of this EOI shall only be posted on our website <https://wblabour.gov.in/> and no separate notification shall be issued in the press. Bidders are therefore requested to regularly visit our website to keep them updated in this connection.

1. Purpose

The State Government of West Bengal has introduced the Samajik Suraksha Yojana (SSY) by combining five separate beneficiary schemes for workers in the unorganised sectors and for self-employed people w.e.f 1st April 2017. The scheme would combine 5 old beneficiary schemes running in the state for self-employed and people working in the unorganized sector in the state.

Under the new Samajik Suraksha Yojana, about 5 crore people would be benefited while about 1 Crore would get direct benefit of the scheme. The five earlier schemes which have been combined to form the new social security scheme are

1. State Assistance Scheme for Provident Fund for Unorganized Workers Sector
2. West Bengal Unorganized Sector Workers' Health Security Scheme
3. Social Security scheme for Building & Construction Workers
4. West Bengal Transport Workers Social Security Scheme
5. West Bengal Bidi Workers Welfare Scheme

Principally now we have three categories which are administered separately but under one umbrella scheme called the Samajik Suraksha Yojana and they are: Construction Workers, Transport Workers and Other Unorganized Workers in 46 types. The aggregate figures regarding Registration, Beneficiaries, Funds Collected and Disbursed for various benefits are as follows:

(Figures in Lakhs)

Progress since inception to 31/8/18	REGISTRATION				BENEFICIARY COUNT			
	Other workers	Construction Workers	Transport Workers	Total	Other workers	Construction Workers	Transport Workers	Total
	63.05	31.63	3.32	98.0	2.46	22.16	0.75	25.37

(Figures in Crores)

Financial Progress since inception to 31/8/18	COLLECTION				DISBURSEMENT			
	Other workers	Construction Workers	Transport Workers	Total	Other workers	Construction Workers	Transport Workers	Total
	1515.11	2137.5	161.42	3814.03	264.0	901.16	71.2	1236.37

The standardized social welfare benefits that are given now are as follows:

I.

Family Benefits for Unorganised Workers, Construction Workers and Transport Workers:	(Amount in Rupees)
A. Health & Family Welfare Benefits per annum:	
(a) Medical Benefit	
(i) For medicine & physical test of ailments covered under WBHS'08 requiring hospitalisation or outdoor treatment	upto Rs. 20,000
(ii) Surgery	upto Rs. 60,000
(iii) Treatment due to accident	upto Rs. 10,000
(iv) Temporary Disability for more than 5 days due to accident (Wage Loss)	Rs. 1000/- for first 5 days & additional Rs. 100/- per day, up to a maximum of Rs. 10,000/-
(b) Death	
(i) Natural	50,000
(ii) Accidental	2,00,000
(c) Disability	
(i) Loss of both eyes or Loss of both hands or feet	2,00,000
(ii) loss of sight of one eye or loss of use of one hand or foot	1,00,000
(iii) Disability (40% minimum)	50,000/-
B. Education	
(i) Reading in Class XI	4,000 p.a
(ii) Reading in Class XII	5,000 p.a
(iii) Reading in BA/BSc/Bcom	6,000 p.a
(iv) Reading in MA/MSc/Mcom	10,000 p.a
(v) Medical/ Engineering	30,000 p.a
(vi) Training under ITIs	6,000 p.a
(vii) Reading at Polytechnics	10,000 p.a
(viii) For completion of UG education or equivalent Skill Development Studies for up to two unmarried daughters	25,000
C. Provident Fund	
Contributory @ Rs. 25/- per month with a matching grant of Rs. 30/- by State Government along with the interest (interest of GPF)	Corpus returnable due to death, discontinuance or attainment of 60 years age.
D. Training in Safety and Skill Developments	Through PBSSD

- II. In addition to I above, following benefits are admissible for Construction & Transport Workers: -

PENSION:	
(a) Construction	
i. Normal Pension	Minimum of Rs 750/- per month
ii. Family Pension	Minimum of Rs 375/- per month
iii. Disability Pension	Minimum of Rs 750 per month
(b) Transport Workers:	
i. Normal Pension	Rs. 1500/- Per month
ii. Family Pension	Rs. 750/- Per month
iii. (a) Medical Benefit (Classless for Auto and Taxi drivers only)	Rs. 30,000/-
(b) Surgical operation	Rs. 100,000/- only for self Rs. 1,50,000/- only for family members and self

Labour Department invites response to EOI from reputed Actuary/Actuarial and Investment Management Firms for valuation to estimate the likely shortfall or otherwise on account of the minimum guaranteed pension and suitable provisioning for gap funding under Samajik Suraksha Yojana (SSY).

The vendors are requested to submit the response to EOI, all the required documents, and copy of the EOI document for having noted the contents and testifying conformance to the terms and conditions set out therein. All the pages should have company seal and signature.

The response to EOI is required to be in a sealed cover superscribed as 'Proposal for Actuarial Valuation and Investment Management' for SSY as per the formats prescribed and submitted on or before the last date of submission indicated here in below. If the bid is sent through post / courier, the vendor should ensure that the cover is received at our office in time.

The Authority at its discretion may issue the RFP to the short-listed vendors from EOI responses or go in for an open RFP at the time of procurement. Authority's decision in this regard will be final.

2. Scope of the Valuation of SSY

Establish the present financial status of SSY and likely future financial development of the social security pension scheme, SSY. Providing an estimate to the Labour Department, Government of West Bengal regarding the likely shortfall or otherwise on account of the minimum guaranteed pension as well as the provident fund and suitable provisioning for gap funding under SSY scheme.

The components for managing the additional impact of a defined benefits: health, educational, mortality, disability, pension and provident fund for a prospective beneficiary between 18-60 years need to be determined.

To study the liability on the Labour Department, Government of West Bengal with regards to the payout of defined benefits under the scheme.

To develop and maintain an annual report to monitor the progress of the scheme and track the actuarial valuations and liabilities.

Use the mortality data for financial modeling and highlight how the investment of the subscriber will translate into an income on retirement and its future value of money impact on their remaining life.

To know the fund position vis-à-vis the fixed pension and provident fund liability

To assess the long-term financial sustainability of the scheme in relation to present contribution rates, co-contribution by State Government, upgrade/downgrade of pensions, temporary withdrawal from SSY, exit due to voluntary or death and the pace of enrollment vs. potential uncovered population.

Identify the reasons for possible present or future financial disequilibria associated with pay out due to the minimum guarantee offered by Labour Department, Government of West Bengal under the scheme.

Advise changes in the scheme to ensure adequacy of pension during pay out phase keeping in view the prevailing and the expected inflation.

Assess the current scheme performance to pay the higher pension more than the guaranteed pension benefits due to higher returns generated under SSY more than estimated.

Options for the Labour Department, Government of West Bengal to pay the benefits under SSY post accumulation phase. Suggestions for optimum ways of handling the payout.

To study the pension liability and feasibility for increase of pension slab of minimum guaranteed pension amount and increase of entry age from 40 years to 55 years.

To study the pension liability and feasibility for introduction of flexi term pension plan for 10 years , 15 years and 20 years vesting period with minimum guaranteed pensions.

To develop an excel module/application to determine impact of future changes envisaged to the pension scheme like-

- i.* Impact of change of Minimum Pension from existing rate to any other value.
- ii.* Impact of change of entry and exit age etc
- iii.* Impact of Mortality rate, Interest rate and Inflation rate etc

3. Eligibility Criteria

The applicant Valuer may be a government organization/Public Sector Unit/ Partnership Firm/ Limited liability partnership/ Private Limited Company / Public Limited Company registered and incorporated in India and should be in existence for at least 5 years on the date of issue of this document and possessing relevant experience as soughthereunder.

At least one member of the firm shall be fellow member of the Institute of Actuaries of India (under Actuaries Act, 2006) or from any equivalent Institute outside India and shall possess an actuarial qualification that is valid and recognized by the Institute of Actuaries of India or from any equivalent Institute outside India but recognized in India.

At least one member of the Valuers team must have a post actuarial qualification professional work experience of at least 5 years with total work experience of 10 years.

The Valuer should have carried out the actuarial valuation of at least 5 funds in the immediately preceding 5 financial years and out of which at least 2 of the funds should have had the minimum fund size of Rs. 500 cr.

The Valuer/any member of the Valuers team should not 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.

The Valuer/any member of the Valuers team 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.

Any queries in this connection may be sent to:

Shri Ikhlauque Islam, WBCS (Ex), Special Secretary, Labour Department, 12th Floor, New Secretariat Building, 1 K. S Roy Road, Kolkata, 700001	jslab2016@gmail.com
---	---------------------

Labour Department, Government of West Bengal may call for presentation on proposal from the selected bidders and date for the presentation will be intimated at least 3 days in advance. Labour Department, Government of West Bengal at its discretion may change the Scope of Project.

Interested bidders may submit their proposals to:

**Shri Ikhlauque Islam, WBCS (Exe),
Special Secretary,
Labour Department,
12th Floor,
New Secretariat Building,
1 K. S Roy Road,
Kolkata, 700001**

4. Documents to be submitted:

EOI documents to be submitted as per Annexure –I

5. General Terms and Conditions:

Following terms are used in the document interchangeably to mean: Bidder/Respondent – signify those who submit response to the EOI. Proposal/Bid – signify the documents submitted in response to this EOI.

Timely Submission: Bidders are solely responsible for timely delivery of the EOI proposals to the location as mentioned above, set forth herein prior to the stated Proposals Submission due date and are solely responsible for delays in receipt, including but not limited to third party carriers. Proposals not received on or before the last date and time of submission will not be considered.

Opening of Proposal: Proposals will be opened in front of vendor's representatives (if present).

Authority reserves the right at any time to postpone or cancel a scheduled bid opening. The bids will be opened at the address mentioned above at 3.6.

Use & Release of Vendor Submissions: Authority is not liable for any cost incurred by the Vendor in the preparation and production of any Proposal, the preparation or execution of any benchmark demonstrations, simulation or laboratory service or for any work performed prior to the execution of a formal contract. All materials submitted will become the property of Authority and may be returned at its sole discretion. The content of each Vendor's Proposal will be held in strict confidence during the evaluation process, and details of any Proposals will not be discussed outside the evaluation process.

6. **Labour Department, Government of West Bengal reserves** its right to evaluate/shortlist/accept/reject/eliminate any vendor at any stage without assigning any reasons and it is at the sole discretion of the Authority to provide any reason thereof to the vendor.
7. **Validity Period of Proposals:** The proposals submitted will be valid for a period of one year from the date of submission. **Labour Department, Government of West Bengal** reserves the right to shorten or extend the validity period.
8. **Award of Work:** Proposal submission does not guarantee any commitment by **Labour Department, Government of West Bengal** to award work.

Note:

Any Addenda / Corrigenda / Extension of dates / Clarifications / Responses to bidders' queries in respect of this EOI shall only be posted on our website <https://wblabour.gov.in/> and no separate notification shall be issued in the press. Bidders are therefore requested to regularly visit our website to keep them updated in this connection.

APPLICANT'S EXPRESSION OF INTEREST

Date

**The Special Secretary,
Labour Department,
12th Floor,
New Secretariat Building,
1 K. S Roy Road,
Kolkata, 700001**

**Sub: Submission of Expression of Interest for conducting Actuarial Valuation of
Samajik Suraksha Yojana (SSY)**

Dear Sir,

In response to the Invitation for Expressions of Interest (EOI) published on xx.xx.xxxx for the above purpose, we would like to express interest to carry out the above proposed task.

I hereby submit my proposal as per Annexure 1.

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

Yours Sincerely,

Signature:

Name of Actuary/Actuarial - Investment Firm
Address

Note: This is to be furnished on the letter head of the organization.

Annexure -1

No	Description	Data Sought
1	Name of the Applicant Valuer/Firm.	Full name
2	Address with telephone No	Provide the complete addresses and Attach the copy of latest landline telephone bill
3	Date and Registration No of Valuer/member of the Valuer Actuarial Society of India or any equivalent Institute outside India.	Attach copy of Registration
4	Details of the Actuary intended to be assigned the task by the applicant firm/company a) Name b) Registration with Institute of Actuaries of India c) Experience	Attach a copy of Registration and a copy of client list with the fund value individually & aggregated (with contact details)
5	Information on the post actuarial qualification professional work experience of at least 5 years with total work experience of 10 years.	Self declaration needs to be submitted.
6	Whether the Valuer/any member of the Valuers team have been blacklisted /debarred/disqualified by any regulator/ statutory body or Government entity or any international/national agency for corrupt or fraudulent practices.	Affidavit to be submitted
7	Whether the Valuer/any member of the valuers team 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.	Affidavit to be submitted

ANNEXURE – 2

Declaration

We hereby confirm that we are interested in competing for the proposal of conducting Actuarial Evaluation of SSY.

All the information provided herewith is genuine and accurate.

Authorized Person's Signature.

Name and Designation:

Date of Signature: Seal
