

RFP NO.....

Dated : \_\_\_\_\_



***PSPCPFTrust***

**PUNJAB STATE POWER CORPORATION PROVIDENT FUND TRUST  
(PSPCPFTRUST)**

**INVITING REQUEST FOR PORPOSAL**

**FOR APPOINTMENT AS PORTFOLIO/FUND ADVISOR**

**FOR  
PSPC PROVIDENT FUND TRUST**

**Chief Accounts Officer/Head Quarter  
The Mall, Patiala  
Punjab – 147001  
0175-2213046  
e-mail [cao-hq@pspcl.in](mailto:cao-hq@pspcl.in)**

## **Punjab State Power Corporation Provident Fund Trust**

### **Request for proposal (RFP)**

Sealed Proposals are invited by Board of Trustees **PSPC Provident Fund Trust**, The Mall, Patiala, Punjab from SEBI registered Merchant Bankers/Portfolio manager with functional office in New Delhi/ Chandigarh /Patiala who are interested in providing Portfolio / Fund Advisory Services to **PSPC Provident Fund Trust**. The last date of submission of proposal is upto 11.00 AM of 07<sup>th</sup> September 2016 and shall be opened on the same day at 11.30 AM at Room No. 201, 2<sup>nd</sup> Floor, Multi Storey Building, Head Office PSPCL, Patiala. The Proposal shall be submitted by the bidder in sealed envelope subscribed as "Proposal for Providing Portfolio/ fund Advisory Services to **PSPC Provident Fund Trust**."

Detailed Bid Document can be down-loaded from [PSPCL website](http://PSPCL website)  
[pspcl.in](http://pspcl.in).

Dy. C.A.O./Centralized Payments,  
PSPCL, The Mall,  
Patiala(Punjab).  
India.

## **Appointment of Portfolio / Fund Advisor forPSPC Provident Fund Trust**

Punjab State Power Corporation Provident Fund Trust invites sealed Request for Proposal (RFP) for appointment as Portfolio / fund Advisor of **PSPC Provident Fund Trust** under the "discretionary Portfolio/ fund Advisory Services" category by parties who fulfil the Eligibility Criteria as mentioned below :

### **ELIGIBILITY CRITERIA FOR BIDDING**

The entities fulfilling the below mentioned criteria are eligible to submit Request for Proposal(RFP). The bidder should be a SEBI registered Merchant Bankers/Portfolio manager. A copy of the Registration Certificate to that effect, if any, must be enclosed

1. The bidder must have at least 5 (Five) years relevant experience in advising Provident Fund/ Retirement Benefit trusts with Assets under formal fund advisory from such trusts of not less than Rs.6000 crores as on March 31, 2016andexperience of working with at least 3 Central/State Government / Public Sector Undertakings for the advisory of their Provident Fund/Retirement Benefit Trust(s).
2. The Bidder should have an operational branch office in New-Delhi/Chandigarh/Patiala with at least 1 personnel with finance background i.e. Chartered/Cost Accountant(s), Post Graduate qualifications in Finance such as MBA, MFC etc. working full time out of that office, preferably, on assignments of similar nature.(A self-declaration should be attached).
3. The Bidder should not have been barred or blacklisted by any Central/State Government/ Public Sector Undertaking including power Utility or Power Sector Financial Institution in the last 5 years(A self-declaration should be attached).

### **Terms of Reference**

Please note that the term "**PSPC Provident Fund Trust**" as is used in this document shall refer to trust formed for the management of General Provident Fund of PSPCL employees.

The Portfolio Advisor shall ensure that the investment of the funds are made in a prudent manner in compliance with the Statutory guidelines applicable from time to time and to maximize the annualized returns on the fund through a judicious deployment in capital securities/money market instruments etc. based on a professional, detailed assessment and evaluation of all relevant macro and micro factors pertaining to the economy and industry by following the basic principles of investment i.e. safety, Liquidity and Returns.

The investment of **PSPC Provident Fund Trust** is to be made in line with the various statutory requirements (Govt. of India notifications as amended from time to time. Income Tax Act, companies Act, Indian Trusts Act and Govt. of Punjab Guidelines).

The Portfolio Advisor shall observe a high standard of integrity and fair dealing in all transactions involving the Trust's account.

The portfolio Advisor shall undertake to comply with all the extant PSPCL/ PF Trust guidelines/directions in addition to SEBI (Portfolio Managers) Regulations, 1993 as amended from time to time.

The following are strict pre-conditions to the appointment of the Fund/Portfolio Advisor for PSPC Provident Fund Trust

All Investments by PSPC Provident Fund Trust in securities/Debentures/Bonds/Equity Stocks/Mutual Fund Units, etc. shall be held in the name of the Trust only and in PHYSICAL/DEMAT form or any other format as is applicable for that investment avenue.

The availability of funds as and when available for investment shall be intimated to the fund/portfolio advisor and shall be credited to a bank account with a commercial bank in the name of the Trust fund immediately. However, at no point in time, the funds shall be transferred to the fund/portfolio advisor for further investments in the market.

#### **Guidelines for Prospective Bidders**

1. The bids completed in all aspects, must reach the office of Chief Accounts Officer/HQ, Punjab State Power Corporation Limited, The Mall, Patiala – 147001 (Punjab) by 07<sup>th</sup> September 2016, 11.00 AM. Bids that are found incomplete in any aspect shall be disqualified without prior notice.
2. The Financial Bid may please be enclosed in a separate sealed envelope subscribed as "Financial Bid for offering Portfolio Advisory Services to **PSPC Provident Fund Trust.**"
3. The Technical Bid may please be enclosed in a separate sealed envelope subscribed as "Technical Bid for offering Portfolio Advisory Services to PSPC Provident fund Trust."
4. The Trust 'PSPC PF Trust' holds the right to amend, cancel, postpone the entire process for the appointment of Portfolio Advisor at any time without assigning the reasons thereof.
5. Cost of Bid Document is Rs.1,000/- which shall be paid through Demand Draft favouring PSPC PF Trust payable at Patiala. The draft shall be sealed in a separate envelope subscribed as "Cost of bid document."

6. The minimum earnest money shall be Rs.5,000/- for Tenders valuing upto Rs.2,50,000/-. For Tenders valuing more than Rs.2,50,000/- earnest money will be 2% of the Tender Value subject to maximum Rs.10.00 lacs. The earnest money shall be paid through Demand Draft favouring PSPC PF Trust payable at Patiala. The draft shall be sealed in a separate envelope subscribed as "Earnest Money."
7. Successful bidder shall have to deposit security deposit of Rs.50,000/- for faithful execution of the advisory assignment to be allotted.
8. For any clarifications, the parties are informed to contact Dy. Chief Accounts Officer/Centralized Payments, Punjab State Power Corporation Limited, The Mall, Patiala – 147001(Punjab) between 10.00 AM and 4.00 PM on any working day (Mobile No. 96461-39276). The clarifications, if any can also be sought through e-mail address [npsgpfpsocl@gmail.com](mailto:npsgpfpsocl@gmail.com).
9. PSPC PF Trust reserves right to appoint more than one fund advisor(s) as it deems fit.

NOTE : Technical Bids/Financial Bids shall not be opened without accompanying cost of Bid document and earnest money.

### **TECHNICAL CRITERIA FOR EVALUATION**

1. The Portfolio/Fund Advisor to be selected must have at least five(5) years relevant experience in advising provident fund/retirement benefit funds. Further, entity should have such experience with at least 3 Central/State Government/Public Sector Undertakings for advising their Provident Fund/Retirement benefits trusts.
2. The Portfolio Advisor to be selected must have Assets under formal Fund Advisory from Provident fund/retirement Benefit Trusts not less than Rs.6,000 Crores as on March 31,2016.
3. The portfolio/ fund Advisor to be selected must have been working in the Capital Market Industry for at least 7 years now.
4. The Directors/Partners and Key personnel of the Portfolio Advisor shall be persons with adequate professional experience in the financial services industry and not be found guilty of moral turpitude or convicted of any economic offence or violation of any financial sector laws.
5. The bidder should have an operational branch office in New-Delhi/ Chandigarh/ Patiala with at least 1 personnel with finance background i.e. Chartered/Cost Accountant(s), post graduate qualifications in finance such as MBA, MFC etc. working full time out of that office, preferably on assignments of similar nature.

## **FINANCIAL BID FOR EVALUATION**

The financial Bid shall be enclosed in a sealed envelope subscribed as "Financial Bid for offering Portfolio/ Fund Advisory Services to PSPC Provident Fund Trust."

### **EVALUATION METHODOLOGY**

- The Board of Trustees may appoint such Committee(s) / Consultant(s) as they consider necessary to assist the process of evaluation of the RFP package submitted by interested parties.
- Based on the RFP submitted by the interested parties, the PSPC PF Trust will carry out an evaluation of the qualification of such applicants.
- The evaluation committee shall evaluate the Technical Proposals on the basis of their responsiveness to applicable evaluation criteria, sub-criteria, and point system specified in the Bid document.
- Each responsive Proposal will be given a technical score (St.). A Proposal shall be rejected at this stage if it does not respond to important aspects of the Bid Documents, and particularly if it fails to achieve the minimum technical score of 60 points out of maximum 100 points.
- After the technical evaluation is completed, the PSPC PF Trust shall inform the Bidder(s) who have submitted proposals the technical scores obtained by their Technical Proposals, and shall notify those Bidders whose Proposals did not meet the minimum qualifying mark or were considered non responsive, that their Financial Proposals will be returned unopened after completing the selection process.
- The Trust shall simultaneously notify in writing Bidder(s) that have secured the minimum qualifying mark, the date, time and location for opening the Financial Proposals. The opening date shall allow Eligible Bidder(s) sufficient time to make arrangements for attending the opening. the attendance at the opening of financial Proposals to all eligible Bidder(s) is optional.
- The lowest evaluated Financial Proposal (Fm) will be given the maximum financial score(sf) of 100 points. The financial scores (sf) of the other Financial Proposals will be computed as below :

**Sf = 100 X Fm / F, in which Fm is the lowest price and F the price of the proposal under consideration.**

- Proposals will be ranked according to their combined technical (St) and financial (Sf) scores using the weights (T = the weight given to the Technical Proposal; P = the weight given to the Financial Proposal; T + P = 1) indicated in

the Bid Document:  $S = S_t \times T\% + S_f \times P\%$ . the firm achieving the highest combined technical and financial score can be invited for negotiations. In the case of a tie in the combined scoring, the entity with the highest technical score shall be considered for appointment.

- If at any time during the evaluation process, the PSPC PF Trust requires any clarification in order to carry out the evaluation, it reserves the right to request such information from any of all of the bidders who will be obliged to respond to any reasonable request for such information and to supply the same to the PSPC PF Trust within such reasonable time frame as the PSPC PF Trust may require, if the RFP is to be processed further.
- The portfolio Advisor shall forthwith inform the PSPC PF Trust authorities of any material change in the information or particulars previously furnished, which have a bearing on the appointment granted.

### **TENURE OF APPOINTMENT**

The appointment of the Portfolio Advisor shall be for a period of 2(two) years. This may be extended by mutual consent of the Portfolio advisor concerned and PSPC PF Trust by depending on the performance of the former. The performance of Fund Advisor shall be reviewed on a regular basis and the PSPC PF Trust reserves the right to terminate the appointment of any of the Portfolio Advisor if their performance is not up to the mark by giving 3 months notice.

### **DISQUALIFICATION**

1. The PSPC PF Trust shall not consider for the purpose of qualification, RFP which is found to be incomplete in contents and/or attachments and/or authentication etc. or which is received after the specified date and time or not delivered as per the specified procedure or is not accompanied by the application processing fee i.e. demand draft for cost of bid document Rs.1000/- and demand draft for EMD.
2. The PSPC PF Trust reserves the right to withdraw from the process or any part thereof or vary any terms at any time without assigning any reason. The PSPC PF Trust reserves the right to accept or reject any/all offer(s) without assigning any reasons. Without prejudice to any other rights or remedies available to the PSPC PF Trust, Fund advisors may be disqualified and their RFPs rejected for any reasons whatsoever including those listed below :
  - 2.1 Material misrepresentation by the applicant whether in the RFP or otherwise, or
  - 2.2 Failure by the applicant to provide the information required to be provided in the RFP Pursuant to relevant sections of this document.
3. If information becomes known, after the applicant has been qualified to the next stage of appointment, which would have entitled the PSPC PF Trust to reject or disqualify the relevant Fund Advisor(s), the PSPC PF Trust reserves the right to reject the applicant at the time, or at any time after, such information becomes known to the PSPC PF Trust.

4. In regard to matters other than the security and integrity of the country, any conviction by a court of Law or indictment/adverse order by a regulatory authority that casts a doubt on the ability of the applicant to advise employee general provident fund, or which relates a grave offence would constitute disqualification Grave offence is defined to be of such a nature that it outrages the moral sense or the Grave offence is defined to be of such a nature that it outrages the moral sense of the community. the decision in regard to the nature of the offence would be taken on a case-to-case basis after considering the facts of the case and relevant legal principles by the PSPC PF Trust.
5. The interested parties shall be required to provide with their RFP an undertaking to the effect that no investigation by a regulatory authority is pending against them. In case any investigation is pending against the concern or its sister concern(s) or against its CEO or any of its Directors/ Managers/ employees, full details of such investigation including the name of the investigating agency, the charge / offence for which the investigation has been launched, name and designation of persons against whom the investigation has been launched and other relevant information should be disclosed, to the satisfaction of the PSPC PF Trust.
6. The Fund Advisor not satisfying the eligibility and requisite qualification criteria specified in the above sections are not eligible to have their applications considered.

**Enclosures:**

- Section 1) Format for providing Specific/Technical information
- Section 2) Format for providing Financial Bid
- Section 3) BID Evaluation Criteria/ Scoring Methodology



## SECTION 1

### **FORMAT FOR PROVIDING SPECIFIC / TECHNICAL INFORMATION**

Sr.No.	Particulars	
1.	Name of the Bidder	
2.	Nature of Bidder	Registered Company / Partnership firm/Proprietorship firm etc.
3.	Year of coming into existence of the Bidder	
4.	Nature of business of the Bidder	
5.	Whether Registered with NSE or BSE or with both NSE & BSE	Yes/No
6.	Whether Registered as Merchant Bankers with SEBI	Yes/No
7.	Whether Registered as Portfolio Manager with SEBI	Yes/No
8.	Organization set up	Yes/No
9.	Whether the bidder was blacklisted/barred by any central or state government / public sector undertaking/ board in last 5 years till the time of submitting the bid? If yes, give details of clients/ Organizations by who blacklisted/barred	Yes/No
10.	Does the bidder have Assets under formal advisory from Retirement Benefits and/or Provident Fund Trusts of not less than Rs.6,000 crores as on March-2016.	Yes/No
11.	Does the bidder have Assets under formal advisory from Defined Benefit Scheme and/or Provident Fund Trust of any 3 central/State Government/Public sector undertakings March 31, 2016for at least 3 years	Yes/No
12.	Does the bidder have functional office at New Delhi/Chandigarh/Patiala with at least 1 personnel with Chartered/Cost Accountant(s)/postgraduate finance qualifications such on MBA, MFC etc. working full time out of that office. State the office address and attach the CVs of the personnel Is any such assignment handled from this office	Yes/No

13.	No. of years in capital market Industry as on March 31, 2016			
14.	Name of team leader and his stay in the organization in no. of years.			
15.	Persons proposed to be dedicated for the assignment (Fund Advisory/team), their qualification & experience			
16.	Research team and their qualification & Experience			
17.	Assets under Advisory of Provident Fund and/or Defined Benefit Scheme of Central/State Government (s)/Public Sector Companies (excluding assets of the applicant & its Group Companies) during last three financial years ending March 31,2016 (Rs. In Crore):	FY	Name of PF or Pension Fund Trust	Assets in (Rs. Crores)
18.	Enclosures	All the documents in support of the above information/data and as given in the list of enclosures must be submitted.		

**A. Enclosures to be submitted with the Technical Bids :**

1.	Registration Certificate as Merchant Bankers/Portfolio manager with SEBI							
2.	Membership Certificate of any Stock Exchange							
3.	Incorporation Certificate of the Company with the Registrar of Companies/Other appropriate authority							
4.	Audited Accounts for the last 3 financial years ending 31 <sup>st</sup> March,2015 along with audit report.							
5.	Proof showing for how many years the bidder is in capital market. In absence of the proof, the bidder shall furnish a self-attested certificate indicating the number of years in capital market							
6.	Proof showing operational office at New-Delhi/Chandigarh/Patiala							
7.	Documentary evidence showing No. of Trusts of Central/State Government(s)/Public Sector Undertaking being offered retirement fund/Provident Fund advisory services upto March 31,2016(At least 3)							
8.	A certificate from the Chartered Accountant in practice in support of the Total Assets under Advisory for Defined Benefit Scheme and/or Provident fund (excluding assets of the applicant & its Group Companies) during last three financial years ending March 31,2016(Rs. in Crore):							
	<table border="1"> <thead> <tr> <th>FY</th> <th>Name of PF or Pension Fund Trust</th> <th>Assets in (Rs. Crores)</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> </tr> </tbody> </table>		FY	Name of PF or Pension Fund Trust	Assets in (Rs. Crores)			
FY	Name of PF or Pension Fund Trust	Assets in (Rs. Crores)						
9.	Appointment letters of various organizations as Fund Advisor							
10.	Power of Attorney in favour of the person submitting and signing the bid/offer							
11.	Power of Attorney in favour of the person who will finally negotiate (if required) the contract with the owner							
12.	Resolution of the Board of Directors of the Company							
13.	Detailed particulars of the Directors and other top management including their stay with the bidder as on March 31,2016							
14.	Certificate that the bidder is not in any litigation with any of its clients							

## SECTION 2

### FORMAT FOR SUBMITTING FINANCIAL BID

PARTICULAR	CHARGES
Portfolio/ Fund Advisory Fees on per Annum Basis	

NOTE: Service Tax or any other Tax if applicable shall be clearly mentioned whether included in fees or payable extra.

SECTION -3

Bid Evaluation Criterion

For Evaluating Bids received from interest parties for appointment as Fund/ Portfolio Advisor to PSPC Provident Fund Trust.

A. Technical Evaluation Criterion for evaluating the Technical offers received from interested parties for appointment as Fund Portfolio Advisor to PSPC Provident Fund Trust.

Sr. No.	Criteria	Maximum Score
<b>A-Company Parameters</b>		
1	No. of years in Capital Markets as on March 31,2016	
	i) if >or = to 10 years : 15	15
	ii) if > or = 7 and <10 years : 9	
2	Operational Office in.	
	i) Chandigarh/Patiala : 5	5
	ii) New Delhi : 4	
<b>B-Functional Experience &amp; Expertise</b>		
3	Total Assets under Formal Investment Advisory/management services as on March 31,2016 from various retirement Benefit trusts (Provident Fund/Gratuity/ Pension Trusts):	
	i) if > or = to Rs. 10000 Cr : 50	50
	ii) if > or = Rs.6000 Cr < Rs. 10000 Cr. : 40	

4	Number Central/State/Public Sector Undertaking to whose Retirement Benefit trusts (Pension/Provident Fund/Gratuity Funds) such formal Advisory/management services are being provided as on March 31,2016	
	i) if > or = to 5	: 20
	ii) if > = 3 < 5	: 14
		20
5	Fund/Portfolio Advisory/management Team, Qualification and Experience	
	i) Three MBA (F)/CA/CWA with three years' experience)	: 10
	ii) Two MBA (F) / CA/CWA three year experience	: 8
	iii) if Two MBA(F)/CA/CWA with two year Experience	: 6
		10
Total		100

**A. Financial Bid Evaluation Criterion for evaluating the Financial Bids received from interested parties for appointment as Fund/Portfolio Advisor to PSPC PF Trust.**

1	<b>Lowest Investment Advisory fee Per Annum</b>	<b>100</b>
2	<b>Others</b>	<b>Percentile of the highest scores</b>

**B. Combined Bid Evaluation Criterion for evaluating the offers received from interest parties for appointment as Fund / Portfolio Advisor to PSPC PF Trust**

Sr. No.	Particulars	Score
1.	<b>Technical Evaluation</b>	<b>Points Scored</b>
2.	<b>Financial Bid Evaluation Score</b>	<b>Points Scored</b>
3.	<b>Combined Bid Evaluation</b>	<b>Technical Score x 50% + Financial bid score x 50%</b>
4.	<b>Ranking</b>	<b>Highest Scorer and so on</b>