

Dated: 22.11.2024

Ref: LIC-Mau/RFP/Apr.2025-Mar.2030/AS/01

REQUEST FOR PROPOSAL

APPOINTMENT OF ACTUARY / ACTUARIAL CONSULTANCY FIRM FOR LIC-MAURITIUS

LIC-Mauritius Branch is one of the Life Insurers in Mauritius. In accordance with the section 40 of the Insurance Act 2005 of Mauritius, the LIC-Mauritius Branch is seeking to appoint an actuarial consultancy firm in Mauritius for providing end-to-end actuarial solution and valuation services etc. for the branch.

Proposal submission closing date: 20.12.2024

Correspondence Address:

Chief Manager,
Life Insurance Corporation of India,
Mauritius Branch Office,
1st floor, LIC-Centre, John Kennedy street,
Port Louis, Mauritius

Contact person:

Chief Manager or Manager (IT/Admin):
Telephone: (+230): 2081485 / 2110465 – Extn. 21 or 22.
E-Mail IDs: chief@lici.mu ; manager@lici.mu

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Introduction:

Life Insurance Corporation of India is one of the biggest Life Insurance Companies in the world. Life Insurance Corporation(LICI) is a statutory Corporation established in India under section 3 of Life Insurance Corporation Act 1956 (XXXI of 1956) and having its Corporate Office at "Yogakshema", Jeevan Bima Marg, Nariman Point, Mumbai – 400021 (India). At Mauritius, the operations are taking place as a foreign branch office of the Corporation and known as LIC-Mauritius Branch office.

In accordance with the section 40 of the Insurance Act 2005 of Mauritius, the LIC-Mauritius Branch (LICM) is seeking to appoint an Actuary/Actuarial Consultancy firm in Mauritius for providing end-to-end Actuarial solution and services and valuation services etc for the LIC Mauritius Branch.

LIC Mauritius Branch has an overall life-insurance portfolio of approx. 34,000 active life-insurance policies and every year approx. 4000 new policies are added. Financial year followed by LIC Mauritius Branch is from April to March and thus annual closing takes place every year as on 31st March.

The total assets managed by the branch are about MUR 4.95 billion. The investments are managed in-house in line with the Investment policy for the branch.

LIC Mauritius Branch is currently offering/selling 34 life-insurance products at Mauritius. Refer Annexure-A for brief details. More details will be provided to the shortlisted/selected Actuarial firm.

As per the Mauritian Insurance Act 2005, the Actuary/Actuarial firm has to be approved by the local regulator FSC (Financial Services Commission, Mauritius) and thus it is necessary that, the interested firm shall have thorough understanding of the local rules and regulations and familiar with the FSCs guidelines/requirements and the firm holds the required qualifications and competence, has proven experience and adequate resources to perform its functions at Mauritius.

Scope of Work:

We require the selected Actuarial Consultancy Firm (firm) to provide us with the following services:

1. Services of an Appointed Actuary as per Section 40 of Mauritius Insurance Act who would sign the valuation report(s) and all statutory returns etc. (Refer Annexure-B for details)
2. Study existing products and submit a product viability report and also from the valuation perspective.
3. Annual Actuarial Valuation, Experience Analysis in respect of mortality, morbidity, and lapse rates etc , Bonus Earning Capacity in respect of Participating products , Analysis of Surplus, Financial Condition Report and submission of reports to be placed before the Board of LIC of India.
4. Estimation and declaration of Bonus rates for the existing with-profit plans.
5. Preparation of Annual Statutory returns as per the forms prescribed by the FSC and any other local authority(ies).
6. Preparation of Quarterly reports/returns as may be asked by the FSC and any other local authority(ies).
7. Preparation of Quarterly valuation statement to be submitted to Head Office in India.
8. Review the existing Risk Management Framework and provide inputs and reporting formats for its improvisation on periodic basis.

9. Perform Forward Looking Assessment of Solvency for ORSA (Own Risk and Solvency Assessment).
10. Provide inputs for regulatory returns in Mauritius as and when asked for.
11. Provide Actuarial opinion on matters related to Mauritius for the senior management in Mauritius and India.
12. Represent LIC-Mauritius Branch to the Regulators/Authorities on Actuarial matters.
13. Designing of new products or repricing of existing products.
14. Perform an independent review of IFRS 17 assumptions and figures.
15. Any other Actuarial services on mutually agreed basis.
16. Preparation and submission of Actuarial returns forms prescribed by IRDAI regulatory returns.
17. Analyze investment strategies and asset-liability management
18. Evaluate and quantify risks associated with insurance products and investments
19. Analyze and negotiate reinsurance arrangements
20. Projections of Capital requirements for running the business.
21. Evaluate and quantify risks associated with insurance products and investments
22. Provide the working of the results

The Actuarial services will be as per FSC requirements for a period of five years starting 01 April 2025 and renewable on mutually agreed basis.

Eligibility criteria:

The Actuarial firms interested to respond shall meet the minimum basic criteria as defined below:

1. As per the Mauritian Insurance Act 2005, the Actuary/Actuarial firm has to be approved by the local Regulator FSC (Financial Services Commission, Mauritius) and thus it is necessary that the interested firm shall have thorough understanding of the local rules and regulations and familiar with the FSCs guidelines/requirements and the firm holds the required qualifications and competence as led down in Mauritius Insurance Act 2005, any other relevant Acts/.Regulations and has proven experience and adequate resources to perform its functions at Mauritius.
2. The firm should be in good standing and is fit and proper. It should be having requisite resources, infrastructure and experience for Actuarial services (preferably with a Life-Insurance Company) at Mauritius.
3. The firm shall designate an Actuary or an Appointed Actuary who shall have all the duties, responsibilities obligations of an Actuary as per FSC requirements.
4. The person appointed as Actuary must be a Fellow of one of the professional bodies recognised by Section 6 of Insurance Regulation GN 169/2007 such as
 - (a) Actuarial Society of India (now Institute of Actuaries of India)
 - (b) Canadian Institute of Actuaries;
 - (c) Casualty Actuarial Society (United States)
 - (d) The Faculty of Actuaries (Scotland)
 - (e) Institute of Actuaries (London)
 - (f) The Institute of Actuaries of Australia
 - (g) The Society of Actuaries (United States)



5. The Actuary must have the necessary skill and experience to provide appropriate actuarial advice. At a minimum, the person appointed as Actuary must:
- not hold the position of director or Chief Executive Officer or auditor of the insurer that it will be assessing;
 - not hold the position of director or Chief Executive Officer of a body corporate that is related to the insurer, unless the related body corporate is a subsidiary of the insurer;
 - have at least 5 years' experience in the provision of actuarial services;
 - not have committed an offence against the Act, or any other laws of Mauritius, or laws of a foreign country, particularly offences with a financial nature as a result of dishonest conduct;
 - not have been declared bankrupt; and
 - not pose conflicts of interest in having to perform the actuarial role.

Submission of proposal:

The bidder is required to submit the following information and documents for valuation purposes.

- The bidder has to submit technical proposal and financial proposal in two separate envelopes (if submitted physically) or in two separate password protected soft files files submitted through email).
- Technical Proposal:

The firms have to furnish the following information in their proposal:

- Company information, key persons, experience in providing actuarial consultancy services including approved persons role.
- Details of the person who will provide the services of Appointed Actuary. Please include CV.
- Regulatory references for the last three years as may be required by the FSC.
- Details of the actuarial software to be used for the provision of services and preparation of Valuation data and all kinds of reports for regulator/authorities etc.
- It should include all the information required to assess the proposal as per eligibility criteria.

- Financial Proposal:

Providing full details and costs per annum as per deliverables. All the figures in MUR and exclusive of relevant tax(es).

Task to be completed	Fees (Mur) excluding VAT				
	01.04.2025 to 31.03.2026	01.04.2026 to 31.03.2027	01.04.2027 to 31.03.2028	01.04.2028 to 31.03.2029	01.04.2029 to 31.03.2030
Statutory Valuation Exercises					
Annual Statutory Valuation					



Annual Statutory Filings					
Value of New Business					
Designing of a new product Or Repricing of existing product					
Any other, please specify					
Total					
Quarterly Valuation Exercise					
ERM and ORSA Exercises					
Validation of Regulatory capital					
Business Projections					
Stresses and Scenarios					
Preparation and submissions of returns prescribed by IRDAI.					
Statutory Actuary Review and ERM Effectiveness					
Any other, please specify					
Total					
Grand Total					

If the firm desires to quote the rates for any other services or the services that may be required as per scope of work, details of services and rates may be provided, in the proposal submitted to the company.



d) Non-Disclosure and Confidentiality agreement as per Data Protection Act.

e) **Termination / Exit Clause:** The contract can be terminated by either party by giving prior notice of termination of not less than 60 days. The contract will be terminated with immediate effect in case of material breach of obligations and the corrective action not effected or in case the other party becoming insolvent.

Evaluation of Proposal:

All the Technical Proposals received will be scrutinized by the Branch (LICM) with respect to the eligibility conditions specified in the RFP. The eligible Technical Proposals along with Financial Proposals, will be sent to the Competent Authority at Head Office at Mumbai, India, for selection and appointment. During the process of selection, any additional information may be asked from the participating firms.

Time-limit for submission of proposal:

The proposal should reach **on or before 15:00hrs, 20.12.2024**, either in password protected soft copy (Technical and Financial Proposal separately) on email-id mentioned below.

OR

a physical copy in a sealed cover (Technical and Financial Proposal in separate envelope) with a superscript "FOR APPOINTMENT OF ACTUARY FOR THE YEAR 01.04.2025 TO 31.03.2030" at the address given below.

Chief Manager,
LIC of India, Mauritius Branch, 1st Floor, LIC Centre,
John Kennedy Street, Port Louis, Mauritius.
Email-id: chief@lici.mu, manager@lici.mu
Phone number: 2081485 (Ext. 21 / 22)

LICI Mauritius reserves the right to reject any or all proposals without assigning any reason whatsoever.

Dated: 22nd Nov 2024
Place : Port Louis, Mauritius



Chief Manager
LIC-Mauritius Branch

Annexure A-				
(List of Active life insurance plans)				
Sl. No	Plan-No	Plan Name	PAR /NP	Type
1.	2	Whole Life With Profits	PAR	WHO
2.	5	The limited-payment Life Policy With Profits	PAR	WHO
3.	8	Single Premiums Life Policy With Profits	PAR	WHO
4.	14	The Endowment Assurance Policy With Profits	PAR	END
5.	48	The Endowment Assurance Policy with Limited Payment options With Profits (15,20 & 25 years)	PAR	END
6.	17	The Joint Life Endowment Assurance on Two Lives -With Profits	PAR	END
7.	41,50	The Children's Deferred Endowment Assurance-With Profits	PAR	END
8.	43	The Two Year Temporary Assurance policy- Without Profit	NP	TERM
9.	80,81	The Children's Anticipated Policy-With Profits	PAR	END
10.	92	New Children's Deferred Assurance Plan	PAR	END
11.	101	Jeevan Balya-New Children's Deferred	PAR	END
12.	73,74,75	The Money Back Policy-With Profits	PAR	MON
13.	93	New Money Back Plan-Term 25 Years-With Profits	PAR	MON
14.	88	Jeevan Mitra-Double Cover Endowment Plan-With Profits	PAR	END
15.	89	Jeevan Saathi-Double Cover Joint Life Plan-With Profits	PAR	END
16.	90	Marriage Endowment/Educational Annuity Plan-With Profits	PAR	END
17.	95	Special Endowment Plan With Profits	PAR	END
18.	121	Critical Illness	PAR	CRITICALILLNESS
19.	701	Premier Life	PAR	END
20.	702	Junior Life Plan-Children's Money Back	PAR	END
21.	703-704-705	Joint Money Back Plan1 with profits	PAR	MON

22.	706	Single Premium Money Back With Profits	PAR	MON
23.	707	Premium Back Term Assurance	NP	TERM
24.	708	Pure Term Assurance (without Profits)	NP	TERM
25.	709	Auto cover Endowment Plan	PAR	END
26.	710	Double & Triple Cover (With Profits)	PAR	SIN
27.	711	Educare+	PAR	MON
28.	712	Infini-T-Jeevan Anand	PAR	END



Annexure-B

(Role and Responsibilities of the Appointed Actuary and the Actuarial firm):

The Actuary will furnish all the reports / statements (but not limited to) as per section 8 of INSURANCE (LONG TERM INSURANCE BUSINESS SOLVENCY) RULES 2007 and Insurance (Risk Management) Rules 2016.

1. The Appointed Actuary must act as per the obligations as may be imposed upon them by the Regulator and other Governing body(ies).
2. The Appointed Actuary must have regard to generally accepted actuarial practice and, in the event that he/she significantly departs from this, must disclose the reasons as explanations.
3. The Appointed Actuary must actively engage with the Branch's governing body and with the main Board of the LIC-of-India in India, if necessary, on matters the Appointed Actuary deems to be sufficiently important. All material tasks that have been undertaken by the Appointed Actuary should be reported in writing at least annually to the governing body, together with their results, clearly identifying any deficiencies and recommending improvements needed.
4. The Appointed Actuary must ensure that he/she has sufficient information and resources to enable the necessary investigations to be carried out.
5. The Appointed Actuary must act with regard to the obligations to treat LIC Mauritius Branch's customers fairly and policyholders' reasonable expectations.
6. The Appointed Actuary has to communicate clearly the perspective from which they are providing advice to the Board of the LIC-of-India in India, the Mauritian governing body or the Branch's Chief Manager as appropriate.
7. The Appointed Actuary shall satisfy himself/herself that the systems of control that are in place are adequate to ensure that the LIC Mauritius Branch's policyholders are not misled as to their expectations.
8. Other Responsibilities of the Appointed Actuary shall include:
 - I. Preparing and Submitting report on financial position of the Branch incorporating the following:
 - a. a summary of the data including sources of data and any further improvement required with respect to the data encountered;
 - b. carrying out solvency position of the branch at the valuation date, the previous valuation date and an estimate of the expected solvency position in 12 months' time
 - c. ensuring appropriateness of the assumptions and methodology used to calculate the value of liabilities for all classes of business;
 - d. comparison of the assumptions used for valuation and pricing along with any management actions that have been taken into account when valuing the liabilities;
 - e. certification that the rules in determination of the valuation of liabilities has been complied with, and if any other alternative method is adopted other than the one prescribed in these Rules, the reasons for same and certify that the value of liabilities determined from the alternative method shall not be less than the value of the liabilities obtained as per the prescribed rules;
 - f. advice on distribution of surplus and the level of the bonus smoothing reserves along with determination of any other discretionary benefits;
 - g. ensuring appropriateness of the assumptions and methodology used to calculate the value of assets for all classes of investment;
 - h. ensuring that the rules in determination of the solvency margin and the minimum capital requirement have been complied with;



- i. ensuring that the rules and determination of the valuation of assets has been complied with;
- j. comment on the adequacy of reinsurance arrangements of the insurer including the impact on liabilities and the appropriateness of these arrangements, given the nature of the risks;
- k. a detailed analysis of surplus dealing with all the relevant parameters, emerging over the period since the previous report;
- l. a brief summary of new products launched during the period since the previous valuation or where existing products have been materially changed;
- m. risk assessment of the Mauritius Branch, including the measures in place to address these risks;

II. Providing support and assistance to the risk management function of the Mauritius Branch and review and report to the Board on effectiveness of the Risk Management Framework at least once a year.

9. The Appointed Actuary must actively engage with the Auditors for any information, statistics and reports as may be required by them.

10. Must handle to all kinds of communications from all kinds of Governing bodies and assist LIC Mauritius Branch to address all such matters which may arise.



Check List

Document	Submitted (Yes / No)	Remark (if any)
A Complete company profile.		
Regulatory references for at least last three years		
Details of any software that may be used by the actuarial firm		
Bio-data of the appointed actuary / Actuarial-team		
Previous industry experiences		
Deliverables to be mentioned in the proposal which should be in line with the scope of work.		
Confirmation that all regulatory duties are being performed by the Firm / Company		
Financial Proposal		

Date:

Place:

Signature:

Designation:

Seal / Stamp of the Firm