



TENDER FOR THE CONTRACTING OF CONSULTANCY SERVICES TO ENHANCE CLIMATE RESILIENCE IN RURAL LENDING: DESIGNING AND EMBEDDING CLIMATE INSURANCE IN PAHAL'S LOAN OFFERINGS

Ref.: TAFHURUMA15.PAHAL.03

Date: 19/10/2026

1. The Contracting Party

This Tender is promoted by PAHAL FINANCIAL SERVICES PVT. LTD. ("Pahal"), which acts as contracting and awarding entity. Pahal will enter directly into the services contract with the successful bidder, will receive the corresponding invoices, and will be responsible for the operational management of the contract.

GAWA, in its capacity as Technical Assistance Manager of the Huruma Fund, participates in the procedure to ensure compliance with the procurement rules applicable to the TAF and issues the prior no-objection to the provisional award and to the formalisation of the contract, under the terms of the Contribution Agreement entered into between GAWA and Pahal.

Pahal is an NBFC-MFI incorporated in India and operating since 2011, providing microfinance services to low-income households through a diverse array of financial and non-financial offerings. It serves more than 0.5 million clients through a network of approximately 350 branches across nine states and one union territory, with a loan portfolio of around EUR 118 million. Its portfolio is concentrated in agriculture (38%), business and microbusiness (37%) and livestock (15%), delivered through Individual Loan (IL) and Joint Liability Group (JLG) products. Pahal is authorised to distribute insurance as a licensed corporate agent.

The Huruma Fund is an impact investment fund aimed at improving access to finance for small and medium-sized farmers, through investment in Microfinance Institutions (MFIs) and other financial intermediaries with an agricultural and rural focus, strengthening their products, processes, risk management and the capabilities of their staff. The Technical Assistance Facility (TAF) operates in parallel to the investment fund, functions independently, and is governed by the Technical Assistance Steering Committee.

2. Object of the Tender

The object of this Tender is the contracting of consultancy services to support Pahal in designing and embedding climate insurance solutions within its lending operations, moving from a pilot to a proven product and from a limited, single-peril approach toward a broader, scalable model capable of responding to the diverse climate risks affecting Pahal's borrowers across different geographies, loan types and livelihood activities (the "Services").

The Services are detailed in Annex I (Terms of Reference)

This procedure gives rise to a single services contract of determined scope, term and price.

The entirety of the Services is contracted in a single act, by means of the instrument set out in Annex VI (Model Services Contract). The general conditions for the provision of the Services that must be incorporated into the proposal are set out in Annex II (Conditions for the Provision of the Requested Services).



3. Financing and institutional framework

The Services subject to this Tender are financed through the Technical Assistance Facility (TAF) of the Huruma Fund. The Huruma TAF is principally financed by the European Union, within the framework of its blending facilities (through the AgriFi thematic facility), with COFIDES acting as the entity channelling the non-reimbursable funds and whose procurement policies and procedures apply to this procedure.

The contract is additionally co-financed by Pahal, under the terms of the Contribution Agreement entered into with GAWA. The allocation of financing between the TAF and Pahal is set out in that Agreement and will be reflected in the contract to be concluded with the successful bidder.

Further information on the Huruma Fund, the TAF and the public partners is set out in Annex X (Institutional Framework).

4. Legal framework of the Tender

This Tender, all its annexes (including, without limitation, the Terms of Reference set out in Annex I), the resulting contract and the proposals submitted in this procedure (together, the "Tender Documents") shall be governed by and construed in accordance with Indian law.

On a subsidiary basis, and to the extent applicable, the COFIDES internal procurement instructions in their most recent version, as amended from time to time (the "COFIDES Procurement Policy"), and the rules of the Huruma Fund TAF Contribution Agreement shall be observed.

Bidders and the successful bidder expressly accept their submission to the legislation referred to above and to this Tender, which, together with its annexes, the contract and the proposal of the winning bidder, shall be contractual in nature and therefore binding. In the event of divergence between the Tender Documents, the following order of precedence shall apply: first, this Tender and its annexes; then, the contract concluded; and lastly, the bidder's proposal.

Lack of knowledge of the Tender Documents in any of their terms, of the documents annexed to them, or of any instructions, standards or specifications applicable to the performance of what is agreed, shall not exempt the successful bidder from the obligation to comply with them.

The Tender Documents are subject to the Digital Personal Data Protection Act, 2023 (DPDP Act) and, in respect of personal data processed on behalf of the TAF or of the European public partners, to Regulation (EU) 2016/679 (GDPR), under the terms of Annex IV.

5. Maximum estimated value of the contract

The maximum estimated value of this Tender is EUR 150,000.00 (one hundred and fifty thousand euros). Any proposal exceeding that amount shall be considered ineligible and disqualified from the process.

The contract value will be fixed in euros and paid in Indian rupees (INR), at the exchange rate prevailing at the time of each payment, in the manner established in the contract. The maximum estimated value is fully inclusive: it covers professional fees, travel (transport and accommodation), per diems, materials, general expenses, administrative and indirect costs, applicable taxes and any other expenses that may be incurred in the performance of the work, irrespective of when they are incurred, as well as, where applicable, any extensions or price revisions that may be established in the contract.



Separately invoiced reimbursable expenses are not admitted. Proposals based on uncapped hourly rates, or similar fee estimation formulas that could result in the maximum amount being exceeded, will not be accepted, nor will budgets based on assumptions of maximum time for the development of the work.

6. Term and geographic scope

The initial term for performance of the contract is 24 (twenty-four) months from its entry into force, anticipated for Q4 2026. That term may be extended subject to the prior written approval of the Contracting Entity and the no-objection of GAWA.

The geographic scope of the Services corresponds to Pahal's area of operation, covering its branch network across nine states and one union territory, including Gujarat, Rajasthan, Tamil Nadu, Uttar Pradesh, Bihar, Madhya Pradesh, Maharashtra, Haryana and Chhattisgarh. Actions with the head office will be concentrated in Ahmedabad, Gujarat. Activities with branches and field teams will take place in person or remotely, as applicable, with the specific geographies to be confirmed on the basis of the portfolio-level climate risk assessment.

Bidders must demonstrate the capacity to perform the activities in the geography indicated, with potential travel within the country, with particular attention to Gujarat and to the states identified as materially exposed in Section 5 of Annex I.

7. Conduct of the procurement procedure

7.1 Procedure

The contract subject to this Tender will be awarded by means of a single-phase open procedure, without negotiation of proposals. The evaluation comprises two scoring stages (technical and financial), carried out in a single procedure and with a single submission of proposals.

7.2 Contracting Body and Evaluation Committee

The contracting body responsible for selection and award in this procedure is the Board of Directors and/or Managing Director of Pahal Financial Services Pvt. Ltd. (the "Contracting Body"), which may authorise the Evaluation Committee (as defined below) to adopt, unanimously and jointly, the deliberations and to perform the acts pertinent to this Tender.

Pahal shall constitute an evaluation committee composed of a chair and at least three (3) full voting members (the "Evaluation Committee"). GAWA, in its capacity as Technical Assistance Manager, will participate in the Evaluation Committee with voice and vote.

The functions of the Evaluation Committee include, among others:

- review of the documentation relating to the eligibility criteria;
- request, where applicable, for rectification of defects by bidders;
- opening of the documentation comprising the proposals;
- evaluation of the proposals according to the criteria established in this Tender and their ranking by order of score;
- submission of the proposal considered most advantageous to the Contracting Body, accompanied by the no-objection of GAWA.

The formalisation and execution of the contract shall fall to Pahal Financial Services Pvt. Ltd.



7.3 Publication of the Tender

This Tender is published on the official channels of Pahal and of GAWA Capital, so that any interested provider meeting the eligibility criteria set out in Section 10.1 may submit a proposal. All notices relating to this Tender shall be published there or communicated to bidders by electronic means.

Clarifications, amendments and any other information of general interest shall be made available to all bidders simultaneously and on equal terms. No bidder shall receive information that is not simultaneously made available to the others.

7.4 Clarification period

Bidders shall have a period of five (5) business days from the date of publication of this Tender to request, in writing, clarifications on the content of the Tender and of the Terms of Reference, prior to the submission of their proposals. The period is set above the minimum in view of the technical complexity of the object of the contract.

Where a clarification to be given to any bidder may be of general interest to the others, the Contracting Entity shall disclose it to all of them on equal terms and simultaneously.

Requests for clarification shall not suspend the procedure, unless irremediable defects rendering it ineffective are identified, in which case the Contracting Entity shall inform all bidders.

7.5 Amendment of the Tender

If, before or during the period granted for the submission of proposals, the Contracting Entity identifies the need to introduce amendments to this Tender, the submission period shall be reopened to allow a new round of competition, giving the same publicity as the original call, so that all potential bidders are duly informed.

7.6 Notices and communications

All communications relating to this Tender shall be made by electronic means, to the addresses indicated below:

Pahal Financial Services Pvt. Ltd.	dimple.padhiar@pahalfinance.com firuzi.vakil@pahalfinance.com
GAWA Capital Partners (TAF Manager)	tafhuruma.pahal@gawacapital.com

8. Tender timetable

MILESTONES	DATES
Publication of the Tender	19 October 2026
Deadline for clarifications	Until 27 October 2026
Submission of proposals	20 November 2026, 14:00 (IST)
Rectification of defects, if applicable, at the admission stage	2 business days, from the day following notification of the existence of remediable defects
Rectification of defects, if applicable, at the classification stage	2 business days, from the day following notification of the existence of remediable defects



MILESTONES	DATES
Communication of the provisional award	Between 1 and 10 business days, starting from the day following the end of the rectification period
Period for challenges	2 business days, from the day following communication of the provisional award
Submission of the remaining documentation	Between 1 and 5 business days, from the day following the end of the period for challenges
Definitive award	1 business day, from the day following the end of the period for submission of the remaining documentation

For the purposes of this Tender, business days are those so regarded in Ahmedabad, Gujarat, India. Unless expressly stated otherwise, where deadlines indicate the final date as "inclusive", this shall be understood as until 24:00 (IST) on that date.

9. Form of submission of proposals

This Tender shall be conducted exclusively by electronic means, so that the submission of proposals and the processing of notices and communications arising from the procedure shall be carried out through those channels.

All proposals shall be submitted in English, to the e-mail addresses indicated in Section 7.6. Proposals sent by any other means shall not be considered.

The documents relating to the eligibility criteria and the technical and financial proposals must be sent by e-mail in password-protected PDF format (in order to ensure the transparency of the process) by 20 November 2026, 14:00 (IST). Proposals received after the date and time set shall not be accepted.

The password shall only be sent after 14:01 (IST) on 20 November 2026, to the same addresses to which the proposal was sent. Proposals whose password is disclosed before the date and time set shall not be accepted.

The e-mail by which bidders submit their proposals shall be identified with the reference TAFHURUMA15.PAHAL.03 and shall indicate:

- identification of the bidder (corporate name, tax identification number or equivalent, address and telephone);
- contact person for communications and notices (e-mail address and mobile telephone).

Proposals shall be composed of three separate and independent files (encrypted electronic files, the password to which may not be disclosed before the date and time indicated above), identified as "File 1: Eligibility Criteria", "File 2: Technical Proposal" and "File 3: Financial Proposal", with the content indicated in Section 10 below.



The submission of a proposal shall imply, for all purposes, the unconditional acceptance of and adherence by the bidder to this Tender and its annexes, without reservation of any kind. The documentation forming part of the proposals shall be signed by a person duly vested with powers of representation, electronic signature being admitted.

Bidders may amend their proposals by notice sent before the submission deadline. Proposals may not be modified after that deadline.

The following proposals shall be considered inadmissible, without prejudice to other instances of non-compliance provided for in this Tender:

- submitted out of time;
- not encrypted;
- whose decryption keys are not sent, or are received out of time;
- whose technical or financial proposal documents contain irremediable defects or are not rectified within the period granted.

If no proposals are submitted, or if the proposals submitted are considered inadequate, irregular or unacceptable, the procedure shall be declared void or unsuccessful, as applicable.

10. Content of the proposals

10.1 File 1: Eligibility criteria

10.1.1 Eligibility criteria

Capacity. This Tender is open to natural or legal persons, domestic or foreign, which: (i) have full legal capacity to act; and (ii) are not subject to any Grounds for Exclusion. For the purposes of this Tender, "Grounds for Exclusion" mean any of the following situations:

- a) the bidder, any of its directors or beneficial owners has been the subject of a final conviction for offences relating to money laundering, terrorist financing or another serious financial crime under applicable law;
- b) the bidder, any of its directors or beneficial owners is subject to targeted financial sanctions or other restrictive measures imposed by the European Union, including by appearing on the EU consolidated sanctions list;
- c) the bidder is established in, or is directly or indirectly controlled from, a country or territory subject to European Union restrictive measures or designated as a non-cooperative jurisdiction for tax or AML/CFT purposes;
- d) the bidder uses, or proposes to use in the performance of the contract, a corporate or contractual structure that does not afford sufficient transparency to identify and verify the identity of all Beneficial Owners, in accordance with applicable anti-money laundering and counter-terrorist financing legislation;
- e) the bidder is debarred or otherwise restricted from contracting with public authorities or with financial institutions under applicable Indian law, including by virtue of regulatory action by the Reserve Bank of India or the Insurance Regulatory and Development Authority of India;
- f) any other circumstances which, under the applicable legal framework, entail a prohibition or restriction on contracting.

In addition, the bidder may not be subject to conflicting interests capable of adversely affecting performance of the contract. Conflict of interest means any circumstance capable of compromising the impartial, independent and objective performance of the Services, by way of example and without limitation, arising from economic interests, commercial or professional relationships, political affinities, family or personal ties, or any other interests shared with Pahal, its subsidiaries or affiliates, or GAWA.



Economic and financial capacity. Economic and financial capacity shall be assessed on the basis of the bidder's average annual turnover. Bidders shall evidence average annual turnover of the company, or of the group to which they belong, in the field of the services required, exceeding EUR 75,000, in the financial years 2024 and 2025. In the case of proposals submitted by a consortium, this requirement may be met by the aggregate turnover of all members.

Technical or professional capacity. Technical or professional capacity shall be assessed on the basis of prior experience relevant to the object of the contract (Annex I), with financial sector companies or institutions in emerging markets, during the last 3 (three) years, comprising at least three (3) completed assignments involving the design, pricing or implementation of parametric, weather-index or other climate-linked insurance products, of which at least one was delivered with or for a financial institution serving low-income clients. Likewise, at least four (4) professionals assigned to the performance of the contract shall have more than 5 (five) years of experience in similar services. In the case of a consortium, technical capacity shall be assessed in relation to the members as a whole, aggregation of projects, references and credentials being admitted.

Allocation of personnel and material resources. In addition to evidencing its standing and capacity, the bidder shall have the necessary and sufficient means for the proper performance of the Services set out in Annex I, in English and, for borrower-facing materials, in the relevant vernacular languages. The successful bidder shall be obliged to allocate the personnel and material resources necessary for the proper provision of the Services.

10.1.2 Documentation evidencing the eligibility criteria

The following documentation shall be submitted in File 1:

- Request to participate form – Annex VII;
- Responsible Declaration – Annex III;
- Confidentiality and data processing declaration – Annex IV;
- Beneficial owners declaration – Annex VIII;
- powers of attorney or instrument of representation of the person signing the proposal;

Where the documents in File 1 contain remediable defects, the Contracting Entity shall notify the bidder, which shall have two (2) business days to rectify them. A remediable defect means a simple, non-essential formal defect and/or one that allows the qualification documentation to be completed.

The capacity requirements must be satisfied at the date of submission of the proposal and must remain satisfied at the time of signature of the contract.

10.1.3 Validation of the eligibility criteria

In order to expedite the procedure, bidders shall initially submit only the documentation indicated in Section 10.1.2. Only the bidder selected at provisional award shall subsequently be required to submit the supporting documentation, in the form of Annex V (Model Form for Validation of the Eligibility Criteria) and, in any event, before formalisation of the contract.



10.2 File 2: Technical Proposal

The Technical Proposal shall comply with the requirements of Annex I and shall permit the application of the evaluation criteria in Section 12. Any information not relevant to that evaluation shall be considered not submitted. It shall contain the following documents, each assessed against the criterion indicated:

- a) Prior and relevant experience (Section 12.2.1). Profile of the company or consortium and list of comparable projects (last 2 to 5 years), indicating client, value, objectives, services provided, results, challenges and reference contact. The bidder shall also submit an extended executive summary of the three (3) projects it considers most relevant (one to three pages each).
- b) Analysis of the object of the contract and methodological proposal (Section 12.2.2). Analysis demonstrating overall understanding of the principal challenges of the sector and of the task to be performed; proposed methodological approach for implementation, including the climate risk assessment methodology, data sources, trigger design and basis-risk management, and product architecture across both tracks; sequencing and duration of activities anchored to the seasonal windows; identification of implementation milestones; and personnel allocated to the different tasks.
- c) Insurer and risk-capacity strategy (Section 12.2.2). Identification of the licensed insurers and, where relevant, reinsurers or other risk-capacity providers with which the bidder proposes to work, the status of those relationships, and the proposed approach to underwriting and regulatory clearance within the Indian framework.
- d) Comments and proposed improvements to the Terms of Reference (Section 12.2.2). Bidders are expressly invited to analyse the Terms of Reference (Annex I) critically, to identify gaps, risks or sequencing problems and to propose concrete and justified improvements. Proposed improvements may add to the Terms of Reference but may not diverge from them nor reduce their objectives and scope; they constitute mere proposals and do not alter the binding Terms of Reference unless expressly adopted in writing by the Contracting Entity.
- e) Risk analysis and mitigation plan (Section 12.2.2). Identification of potential risks to the success of the project – including insurer appetite, regulatory clearance, data availability, seasonal slippage and borrower uptake – and a proposed mitigation plan for each.
- f) Project team documentation (Section 12.2.3). CVs of the members of the team and/or consultants with whom the bidder expects to implement the project; team qualifications profile (specialisation, professional category and seniority); and a roles and responsibilities matrix clearly defining which person will be responsible for each deliverable and the percentage of time they will dedicate to the project. The team shall be led by an expressly named coordinator, who shall be the principal point of contact with Pahal. The professionals proposed shall dedicate, genuinely and effectively, the time necessary for the proper performance of the Services; merely nominal involvement shall constitute grounds for termination.
- g) Capacity to perform in the area of operation (Section 12.2.3). Documentation evidencing the capacity to perform the activities across Pahal's branch network, including local consultant networks, travel capacity, vernacular language capability and comparable prior experience in the region.



10.3 File 3: Financial Proposal

The financial proposal shall be structured by means of a budget spreadsheet, with all amounts expressed in euros (EUR), and shall itemise:

- professional fees – daily rate by professional category and number of days envisaged, by activity;
- operational and logistical costs – travel, per diems, materials and other implementation costs;
- other costs – administrative or indirect.

The spreadsheet shall also present the distribution of the budget by activity, at the level of sub-activities T1.1 to T1.4, T2.1 to T2.4, C.1 and C.2, for the purposes of monitoring implementation, and the total value of the proposal, which is the only figure taken into account for the purposes of financial scoring.

The financial proposal shall contain an express declaration that: (i) the amounts presented are fully inclusive and there will be no separate invoicing of reimbursable expenses; (ii) rates are fixed for the entire term of the contract and will not be revised by reference to price indices; and (iii) the total amount does not exceed the maximum budget established in Section 5.

11. Opening and analysis of proposals

Proposals shall be prepared in accordance with the Terms of Reference (Annex I). No bidder may submit more than one proposal, participate in a consortium having submitted an individual proposal, or appear in more than one consortium. Nor may separate proposals be submitted by companies linked to one another or presenting any incompatibility with Pahal or with GAWA Capital. In the event of breach of these rules, the proposal shall be declared inadmissible.

The files shall be opened in numerical order, ensuring rigour and transparency in the process.

The Evaluation Committee shall first proceed to open File 1. Where remediable defects are found in the documentation submitted, a period of two (2) business days shall be granted for rectification, counted from the day following notification. The secretary of the Committee shall notify the interested parties of the documentation to be corrected, warning that failure to correct within the period shall entail exclusion from the Tender.

All acts performed shall be recorded in minutes, the drawing up of which is mandatory.

Once the documentation has been analysed and any defects rectified, the Evaluation Committee shall determine the bidders admitted to the Tender, those rejected, and the grounds for rejection. Once the admitted bidders have been declared, the Committee shall proceed to open Files 2 and 3.



12. Evaluation of proposals

12.1 General provisions

The evaluation will be carried out in two phases. The **Technical Proposal (Phase I)** is scored up to a maximum of **70 points** and the **Financial Proposal (Phase II)** up to a maximum of **30 points**. Each criterion is scored according to the qualitative performance bands established below. Only proposals obtaining a minimum of **40 points in Phase I** will proceed to Phase II.

Evaluation criteria	Score
Technical proposal: • Experience • Analysis and Methodology • Project team	70 points: • Experience (25) • Analysis and Methodology (25) • Project team (20)
Financial proposal	30 points
Total score	100 points

The score for each section shall be weighted according to its assessment as excellent (100%), good (75%), average (50%), fair (25%) and poor (0%).

12.2 Evaluation of the Technical Proposal

12.2.1 Experience (25 points)

The bidder shall demonstrate experience and knowledge directly aligned with the object of the contract, assessed holistically across the following dimensions:

- Thematic experience. Demonstrable prior experience in the design, pricing and implementation of parametric, weather-index or other climate-linked insurance products, including trigger definition, threshold calibration and payout structuring; and in delivering such products through financial institutions serving low-income clients.
- Regulatory and market experience. Experience of operating within insurance regulatory frameworks in emerging markets and, in particular, in India, including engagement with IRDAI-licensed insurers, corporate agency distribution models, and RBI guidance applicable to NBFC-MFIs; and demonstrated ability to secure underwriting and, where relevant, reinsurance or other risk capacity.
- Experience in capacity building and borrower awareness. Experience in the design and delivery of staff training and borrower financial education relating to insurance products in low-literacy, multilingual contexts, including expectation management around parametric payouts.



12.2.2 Analysis and Methodology (25 points)

The methodological proposal shall be assessed on the basis of the quality, depth and credibility of the evidence presented in respect of the following criteria:

- Understanding of the project and context. Understanding of the principal challenges of the sector and of the task to be performed, identifying possible shortcomings and suggesting solutions capable of improving the quality of the work and its outcome, including the articulation between the two tracks and the coordination required with Pahal's parallel agri-finance technical assistance workstream.
- Climate risk assessment methodology. Robustness and transparency of the proposed approach to the portfolio-level climate risk assessment, including hazard data sources, spatial resolution, treatment of return periods, integration with portfolio characteristics, and the method by which priority perils, geographies and borrower segments will be identified.
- Product architecture, trigger design and basis-risk management. Technical defensibility of the proposed approach to trigger definition, threshold calibration, payout structuring and premium calibration; explicit treatment of basis risk and of the circumstances in which payouts will not occur; and the approach to affordability relative to borrower income, loan size and repayment capacity.
- Insurer and risk-capacity strategy. Credibility of the proposed route to underwriting, the status of the relationships relied upon, and the approach to regulatory clearance and to the corporate agency distribution model.
- Methodology and detailed work plan. Implementation methodology, tools and analytical milestones by phase, sequencing and duration of activities, and personnel allocated to the different tasks. Particular weight will be given to the credibility of the sequencing against the physical seasonal windows identified in Annex I and to the treatment of products whose deployment window falls after contract close.
- Critical analysis and improvements to the Terms of Reference. Quality, pertinence and feasibility of the critical analysis of the Terms of Reference and of the improvements proposed and justified. Proposals that materially alter scope, budget or objectives shall not receive a higher score and may be disregarded.
- Risk analysis and mitigation plan. Identification of potential risks to the success of the project and adequacy of the mitigation plan proposed for each.

12.2.3 Project team (20 points)

The proposed team shall be assessed on the basis of the qualifications and experience of the key experts across the following dimensions:

- Qualifications of the key experts. Experience in the direction or senior delivery of climate risk analytics, actuarial design and parametric product structuring; experience in the design, piloting and scaling of insurance products distributed through retail lenders; and demonstrable focus on low-income client segments.
- Regulatory and standards knowledge. Knowledge of the insurance and financial regulation applicable to NBFC-MFIs in India (IRDAI corporate agency requirements, RBI guidance on non-bundling and borrower consent, the DPDP Act) and of relevant international standards and practice in index insurance; and experience with the Indian microfinance sector.
- Structure, allocation and field delivery capacity. Clarity of the roles and responsibilities matrix and adequacy of the percentage dedication of each professional; competence to design staff training and borrower awareness materials in vernacular languages; and demonstrated capacity to mobilise a team across Pahal's area of operation.



As part of the technical evaluation, the Evaluation Committee may conduct interviews with the lead consultant and/or key consultants of bidders, in order to assess understanding of the task and of the proposed methodology. Interviews shall serve exclusively to confirm or clarify information already contained in the proposal and shall not constitute an additional scoring criterion or negotiation of the proposal.

12.3 Evaluation of the Financial Proposal (30 points)

Before the score is calculated, the financial proposal shall be subject to a pass/fail compliance check, and shall be considered inadmissible where it:

- (i) exceeds the maximum budget established in Section 5;
- (ii) does not itemise the cost components required in Section 10.3
- (iii) does not contain the declaration of fully inclusive amounts;
- (iv) does not expressly accept the fixing of rates for the entire term of the contract; or
- (v) includes ineligible costs.

The proposal with the lowest valid total budget shall receive 30 points. The others shall receive a score according to the following formula:

Financial score = (Lowest valid total budget ÷ Total budget of the proposal evaluated) × 30

In evaluating the financial proposals, the Contracting Entity shall compare exclusively the total amounts and shall take into account any recurrent and future costs associated with the continuity of the project, including any licensing, data subscription or platform costs that would fall due after contract close.

12.4 Manifestly unviable proposals

A proposal whose total budget falls more than 30 percentage points below the arithmetic mean of the total budgets of all valid admitted proposals shall be considered manifestly unviable. Where unviability is presumed, the Contracting Entity shall require the bidder to submit, within a specified period, technical and economic justification of the viability of its proposal. The Contracting Entity shall assess the justification and may reject the proposal only by reasoned decision, where the justification is insufficient.

12.5 Clarification of proposals

In order to inform the evaluation, the Contracting Entity may request written clarifications and any technical opinions it considers pertinent. Clarifications shall not constitute negotiation of the proposal nor permit substantial modifications to the Technical or Financial Proposal submitted.

12.6 Ranking of proposals

Once the eligibility criteria have been analysed, valid proposals shall be ranked in order of score. The ranking shall be the sum of the technical and financial scores, and the provisional award shall fall on the proposal with the highest overall score.



12.7 Tie between proposals

In the event of a tie between two or more proposals, the following tie-break criteria shall apply successively:

- a) the proposal obtaining the highest score in the Analysis and Methodology criterion (Section 12.2.2);
- b) if the tie persists, the proposal obtaining the highest score in the Experience criterion (Section 12.2.1);
- c) if the tie persists, the proposal submitted by a company evidencing the greater number of social and labour measures promoting equality of opportunity between women and men;
- d) if the tie persists, the proposal submitted by the company with the highest percentage of women in its workforce;
- e) if the tie persists, the proposal submitted by the company with the highest percentage of employees on permanent contracts;
- f) if the tie persists, a draw shall be held between the tied proposals.

The documentation evidencing the above criteria shall only be required in the event of a tie, and only from the tied bidders.

12.8 Decision not to award or not to conclude the contract

The decision not to award or not to conclude the contract, or to withdraw from the procedure, may be adopted by the Contracting Body before formalisation, on grounds duly recorded in the file. In such cases, bidders shall not be indemnified for any expenses they may have incurred.

13. Award

13.1 Provisional and definitive award. Period for challenges

The contract shall be awarded to the bidder having submitted the best proposal, being that which obtains the highest overall score.

The Contracting Entity shall formally notify all bidders of the provisional award. They shall have a period of two (2) business days from notification to submit, in writing, challenges or contrary arguments. The Contracting Entity shall respond to such requests and, where appropriate, remedy any defects, which shall be formally communicated to all bidders, indicating the new applicable deadlines.

Neither challenges nor contrary arguments shall suspend the procedure, unless irremediable defects are found, in which case the Contracting Entity shall inform all bidders.

13.2 Validation of the eligibility criteria

The Contracting Entity shall request the provisional awardee to submit the supporting documentation provided for in Annex V, within five (5) business days from the request. Where the documentation is not submitted in due time and form, the bidder shall be deemed to have withdrawn its proposal, in which case the same documentation shall be requested from the next bidder in the ranking.

No contract may be concluded with an entity whose eligibility criteria have not been previously validated. Compliance with that requirement constitutes an essential precondition to contracting.

13.3 Definitive award and formalisation

Once the documentation has been received in due time and form, favourably assessed by the Evaluation Committee, approved by the Contracting Body and the no-objection of GAWA obtained, the provisional award shall become definitive, and notifications shall be issued to all bidders.



Formalisation shall take place through the conclusion of the services contract between Pahal Financial Services Pvt. Ltd. and the successful bidder, substantially in the form of Annex VI, which shall refer to this Tender and its annexes. Until the formalisation requirement has been satisfied, performance of the Services may not begin.

Where the successful bidder fails to submit the required documentation, refuses to sign the contract or fails to formalise it within the period established without justified cause, the Contracting Entity may declare the award void and award the contract to the next bidder in the ranking, without prejudice to other applicable measures.

Where the contract is awarded to a consortium, formalisation shall not require the prior constitution of a specific legal entity: it shall suffice that all members sign the contract, or that the single representative signs on behalf of all by virtue of sufficient powers, all remaining jointly and severally liable for performance.

Performance of the contract shall be at the contractor's own account and risk.

14. Data protection

The contractor assumes the obligations laid down in applicable regulation, in particular the Digital Personal Data Protection Act, 2023 (DPDP Act) and, as applicable to data processed on behalf of the TAF, Regulation (EU) 2016/679 (GDPR). Upon conclusion of the contract, the contractor acquires the status of data processor and acts on behalf of Pahal, in its capacity as data fiduciary and controller. The contractor specifically undertakes to:

- process personal data exclusively for the performance of the contract and in accordance with the instructions of the Contracting Entity;
- apply the security measures detailed in Annex IV;
- maintain absolute confidentiality, extending to all its personnel;
- not communicate or share data with third parties without authorisation, save for authorised sub-processors;
- delete or return the data at the end of contractual performance;
- assist the Contracting Entity in responding to requests for the exercise of data subject rights.

Particular attention shall be given to borrower-level data. Any transfer of borrower records, enrolment data or consent records to the contractor or to any insurer, reinsurer or data provider shall be limited to what is strictly necessary for the performance of the Services, and shall be anonymised or pseudonymised wherever the purpose can be achieved without identifying individual borrowers.

The contractor shall declare where the servers will be located and shall communicate any changes. Compliance with these conditions is classified as essential for the purposes of termination of the contract.

15. Contract execution

15.1 Execution and supervision

The contract shall be performed in accordance with the Tender Documents and with the instructions which, where applicable and for interpretative purposes, may be issued by the Contracting Entity.

The contractor shall report to the focal point designated by Pahal, with monitoring meetings at least fortnightly and milestone meetings (kick-off, validation of each deliverable and closure).

The contractor shall be responsible for the technical quality of the deliverables and of the Services provided, as well as for any consequences arising, for the Contracting Entity or for third parties, from omissions, errors, inadequate methods or incorrect conclusions in performance.



15.2 Deliverables: review and acceptance

Each deliverable and activity shall be assessed against the agreed work plan, the Terms of Reference and the relevant technical standards, on the basis of its technical consistency, completeness, timeliness and adherence to the approved methodology.

Deliverables are subject to formal review and acceptance. Where a deliverable does not meet the required standard, the Contracting Entity may reject it or return it for revision, indicating the deficiencies in writing and setting a reasonable period for correction. Acceptance of a deliverable shall not release the contractor from liability for defects identified subsequently during the warranty period.

15.3 Payments and co-financing

Payments shall be linked to the delivery and formal acceptance of the deliverables set out in Section 7 of Annex I, in the form and percentages established in the contract.

Invoices shall be issued by the contractor to Pahal Financial Services Pvt. Ltd., which shall make the payments, with subsequent reimbursement of the portion financed by the Huruma Fund TAF, under the terms of the Contribution Agreement. The co-financing portion payable by Pahal shall be reflected in the contract budget.

Amounts shall be paid in Indian rupees (INR), at the exchange rate prevailing at the time of each payment, under the terms of Section 5.

15.4 Contract completion and warranty period

The contract shall be deemed completed when the contractor has performed the entirety of the Services in accordance with its terms and to the satisfaction of the Contracting Entity. Verification shall require a formal and positive act of acceptance or approval, to be performed in the month following completion of the contractual object.

Once acceptance is complete, a warranty period of 12 (twelve) months shall begin. If, during the warranty period, any deficiencies, errors, omissions or inconsistencies are identified in the Services or deliverables provided by the contractor, resulting in non-compliance with the contractual requirements, the Contracting Entity shall have the right to require the contractor to remedy them at no additional cost.

The twelve-month period is set so as to cover at least one full annual cycle of the seasonal windows within which the products deployed under this contract operate.

15.5 Absence of exclusivity

The award of this contract does not confer exclusivity. The Contracting Entity reserves the right to procure equivalent or related services from third parties, where it considers this necessary for the proper implementation of its programmes, without such a measure giving rise to any right to compensation for the contractor.

16. Other contractual conditions

16.1 Ownership of the work and intellectual property

Ownership of the studies, documents, products and sub-products prepared by the contractor in the performance of the contract (the "Works") shall be allocated according to the nature of each deliverable:



- Works developed specifically for Pahal – including product designs and trigger parameters calibrated to Pahal’s portfolio, internal policies, process flows and standard operating procedures, enrolment and consent forms, monitoring dashboards and databases, and borrower-facing materials in vernacular languages – shall be the property of Pahal Financial Services Pvt. Ltd.
- Methodologies, tools and materials of transversal application – including sector guides, general methodologies, templates, training curricula, and the lessons learned and replicability report – shall be the property of the Huruma Fund, GAWA Capital in its capacity as TA Manager, and COFIDES in its capacity as the entity channelling the funds, without prejudice to a broad and royalty-free licence in favour of Pahal for internal use and use across its branch network.
- Pre-existing intellectual property contributed by any of the parties shall remain the property of the party contributing it, subject to an irrevocable, worldwide, royalty-free, transferable and sub-licensable licence sufficient to permit use of the final deliverable in accordance with the objectives of the project. This applies in particular to proprietary climate models, actuarial models and pricing engines brought by the contractor.
- Where an insurance product design is jointly developed with a licensed insurer or reinsurer, the allocation of rights in that design shall be agreed in writing before the product is submitted for underwriting, and shall in all cases preserve Pahal’s right to continue offering the product after the end of the contract.

The contractor expressly waives any other rights that may accrue to it over the Works and may not use or disclose the studies and documents used or prepared on the basis of this Tender, in whole or in part, without the prior express authorisation of the Contracting Entity.

16.2 Assignment and subcontracting

The contractor may not assign or transfer to third parties, without the express authorisation of the Contracting Entity, the obligations or rights arising from this Tender or from the contract.

The contractor may subcontract part of the Services, subject to the prior written consent of the Contracting Entity. The total value subcontracted may not exceed 20% of the contract value. Subcontracting does not release the contractor from any obligation: it shall remain fully and exclusively liable to the Contracting Entity, including for the acts and omissions of its subcontractors.

Bidders shall indicate in their proposal the parts of the Services they intend to subcontract and, where known, the identity of the subcontractors. Each subcontractor shall be notified in advance in writing, together with a justification, evidence of technical capacity, a declaration of absence of Grounds for Exclusion and a declaration of absence of conflict of interest. The contractor may not replace the coordinator or the key experts assessed under Section 12.2.3 with subcontracted personnel, save with prior written authorisation and provided equivalent qualifications are presented.

The relationship between the contractor and any licensed insurer or reinsurer issuing or underwriting the products designed under this contract does not constitute subcontracting for these purposes and is not counted against the 20% ceiling. Such relationships shall nonetheless be disclosed in the proposal under Section 10.2.c).

Under no circumstances shall this Tender or the resulting contract be understood, explicitly or implicitly, as a supply of labour or provision of the contractor’s workers to Pahal or to GAWA Capital. The contractor shall declare in its proposal its undertaking to exercise, genuinely, effectively and regularly, managerial authority over its employees, and shall indicate the person



within its organisation who will coordinate the work and be the counterpart to the Contracting Entity.

16.3 Visibility and communication

The contractor and the Contracting Entity shall ensure adequate visibility and communication of the support received. In all actions, communications and publications carried out within the framework of the project, there shall be express mention and public acknowledgement of the financial support, in accordance with the guidelines in Annex IX. To that end:

- a) the emblems and logos of the European Union, the Huruma Fund, COFIDES, GAWA Capital and Pahal shall be clearly visible, accompanied by their respective official references, in any publication or informational material, irrespective of format or medium, including online tools, training platforms and websites;
- b) the following disclaimer shall be systematically included: "This document has been produced with the financial support of the European Union. The opinions expressed herein can in no way be taken to reflect the official position of the European Union."

Borrower-facing insurance materials shall observe these guidelines in a manner consistent with IRDAI requirements on product disclosure, and shall not present the coverage as being provided or guaranteed by the European Union, the Huruma Fund, COFIDES or GAWA.

16.4 Modification of the contract

No substantial modifications may be introduced in relation to what is established in this Tender. Any amendments to the contract shall be formalised in writing, by addendum, and may not entail the establishment of new unit prices not provided for in the awarded proposal, nor the exceeding of the maximum budget established in Section 5. Amendments may not exceed, individually or jointly, 20% of the initial contract price, and shall require the prior no-objection of GAWA.

The redistribution of amounts between activities, without alteration of the total contract value, of the scope and of the deliverables, does not constitute a contractual modification and may be authorised by the Contracting Entity by simple written record.

16.5 Grounds for termination

Without prejudice to the grounds provided for in Indian law and in the contract, it may be terminated:

- on expiry of the agreed term, with the natural extinction of the relationship;
- by mutual agreement between the parties, at any time, without right to compensation for either of them;
- at the initiative of the Contracting Entity, by written notice, in the event of: material breach of the contract; repeated delays or failure to meet milestones without justified cause; defective performance not remedied within a reasonable period; failure to maintain the minimum technical capacity or the key experts proposed; unauthorised changes to the composition of the consortium or to subcontracting; serious breaches of confidentiality, data protection, fraud prevention or conflict of interest; insolvency, bankruptcy or dissolution of the contractor or of a consortium member; fraud, corruption or the occurrence of Grounds for Exclusion.

Before termination, the Contracting Entity shall as a rule notify the contractor in writing and grant it a reasonable period to remedy the situation, unless the gravity of the breach justifies immediate termination. Termination shall not affect rights or remedies already accrued in favour of the Contracting Entity, the Huruma Fund or the public partners.



16.6 Conflict of interest and Grounds for Exclusion

The contractor, consortium members, subcontractors and their respective personnel shall avoid any situation giving rise to an actual, potential or apparent conflict of interest, during the procedure and throughout performance of the contract, immediately notifying the Contracting Entity in writing and adopting the measures necessary to remedy it. In performing the work, the contractor shall provide impartial and objective consultancy services. The Contracting Entity may require mitigation measures, request the replacement of personnel, reject subcontractors or terminate the contract where the conflict cannot be adequately mitigated.

Particular attention shall be given to any commercial relationship between the contractor and an insurer, reinsurer, broker or data provider that may benefit from the product designs produced under this contract. Any such relationship, including any commission, revenue share or equity interest, shall be disclosed in the proposal and shall be assessed by the Evaluation Committee before award.

16.7 Integrity, fraud prevention and anti-corruption

The contractor, consortium members and subcontractors shall observe all applicable anti-corruption, anti-fraud and anti-money laundering rules, including the Prevention of Corruption Act, 1988 and the Prevention of Money Laundering Act, 2002, as well as the ethical standards required by the public partners of the TAF. Any fraudulent, corrupt, collusive, coercive or obstructive practice may result in exclusion from the procedure and termination of the contract, without prejudice to other applicable legal measures.

16.8 Confidentiality

The contractor undertakes to maintain absolute confidentiality, both during the term of the contract and after its termination, in respect of all information obtained from Pahal, its borrowers, its employees or its directors, and from GAWA Capital, directly or indirectly, in connection with the performance of the Services, and is prohibited from selling, commercialising, publishing or disclosing such information to third parties, in any manner, without prior written consent.

Confidential information includes information relating to commercial matters, legal documents, internal processes, products, portfolio data and economic proposals, as well as the personal data of borrowers, employees and directors, save for information already known to the contractor before its receipt or which is in the public domain.

The contractor may not use confidential information for purposes other than those provided for in the Tender Documents and undertakes to return or delete all documentation and materials provided, at any time upon request or, in any event, within thirty (30) days from the end of the contract. Confidentiality obligations shall not apply where there is an administrative or judicial requirement or another legal obligation to the contrary. See Annex IV.

16.9 Dispute resolution and jurisdiction

Any disagreements relating to the interpretation, performance, fulfilment and/or termination of this Tender or of the resulting contract shall be resolved, preferably, amicably between the parties. Failing that, the parties elect the courts of Ahmedabad, Gujarat, India, with express waiver of any other, however privileged, to settle any questions arising from this Tender or from the contract.



17. List of annexes

Annex	Title
Annex I	Services requested – Terms of Reference
Annex II	Conditions for the provision of the requested services
Annex III	Model Responsible Declaration
Annex IV	Confidentiality and data protection
Annex V	Model form for validation of the eligibility criteria
Annex VI	Model services contract
Annex VII	Request to participate form
Annex VIII	Beneficial owners declaration
Annex IX	Visibility guidelines
Annex X	Institutional framework – Huruma Fund and public partners



ANNEX I. SERVICES REQUESTED

CONSULTANCY SERVICES TO ENHANCE CLIMATE RESILIENCE IN RURAL LENDING: DESIGNING AND EMBEDDING CLIMATE INSURANCE IN PAHAL'S LOAN OFFERINGS TERMS OF REFERENCE

1. Context

The Huruma Fund is an impact investment fund aimed at improving access to finance for small and medium-sized farmers through investment in Microfinance Institutions (MFIs) and other financial intermediaries with an agricultural and rural focus, strengthening the delivery of their products, proposals, processes, risk management and the capabilities of their staff. The Huruma Fund also supports producer organisations and SMEs in agricultural value chains with the objective of strengthening and preparing the inclusion of smallholder farmers in their operations.

The Technical Assistance Facility operates in parallel to the investment fund and functions independently. It is financed by the European Commission through COFIDES and governed by the Technical Assistance Steering Committee. It is a key element of the Huruma Fund's value proposition and was created to strengthen the development of investee entities through tailored technical assistance projects that improve their capabilities and help increase the overall impact of the investments.

2. Location

This technical assistance project will be carried out across Pahal's area of operation in India, covering nine states and one union territory, including Gujarat, Rajasthan, Tamil Nadu, Uttar Pradesh, Bihar, Madhya Pradesh, Maharashtra, Haryana and Chhattisgarh. Actions with the head office will be concentrated in Ahmedabad, Gujarat. Activities with branches and field teams will take place in person or remotely, as applicable.

Potential bidders must demonstrate the capacity to perform the activities of the tender in the geography indicated, with potential travel within the country.

3. Beneficiary institution

PAHAL FINANCIAL SERVICES PVT. LTD.

4. Contribution Agreement

A Contribution Agreement was signed between Pahal Financial Services Pvt. Ltd. and GAWA Capital on September 8th, 2026, establishing the provision of technical assistance directed at strengthening climate resilience in Pahal's lending operations and among its borrowers. That agreement stipulates the scale of the project, which consists of: (i) assessing climate risk exposure across Pahal's loan portfolio; (ii) designing and embedding parametric climate insurance products adapted to priority perils, borrower segments and loan types; (iii) building institutional capacity and borrower awareness to support voluntary uptake, informed consent and trust; and (iv) evaluating results and disseminating lessons to the wider microfinance sector.

5. Object of the contract

5.1 The problem this assignment addresses

Pahal Financial Services Pvt. Ltd. lends to low-income households whose repayment capacity depends on activities that are directly exposed to weather. Extreme heat suppresses dairy yields and labour capacity; excess rainfall and floods destroy crops, stock, assets and homes; drought



removes a season's agricultural income; cyclones concentrate damage in exposed districts. Agriculture, microbusiness and livestock together account for 90% of the portfolio.

The transmission mechanism is short and well understood. A climate shock removes borrower income; the income loss becomes an arrears event within one or two repayment cycles; the arrears event becomes a portfolio-at-risk problem for Pahal and a debt-distress problem for the household, which typically absorbs the shock by selling productive assets or borrowing informally. The resilience loss is therefore permanent even where the loan is eventually recovered.

Two features make this the right moment to act. First, the ongoing shift in Indian microfinance from joint liability group lending toward individual lending erodes the informal risk-sharing that has historically absorbed part of this shock, so exposure is increasing structurally rather than incidentally. Second, Pahal has already demonstrated that the mechanism works: a heat index insurance pilot in Gujarat proved that the relevant risks can be measured objectively, that payouts can be calculated transparently against predefined triggers, and that liquidity can reach borrowers without individual loss assessment. What the pilot did not establish is how to make the product scale – across perils, geographies, loan types and half a million borrowers.

The purpose of this assignment is to convert a proven mechanism into an operating capability.

That means moving from one peril to the perils that actually drive loss across the portfolio, from one state to the branch network, from portfolio-level cover held by Pahal to borrower-level protection that households understand and choose, and from a pilot administered by exception to a process embedded in origination, servicing and monitoring. Pahal holds an IRDAI corporate agency licence and therefore has the regulatory standing to distribute at that scale; what it requires is the technical design, insurer relationships, operational architecture and institutional capability that this contract is intended to supply.

5.2 Description of the beneficiary

Pahal Financial Services Pvt. Ltd. is an NBFC-MFI in India that started operations in 2011, providing microfinance services to low-income households through a diverse array of financial and non-financial offerings. It serves more than 0.5 million clients through a network of approximately 350 branches across nine states and one union territory, with a loan portfolio of around EUR 118 million. The top three sectors in the portfolio are agriculture (38%), business and microbusiness (37%) and livestock (15%), distributed through Individual Loan (IL) and Joint Liability Group (JLG) products. Pahal is authorised to distribute insurance as a licensed corporate agent.

Pahal's borrower base is significantly exposed to climate-sensitive activities. Extreme heat affects livestock productivity and labour capacity; excess rainfall and floods damage crops, assets, homes, stock and business activity; drought reduces agricultural income; and cyclones cause concentrated damage in exposed regions. Climate risk is therefore not limited to one loan product or one geography but cuts across multiple parts of the lending portfolio. Indicative exposure by peril, based on Pahal's own branch and account data, is set out below.

Peril	States affected	Branches locations	/	Active accounts	client
Flood / heavy rain	Bihar, Chhattisgarh, Gujarat, Madhya Pradesh, Tamil Nadu	93		149,804	



Peril	States affected	Branches locations /	Active client accounts
Heatwave	Gujarat, Haryana, Madhya Pradesh, Maharashtra	18	23,037
Drought	Madhya Pradesh	1	1,203

The ongoing shift in India from joint liability group lending toward individual lending models may further increase exposure to climate-related repayment risk, since the informal risk-sharing that group structures provide is reduced as lending becomes individual.

Pahal is also currently participating in a separate Huruma Fund-supported technical assistance initiative focused on strengthening agri-financing methodologies. That initiative is complementary to this assignment but does not overlap in scope, budget or deliverables, and is implemented by a different specialised service provider. Both projects are supervised by the same core team at Pahal, which maintains a clear separation of scope, deliverables, budgets, reporting and expected results, and avoids any duplication or double counting of costs and results. The successful bidder shall coordinate with that workstream as required.

5.3 Pilot experience and lessons learned

Pahal has gained practical experience with parametric climate insurance through a heat index insurance pilot for livestock-related lending in the Anand, Mehsana and Banaskantha districts of Gujarat, where prolonged periods of extreme heat can directly affect dairy productivity, borrower income and repayment capacity. The product used predefined temperature thresholds and duration-based triggers, with payouts calculated according to an agreed parametric structure when trigger conditions were met.

The pilot confirmed that relevant climate risks can be measured objectively, that payouts can be calculated transparently against predefined triggers, and that parametric structures can deliver timely liquidity without individual loss assessment or traditional claims verification. In the first cycle payouts were triggered following extreme heat conditions, validating the end-to-end process. In the following cycle no payout was triggered because temperatures remained below the predefined thresholds; while consistent with the product design, this highlighted the importance of clear communication so that borrowers understand when payouts will and will not occur.

The pilot also established that staff readiness is essential for scale, and that the transition from portfolio-level coverage — with Pahal as central policyholder — to borrower-level integrated protection carries additional requirements in enrolment procedures, disclosure, servicing capacity and alignment between coverage, loan use and repayment cycles. In the second cycle the premium cost was shifted to customers, testing willingness to pay. The pilot did not scale organically, largely because of the need for more extensive capacity building.

5.4 Object

The object of the contract is the design and embedding of climate insurance solutions within Pahal's lending operations, moving from a pilot to a proven product and from a limited, single-peril approach toward a broader, scalable model that protects borrowers against priority climate risks while strengthening portfolio resilience.



Insurance products shall be issued and underwritten by IRDAI-licensed insurers, with Pahal acting as distribution partner in its capacity as licensed corporate agent. In line with RBI guidance, coverage shall be offered on a voluntary, opt-in basis, documented separately from the loan approval process, in the local language, with no pre-ticked boxes, implied consent or bundled consent, and with an auditable record of informed enrolment retained by Pahal.

Premiums shall remain proportionate to borrower income, loan size, repayment capacity and the expected value of protection, while supporting a financially viable model for Pahal, licensed insurers, reinsurers and any other risk-capacity or service providers involved in delivery. Costs relating to premiums or risk capital are not financed under this contract.

5.5 The two-track implementation model

The Services follow a single product pipeline with two entry gates. Every insurance product developed under this contract passes through the same stages – design, insurer validation and underwriting, embedding in lending processes, monitoring, borrower communication and evaluation. What differs between products is only the evidence on which the decision to develop them rests.

- **Track 1 – Evidence in hand.** Products Pahal can act immediately on the basis of the pilot record and of established insurer appetite and regulatory feasibility. The refined heat-stress product enters here, as do additional single-peril products that can be brought to market without prior portfolio analysis.
- **Track 2 – Evidence to be generated.** Products that can only be justified once the portfolio-level climate risk assessment has established which residual exposures are material, for which borrower segments and in which geographies. Assessment-informed products enter here, as do evidence-based refinements to products already deployed through Track 1.

Both tracks run in parallel from contract signature. This is dictated by the seasonal calendar rather than by project-management preference: Track 1's anchor product must reach the market in the next available heat-stress window.

Climate insurance products in India can only be deployed within their physical seasonal windows. This is a constraint on when borrowers face the relevant risk, and therefore on when a product has any underwriting or behavioural meaning. The principal windows relevant to Pahal's borrower base are: heat stress from April to September; excess rainfall during the south-west monsoon from June to September; cyclone exposure from October to December, primarily on the east coast; and extreme winter conditions from December to February, primarily in north India.

5.5 Scope of work

Track 1 – Evidence in hand

T1.1 Pilot lessons integration and product refinement. Structured review of pilot performance covering trigger adequacy, payout outcomes, borrower response, communication challenges, basis-risk perceptions and operational constraints across both pilot cycles, translated into concrete adjustments to trigger design, payout structure, premium calibration and borrower communication before scale-up begins.



T1.2 Heat-stress product scale-up. Scaling of the refined heat-stress product to additional branches and geographies, supporting the transition from portfolio-level to borrower-level coverage. Includes scaled insurer and reinsurer arrangements, alignment of premium collection with loan repayment cycles, branch-level enrolment processes and the operational systems required for higher insured volumes. Sequenced by geography and borrower segment on the basis of operational readiness and underwriting feasibility.

T1.3 Opportunistic single-peril product development. Development of additional single-peril products – such as excess rainfall, cyclone or extreme winter coverage – that can be brought to market without prior portfolio-level analysis. Each candidate product assessed against insurer appetite, regulatory feasibility, data availability and operational windows. Deliverables include insurer-validated product designs and term sheets for at least one additional peril within the contract period; products whose deployment windows fall outside the contract period shall be delivered as deployment-ready packages.

T1.4 Operational roll-out and monitoring. Embedding of Track 1 products into loan origination, servicing and borrower-engagement processes through a phased roll-out, including deployment and operational use of a monitoring dashboard integrating relevant climate data feeds and portfolio information, allowing Pahal to track coverage, monitor trigger conditions and follow payout events transparently and in a timely manner.

Track 2 – Evidence to be generated

T2.1 Portfolio-level climate risk assessment. Combination of climate hazard data with portfolio characteristics to establish how risks are distributed across geographies, borrower segments, loan types and seasons, and how they translate into borrower vulnerability, income disruption and repayment stress. Includes analysis of income seasonality, the sensitivity of agriculture, livestock and microbusiness activities to specific hazards, borrower capacity to absorb and recover from shocks, and a preliminary view of affordability, willingness to pay and likely demand by peril. Outputs are a prioritised framework identifying which risks, geographies, borrower segments and perils should be targeted, which Track 1 products require refinement, and a deployment-sequencing plan mapping each prioritised product to its seasonal window and to the corresponding project quarter.

T2.2 Track 2 product design and insurer engagement. Design of additional parametric products addressing the material residual exposures identified, potentially including cyclone, drought, flood or extreme cold coverage where these are shown to be material and operationally feasible to insure. Product design translates identified risks into triggers, payout mechanisms and coverage levels, balancing technical accuracy, affordability, simplicity and operational feasibility, with engagement of licensed insurers and, where relevant, reinsurers to ensure products can be underwritten within the Indian regulatory framework.

T2.3 Track 1 product refinement (assessment-informed). Delivery of refinements to Track 1 products where the portfolio assessment indicates adjustment is required – expanded geographic coverage, restructured triggers to better match observed exposure patterns, or revised premium or coverage parameters – with refined specifications agreed with the insurer.

T2.4 Track 2 operational roll-out. Phased deployment of Track 2 products, and of any refinements produced under T2.3, using the infrastructure established under Track 1. The monitoring system should progressively evolve from the basic functionality tested during Track 1 to an integrated multi-product platform with automated data feeds and branch-level visibility across multiple risks. Roll-out sequencing informed by the prioritisation framework rather than determined opportunistically. Deliverables comprise both actual deployment of products whose seasonal



window falls within the contract period, and deployment-ready packages for products whose windows fall after contract close; both are treated as substantive deliverables.

Cross-cutting activities

C.1 Capacity building and borrower awareness. The success of both tracks depends not only on technical product design but also on the ability of Pahal staff and borrowers to understand and trust the products. Training modules adapted to different staff roles (field officers, branch staff, operations teams), combining initial sessions with periodic refreshers, reaching at least 80% of targeted staff across participating branches with sufficient depth to ensure practical understanding of enrolment processes, product features, borrower communication and servicing requirements. At borrower level, a structured awareness approach going beyond one-off communication, including simple accessible materials in the relevant vernacular languages (visual aids, leaflets, scripts for field staff) delivered through group meetings, onboarding interactions and ongoing engagement channels, clearly explaining what is covered, how triggers work and under what conditions payouts occur or do not occur. Given the lessons from the pilot, particular attention shall be paid to managing expectations and building trust over time. Materials updated as Track 2 products come on stream and Track 1 products are refined. Bidders shall propose a detailed capacity-building and awareness plan covering both tracks, including training structure, delivery methods, indicative frequency and duration of sessions, and tools for measuring effectiveness, within the overall project budget.

C.2 Results evaluation, learning and sector-wide dissemination. Evaluation conducted on an ongoing basis throughout implementation rather than only at the end of the project, spanning both tracks, analysing uptake rates, affordability, borrower experience, payout performance and the relationship between insurance coverage and repayment behaviour. Attention shall be given to whether payouts effectively support borrower resilience during climate shocks – including their role in stabilising cash flow and maintaining repayment continuity – and how the introduction of insurance affects risk indicators and performance trends in climate-affected areas at portfolio level. Real-time learning feeds back into Track 1 product features, communication and operational processes, and into the Track 2 portfolio assessment and prioritisation. Includes systematic documentation of lessons learned, covering which product features, implementation approaches and partnership arrangements proved most effective, challenges encountered and how they were addressed, and the adequacy of external partners including insurers and other service providers. Structured outputs, with non-confidential or sanitised versions, shall be prepared to facilitate knowledge sharing, support replication and inform the design of future climate insurance programmes in the microfinance sector, and shall define the conditions required for expansion across additional geographies, loan types and climate risks.

6. Calendar

The indicative calendar below is anchored to physical seasonal windows rather than to abstract project months. It will be re-anchored to the actual contract signature date so that Track 1 deployment aligns with the next available heat-stress season. Bidders shall present their own detailed calendar in the technical proposal, and the credibility of the sequencing against the seasonal windows forms part of the evaluation under Section 12.2.2 of the Tender.

No.	Activity	26Q4	27Q1	27Q2	27Q3	27Q4	28Q1	28Q2	28Q3
T1.1	Pilot lessons integration and product refinement	X	X						



No.	Activity	26Q4	27Q1	27Q2	27Q3	27Q4	28Q1	28Q2	28Q3
T1.2	Heat-stress product scale-up		X	X	X				
T1.3	Opportunistic single-peril product development		X	X	X	X			
T1.4	Track 1 operational roll-out and monitoring			X	X	X	X	X	X
T2.1	Portfolio-level climate risk assessment	X	X	X					
T2.2	Track 2 product design and insurer engagement				X	X	X		
T2.3	Track 1 product refinement (assessment-informed)					X	X		
T2.4	Track 2 operational roll-out						X	X	X
C.1	Capacity building and borrower awareness	X	X	X	X	X	X	X	X
C.2	Results evaluation, learning and dissemination	X	X	X	X	X	X	X	X

7. Expected deliverables

Ref.	Deliverable	Target
T1.1	Pilot review report and refined heat-stress product design	Report covering trigger adequacy, payout outcomes, borrower response and operational gaps; refined heat-stress product design (triggers, payouts, communication) ready for scale-up
T1.2	Refined heat-stress product deployed beyond pilot geographies	Deployment across additional branches and geographies; transition from portfolio-level to borrower-level coverage with scaled insurer and reinsurer arrangements
T1.3	Additional single-peril products developed where operational windows allow	Up to 2–3 additional single-peril products (e.g. excess rainfall, cyclone, extreme winter) co-designed with insurers where insurer appetite, regulatory feasibility and operational timing allow; term sheets and pricing validated for each
T1.4	Track 1 products embedded in lending workflows; monitoring dashboard live for Track 1 perils	Live dashboard for Track 1 products with data integrations and branch-level visualisation; SOPs for enrolment, servicing, payout handling and monitoring deployed across participating branches
T2.1	Completed assessment and prioritised risk-segmentation matrix	Risk profiling report developed; actionable segmentation matrix for at least 3 borrower segments; prioritised framework identifying material



Ref.	Deliverable	Target
		residual risks for Track 2 and refinement needs for Track 1 products
T2.2	Assessment-informed products co-designed and validated with insurer	Additional products (selection from cyclone, drought, flood, extreme cold depending on assessment findings) co-designed with insurers; term sheets and pricing structures validated (triggers, payout structures, coverage parameters)
T2.3	Refinements to Track 1 products based on portfolio assessment findings	Documented refinements (expanded geography, restructured triggers, or revised coverage parameters) where the assessment indicates need; refined product specifications agreed with insurer
T2.4	Track 2 products and refined Track 1 products deployed via the same operational infrastructure	Insurance offered across livestock, agri and micro-business loans with integration into loan processes, enrolment and premium collection functioning; approximately 34,000 policyholders; multi-product monitoring active
C.1	Training toolkit and >80% coverage of target staff; borrower awareness campaign launched	Toolkit developed and >80% of staff trained on Track 1 and Track 2 products across 100+ branches; IEC materials developed for each product; awareness campaign executed across 100+ branches with borrower-level engagement (posters, leaflets, group meetings); materials updated as Track 2 products come on stream
C.2	Uptake and PAR analysis; Lessons Learned Report; sanitised Knowledge Product	Midline evaluation after 12 months and final evaluation with PAR trend and recommendations for scale-up and product refinement across both tracks; structured Lessons Learned and Knowledge Acquisition Report; non-confidential sanitised knowledge product for sector dissemination

8. Expected results and targets

Indicator	Baseline	Goal	Source of verification
Number of borrowers / loans protected through climate-linked insurance	Fewer than 1,000 livestock heat insurance policies under the pilot phase	Approximately 34,000 loans protected across livestock, agri and micro-business segments	Pahal enrolment records; insurer policy registers
Proportion of women borrowers benefiting from the product	Limited awareness of product value; clients mostly men	At least 50% female	Enrolment records; borrower database
Voluntary opt-in rate	Less than 10% opt-in rate in initial pilots	At least 30% voluntary opt-in after the awareness campaign	Enrolment and consent records; renewal surveys



Indicator	Baseline	Goal	Source of verification
		and price optimisation; 70% renewal intent	
Reduction in climate-related defaults	No existing mechanism to segregate PAR attributable to climate risk	10–12% reduction in PAR in climate-affected regions through faster recovery and repayment stabilisation	Portfolio reports; midline and final evaluation
Staff trained	Basic awareness sessions in 3 branches under the pilot; no IEC material exists	>80% of target staff trained across 100+ branches; IEC materials developed per product	Training records; materials produced
Operational model for expansion	Initial insurer partnership established under the pilot in one state (Gujarat)	Replicable model finalised with insurer–reinsurer network; operational SOPs ready for adoption in 4–5 states	Final evaluation; signed insurer arrangements

10. Provisional contracts start date

28 December 2026.

11. Implementation period

The initial period for performance of the contract is 24 months from signature of the contract. This period may be extended with the approval of the contracting entity.



ANNEX II. CONDITIONS FOR THE PROVISION OF THE REQUESTED SERVICES

The following conditions for the provision of the requested services must be incorporated into your proposal in order for it to be considered admissible, whether by acceptance by reference to this document or by incorporation into the proposal itself in the same or substantially similar terms.

a) Involvement of the external consultant and manner of working

The external consultant assumes the lead in the performance of the services required in this document.

The principal counterpart of GAWA Capital and of the participant shall be your company, without prejudice to the use, where considered necessary, of other consultants, whether your own or associates, in all matters requiring their collaboration. Your company must be in a position to establish contact with those consultants, assuming responsibility for their work, without prejudice to the direct communications that GAWA Capital and the participant may consider necessary to maintain with them in order to obtain the necessary clarifications on the content of the reports prepared by those consultants or on the actions carried out by them.

Invoices for fees shall be issued by your own company to Pahal Financial Services Pvt. Ltd.

b) Conflict of interest

In performing the work, your company shall provide impartial and objective consultancy services, and shall not have, nor permit the persons involved in the work to have, any conflict of interest in the acceptance or performance of the work in question.

Particular attention shall be given to any commercial relationship between your company and an insurer, reinsurer, broker or data provider that may benefit from the product designs produced under this contract. Any such relationship, including any commission, revenue share or equity interest, shall be disclosed in the proposal.

c) Confidentiality

See Annex IV.

d) Personal data protection

See Annex IV.

e) Intellectual property rights

Ownership of the reports, studies, product designs, actuarial models, technical data, specifications and any other material prepared for this assignment is allocated in accordance with Section 16.1 of the Tender, which distinguishes between works developed specifically for Pahal, methodologies and materials of transversal application, pre-existing intellectual property contributed by the parties, and product designs jointly developed with a licensed insurer or reinsurer.

f) Non-transfer of workers

Under no circumstances shall this Tender be understood, explicitly or implicitly, as a transfer of workers on your part to Pahal Financial Services Pvt. Ltd. or to GAWA Capital.



The company must declare in its proposal an undertaking to exercise, genuinely, effectively and regularly, the managerial authority inherent to any company in relation to its employees.

It must also indicate in its proposal the person, within its personnel, who will coordinate the work and act as counterpart to Pahal Financial Services Pvt. Ltd. and GAWA Capital.

g) Validation of the eligibility criteria

No contract may be entered into with any entity whose eligibility criteria have not been previously validated (see Annex V).

Compliance with this requirement is accordingly an essential precondition to the contracting of your services, and it is imperative that the bidder provide documentary evidence of the eligibility criteria and that its proposal include the confidentiality undertaking and the responsible declaration referred to in Annex III.

h) Additional documentation

The attached form (Annex V) sets out the documentation to be provided for that validation, which will be required of the bidder selected at provisional award. If any of the documentation is already in the possession of GAWA Capital or Pahal Financial Services Pvt. Ltd., please indicate this on the form itself.

i) Contract

If your entity is the successful bidder, it will enter into a contract with Pahal Financial Services Pvt. Ltd. which will include at least the following:

- a) identification of the parties;
- b) evidence of the capacity of the signatories to sign the contract;
- c) definition of the object of the contract;
- d) reference to the law applicable to the contract;
- e) a list of the documents comprising the contract;
- f) the fixed price, or the manner of its determination;
- g) possible modifications and the method of costing them;
- h) the duration of the contract or the dates envisaged for the start and completion of performance, and of any extension or extensions;
- i) the conditions for receipt, delivery or acceptance of the services;
- j) the conditions of payment;
- k) the cases in which termination is available;
- l) provisions relating to the foregoing items on: confidentiality, data protection, transfer of workers, subcontracting and technical capacity, and intellectual property rights.

j) Law and jurisdiction

The services contract, if awarded, shall be subject to Indian law and jurisdiction.



ANNEX III. MODEL RESPONSIBLE DECLARATION

(For provisional accreditation before the definitive award)

Date	
Name / corporate name of the bidder	
Tax identification code / PAN / CIN / other tax identification number	
Object of the proposal	

I RESPONSIBLY DECLARE

Each bidder shall submit, as part of its tender, a duly signed declaration in the following terms:

Declaration

I, the undersigned, acting in the name and on behalf of [name of bidder], hereby declare under my sole responsibility that:

1. The bidder has full legal capacity to participate in this tender procedure and to enter into the contract if awarded.
2. The bidder meets all eligibility, legal, professional, technical and financial requirements established in the tender documents.
3. The bidder is not subject to any exclusion ground, prohibition or restriction that would prevent it from participating in the tender procedure or entering into the contract.
4. The bidder, its directors, officers, employees, representatives, experts, consultants, subcontractors and any other persons or entities proposed to participate in the performance of the contract are not subject to any actual, potential or perceived conflict of interest in relation to PAHAL, its directors, officers, employees, advisers or representatives, or in relation to any person involved in the preparation, evaluation, award or monitoring of this tender procedure.
5. For the purposes of this declaration, a conflict of interest shall include any financial, personal, family, professional, commercial or other relationship, interest or affiliation that may improperly influence, or may reasonably be perceived as capable of influencing, the bidder's independence, impartiality or objectivity in the tender procedure or in the performance of the contract.
6. The bidder has not offered, promised, given, requested, received or accepted, and undertakes not to offer, promise, give, request, receive or accept, directly or indirectly, any gift, payment, advantage, favour or benefit of any kind from or to [name of contracting entity], its directors, officers, employees, advisers or representatives, or any other person involved in the tender procedure, which could influence or be perceived as capable of influencing the outcome of the tender or the performance of the contract.
7. The bidder undertakes to immediately notify PAHAL in writing of any actual, potential or perceived conflict of interest that may arise or become known during the tender procedure or, if awarded the contract, during the performance of the contract.



8. The bidder acknowledges that failure to disclose an actual, potential or perceived conflict of interest, or the submission of a false, incomplete or misleading declaration, may result in the rejection of its tender, cancellation of the award, termination of the contract and/or any other measures available under the tender documents, the contract or applicable law.

Signed for and on behalf of the bidder:

Name of bidder: _____

Name and position of authorised representative: _____

Signature: _____

Date: _____

Your data will be processed for the purposes of managing the commercial and administrative relationship with Pahal Financial Services Pvt. Ltd. and GAWA Capital, the legal basis for the processing being the performance of the contract to which you are party. The data will be retained for the duration of the contractual relationship and for the applicable legal periods. To exercise your rights of access, rectification, erasure, portability, restriction or objection to processing, please send a communication to: dpo@valvonta.es. Where your right is not satisfied, you may complain to the Spanish Data Protection Agency or, in respect of processing carried out in India, to the Data Protection Board of India. For further information, please consult our privacy policy on our website.



ANNEX IV. CONFIDENTIALITY AND DATA PROTECTION

1. Confidentiality

[Name of the Contractor] is obliged to maintain complete confidentiality, both during the term of this contract and after its termination, in respect of all information obtained directly or indirectly in connection with the services provided, and is liable to Pahal Financial Services Pvt. Ltd. and GAWA Capital for any breach of the duty of confidentiality.

For the purposes of this contract, any information relating to commercial matters, legal documents, technology, technical processes, methodologies, technical manuals, technical information, processes, products, marketing techniques, price lists, financial offers, portfolio data, personal data relating to staff, borrowers and/or clients, premises and locations, which before being received by [Name of the Contractor] was not known to or in the possession of the latter, shall be considered confidential information.

The confidential nature of the information that may come to the knowledge of [Name of the Contractor] through access to the technical manuals provided by Pahal Financial Services Pvt. Ltd. and GAWA Capital, to Pahal's borrower and portfolio data, and to the pilot data pack provided with this Tender, is expressly declared.

[Name of the Contractor] undertakes to Pahal Financial Services Pvt. Ltd. and GAWA Capital to protect against any unauthorised disclosure of information originating from them, provided that such information has been clearly identified in writing as confidential. Throughout the term of the contract, [Name of the Contractor] undertakes to apply the same diligence in protecting the information of Pahal Financial Services Pvt. Ltd. and GAWA Capital as it would apply in protecting its own confidential information.

[Name of the Contractor] shall not use the confidential information to which it has access under this contract for purposes other than those provided for in this contract.

Under this contract, [Name of the Contractor] undertakes to return or permanently delete from its records, once their purpose has been exhausted and at the end of the period of contractual performance, all sensitive data, borrower data and data for the internal use of the parties. The same obligation applies to data and documents whose deletion is expressly requested by Pahal Financial Services Pvt. Ltd. or GAWA Capital, without prior notice being required, and extends to any documentation or material delivered by them to [Name of the Contractor].

2. Data protection

The Parties undertake and are obliged to treat confidentially any personal data and information processed by them under this contract and at all times to comply appropriately with the applicable data protection provisions in force, in particular the Digital Personal Data Protection Act, 2023 (DPDP Act) and, in respect of personal data processed on behalf of the TAF or of the European public partners, Regulation (EU) 2016/679 (GDPR).

For the purposes of the DPDP Act, Pahal Financial Services Pvt. Ltd. acts as Data Fiduciary in respect of borrower personal data and [Name of the Contractor] acts as Data Processor, processing such data solely on the documented instructions of the Data Fiduciary and for the purposes of this contract. For the purposes of the GDPR, and where applicable, the corresponding roles are those of controller and processor.



In particular, [Name of the Contractor] undertakes to inform and, where appropriate, to obtain the consent of its personnel from whom it collects personal data, in accordance with the applicable regulatory requirements. It shall also inform those persons and, where necessary, request their consent for their data to be communicated to Pahal Financial Services Pvt. Ltd. and GAWA Capital, so that the latter may incorporate them into their databases.

3. Borrower personal data

Particular attention shall be given to borrower-level data. Any transfer of borrower records, enrolment data or consent records to the Contractor, or to any insurer, reinsurer or data provider, shall be limited to what is strictly necessary for the performance of the Services, and shall be anonymised or pseudonymised wherever the purpose can be achieved without identifying individual borrowers.

Borrower consent to insurance enrolment shall be obtained separately from the loan approval process, in the local language, with no pre-ticked boxes, implied consent or bundled consent, and shall be documented in an auditable record retained by Pahal. Consent given for insurance enrolment shall not be treated as consent to any other processing.

The Contractor shall declare where the servers processing such data will be located and shall communicate any changes. Any transfer of personal data outside India shall comply with the DPDP Act and, where the GDPR applies, with Chapter V of that Regulation.

4. Representatives and Contact Persons

The Parties, as controllers of the processing, inform one another that the personal data (identification, contact and signature data, and any data appearing in documentation evidencing representation) of the signatories acting in the name and on behalf of each of the Parties (the "Representatives"), and the personal data (identification and contact data) of the persons designated in this contract for notification purposes (the "Contact Persons") or of other persons who may be designated at a later date, will be processed by each of the Parties for the purposes of managing the maintenance, fulfilment, development, control and performance of the provisions of this contract.

The data of Representatives and Contact Persons will be retained by the Parties for the term of this contract. Once it has ended, the data will be blocked for the applicable limitation periods, generally ten years. Upon expiry of the limitation periods, the data will be destroyed.

The Parties shall not disclose the personal data of Representatives and Contact Persons to third parties unless required to do so by law.

Representatives and Contact Persons may exercise their rights of access, rectification, erasure, objection, restriction of processing and portability by sending a letter together with a copy of a document evidencing their identity to the address indicated for each of the parties. Likewise, individuals who consider that their rights have not been duly respected may complain to the Data Protection Board of India or, where the GDPR applies, to the Spanish Data Protection Agency.

5. Security measures

The Parties undertake to adopt and maintain the technical and organisational measures necessary to guarantee the security of the personal data processed by them in the performance of this contract, including: access authentication mechanisms enabling the individual responsible for each activity to be identified; anonymisation, pseudonymisation and encryption of personal



data; resources permitting the rapid restoration of availability of and access to personal data in the event of an incident; and a process of continuous verification of the implementation of those measures. Each Party shall be responsible for the processing of the relevant data.

Each Party undertakes to notify the other, within 24 (twenty-four) hours, of any breach of the obligations set out in this Annex and of any security incident that may give rise to risk or material harm, stating the nature of the personal data affected, the categories of data principals involved, the security measures in place, the risks associated with the incident, and the measures adopted or to be adopted to reverse or mitigate its effects.

Where the performance of any service between the Parties involves either Party being configured as a data processor, a data access agreement shall be entered into on the terms required by the applicable legislation, including in respect of any subcontracting of services.

The confidentiality obligations set out in the preceding paragraphs shall not apply where there is an administrative or judicial requirement or another legal obligation to the contrary.



ANNEX V. MODEL FORM FOR VALIDATION OF THE ELIGIBILITY CRITERIA

Date	
Name / corporate name of the bidder	
Tax identification number (PAN / CIN / equivalent)	
Object of the proposal	

(Delete the option that does not apply)

LEGAL PERSON:

The company, which I, ..., represent as (position and legal representation), hereby requests validation by Pahal Financial Services Pvt. Ltd. and GAWA Capital, for which we submit the following documentation relating to:

NATURAL PERSON:

I, ... (name and surname(s)), hereby request validation by Pahal Financial Services Pvt. Ltd. and GAWA Capital by submitting the following documentation relating to:

1.	CAPACITY TO ACT
☐	Legal person: deed of incorporation or articles of association or instrument of constitution (duly registered with the relevant companies registry), or a certificate from that registry covering incorporation, corporate object, registered office and administrative bodies
☐	Natural person: national identity document or passport
2.	ABSENCE OF PROHIBITION ON CONTRACTING (LEGAL OR NATURAL PERSON)
☐	Responsible declaration executed before an administrative authority, a notary public or a qualified professional body
☐	Declaration of beneficial owners in the form of Annex VIII
3.	ECONOMIC AND FINANCIAL SOLVENCY (LEGAL OR NATURAL PERSON) – choose at least one relevant option
☐	a) Appropriate statements from financial institutions or, where applicable, evidence of professional indemnity insurance against professional risks
☐	b) Annual accounts filed with the companies registry or the relevant official register. Businesses not required to file their accounts in official registers may provide, as an alternative means of accreditation, duly legalised accounting books
☐	c) A statement of overall turnover and, where applicable, of turnover in the area of activity corresponding to the object of the contract. This refers to at most the last three financial



	years available, depending on the date of creation or start of activities of the business, to the extent that turnover references are available
☐	d) Other means of accreditation (to be assessed by Pahal Financial Services Pvt. Ltd. and GAWA Capital):
4.	TECHNICAL SOLVENCY IN SERVICE CONTRACTS (LEGAL OR NATURAL PERSON) – choose at least one relevant option
☐	a) A list of the principal services or works carried out in the last three years, including the amount, dates and recipient, public or private, of those services or works
☐	b) Indication of the technical personnel or technical units, whether or not integrated into the company, involved in the contract, in particular those responsible for quality control
☐	c) A description of the technical facilities, the measures used by the business to guarantee quality, and the company's study and research resources
☐	d) The academic and professional qualifications of the business and of the management personnel of the company and, in particular, of the personnel responsible for the performance of the contract
☐	e) Where applicable, indication of the environmental management measures the business may apply in the performance of the contract
☐	f) A statement on the average annual workforce of the company and the size of its management personnel during the last three years, accompanied by the relevant supporting documentation
☐	g) A statement indicating the machinery, materials and technical equipment that will be available for the performance of the works or services, to which the relevant supporting documentation shall be attached
☐	h) Indication of the part of the contract that the business may intend to subcontract
☐	i) Other means of accreditation (to be assessed by Pahal Financial Services Pvt. Ltd. and GAWA Capital):
5.	AUTHORISATION (LEGAL OR NATURAL PERSON) – where applicable
☐	Evidence of professional or technical authorisation. Where the bidder proposes to act in any capacity requiring registration or licensing under Indian insurance or financial regulation, evidence of that registration or licence
6.	OTHER OPTIONAL DOCUMENTATION (may provide additional points in the selection process)
☐	Quality certifications
☐	Environmental certifications
☐	Corporate social responsibility documentation



In addition, I affirm that the corporate object and the activities of the bidder do not violate any of the Principles established in the United Nations Global Compact (see www.unglobalcompact.org).

Upon request, any clarification or additional documentation necessary for the fulfilment of its contractual obligations will be provided.

Signature: _____

Name: _____

Position of signatory (with powers of representation): _____

Tax identification number: _____

E-mail: _____



ANNEX VI. MODEL SERVICES CONTRACT

SERVICES CONTRACT FOR CONSULTANCY SERVICES TO ENHANCE CLIMATE RESILIENCE IN RURAL LENDING: DESIGNING AND EMBEDDING CLIMATE INSURANCE IN PAHAL'S LOAN OFFERINGS, ENTERED INTO BETWEEN PAHAL FINANCIAL SERVICES PVT. LTD. AND [CONTRACTOR].

CONTRACTING PARTY: PAHAL FINANCIAL SERVICES PVT. LTD., CIN [.....], PAN [.....], with registered office at [.....], Ahmedabad, Gujarat, India, hereinafter the "Contracting Party", represented in this act by [.....], [position].

CONTRACTOR: [.....], registered under [CIN / registration number], PAN / tax identification [.....], with registered office at [.....], hereinafter the "Contractor", represented in this act by [.....], [position].

The parties agree to enter into this contract subject to the clauses and conditions set out below.

1. Object

The object of this contract is the provision of consultancy services for the design and embedding of climate insurance solutions within Pahal's lending operations, moving from a pilot to a proven product and from a limited, single-peril approach toward a broader, scalable model, as detailed in the Terms of Reference (Annex I to the Tender).

The specific objectives are to:

- assess climate risk exposure across Pahal's loan portfolio and produce a prioritised risk-segmentation framework;
- refine and scale the heat-stress product on the basis of pilot lessons, and develop additional single-peril products where operational windows allow;
- design assessment-informed parametric products and secure their underwriting with licensed insurers and, where relevant, reinsurers;
- embed the products into loan origination, servicing and borrower-engagement processes, with monitoring functionality;
- build institutional capacity and borrower awareness supporting voluntary uptake, informed consent and trust; and
- evaluate results and disseminate lessons to the wider microfinance sector.

2. Beneficiaries

The direct beneficiary of the services is Pahal Financial Services Pvt. Ltd. The final beneficiaries are Pahal's borrowers across its branch network, in particular those engaged in agriculture, livestock and micro-business activities exposed to climate risk.

3. Price

The Contracting Party shall pay the Contractor, for the object described in clause 1, the amount of EUR [.....] in accordance with the approved financial proposal, inclusive of all costs that may be incurred.



First paragraph. The parties expressly agree that, notwithstanding the total value of this contract being fixed in euros (EUR), payments shall be made in Indian rupees (INR). Conversion shall adopt the commercial exchange rate actually applied and determined in the currency operations under which funds received from the donor (GAWA Capital / Huruma Fund) are internalised.

Second paragraph. Any differences arising from exchange rate variation, determined between the amount invoiced and the amount actually converted and transferred in Indian rupees, shall be adjusted by financial compensation (increase or discount) on the issue of the subsequent invoice. On payment of the final instalment, there being no subsequent invoicing against which to compensate, a final financial settlement shall be made between the parties as follows: (i) where the exchange variation results in a positive balance, the Contracting Party shall transfer the difference to the Contractor; (ii) where it results in a negative balance, the Contractor shall refund the corresponding difference to the Contracting Party.

Third paragraph. Where the transfer of funds is made by the Contracting Party directly to the Contractor, withholding at source and the payment of taxes due shall be carried out in accordance with applicable Indian tax legislation, including any obligation arising in respect of payments to non-resident contractors.

4. Payment

Payment for the contracted services shall be made in accordance with the schedule of deliverables approved by the Contracting Party, conditional upon the delivery and formal acceptance of the products provided for in Section 7 of Annex I to the Tender. A retention of [10%] of the contract value shall be held against the final deliverable.

First paragraph. The prices established constitute the only remuneration due from the Contracting Party to the Contractor, and comprise all direct and indirect costs and expenses related to the performance of the services, including taxes, labour costs, materials, employment and social charges, and the travel, subsistence and accommodation of the Contractor or its representatives.

Second paragraph. Payment shall be credited to the account indicated by the Contractor, the receipt serving as evidence.

Third paragraph. The Contracting Party reserves the right to suspend payment if the services provided are not in accordance with the specifications set out in this instrument and in the Terms of Reference, or are not provided on the dates stipulated.

5. Obligations of the parties

5.1 The Contracting Party shall:

- a) make available to the Contractor all information, policies, internal regulations and documents necessary for the performance of the services, including the pilot data pack, portfolio data, branch and account data and existing insurance arrangements;
- b) facilitate access to key contacts at head office and across the branch network for interviews, meetings and validation;
- c) facilitate introductions to its existing insurer counterparties and support engagement with prospective insurers and reinsurers;
- d) assist in the preparation of the work plan jointly with the Contractor;



- e) clarify the methodology to be used in the presentation of reports and in accounting for the work;
- f) maintain the necessary confidentiality in the use of information provided by the Contractor and its representatives;
- g) communicate in writing to the Contractor any irregularities committed by its representatives in the conduct of the work;
- h) where irregularities occur in the provision of the services, convene a meeting between the coordination function and the Contractor to address them.

5.2 The Contractor shall:

- a) present, on signature of this contract, the CVs of the professionals and complete the technical data sheet with the relevant information in accordance with its staff and associates;
- b) make available sufficient and qualified professionals to perform sub-activities T1.1 to T1.4, T2.1 to T2.4, C.1 and C.2 in accordance with the Terms of Reference and the approved schedule;
- c) take direct responsibility for the results of the services provided and for the accuracy of the information contained in any document issued, including by its representatives, in particular in reports and technical opinions;
- d) participate in governance meetings and in events promoted by the Contracting Party relating to the project;
- e) coordinate with the parallel Huruma-supported agri-finance technical assistance workstream to ensure separation of scope, deliverables and reported results and to avoid duplication or double counting;
- f) ensure that all insurance products designed under this contract are capable of being issued and underwritten by IRDAI-licensed insurers, and that enrolment arrangements comply with applicable RBI guidance on the offering of non-credit products;
- g) deliver to the Contracting Party, or to whomever it authorises, reports in accordance with the schedule established in the Terms of Reference;
- h) communicate to the Contracting Party immediately and formally any irregularities identified during the performance of the services;
- i) communicate immediately to the Contracting Party any change occurring in its management or in its professional team;
- j) maintain confidentiality over all information obtained through the provision of the contracted services, under the terms of Annex IV to the Tender and of applicable Indian law on banking and customer confidentiality.

6. Term

This contract shall be in force for 24 (twenty-four) months, commencing on [.....] and ending on [.....], the parties reserving the right to adjust it by full and mutual agreement, by addendum, or to terminate it unilaterally by formal communication.

First paragraph. The expiry of the term or the termination of this contract does not release the parties from the commitments assumed during its currency, including the confidentiality, data



protection and intellectual property obligations, nor from the warranty period provided for in Section 15.4 of the Tender.

7. Ancillary provisions

7.1 The Contracting Party may, on formal justification, refuse the services of professionals designated under this contract.

7.2 The Contractor is responsible for employment, social security, tax and other obligations, and for compliance with the legislation applicable to the personnel used by it for the performance of the services covered by this contract.

7.3 The Contracting Party is assured the right to inspect or supervise the services contracted, and may use a representative of its own choosing for that purpose.

7.4 The Contractor shall maintain a file of the reports and other documents relating to the services provided, which may be requested at any time for inspection by the competent bodies, by GAWA Capital, by COFIDES or by the European public partners of the TAF.

7.5 The Contractor may not replace the coordinator or the key experts assessed under Section 12.2.3 of the Tender without the prior written authorisation of the Contracting Party.

8. Integrity and anti-corruption

In entering into this contract, and at all stages of the relationship, the Contractor guarantees that it will maintain its ethical commitment in the conduct of its business and undertakes to act exclusively in full accordance with applicable domestic and foreign anti-corruption measures, including in particular the Prevention of Corruption Act, 1988 and the Prevention of Money Laundering Act, 2002, together with the internal policies of the Contracting Party and the ethical standards required by the public partners of the TAF.

The Contractor, for itself and for its partners, directors, officers, employees, suppliers, contractors and any agent with power of representation, as well as any subcontractors, shall not make, offer, promise, authorise or give, directly or indirectly, any payment, donation or concession of pecuniary value or benefit to any person, private company or public official with the intention of influencing, inducing or rewarding the performance of an activity or function, or of obtaining or retaining business or advantage, or perform any act or omission that may constitute a violation of the applicable anti-corruption legislation.

Should the Contractor become aware of any violation of the foregoing, it shall promptly and immediately inform the Contracting Party. Any breach of the applicable anti-corruption legislation or of this clause shall permit the immediate termination of this contract, without prejudice to the penalties and indemnities provided for in it.

9. Data protection

The parties undertake to act so as to protect and guarantee the appropriate processing of the personal data to which they have access during the contractual relationship, and to comply with the Digital Personal Data Protection Act, 2023 (DPDP Act) and with any regulations issued by the Reserve Bank of India, the Insurance Regulatory and Development Authority of India, the Data Protection Board of India or other competent regulators. The Contracting Party acts as Data Fiduciary and the Contractor as Data Processor, on the terms set out in Annex IV to the Tender, which forms an integral part of this contract.



10. Confidentiality

The parties agree that the provisions of this contract and all negotiations relating to it are strictly confidential, and undertake, for themselves and for their representatives, directors, employees, subcontractors and service providers, to maintain complete confidentiality over any information exchanged between the parties under this contract, on the terms of Annex IV to the Tender.

The duty of confidentiality shall subsist throughout the term of the contract and shall survive for a further 5 (five) years from its termination, whatever the cause.

11. Intellectual property

Ownership of the works produced under this contract is allocated in accordance with Section 16.1 of the Tender. Where an insurance product design is jointly developed with a licensed insurer or reinsurer, the allocation of rights in that design shall be agreed in writing before the product is submitted for underwriting, and shall in all cases preserve the Contracting Party's right to continue offering the product after the end of this contract.

12. Employment liability

It is expressly agreed that there shall be no employment relationship of any kind between the Contractor, its partners, employees and representatives and the Contracting Party, its shareholders, employees and representatives. The Contractor bears exclusive and full responsibility for salaries and other employment, insurance, social security and social charges due, as well as for the amounts of any judicial or employment claim arising directly or indirectly from this contract.

13. Electronic signature

The signatories declare, for all legal purposes, that they have powers to represent the respective contracting parties. The parties recognise the form of contracting by electronic and digital means as valid and fully effective, including where established by electronic signature in accordance with the Information Technology Act, 2000 and the rules made under it.

14. General provisions

The parties elect the courts of Ahmedabad, Gujarat, India, to the exclusion of any other however privileged, to resolve any question arising from this contract.

The documents comprising this contract, in the following order of precedence, are: the Tender and its annexes; this contract; and the proposal of the Contractor.

CONTRACTING PARTY	CONTRACTOR
_____ Name: Position:	_____ Name: Position:

Place and date: _____



ANNEX VII. APPLICATION FORM FOR PARTICIPATION

Ref.: TAFHURUMA15.PAHAL.03

To Pahal Financial Services Pvt. Ltd. — Evaluation Committee

The undersigned, in the capacity of legal representative of the entity identified below, expresses that entity's interest in participating in the Tender referred to above and declares that it knows and accepts, without reservation, the Tender and all its annexes.

Field	Information
Corporate name / denomination	
Tax identification (PAN / CIN or equivalent)	
Country of incorporation	
Full address	
Legal representative (name and position)	
Identification document of the representative	
E-mail for notifications	
Telephone / mobile	
Average annual turnover 2024–2025 (EUR)	
Form of participation (individual or consortium)	

The signatory further declares that the entity: (i) has full legal capacity to act; (ii) is not subject to any of the Grounds for Exclusion provided for in Section 10.1.1 of the Tender; and (iii) accepts the know-your-supplier (KYS) procedures adopted by the Contracting Entity and by GAWA Capital, and the obligations arising from them.

Place and date: _____

Signature: _____

Name and position: _____



ANNEX VIII. BENEFICIAL OWNERS DECLARATION

The undersigned, in the capacity of legal representative of the entity identified below, for the purposes of the Tender Ref. TAFHURUMA15.PAHAL.03 and in compliance with the applicable anti-money laundering and counter-terrorist financing legislation, DECLARES that the beneficial owners of the entity – being the natural persons who ultimately own or control the entity, directly or indirectly, or on whose behalf a transaction is carried out – are those listed below:

Full name	Nationality	Identification document	% participation / form of control

Where no natural person holds sufficient participation or control to qualify as a beneficial owner, indicate the natural persons who exercise the management of the entity and the basis for that conclusion:

The signatory further declares that:

- none of the beneficial owners listed above is subject to financial sanctions or restrictive measures imposed by the European Union, the United Nations Security Council or a competent Indian authority;
- none of the beneficial owners has been the subject of a final conviction for offences of money laundering, terrorist financing or another serious financial crime;
- the corporate structure of the entity affords sufficient transparency for the identification and verification of the identity of all beneficial owners;
- it undertakes to communicate immediately to the Contracting Entity any change to the information provided here, during the procedure and the term of the contract.

The signatory declares, finally, that it is aware that the provision of false information subjects the declarant to the penalties provided for by law and to exclusion from the procedure.

Place and date: _____

Signature: _____

Name and position: _____



ANNEX IX. VISIBILITY GUIDELINES

1. General principle. All actions, communications, publications and materials produced within the framework of the project shall expressly and visibly acknowledge the financial support of the European Union, the Huruma Fund and COFIDES, as well as the coordination of GAWA Capital and the institutional ownership of Pahal Financial Services Pvt. Ltd.

2. Emblems and logos. The emblems of the European Union, the Huruma Fund, COFIDES, GAWA Capital and Pahal shall appear at adequate size and resolution and without alteration of official proportions or colours. The emblem of the European Union may not be smaller than the largest of the other logos presented.

3. Materials covered. These guidelines apply to: reports and deliverables; presentations and training materials; staff training curricula and materials; certificates issued to participants; internal communication materials; borrower-facing information materials for the insurance products, including visual aids, leaflets and field staff scripts; monitoring dashboards and their printed outputs; technical publications, case studies and lessons learned notes; and any digital content, websites and social media relating to the project.

4. Mandatory disclaimer. All materials shall include, in a legible position, the following text: "This document has been produced with the financial support of the European Union. The opinions expressed herein can in no way be taken to reflect the official position of the European Union."

5. Borrower-facing insurance materials. Materials presented to borrowers shall observe these guidelines in a manner consistent with IRDAI requirements on product disclosure, and shall not present the insurance coverage as being provided, underwritten or guaranteed by the European Union, the Huruma Fund, COFIDES or GAWA Capital. Where the display of donor emblems could give rise to that impression, the guidelines yield to the regulatory disclosure requirement and the matter shall be referred to the Contracting Entity for instruction.

6. Prior approval. Materials intended for external dissemination shall be submitted for the prior approval of the Contracting Entity and the no-objection of GAWA Capital, with at least 10 (ten) business days' notice.

7. Reference to borrowers and beneficiaries. The use of images, testimonials or data of borrowers shall be subject to prior, free and informed consent, documented in accordance with the Digital Personal Data Protection Act, 2023, and the disclosure of individualised personal or financial data is prohibited.

8. Duration. The visibility obligations remain enforceable throughout the term of the contract and for 2 (two) years after its termination, in respect of materials produced within the framework of the project.



ANNEX X. INSTITUTIONAL FRAMEWORK – HURUMA FUND AND PUBLIC PARTNERS

1. Huruma Fund. The Huruma Fund is an impact investment fund aimed at improving access to finance for small and medium-sized farmers, through investment in Microfinance Institutions (MFIs) and other financial intermediaries with an agricultural and rural focus, strengthening the delivery of their products, proposals, processes, risk management and the capabilities of their staff. The Fund also supports producer organisations and SMEs in agricultural value chains, with the objective of strengthening and preparing the inclusion of smallholder farmers in their operations.

2. Technical Assistance Facility (TAF). The TAF operates in parallel to the investment fund and functions independently. It is a key element of the Huruma Fund's value proposition and was created to strengthen the development of investee entities, through technical assistance projects designed to improve their capabilities and increase the overall impact of the investments. The TAF is governed by the Technical Assistance Steering Committee. During the investment period, the Huruma Fund also makes a one-off contribution to the TAF of 0.10% of the Fund's aggregate commitments.

3. European Union. The Huruma Fund TAF is principally financed by the European Union, within the framework of its blending facilities, through the AgriFi thematic facility, which supports investment in small-scale agriculture and in agri-food value chains in partner countries.

4. COFIDES. COFIDES – Compañía Española de Financiación del Desarrollo – acts as the entity channelling the non-reimbursable European Union funds allocated to the TAF. The procurement policies and procedures of COFIDES apply on a subsidiary basis to this procedure, under the terms of Section 4 of the Tender.

5. GAWA Capital Partners SGEIC, S.A. A fund management company of Spanish nationality, acting as manager of the Huruma Fund and as Technical Assistance Manager of the TAF, responsible for supervising compliance with the applicable rules, and for issuing the no-objections provided for in this Tender.

6. Pahal Financial Services Pvt. Ltd. Direct beneficiary of the technical assistance project and contracting entity of this Tender, under the terms of the Contribution Agreement entered into with GAWA Capital.