



**REQUEST FOR PROPOSAL (RFP)**

**FOR APPOINTMENT OF**

**FUND MANAGER TO MANAGE**

**THE GRATUITY FUND OF**

**THE STATE TRADING CORPORATION OF INDIA**

**LIMITED**

RFP No.	STC/PERS/GF/2016/1
Last Date and Time for Submission of Proposals	Latest by 25.10.2016 at 12:00 p.m.
Date and Time of Opening of Proposals	Date 25.10.2016 at 02:00 p.m.

**The State Trading Corporation of India Ltd.**

**Jawahar Vyapar Bhawan  
Tolstoy Marg, New Delhi-110001**

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प्रस्ताव हेतु अनुरोध (आर.एफ.पी.)

दि स्टेट ट्रेडिंग कार्पोरेशन ऑफ इण्डिया लिमिटेड

की उपदान निधि के प्रबंधन के लिए

निधि प्रबंधक की नियुक्ति हेतु

आर.एफ.पी नं.	एसटीसी/कार्मिक/जी.एफ/2016/1
प्रस्ताव भेजने की अंतिम तिथि एवं समय	अंततः दिनांक 25.10.2016 को अपराहन 12:00 बजे तक
प्रस्ताव खोलने की अंतिम तिथि एवं समय	दिनांक 25.10.2016, अपराहन 02:00 बजे

दि स्टेट ट्रेडिंग कार्पोरेशन ऑफ इण्डिया लिमिटेड

जवाहर व्यापार भवन

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RFP for Appointment of Fund Manager to manage the Gratuity Fund of  
The State Trading Corporation of India Limited

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**1. PROPOSAL DATA SHEET**

1	RFP No.	STC/PERS/GF/2016/1
2	Project	Appointment of Fund Manager to manage the Gratuity Fund of The State Trading Corporation of India Limited
3	Contact Person	Shri T. Kerketta, General Manager (Personnel) Tel: 011 2346 2090 Mobile: 8527656080 Email id: achowdhury@stclimited.co.in
4	Proposal to be submitted	Online
5	Website for RFP download and any other related information	www.eprocure.gov.in/eprocure, www.stclimited.co.in, tenders.gov.in
6	Portal for Online Submission	www.eprocure.gov.in/eprocure,
7	Validity of Proposal	The proposal shall be valid for a period of 120 days from the last date of submission
8	Selection Method	Highest mark obtained in Financial Criteria
<b>SCHEDULE OF EVENTS</b>		
<b>EVENT</b>		<b>VENUE/DATE/TIME</b>
1	Submission of Online Proposals	e-Procurement portal of NIC (eprocure.gov.in/eprocure) Latest by 25.10.2016 at 12:00 p.m.
2	Opening of Eligibility Condition	e-procurement portal of NIC (eprocure.gov.in/eprocure) Date 25.10.2016 at time 02:00 p.m.
3	Opening of Financial Criteria	Will be intimated later to Eligible Fund Managers

**Note:** In case any of the days mentioned above happens to be declared a holiday, the said event shall be held on the following working day at the same time and venue.

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**2. INTRODUCTION AND BACKGROUND:**

- i. The State Trading Corporation of India Ltd. (STC) is a premier International trading company of the Government of India, set up in 1956, engaged primarily in exports, and imports operations. The Corporation is registered as an autonomous company under the Companies Act, 1956 and functions under the administrative control of the Ministry of Commerce & Industry, Govt. of India.
- ii. For the purpose of discharging its liability, STC has its STC Gratuity Fund Trust, towards payment of Gratuity to the Employees of the Corporation in case of Employees who have ceased to be in service of the Corporation on account of superannuation or resignation or voluntary retirement or death, as the case may be. The STC Gratuity Fund Trust so set up by STC, intends to appoint Fund Manager for the purpose of management of the STC Gratuity Fund.

**3. PURPOSE OF RFP**

The basic objective of STC Management is to earn better return from the available corpus considering safety of the Fund. The purpose of RFP is to invite proposals from the interested Fund Management Companies for managing the Gratuity Fund of the STC Gratuity Fund Trust and to meet the liabilities in respect of employees of the Corporation as and when they occur. STC Management reserves the right to allocate the fund to one or more parties.

**4. TERMS AND CONDITION:**

- i. Proposal is required, in respect of the New Policy under **Group Traditional Product** only, from the existing Fund Managers, of the Country, having valid license of IRDA and as per the IRDA guideline dated 28.06.2013, for a Corpus of Rs.14 Crore (approximately). The investment shall be made to one or more Fund Managers, restricted upto maximum top three, having valid license of IRDA.
- ii. The Fund Management Company requires submitting certain declarations/certificates as per the Annexure. However, if any of the declarations/certificates submitted by the Fund management Company is found to be incorrect at any point of time or the company backs out from the offer or alters/modifies offer after submitting the proposal then STC reserves its right to reject/cancel the said investment, if any, within the lock in period, as the case may be, without any deduction of charges. STC also reserves the right to debar the fund management company from participating in any similar type of investment of the STC's superannuation fund and STC may also inform IRDA in such eventuality for taking appropriate action by them against the defaulting company.

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- iii. STC reserves the right to accept or reject any/all offer(s) without assigning any reason thereof. Further STC reserves the right to make the investment decision either in New Policy under Group Traditional Product or in the Existing Policy under Group Traditional Product in **one or more Fund Managers restricted up to three** Fund Management Co(s) after evaluation of Fund Management Companies.
- iv. Information is to be provided as per the format given below.
- v. The proposals shall be evaluated on the following conditions:
  - I. Eligibility condition
  - II. Financial criteria.

**4.v.I ELIGIBILITY CONDITION: (as on date of publication of RFP)**

SL NO	ELIGIBILITY CONDITION	PUT A TICK ON YES OR NO	
		YES	NO
1	Whether the pattern of investment followed by the Fund Management Company is as per the latest guideline(s) of IRDA and or Ministry of Finance, as the case may be.		
2	Whether the company has not been blacklisted by either GoI or any of the State Govts or PSUs or Nationalized Banks or Govt. Sponsored Organization or Autonomous Body.		
3	Whether The Company has more than 3 years' experience for management or administration of fund under Group Traditional Product in India as per IRDA Guideline		
4	Whether the company has more than 3 numbers of clientele from GoI or any of the State Govts or PSUs or Nationalized Banks or Govt. Sponsored Organization or Autonomous Body.		
5	Whether the Solvency Margin of the Company is as per IRDA Guideline		
6	Whether the lock in period of the Company under the offered Group Traditional Product is less than or equal to 3 years		
7	Whether the investment amount along with the interest accrued on investment shall be paid to STC in lump sum without any adjustments/deductions including Market Value Adjustment, on surrender of the policy after lock in period.		
8	Whether the total AUM of the Fund Management Company under Group Traditional Product is more than or equal to Rs. 500 crore		

Only those proposals that fulfill all the above mentioned eligibility conditions (Answer 'Yes' to all the conditions) would be shortlisted for further evaluation. Proposal not meeting any of the eligibility conditions would stand rejected without giving any reason thereof. Only the proposals shortlisted as per the prescribed eligibility conditions would be subjected to financial evaluation.

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**4.v.II FINANCIAL CRITERIA:**

Sl No.	Parameters	FOR FINANCIAL YEARS		
		2015-16	2014-15	2013-14
1	Actual return declared by the Company for last 3 years under Group Traditional Product for the slab of <b>5-10 Crore</b>			
Sl No.	Parameters	FOR DIFFERENT YEARS		
		1 <sup>ST</sup> YEAR	2 <sup>ND</sup> YEAR	3 <sup>RD</sup> YEAR
2	Surrender charges within lock in period			
3	Actual Fund management charge, for the proposed Group Gratuity Product, as approved by IRDA			

**5. INSTRUCTION TO FUND MANAGERS**

STC invites online proposals from Fund manager to manage the Gratuity Fund of The State Trading Corporation of India limited” as per the details contained in this Request for Proposal (RFP) document.

Organization interested in responding to this RFP must submit their response online at e-Procurement portal of NIC (eprocure.gov.in/eprocure) in the prescribed formats along with all necessary documents and information requested herein. The detailed procedure for submission of proposals is given in Section 6.

Interested fund managers may download the RFP document from the websites [www.stclimited.co.in](http://www.stclimited.co.in) or [www.eprocure.gov.in/eprocure](http://www.eprocure.gov.in/eprocure) or [tenders.gov.in](http://tenders.gov.in)

The date, time and manner for submission of proposals are given in Section 1.

**5.1 Eligibility Condition for Fund Managers**

Documents required from Fund Managers under eligibility condition:

S.No	Eligibility Condition	Documents Required
1	Whether the pattern of investment followed by the Fund Management Company is as per the latest guideline(s) of IRDA and or Ministry of Finance, as the case may be.	An undertaking ensuring that the pattern of investment followed by the Fund Management Company is as per the latest guideline(s) of IRDA and or Ministry of Finance, as the case may be.
2	Whether the company has not been blacklisted by either GoI or any of the State Govts or PSUs or Nationalized Banks or Govt. Sponsored Organization or Autonomous Body.	An undertaking related to whether the fund management company has been blacklisted by either GoI or any of the State Govts or PSUs or Nationalised Banks or Govt. Sponsored Organization or Autonomous Body or not.

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3	Whether The Company has more than 3 years' experience for management or administration of fund under Group Traditional Product in India as per IRDA Guideline.	An acknowledgement mentioning that the Company has more than 3 years' experience for management or administration of fund under Group Traditional Product in India as per IRDA Guideline, to be given on Company's Letter head including designation and stamp of the issuing authority.
4	Whether the company has more than 3 numbers of clientele from GoI or any of the State Govts or PSUs or Nationalized Banks or Govt. Sponsored Organization or Autonomous Body.	Duly signed list of at least 3 clients from either GoI or any of the State Govts or PSUs or Nationalised Banks or Govt. Sponsored Organization or Autonomous Body for management of Group Gratuity Fund.
5	Whether the Solvency Margin of the Company is as per IRDA Guideline.	A certificate issued by C.A mentioning the detailed calculation of solvency margin.
6	Whether the lock in period of the Company under the offered Group Traditional Product is less than or equal to 3 years.	An acknowledgement mentioning that, the lock in period of the Company under the offered Group Traditional Product is less than or equal to 3 years, to be given on Company's Letter head including designation and stamp of the issuing authority.
7	Whether the investment amount along with the interest accrued on investment shall be paid to STC in lump sum without any adjustments/deductions including Market Value Adjustment, on surrender of the policy after lock in period.	An undertaking related to the investment amount along with the interest accrued on investment shall be paid to STC in lump sum without any adjustments/deductions including Market Value Adjustment on surrender of the policy after lock in period.
8	Whether the total AUM of the Fund Management Company under Group Traditional Product is more than or equal to Rs.500 Crore.	A certificate issued by C.A related to the total AUM of the fund management company under Group Traditional Product of the Fund management Company.

## 5.2 Financial Criteria for Fund Managers

Documents required from Fund Managers under Financial Criteria:

Sl No.	Parameters	FOR FINANCIAL YEARS			Documents Required
		2015-16	2014-15	2013-14	
1	Actual return declared by the Company for last 3 years under Group Traditional Product for the slab of <b>5-10 Crore</b> .				The Actual return declared by the fund management company under the Group Traditional Product for the slab of <b>5-10 Crore</b> for the previous three years.



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SI No.	Parameters	FOR DIFFERENT YEARS			Documents Required
		1 <sup>ST</sup> YEAR	2 <sup>ND</sup> YEAR	3 <sup>RD</sup> YEAR	
2	Surrender charges within lock in period				
3	Actual Fund management charge, for the proposed Group Gratuity Product, as approved by IRDA				

Following documents are also required to be uploaded online as Part B of the RFP:

- a) The proposal containing the interest rate, surrender charge and Actual Fund management charge shall be signed by an authorized official of the fund management company. An acknowledgement mentioning the same to be given on Company's Letter head including designation and stamp of the issuing authority.
- b) Scanned copy of a letter of authorization from the Company Secretary/MD/CEO of the fund management company for authorizing the person for signing the policy document, in case the fund management company is selected, as a token of acceptance of terms and conditions of RFP. The authorization letter to include designation and stamp of the issuing authority.

### 5.3 Disclaimer

The information contained in this RFP or subsequently provided to fund managers by STC is provided on the terms and conditions set out in this RFP. Any further information provided will be subject to the terms and conditions applicable to the supply of such information.

This RFP purports to provide the fund managers with information to support the formulation of their proposals. This RFP does not claim to contain all the information each fund manager may require for working out its proposals. This RFP may not be adequate for all parties, and it is not possible for STC, to consider the investment objectives, financial situation, and particular needs of each fund manager who reads or uses this RFP. Each fund manager should conduct its own investigations and analysis and should check the accuracy, reliability and completeness of the information in this RFP and, where necessary, obtain independent advice from appropriate sources.

STC may in their absolute discretion, but without being under any obligation to do so, update, improve or supplement the information in this RFP till a week before the date of

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submission given herein or any extension thereof. Such addition, modification, deletion from the document, if done, shall be available at the STC web site ([www.stclimited.co.in](http://www.stclimited.co.in)).

#### **5.4 Jurisdiction**

In case of any dispute arising thereto the matter shall be referred to the Courts at New Delhi. The Courts at New Delhi shall have the exclusive Jurisdiction to try and entertain the same.

### **6. PROCEDURE FOR PREPARATION & SUBMISSION OF PROPOSAL**

#### **6.1 Governing Language**

The proposal Documents and all correspondence and documents relating to the proposal exchanged between the fund manager and STC, shall be written in English or in Hindi. Supporting documents and printed literature that are part of the proposals may be in another language provided they are accompanied by an accurate and authenticated translation of the relevant content in English or in Hindi, in which case, for purposes of interpretation of the proposals, such translation shall prevail.

#### **6.2 Preparation of Proposal:**

The proposal is required to be uploaded in two parts as follows:

##### **6.2.1 Part A: Eligibility Condition**

Part A of the proposal shall be uploaded as per format, placed at Annexure I, in line with Section 4.v.I in this RFP and will be accompanied by the enclosures as prescribed in Section 5.1 of this RFP document. Scanned Copy of the required documents should be uploaded online only. For further details, please also see Section 6.3.

##### **6.2.2 Part B: Financial Criteria**

Part B of the proposal shall be uploaded as per format, placed at Annexure II, in line with Section 4.v.II in this RFP and will be accompanied by the enclosures as prescribed in Section 5.2 of this RFP document. Scanned Copy of the required documents should be uploaded online only. For further details, please also see Section 6.3.

#### **6.3 Submission of Proposals**

- a) Proposals against this RFP shall be received only electronically through the e-Procurement Portal of NIC ([eprocure.gov.in/](http://eprocure.gov.in/) eprocure). No proposals shall be accepted in hard copy or in any other form.
- b) For submission of proposal, fund managers are required to get themselves registered with [eprocure.gov.in/](http://eprocure.gov.in/) eprocure website using Class II / Class III Digital Signature Certificate.

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- c) The fund managers are required to upload softcopies of the two parts of the proposal viz. Part A, Part B, as detailed in Sections 6.2.1, 6.2.2.
- d) A fund manager may modify, substitute or withdraw its e-proposal after submission before the last date and time of proposal submission.
- e) STC may ask the fund managers to submit any or all the documents in original submitted as part of their online proposal anytime during the evaluation process.
- f) Fund Managers are advised in their own interest to submit the online proposals well before the proposal submission end date & time (as per Server System Clock of CPP). STC will not be responsible for any delay or the difficulties encountered during the submission of proposals at the eleventh hour due to any technical or other problems.
- g) The proposal containing the interest rate shall be signed by an authorized official of the fund management company. Copy of RFP (Request for Proposal) shall also be signed by an authorized official, who will be signing the policy document, in case the fund management company is selected, as a token of acceptance of terms and conditions of RFP. A letter of authorization from the Company Secretary/MD/CEO of the fund management company to this effect addressed to STC has to be submitted.
- h) The terms and condition of the RFP are to be accepted in toto and non-acceptance of any of the terms and condition may be liable for rejection. The terms and conditions of RFP will prevail over the provisions of the policy in case of contradiction or otherwise.
- i) Each page of the proposal must be duly signed and stamped by Authorized Signatory. Each page should be duly numbered and all documents (as per Annexure) have to be submitted either in English or in Hindi Language. No Company would be permitted either to modify or to withdraw the proposal after expiry of the deadline.
- j) For any queries relating to the process of online proposal submission or queries relating to Procurement Portal ([eprocure.gov.in/eprocure](http://eprocure.gov.in/eprocure)), the Fund Managers may contact CPP Portal Helpdesk on Tel No's.: 0120-4200462, 0120-4001002, 91 8826246593.

RFP for Appointment of Fund Manager to manage the Gratuity Fund of  
The State Trading Corporation of India Limited

**ANNEXURE-I**

Date.....

To  
Shri T. Kerketta,  
General Manager (Personnel)  
STC of India Limited,  
Jawahar Vyapar Bhawan,  
01 Tolsttoy Marg,  
New Delhi-110001

**Sub:** Eligibility Condition (as on date of publication of RFP) for appointment of Fund Managers to Manage the Gratuity Fund of The State Trading Corporation of India Limited

Sir,

This has reference to RFP No. STC/PERS/GF/2016/1 on the above subject.

2. In this connection, the details of the proposal is submitted as follows:

SL NO	ELIGIBILITY CONDITION	PUT A TICK ON YES OR NO	
		YES	NO
2.1	Whether the pattern of investment followed by the Fund Management Company is as per the latest guideline(s) of IRDA and or Ministry of Finance, as the case may be.		
2.2	Whether the company has not been blacklisted by either GoI or any of the State Govts or PSUs or Nationalized Banks or Govt. Sponsored Organization or Autonomous Body.		
2.3	Whether The Company has more than 3 years' experience for management or administration of fund under Group Traditional Product in India as per IRDA Guideline		
2.4	Whether the company has more than 3 numbers of clientele from GoI or any of the State Govts or PSUs or Nationalized Banks or Govt. Sponsored Organization or Autonomous Body.		
2.5	Whether the Solvency Margin of the Company is as per IRDA Guideline		
2.6	Whether the lock in period of the Company under the offered Group Traditional Product is less than or equal to 3 years		
2.7	Whether the investment amount along with the interest accrued on investment shall be paid to STC in lump sum without any adjustments/deductions including Market Value Adjustment, on surrender of the policy after lock in period.		
2.8	Whether the total AUM of the Fund Management Company under Group Traditional Product is more than or equal to Rs. 500 crore		

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The State Trading Corporation of India Limited

3. The scanned copy of the following documents in support of the above submission is annexed herewith:

3.1	An undertaking ensuring that the pattern of investment followed by the Fund Management Company is as per the latest guideline(s) of IRDA and or Ministry of Finance, as the case may be.
3.2	An undertaking related to whether the fund management company has been blacklisted by either GoI or any of the State Govts or PSUs or Nationalised Banks or Govt. Sponsored Organization or Autonomous Body or not
3.3	An acknowledgement mentioning that The Company has more than 3 years' experience for management or administration of fund under Group Traditional Product in India as per IRDA Guideline, to be given on Company's Letter head including designation and stamp of the issuing authority.
3.4	Duly signed list of at least 3 clients from either GoI or any of the State Govts or PSUs or Nationalised Banks or Govt. Sponsored Organization or Autonomous Body for management of Group Gratuity Fund.
3.5	A certificate issued by C.A mentioning the detailed calculation of solvency margin
3.6	An acknowledgement mentioning that, the lock in period of the Company under the offered Group Traditional Product is less than or equal to 3 years, to be given on Company's Letter head including designation and stamp of the issuing authority.
3.7	An undertaking related to the investment amount along with the interest accrued on investment shall be paid to STC in lump sum without any adjustments/deductions including Market Value Adjustment on surrender of the policy after lock in period.
3.8	A certificate issued by C.A related to the total AUM of the fund management company under Group Traditional Product of the Fund management Company

Thanking you

**For and on behalf of**

**(Authorised Signatory)  
(Stamp & Sign)**

RFP for Appointment of Fund Manager to manage the Gratuity Fund of  
The State Trading Corporation of India Limited

**ANNEXURE-II**

Date.....

To  
Shri T. Kerketta,  
General Manager (Personnel)  
STC of India Limited,  
Jawahar Vyapar Bhawan,  
01 Tolsttoy Marg,  
New Delhi-110001

**Sub:** Financial Criteria for appointment of Fund Managers to Manage the Gratuity Fund of The State Trading Corporation of India Limited

Sir,

This has reference to RFP No. STC/PERS/GF/2016/1 on the above subject.

2. In this connection, the details of the proposal is submitted as follows:

Sl No.	Parameters	FOR FINANCIAL YEARS		
		2015-16	2014-15	2013-14
2.1	Actual return declared by the Company for last 3 years under Group Traditional Product for the slab of <b>5-10 Crore</b>			
Sl No.	Parameters	FOR DIFFERENT YEARS		
		1 <sup>ST</sup> YEAR	2 <sup>ND</sup> YEAR	3 <sup>RD</sup> YEAR
2.2	Surrender charges within lock in period			
2.3	Actual Fund management charge, for the proposed Group Gratuity Product, as approved by IRDA			

3. The scanned copy of the following documents in support of the above submission is annexed herewith:

3.1	The Actual return declared by the fund management company under the Group Traditional Product for the slab of <b>5-10 Crore</b> for the previous three years
3.2	The proposal containing the interest rate, surrender charge and Actual Fund management charge shall be signed by an authorized official of the fund management company. An acknowledgement mentioning the same to be given on Company's Letter head including designation and stamp of the issuing authority.
3.3	Scanned copy of a letter of authorization from the Company Secretary/MD/CEO of the fund management company for authorizing the person for signing the policy document, in case the fund management company is selected, as a token of acceptance of terms and conditions of RFP. The authorization letter to include designation and stamp of the issuing authority.

Thanking you.

**For and on behalf of**  
**(Authorised Signatory)**  
**(Stamp & Sign)**