

**REQUEST FOR PROPOSAL (RFP)
FOR
Appointment as Custodian of Funds & Securities
for the
COAL MINES PROVIDENT FUND ORGANISATION (CMPFO)
Corpus**

Date of issue:

9th May, 2016

Deadline for submission of Proposal:

8th June, 2016 by 5 pm

Proposal should be super-scribed as
'Confidential – Proposal for Appointment of Custodian of Funds &
Securities'

To be submitted in a sealed envelope and addressed to:

COAL MINES PROVIDENT FUND ORGANISATION (CMPFO),
CMPFO, HQ,
DHANBAD - 826001

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1. Disclaimer

- 1.1 This document is being published in connection with the proposed appointment of Custodian of Funds & Securities of BOT, CMPF by the CMPFO.
- 1.2 This document does not constitute nor should it be interpreted as an offer or invitation for in appointment of Custodian described herein.
- 1.3 This document does not constitute nor should it be interpreted as an offer or invitation for the appointment of Custodian described herein.
- 1.4 While this document has been prepared in good faith, neither the CMPFO, nor any of its officers make any representation or warranty or shall have any responsibility or liability whatsoever in respect of any statements or omissions here from. Any liability is accordingly and expressly disclaimed by the CMPFO and any of its officers, even if any loss or damage is caused by any act or omission on the part of the CMPFO or any of the officers, or employees or consultant, whether negligent or otherwise.
- 1.5 By acceptance of this document, the recipient agrees that any information herewith will be superseded by any subsequent written information on the same subject made available to the recipient by or on behalf of the CMPFO. The CMPFO or any of its respective officers undertake no obligation, among others, to provide the recipient with become apparent, and they reserve the right, at any time and without advance notice, to change the procedure for the selection of Custodian or any part of the interest or terminate negotiations or the due diligence process prior to the signing of any binding agreement.
- 1.6 The CMPFO reserves the right to reject any or all proposals or cancel/withdraw the Request for Proposal (RFP) without assigning any reason whatsoever and in such case no intending Applicant shall have any claim arising out of such action. At any time prior to the deadline for submission of proposals, the CMPFO may modify, for any reason deemed necessary, the RFP by amendment notified on CMPFO's website and such amendment shall be binding on them.
- 1.7 The recipients of the RFP should carry out an independent assessment and analysis of the requirements for appointment as

Custodian and of the information, facts and observations contained herein.

- 1.8 This document has not been filed, registered or approved in any jurisdiction. Recipients of this document should keep themselves abreast of any applicable legal requirements and conform to the same.
- 1.9 This document constitutes no form of commitment on the part of the CMPFO. Furthermore, this document confers neither the right nor an expectation on any party to participate in the proposed Custodian appointment process.
- 1.10 This document confers neither a right nor an expectation on any party to offer for appointment as Custodian.
- 1.11 The CMPFO reserves the right to, not consider for the purpose of qualification, a proposal which is found to be incomplete in content 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.
- 1.12 Without prejudice to any other rights or remedies available to the CMPFO, Custodian may be disqualified and there proposals rejected for any reason whatsoever including those listed below:
 - 1.12.1 Material misrepresentation by the Applicant in the Proposal.
 - 1.12.2 Failure by the Applicant to provide the information required to be provided in the proposal pursuant to relevant sections of this document.
 - 1.12.3 If information becomes known, after the Applicant has been appointed, which would have entitled the CMPFO to reject or disqualify the information becomes known to the CMPFO and no compensation, whatsoever, shall be payable to the Custodian so rejected.
 - 1.12.4 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 provide Custodial and other related services.
- 1.13 When any proposal is submitted pursuant to this RFP, it shall be presumed by the CMPFO that the Applicant has fully ascertained and ensured about its eligibility to act as Custodian of Funds & Securities. In the event of it being selected ultimately to act as Custodian of Funds & Securities, under the respective governing

laws and regulatory regimen, and that there is no statutory or regulatory prohibition or impediment to acting as Custodian of Securities for the CMPFO's corpus and it has the necessary approvals and permission to act as Custodian of Securities and further suffers no disability in law or otherwise to act as such.

- 1.14 All proposals and accompanying documents received within the stipulated time will become the property of the CMPFO and will not be returned. The hardcopy version will be considered as the official proposal.

2. Introduction

- 2.1 The Coal Mines Provident Fund Organization (CMPFO), India is an autonomous body under the aegis of the Ministry of Coal, Government of India. The main objective of the organization is to provide old-age social security to the subscribers.
- 2.2 The CMPFO is one of the provident fund institutions in the country and has a large number of members and volume of financial transactions that it has been carrying on. The Constitution of India under 'Directive Principles of State Policy' provides that the State shall, within the limits of its economic capacity and development, make effective provision for securing the right to work, to education and to public assistance in cases of unemployment, old age, sickness and disablement, and in other cases of undeserved want.
- 2.3 The Coal Mines Provident Funds & Miscellaneous Act, 1948 is an important social security legislation enacted for the benefit of workers engaged in coal mining and related activities. Presently, the following three schemes are in operation under the Act.
 - 2.3.1 Coal Mines Provident Fund Scheme, 1948 (CMPF)
 - 2.3.2 Coal Mines Deposit Linked Insurance Scheme, 1976 (CMDLI)
 - 2.3.3 Coal Mines Pension Scheme, 1998 (CMPS)

3. Terms of Reference

- 3.1 Paragraph 54 of the Coal Mines Provident Fund Scheme provides that all monies belonging to the corpus are to be deposited in the Reserve Bank of India (RBI) or State Bank of India or in such other Scheduled Banks as may be approved by the Central Government and shall be invested subject to such directions as the Central Government may give from time to time.
- 3.2 BOT, CMPF appoints Portfolio Managers for CMPFO corpus who are required to make all investments as per the investment pattern prescribed by the BOT, CMPF, investment guidelines issued by the CMPFO from time to time and the agreement between the Portfolio Manager and the CMPFO.

The investment pattern has gradually evolved to provide greater flexibility in investment options like investments in Term Deposit Receipts, Public/Private Sector Bonds apart from Central and State Government Securities. The CMPFO appointed three Portfolio Managers to manage its corpus.

- 3.3 BOT, CMPF intends to appoint a Custodian for securities held in all the schemes of CMPFO. The Custodian will be required to maintain accounts of property of the CMPFO, collect the benefits or rights accruing to the CMPFO, and maintain and reconcile records of the services rendered.
- 3.4 As on 31 March, 2016, the CMPFO had a corpus of Rs. 62197.42 crores at face value. During the financial year 2015-16 (01 April, 2015 to 31 March, 2016), the total investments carried out by the Portfolio Managers was Rs. 12414.81 crores (Column E= Total of Column B, C and D in the table given below)

(in Rs. crores)

Fund	Funds size as on 31/03/2015 at Face Value (A)	Net Fresh Accretion on account of contribution during 2015-16	Interest Received during 2015-16 (C)	Maturity Proceeds during 2015-16 (D)	Total Investment made during 2015-16 (E + B +C+D)

		(B)			
CPF	48462.34	-1000.00	4507.95	6163.45	9671.3
CPS	8143.33	-405.43	759.52	806.5	1160.60
CDLI	9.63		0.85	0.37	1.22
CM ADM Fund	1802.57	-246.00	158.74	1668.86	1581.6
Total	58417.87	-1651.43	5427.06	8639.18	12414.81

Category wise status of the corpus as on 31 March, 2015 is as follows:

(Rs. In crores)

Fund	CTG	STG	PSU	PVT	SDL	SDS	Total
CPF	16596.00	898.10	18320.00	5163.80	10921.00	16522.50	68421.4
CPS	3589.00	124.80	2320.00	574.00	1977.45	0	8585.25
CDLI	2.50	0.00	3.64	0.80	3.40	0	10.34
CM ADM Fund	45.80	4.20	843.15	386.50	422.94	0	1702.59
Total	20233.30	1027.10	21486.79	6125.10	13324.79	16522.50	78719.58

The part of corpus pertaining to the SDS will not be under Assets Under Custody (AUC).

- 3.5 Total number of transactions during 2015-16 for purchase of all kinds of securities was approximately 600.
- 3.6 This document is a Request for Proposal (RFP) for appointment of Custodian of Funds & Securities for the CMPFO's Corpus. The Applicants that may wish to participate in the selection process must submit their proposals as per the process defined in the document.
- 3.7 If required, for the purpose of Custodian transactions, CMPFO may allow the Custodian to work as a Banker.
- 3.8 For further information about the CMPFO, one may visit the website www.cmpfo.gov.in.

4 Duties & Responsibilities of the Custodian of Securit

- 4.1 The services to be provided by the Custodian will be as under:

- 4.1.1. To collect and receive any income and other payments and distributions made by the issuer of Securities, for the account of the BOT, CMPF and in the absence of contrary instructions, credit the non-monetary distributions to the Custody account or the monetary distributions to the Saving Account as the case may be.
- 4.1.2. To take all/any action necessary and proper in connection with the receipt of income and other payments and distributions referred above, including but not limited to the presentation of coupons and other interest items.
- 4.1.3. To receive and hold for the account of the BOT, CMPF all/any moneys arising out of or in connection with the Property' whether as a result of it being called or redeemed or otherwise becoming payable and credit the same to the Saving Account.

(* Property means any security, cash and/or any other property belonging to the BOT, CMPF.)

- 4.1.4. To take all/any action necessary and proper in connection with the receipt of the monies referred above, including but not limited to the presentation for payment of any Property becoming payable as a result of being called or redeemed or otherwise becoming payable and the endorsement for collation of cheques, drafts and other negotiable instruments.
- 4.1.5. To receive and hold for the account of the BOT, CMPF, the Securities received by the Custodian as a result of reorganization, consolidations, conversions, capitalization of reserves, and such other corporate action with respect to any Securities held by it hereunder.
- 4.1.6. To exchange interim or temporary receipts for definitive Securities, and old or over stamped certificates for new certificates.
- 4.1.7. To deliver Property which has been sold after confirmation from CMPFO and/or make payment for, and receive Property purchased on behalf of BOT, CMPF, provided however that the Custodian will deliver Property only after receipt of payment for sale transitions and/or make payment only after receipt of Property for purchase transitions unless instructed to the contrary or is required by prevailing rules, operating procedures and regulations on any relevant stock exchange, clearance system, depository to do other wise but with a simultaneous imitation to the CMPFO.
- 4.1.8. To deal with rights, or public issues, warrants and other similar interests offered or received by the Custodian.

- 4.1.9. To deliver such Securities to the issuer thereof or its agent when Securities are called, redeemed, cancelled, retired or otherwise become payable and to receive payment thereof.
- 4.1.10. To deliver such Securities for
- 4.1.11. exchange for a different number of Securities or certificates representing the same aggregate face value; or
- 4.1.12. conversion pursuant to any plan of merger, consolidation, recapitalization, reorganization or readjustment of the Securities by the issuer of such Securities or any other such corporate action by the issuer of the security; or pursuant to provision for conversion contained in such Securities;

Provided that, in any such case, the new Securities and cash, if any, are to be delivered back to the account of BOT, CMPF;

- 4.1.13 To surrender/exercise warrants, rights or similar Securities and receive back the delivery of new Securities.

Except as provided herein, to deliver or dispose of the Property only as may be specified by Instructions and supported by confirmation from CMPFO.

4.2 Payments:

Except as may be otherwise provided specified in this document, the Custodian shall make, or cause its agent to make, payments from the Saving Account only on specific instructions.

- 4.2.1 For the purchase of Property for the account of the BOT, CMPF and or crediting of the Property to the Custody Account(s)/Depository Account(s) of the BOT, CMPF
 - 4.2.2 For payments to be made in connection with the conversion, exchange or surrender of Property held in the Custody Account.
 - 4.2.3 Other Services to be provided by the Custodian:
- 4.3.1 The Custodian shall arrange on written request by the CMPFO for registration of Property with the issuer or its agent in the name of BOT, CMPF, provided such registration is permissible under prevailing laws.

- 4.3.2 The Custodian shall furnish to the CMPFO a daily statement of cash and a daily/weekly statement of Securities held by it in a mutually agreed format. Such submission shall be made before the close of the next working day for daily statements, and within two working days after the end of each such week for weekly statements. It shall be obligatory for the Custodian to provide all information reports or any explanations sought by the BOT, CMPF, at such frequency and in such formats as mutually agreed. It shall also be obligatory for the Custodian to provide other additional statements or reports to the Auditor of the BOT, CMPF for the purpose of audit and for physical verifications and reconciliation of Securities belonging to the BOT, CMPF, such information as may be requested, so long as the necessary information is available with the Custodian.
- 4.3.3 The Custodian should have a system which:
- 4.3.3.1 can generate consolidated MIS reports as required by CMPFO, including reports on all eligible securities as mentioned in point 6 of section 6.1.
 - 4.3.3.2 is flexible to provide any new reports as required by CMPFO at any point of time.
 - 4.3.3.3 Has scalability to handle large volumes.
- 4.3.4 The Custodian should have capability to develop a new system for catering to automation as per the processing and reporting requirements of CMPFO.
- 4.3.5 The Custodian may create operating procedures, with CMPFO concurrence, which shall govern the day to day operations of the Custody Account and the Saving Account. Such operating procedures, may be amended from time to time by mutual consent between the Custodian and the CMPFO.
- 4.3.6 The BOT, CMPF and CMPFO reserve the right to call for information and exercise such other rights which under these presents is exercisable by the BOT, CMPF and CMPFO by giving an intimation to the Custodian to that effect.
- 4.3.7 The Custodian shall allow the BOT, CMPF, withdrawal of all or any part of the Property in the Custody Account and/or the Saving Account.
- 4.3.8 Delivery of any Property other than cash shall be made within reasonable time at such locations as the parties hereto may agree.

- 4.3.9 The Custodian shall arrange an adequate insurance cover for the entire Property belonging to the BOT, CMPF, the details of which shall be submitted to the CMPFO.
- 4.3.10 Check the Credit ratings of the Investments on a daily basis and report any downgrades or negative watch/outlook immediately.
- 4.3.11 The Custodian shall be responsible for following up with the issuers of securities for any default in payment of interest and/or maturity proceeds. If any legal proceeding is to be initiated, the custodian would take all necessary legal actions in consultation with CMPFO and the cost thereon would be borne by CMPFO.
- 4.3.12 If appointed as Custodian of Securities for the CMPFO's corpus, CMPFO may at its discretion audit the Custodian's compliance with the terms of agreement with BOT, CMPF through an external agency, for which the Custodian is required to provide the necessary support.

5. RFP Process, Bid documents, EMD/BG

5.1 Steps in RFP Process

- 5.1.1 Submission of Pre-Qualification, Technical and Financial bids by Applicants.
- 5.1.2 The Applicants may respond to the RFP by submitting the required Pre-Qualification, Technical and Financial bids to the CMPFO as detailed in Section 7 of this document.
- 5.1.3 The authorized representative of the Applicants may be present at the time of opening of the Pre-Qualification, Technical and Financial bids.
- 5.1.4 The bids must be submitted in a sealed envelope consisting of two (2) copies of all the bid documents (i.e., two copies each of Pre-Qualification Bid, Technical Bid and Financial Bid) including softcopies in two (2) CDs.
- 5.1.5 The bids must be submitted in a sealed envelope consisting of three separate bids i.e. Pre-Qualification Bid, Technical Bid and Financial Bid.
- 5.1.6 Pre-Qualification, Technical and Financial bids should be submitted in separate sealed envelopes with each envelope super-scribed in bold as 'Pre-Qualification bid', 'Technical bid' and 'Financial bid' respectively.
- 5.1.7 The Applicant's name and address shall be mentioned on the right hand side of all envelopes.

- 5.1.8 All the three envelopes should be placed in an envelope, duly sealed and super-scribed as **'confidential proposal for Appointment of Custodian of Funds & Securities for the CMPFO's corpus,'** along with the Applicant's name and address, and the name of the primary and secondary contact person must be provided on the right hand side of the sealed envelope.
- 5.1.9 There must be an index at the beginning of the proposal detailing the summary of all information contained in the proposal.
- 5.1.10 All pages of the proposal must be serially numbered. The currency of the proposal and payments shall be in Indian Rupees only.
- 5.1.11 The proposals may either be hand delivered or sent through registered post or courier.
- 5.1.12 CMPFO will not accept delivery of proposals by fax or e-mail. Proposals received in such manner will be treated as invalid and rejected.
- 5.1.13 **THE APPLICANT MUST ENSURE THAT THE BIDS REACH CMPFO IN TIME AND NO DELAY IN POST OR OTHERWISE WILL BE ACCEPTABLE. RECEIPT OF ANY DELAYED PROPOSAL WILL BE STRAIGHTAWAY REJECTED WITHOUT OPENING THE SAME.**

Completeness of bid documents

- 5.2.1 A Committee of officers of CMPFO constituted for the purpose will open and evaluate the contents of the documents received to ascertain that all documents/information requirements are provided in the format and the manner specified.
 - 5.2.2 CMPFO may, where desired necessary, seek further clarifications from any/all bidders in respect of any information provided in the RFP.
 - 5.2.3 The Applicant must furnish clarifications within the stipulated time frame failing which the RFP submitted by the Applicant concerned will be treated as incomplete.
- 5.3 Evaluation of Technical and Financial bids.
All Applicants, who qualify in the Pre-Qualification bid criteria as laid down in Section 6.1 would only be further evaluated on technical and financial bids as follows:
- 5.3.1 Technical bid

The Technical bids of all the Applicants will be evaluated as per the criteria specified in Section 6.2 of the RFP.

5.3.2 Financial bid

All Applicants, who score at least 65% in the Technical Bid would only be short-listed for the evaluation of Financial Bid.

5.3.3 The final evaluation would be based on both technical and financial bids as explained in Section 6.3.

5.3.4 The proposals shall be valid for a period of Six (6) months from the date of opening of the Financial Bid.

5.4 Finalization of the Custodian.

The Custodian will be finalized based on the evaluation process as prescribed above and the successful Custodian will be informed.

CMPFO reserves the right to cancel the appointment process and call for a re-bid without assigning any reason thereof.

5.6 Availability of Bid Documents

5.6.1 The complete set of bid documents can be downloaded from the web site of CMPFO <http://www.compfo.gov.in>. Bids made on the basis of such downloaded documents shall be considered valid for participation in the bidding process. The downloading of the bid documents from the website can be done by the intending applicants till 5:00 pm on 31-05-2016

5.7 Earnest Money Deposit & Performance Bank Guarantee.

5.7.1 The bids shall be accompanied by an Earnest Money Deposit [EMD] of Rs 5,00,000 [Rupees Five Lac only] in the form of a Bank draft, marked "Account Payee only", made payable to "Commissioner, Coal Mines Provident Fund Organisation, Head Quarters Office, Dhanbad" and drawn on Dhanbad. No other mode of payment will be accepted

5.7.2 The EMD Bank draft dated after the closure date form the sale of Bid documents will render the bids liable for rejection

5.7.3 The selected Custodian (s) will be required to submit to CMPFO an unconditional and irrevocable Performance Bank Guarantee for a sum of Rs 1 Crore [Rupees One Crore only] within a fortnight from the date of notification of the award or at least 2 (two) working days prior to signing of the Custodial Agreement, whichever is earlier, for the due performance and fulfillment of Custodian function.

5.7.4 The Performance Bank Guarantee, payable on demand, should be issued by a Scheduled Commercial Bank [“AA+” or above] acceptable to CMPFO, valid till 180 days after the completion of the tenure of the appointment as Custodian.

5.7.5 All cost and incidental charges including commission, etc. for arranging the Bank Guarantee shall be borne by the Applicant.

5.8 Activities and Dates

The expected schedule of key activities for the purpose of this RFP is outlined below:

Sr.No.	Key Activities	Due Date*
1.	Issuance of Request For Proposal (RFP)	09-05-2016
2.	Last date for submission of queries via e-mail or post on RFP	24-05-2016
3.	Pre-bid Conference	01-06-2016
4.	Last date for receipt of bid	08-06-2016
5.	Opening of Pre-Qualification bids	14-06-2016
6.	Opening of Technical bids for eligible Applicants	21-06-2016
7.	Opening of Financial bids for the eligible Applicants	28-06-2016
8.	Issuance of letter to selected Custodian	After approval of BoT CMPF
9.	Selected Custodian to be ready in all respects	Within 15 days of issue of letter intimating

		appointment
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*The CMPFO reserves the right to change any date-time mentioned in the schedule above.

6. Bid Evaluation Criteria

6.1 The Pre-Qualification criteria for selection of Custodian of Securities for the CMPFO's corpus is as follows:

Sl.No.	Criteria-Qualifications	Supporting Document
1.	Custodian should be registered with SEBI and RBI and the registration should be valid on the date of application	Section 7.2.1
2.	Should have valid income tax permanent Account Number (PAN) as on date of application	Section 7.2.2
3.	Applicant should have more than 5 years' experience in providing custody services as on 01 April, 2016.	Section 7.2.4
4.	Custodian should have at least Rs. 50,000 Crores of total Assets Under Custody (AUC) as on 01 April, 2016	Section 7.2.5
5.	Custodian should have at least Rs. 25,000 Crores of Debt Assets Under Custody as on 01 April, 2016	Section 7.2.5
6.	Should be able to offer custodial services, settlement services and reporting thereof for all type of eligible securities i.e. Corporate Bonds, Government Securities (through SGL/CSGL), Bank TDRs, CBLO or any other securities in which BOT, CMPF may transact in future as prescribed by the Government	Section 7.2.6
7.	Should have functional offices at Mumbai & Delhi having responsible officials.	Section 7.2.7
8.	There should not be 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 provide Custodial and other related services.	Section 7.2.8
9.	The Custodian of Securities for the CMPFO's corpus should be different from Banker and/or Portfolio Manager of CMPFO. However CMPFO reserves its right to allow the Custodian of Securities for the CMPFO's Corpus, work as Banker and/or Portfolio Manager of CMPFO.	Section 7.2.9

6.2 Technical evaluation parameters

The following tables outline the broad parameters based on which evaluation of technical proposals of the applicants shall be carried out by the CMPFO.

6.2.1 Quantitative criteria

Parameter	Measurement Criteria	Supporting Document	Wight
Experience	Number of months of experience in providing custody services as on 01 April, 2016	Section 7.3.1.1	10 per cent
Total Assets Under Custody	Average of Total Assets Under Custody (in Rs. Crore) for last one (1) year as on 01 April, 2016 (Calculated on a daily basis)	Section 7.3.1.2	20 per cent
Debt Assets Under Custody	Average of Debt Assets Under Custody (in Rs. Crore) for last one (1) year as on 01 April, 2016 (calculated on a daily basis)	Section 7.3.1.3	15 per cent
Number of clients with Debt Assets Under Custody of at least Rs. 2,000 Crores	Number of clients with Debt Assets Under Custody of at least Rs. 2,000 Crores as on 01 April, 2016	Section 7.3.1.4	20 per cent

6.2.2 Qualitative criteria

Sr.No. Objective	Parameters	Measurement criteria	Supporting documents	Weight
Proposed project plan for execution of the assignment				15.00

					%
1.	Proposed project plan	Proposed technology platform & system, MIS formats, Business Continuity Plan & Disaster Recovery Plan and Data Security	Detailed of proposed technology platform & system, MIS formats, Business Continuity Plan & Disaster Recovery Plan and Data Security	Section 7.3.2.3	15%
Risk Management					10.00 %
1.	Risk Management Framework and Structure of Risk team	Comprehensiveness of the risk management policy and system and reporting structure	Analysis of risk management policy and comprehensiveness of risk management system will be done	Section 7.3.2.4	10.00 %
Proposed execution team					
3.	Profile of the proposed execution team	Qualification and Experience	Qualification and Experience based on CVs submitted	Section 7.3.2.5	10.00 %
Total					35.00 %

6.2.2 Evaluation and scoring process (Please note that the numbers used in this section are for illustrative purpose only)

Table 1 (Quantitative parameters evaluation)

	Experience in	Total Assets	Debt Assets	Number of
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	providing custody services in no. of months	Under Custody (in Rs. Crores)	Under Custody (in Rs. Crores)	clients with Debt Assets Under Custody of at least Rs. 2,000 Crores
Parametric Weights	10%	20%	15%	20%
Applicant 1	60	240000	170000	10
Applicant 2	96	120000	100000	20
Applicant 3	72	100000	60000	15
Applicant 4	94	250000	220000	8
Applicant 5	120	200000	90000	4
Maximum	120	250000	220000	20
Basis for parametric evaluation	Maximum	Maximum	Maximum	Maximum

Table 2 (Quantitative parameters scoring)

	Experience in providing custody services in no. of months	Total Assets Under Custody (in Rs. Crores)	Debt Assets Under Custody (in Rs. Crores)	Number of clients with Debt Assets Under Custody of at least Rs. 2,000 Crores	Total Score based on Quantitative parameters
Parametric Weights	10%	20%	15%	20%	65%
Applicant 1	0.50	0.96	0.77	0.50	0.46
Applicant 2	0.80	0.48	0.45	1.00	0.44
Applicant 3	0.60	0.40	0.27	0.75	0.33
Applicant 4	0.78	1.00	1.00	0.40	0.51
Applicant	1.00	0.80	0.41	0.20	0.36

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Working for Applicant 2 = (10%*0.80 + 20%*0.48 + 15% + 20%*1.00) = 0.44

Table 2 (Qualitative parameters evaluation)

	Proposed project plan for execution of the assignment	Risk Management	Proposed execution team
Parametric Weights	15%	10%	10%
Applicant 1	3	3.5	4
Applicant 2	2	2.5	1.5
Applicant 3	4	1.5	3
Applicant 4	3.5	3.5	3.5
Applicant 5	3.5	3.5	3.5
Maximum	4	3.5	4
Basis of parametric evaluation	Maximum	Maximum	Maximum

Table 4 (Qualitative parameters scoring)

	Proposed project plan for execution of the assignment	Risk Management	Proposed execution team	Total Score based on Qualitative parameters
Parametric Weights	15%	10%	10%	35%
Applicant 1	0.75	1.00	1.00	0.31
Applicant 2	0.50	0.71	0.38	0.18
Applicant 3	1.00	0.43	0.75	0.27
Applicant 4	0.88	1.00	0.88	0.32
Applicant 5	0.88	1.00	0.88	0.32

Note – The parametric score for each applicant is calculated on the basis of their score on each parameter relative to the best score for that parameter. The best score would be the maximum score, as assessed during the evaluation for that parameter. E.g. In case of proposed execution team, the maximum score is 4. Applicant 1 would therefore have a score of 1 and the

scores of all other Applicants would be calculated relative to the best score. Applicant 2, for instance would have a score of 0.38 (1.5/4).

Working for Applicant 2 = (15%*0.50 + 10%*0.71 + 10%0.38)= 0.18

6.3 Overall evaluation scoring

	Final Score of Technical Bid=Quantitative score + Qualitative score	Eligibility for Financial Bid- Applicants with at least 65 % score on Technical bid	Scale score- Technical Bid	Financial Bid	Scale score- Financial Bid	Final score =weighted average of scaled scores of technical and financial bids	Rank
Parametric weights			80%		20%	100%	
Applicant 1	0.77	Eligible	0.93	0.0065%	1.00	0.94	2
Applicant 2	0.62	Not Eligible					
Applicant 3	0.60	Not Eligible					
Applicant 4	0.83	Eligible	1.00	0.0069%	0.94	0.99	1
Applicant 5	0.68	Eligible	0.82	0.0067%	0.97	0.85	3
Maximum/Minimum	0.83			0.0065%			
Basis for final evaluation	Maximum			Minimum			

Note- Only Applicants with a minimum score of 0.65 in technical evaluation would be considered for the final evaluation. In arriving at the final score, the scores for each Applicant on the Technical and Financial Bids are calculated separately. The scores for each Applicant are scaled relative to the best score on Technical and Financial Bids. The best scores for the Technical and Financial Bids are the maximum score and minimum bid (as percent of the investments) respectively. E.g. in case of Technical Bid, the maximum score is 0.83. Applicant 4 would therefore have a score of 1 and the scores of all other Applicants would be calculated relative to the best score. Applicant 1, for instance would have a score of 0.93 (0.77/0.83). In case of the Financial Bid, the minimum bid is 0.0065%. Applicant 1 would therefore have a score of 1 and the scores of all other Applicants would be calculated relative to the best score. Applicant 4, for instance would have a score of 0.94 (0.0065%/0.0069%). The final evaluation of each Applicant would be done on the basis of their weighted average score on Technical and Financial Bids. The Technical and Financial Bids would have a weight of 80% and 20% respectively.

7. Format of Pre-qualification, Technical and Financial bid

7.1 Documents comprising the proposal

The proposal submitted by the Applicant shall comprise the following documents:

- 7.1.1 Pre-qualification bids with all the information, as laid down in Section 7.2, duly filled in along with all attachments/schedules duly completed and with a covering letter, as per the format defined in Section 8.1, signed by the authorized representative of the Applicant.
- 7.1.2 Technical bid with all the technical information, as laid down in Section 7.3, duly filled in along with all attachments/schedules duly completed and with a covering letter, as per the format defined in Section 8.2, signed by the authorized representative of the Applicant.
- 7.1.3 The Applicant's Financial bid, as per the format defined in Section 7.4, along with a covering letter, as per the format defined in Section 8.3, signed by the authorized representative of the Applicant.
- 7.1.4 Any deviations from the requirements of the RFP must be included as a separate statement, as per the format defined in Section 8.5.
- 7.1.5 Any other information that is to be submitted during the course of the proposal process.

7.1.6 There must be an index at the beginning of the proposal detailing the summary of all information contained in the proposal. All pages in the proposal must be serially numbered.

7.2 Pre-qualification bid format

Name of Custodian (full name of the firm):

Address with telephone No., Fax No., E-Mail ID, etc.

7.2.1 Custodian should be registered with and RBI and the registration should be valid on the date of application-Enclose copy of registration with SEBI and RBI.

Sl.No.	Particulars	Supporting document submitted	Remarks if any	Annexure No.
1.	Date and Registration No. of the firm with SEBI			
2.	Date and Registration No. of the firm with RBI			

7.2.2 Income tax PAN- enclose copy.

Sr.No.	Supporting Documents submitted	Remarks in any	Annexure No.

7.2.3 Applicant should have more than 5 years' experience in providing custody services- State number of completed months of operations as on 01 April, 2016. Copy of registration and renewal certificates with SEBI to be enclosed.

Sr.No.	Particulars	Supporting document submitted	Remarks if any	Annexure NO.
1.	Number of			

	completed months of operations as on 01 April, 2016			
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7.2.4 Custodian should have at least Rs. 50,000 Crores of total Assets Under Custody (AUC) as on 01 April, 2016.-Certificate of total assets under custody as on 01 April, 2016, duly certified by the Statutory Auditor.

Sr.No.	Supporting Documents submitted	Remarks in any	Annexure No.

7.2.5 Custodian should have at least Rs. 25,000 Crores of Debt Assets Under Custody as on 01 April, 2016.- Certificate of Debt assets under custody as on 01 April, 2016, duly certified by the statutory auditor.

Sr.No.	Supporting Documents submitted	Remarks in any	Annexure No.

7.2.6 Should be able to offer custodial services, settlement services and reporting thereof for all type of eligible securities i.e. Corporate Bonds, Government Securities (through SGL/CSGL), Bank FDRs, CBLO or any other securities in which BOT, CMPF may transact in future as prescribed by the Government- An Undertaking (as on date of application) from the Chief Executive Officer or Managing Director or equivalent official of the Custodian certifying the same.

Sr.No.	Supporting Documents submitted	Remarks in any	Annexure No.

7.2.7 Should have functional offices at Mumbai & Delhi having responsible officials- An Undertaking (as on date of application) from the Chief Executive Officer or Managing Director or equivalent official of the Custodian certifying the same.

Sr.No.	Supporting Documents submitted	Remarks in any	Annexure No.
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7.2.8 Applicant should not have 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 provide Custodial and other related services. An affidavit by the Chief Executive Officer or Managing Director or equivalent official of the Custodian, duly notarized by a public notary to the effect that the Custodian/any of its directions have not been convicted by a Court of Law or indictment/adverse order by a regulatory authority or any other statutory authority that casts a doubt on the ability of the applicant to provide Custodial and other related services during the last 3 years immediately preceding the date of application.

Sr.No.	Supporting Documents submitted	Remarks in any	Annexure No.
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7.2.9 The Custodian of Securities for the CMPFO's Corpus should be different from Banker and/or Portfolio Manager of CMPFO. However CMPFO reserves its right to allow the Custodian of Securities for the CMPFO's Corpus, work as Banker and/or Portfolio Manager of CMPFO- An Undertaking (as on date application) from the Chief Executive Officer or Managing Director or equivalent official of the Custodian certifying the same.

Sr.No.	Supporting Documents submitted	Remarks in any	Annexure No.
--------	--------------------------------	----------------	--------------

7.3 Technical Proposal Format

7.3.1 Quantitative information requirement

The following quantitative information is required to be submitted by the Applicants:

- 7.3.1.1 Number of months of experience in providing custody services – State number of completed months of operations as on 01 April, 2016. Copy of registration and renewal certificates with SEBI to be enclosed.

Number of months of experience (in months)

- 7.3.1.2 Average of Total Assets Under Custody for last one (1) year as on 01 April, 2016 (Calculated on daily basis) – Certificate for average of Total Assets Under Custody for last on (1) year as on 01 April, 2016, duly certified by the statutory auditor.

Total Assets Under Custody (in Rs. Crores)

- 7.3.1.3 Average of Debt Assets Under Custody for last one (1) year as on 01 April, 2016 (Calculated on daily basis) – Certificate for average of Total Debt Assets Under Custody for last on (1) year as on 01 April, 2016, duly certified by the Statutory auditor.

Total Debt Assets Under Custody (in Rs Crores)

- 7.3.1.4 Number of clients with Debt Assets Under Custody of at least Rs. 2,000 Crores-Certificate of number of clients with debt assets under custody of at least Rs. 2,000 Crores as on 01 April, 2016, duly certified by the statutory Auditor.

Number of clients with Debt Assets Under Custody of at least Rs. 2,000 Crores

- 7.3.1.5 Qualitative information requirement

The following information is required to be submitted:

- 7.3.2.1 Annual report for the latest three years (from financial year 2012-13 to 2014-15)

Sr.No.	For the Financial Year	Remarks if any	Annexure No.

- 7.3.2.2 Organization chart – with names and responsibility (ies)
- 7.3.2.3 Write-up on proposed plan for the execution of the assignment covering proposed technology platform & system, MIS formats, Business Continuity Plan & Disaster Recovery Plan and Data Security (Not more than 1500 words)
- 7.3.2.4 Write-up on Risk Management Framework including Structure of Risk Team (Reporting structure) and risk management policy (Not more than 1500 words)
- 7.3.2.5 Average experience (No. of years) in relevant areas of proposed execution team- As on 01 April, 2016.

Average Experience of proposed execution team
Remarks if any

Average tenure (No. of years) of proposed execution team in the current organization – As on 01 April, 2016
Average Experience of proposed execution team
Remarks if any

Profile of the key members of the proposed execution team to be appointed for CMPFO funds if selected – As on 01 April, 2016

Formant for details of team member

Name of the team member	
Proposed Position and Role	
Age	
Qualification	
Experience in the relevant area	
Current Responsibilities	
No. of years of experience in relevant areas	
Total No. of years of experience	

Tenure spent with organization	
Any other point	

7.3.2.6 Write up on any other information that the Applicant thinks would be worth mentioning in the proposal.

7.3.2.7 Each the above write ups should be not more than two A4 size sheets (Not more than 500 words)

74. Financial bid Format

The Financial bid shall be submitted in the following format :

Charges	Percentage (%) in figures	Parentage (%) in words

Custodial Fee per month as percentage of face value of the Asset Under Custody on the last day of the month

8. Formats for Covering Letter, Clarifications, Deviations and Undertaking

8.1 Format for Pre-qualification Covering letter

(To be submitted on the official of the interested party submitting the RFP)

Ref:-----

Date/Place-----

Coal Mines Provident Fund Organization (CMPFO).
HQ, Near Police Line,
Dhanbad – 826 001.

Sir,

Ref: Pre-qualification for appointment as Custodian of Securities for the CMPFO's corpus

We refer to the communication inviting Request for Proposal (RFP) for Appointment of Custodian of Securities for the CMPFO's corpus. We have read and understood the contents of the document and wish to participate in the appointment process. We are pleased to submit our Pre-qualification bid along with all the necessary documents, as mentioned in the RFP, for appointment as Custodian of Securities for the CMPFO's corpus. We confirm that we satisfy the Pre-qualification criteria set out in the relevant sections of the RFP.

We agree to unconditional acceptance of all the terms and conditions set out in the RFP documents.

We confirm that the information contained in this proposal or any part thereof, including its exhibits, schedules, and other documents delivered to the CMPFO is true, accurate, and complete. This proposal includes all information necessary to ensure that the statements therein do not, in whole or in part, mislead the CMPFO as to any material fact.

We have agreed that (insert individual authorized representative's name) will act as our representative's on our behalf and has duly authorized to submit the proposal.

Further, the authorized signatory is vested with requisite powers to furnish such letter and authenticate the same.

Yours faithfully,

For and on behalf of -----
(Insert company name)

Authorized Signatory

8.2 Technical Proposal Covering Letter

(To be forwarded on the letterhead of the Applicant submitting the proposal)

Ref:-----

Date:-----

Coal Mines Provident Fund Organization (CMPFO).

HQ, Near Police Line,

Dhanbad – 826 001

Sir,

Ref: Request for Proposal (RFP): Appointment of Custodian of Securities for the CMPFO's corpus

We refer to the Request for Proposal (RFP) for Appointment of Custodian of Funds & Securities for the CMPFO's corpus.

We have read and understood the contents of the RFP document and pursuant to this, we hereby confirm that we are legally empowered to act as custodian of securities and satisfy the requirements laid out in the RFP document.

Having examined the RFP document, the receipt of which is hereby duly acknowledged, we, the undersigned, offer to provide the services as required and outlined in the RFP for Appointment of Custodian of Funds & Securities for the CMPFO's corpus.

To meet such requirements and provide such services as set out in the RFP documents, we attach hereto our response to the RFP document, which constitutes our proposal for being considered for selection as Custodian of Securities. We undertake, if our proposal is accepted, to adhere to the

stipulations put forward in the RFP or such adjusted plan as may subsequently be mutually agreed between us and the CMPFO or its appointed representatives.

We agree to unconditional acceptance of all the terms and conditions set out in the RFP documents.

We confirm that the information contained in this proposal or any part thereof, including its exhibits, schedules, and other documents delivered to the CMPFO is true, accurate, and complete. This proposal includes all information necessary to ensure that the statements therein do not, in whole or in part, mislead the CMPFO as to any material fact.

We have agreed that (insert individual authorized representative's) will act as our representative on our behalf and has been duly authorized to submit the proposal.

Further, the authorized signatory is vested with requisite powers to furnish such letter and authenticate the same.

Yours faithfully,

For and on behalf of ----- (Insert company name)

Authorized Signatory

8.3 Financial Proposal Covering Letter

(To be forwarded on the letterhead of the Applicant submitting the proposal)

Ref:-----

Date:-----

Coal Mines Provident Fund Organization (CMPFO).
HQ, Near Police Line,
Dhanbad – 826 001

Dear Sir,

Ref: Request for Proposal (RFP): Appointment of Custodian of Funds & Securities for the CMPFO's corpus

Having examined the RFP document, the receipt of which is hereby duly acknowledged, we, the undersigned, offer to provide the services as required and outlined in the Request for Proposal (RFP) for Appointment of Custodian of Funds & Securities for the CMPFO's corpus.

To meet such requirements and to provide services as set out in the RFP document we attach hereto our response as required by the RFP document, which constitutes our proposal.

We undertake, if our proposal is accepted, to adhere to the stipulations put forward in the RFP or such adjusted plan as may subsequently be mutually agreed between us and the CMPFO or its appointed representative.

We unconditionally accept all the terms and conditions set out in the RFP document.

We confirm that the information contained in this proposal or any part thereof, including its schedules, and other documents delivered to the CMPFO is true, accurate, and complete. This proposal includes all information necessary to ensure that the statements therein do not, in whole or in part, mislead the CMPFO as to any material fact.

We have agreed that (insert individual authorized representative's name) will act as our representative on our behalf and has been duly authorized to submit the proposal.

Further, the authorized signatory is vested with the requisite powers to furnish such letter and authenticate the same.

Yours faithfully,

For and on behalf of ----- (Insert company name)

Authorized Signatory

8.4 Request for clarifications

Applicant's Request For Clarification			
Name of Organization submitting request	Name & position of person submitting request	Address of organization including phone, fax, email, points of contact	
		Tel: Fax: E-mail:	
Sr.No.	Reference (Clause No./Page No.)	Content of RFP requiring clarification	Points of Clarification required
1			
2			
3			

8.5 Format for providing explanations for deviations if any

Applicant's Request For Clarification			
Name of Organization submitting request	Name & position of person submitting request	Address of organization including phone, fax, email, points of contact	
		Tel: Fax: E-mail:	
Sr.No.	Reference (Clause No./Page No.)	Content of RFP requiring deviation	Points of deviation
1			

2			
3			

8.6 Format for undertaking

UNDERTAKING

(To be given on company letter head)

I, -----, am the Chief Executive Officer/Managing Director/equivalent official of -----
 -‘company name’ (‘Custodian of Securities’) having its registered office at--
 -----.

I am authorized to sign and execute this undertaking on behalf of the Custodian of Securities for submitting a proposal pursuant to the request for proposal issued by the Coal Mines Provident Fund Organization (‘CMPFO’) for appointment of Custodian of Funds & Securities for the CMPFO’s corpus.

I, on behalf of the Custodian of Securities, solemnly affirm and declare that:

- a. The Custodian of Securities shall be able to offer Custodial services, settlement services and reporting thereof for all type of eligible securities i.e. Corporate Bonds, Government Securities (through SGL/CSGL), Bank FDRs, CBLO or any other securities in which BOT, CMFP may transact in future as prescribed by the Government.
- b. The Custodian of Securities is not the Banker and/or Portfolio Manager of CMPFO

Solemnly affirmed and undertaken on the day and year herein below written, by:

Signature -----

Name -----

Date -----

9. Terms and Conditions for Remuneration & Tenure

9.1 The fee to be charged by the Custodian should be as a fixed percentage of the total Face Value of the assets under custody at the end of each month. However the payment of the fee would be made on quarterly basis.

The fee charged would be inclusive of the following charges:

- a) Transaction fees (Purchase/Sales)
- b) Safe Custody Fees
- c) Corporate Actions charges (collection of interest/redemption and exercising put/call options)
- d) Depository Charges (NSDL/CDSL)
- e) Out of pocket expenses
- f) Any other charges except the fee to be paid to the regulatory bodies such as SEBI, CCIL, RBI, etc. which would be reimbursed separately by the CMPFO as per the bill raised by those regulatory bodies.

9.2 THE APPLICANT CUSTODIAN SHOULD QUOTE THEIR FINANCIAL BID AS A FIXED PERCENTAGE OF THE TOTAL FACE VALUE OF THE ASSETS UNDER CUSTODY AT THE END OF THE MONTH.

9.3 Taxes applicable on the services rendered by the Custodian will be reimbursed by CMPFO.

9.4 The tenure of Custodian will be for three years from date of appointment which will be extendable further on mutually agreed terms subject to approval from competent authority. CMPFO may remove the Custodian in case its services are not found satisfactory.

10. Investment Guidelines for Investments by Portfolio Managers

Pattern of investment, as notified by Ministry of Finance vide notification 11/14/2013-PR dated 2-03-2015 and accepted by BOT, CMPF.

10.1 Investment Pattern

Sr.No.	Securities	Percentage amount to be Invested
(i)	<p>(a) Government Securities</p> <p>(b) Other Securities (as defined in Section 2(h) of the Securities Contracts (Regulation) Act, 1956, the principal whereof and interest whereon is fully and unconditionally guaranteed by the Central Government or any State Government except those covered under (ii) (a) below</p> <p>(c) Units of mutual funds setup as dedicated funds for investment in Government Securities and regulated by the Securities and Exchange Board of India; Provided that the: exposure to a mutual fund shall not be more than 5% of the total portfolio at any point of time.</p>	Minimum 45% and upto 50%
(ii)	<p>Debt Instruments and Related Investments</p> <p>(a) Listed (or proposed to be listed in case of fresh issue) debt securities issued by bodies corporate, including banks and public financial institutions, which have a minimum residual maturity period of three years from the date of investments.</p> <p>(b) Basel III Tier-I bonds issued by scheduled commercial banks under RBI Guidelines.</p> <p>(c) Rupee Bonds having an outstanding maturity of at least 3 years issued by Institution of the International Bank for Reconstruction and Development, International Finance Corporation and Asian Development Bank.</p> <p>(d) Term Deposit receipts of not less than one year duration issued by scheduled commercial banks, which satisfy the following conditions on the basis of published annual report(s) for the most recent years,</p>	Minimum 35% and upto 45%

	<p>as required to have been published by them under law:</p> <p>(i) having declared profit in the immediately preceding three financial years.</p> <p>(ii) maintaining a minimum Capital to Risk Weighted Assets Ratio of 9% or mandated by prevailing RBI norms, whichever is higher,</p> <p>(iii) having net non-performing assets of not more than 4% of the net advances:</p> <p>(iv) having a minimum net worth of not less than Rs. 200 crores.</p> <p>(e) Units of Debt Mutual Funds as regulated by the SEBI</p> <p>(f) the following infrastructure related debt instruments:</p> <p>(i) Listed (or proposed to be listed in case of fresh issue) debt securities issued by body corporates engaged mainly in the business of development or operation and maintenance of infrastructure, or development, construction or finance of low cost housing.</p> <p>(ii) Infrastructure and affordable housing Bonds issued by any scheduled commercial bank, which meets the conditions specified in (ii)(d) above.</p> <p>(iii) Listed (or proposed to be listed in case of fresh issue) securities issued by Infrastructure debt funds operating as a Non-Banking Financial Company and regulated by Reserve Bank of India.</p> <p>(iv) Listed (or proposed to be listed in case of fresh issue) units issued by Infrastructure Debt Funds operating as a Mutual Fund and regulated by the SEBI</p>	
(iii)	<p>Short-term Debt Instruments and Related Investments</p> <p>(a) Money market instruments.</p> <p>(b) Units of liquid mutual funds regulated by the Securities and Exchange Board of India.</p> <p>(c) Term Deposit Receipts of up to one year duration</p>	Upto 5%

	issued by such scheduled commercial banks which satisfy all conditions mentioned in category (ii) (d) above.	
(iv)	<p>Equities and Related Investments</p> <p>(a) Share of body corporate listed on Bombay Stock Exchange (BSE) or National Stock Exchange (NSE), which have :</p> <p>(i) Market capitalization of not less than Rs. 5000 crore as on the date of investment and</p> <p>(ii) Derivatives which the shares as underlying, traded in either of the two stock exchanges.</p> <p>(b) Units of mutual funds regulated by the SEBI which have minimum 65% of their investment in shares of body corporates listed on BSE or NSE.</p> <p>(c) ETF/Inded Funds regulated by the SEBI that replicate the portfolio of either BSE Sensex Index or NSE Nifty 50 Inded.</p> <p>(d) ETFs issued by SEBI regulated Mutual Funds constructed specifically for disinvestment of shareholding of the Government of India in body corporates.</p> <p>(e) Exchange traded derivatives regulated by SEBI having the underlying of any permissible listed stock or any of the permissible indices, with the sole purpose of hedging.</p>	Minimum 5 % and upto 15%
(v)	<p>Asset Backed, Trust Structured and Miscellaneous Investments.</p> <p>(a) Commercial mortgage based Securities or Residential mortgage based securities.</p> <p>(b) Units issued by Real Estate Investment Trusts regulated by SEBI</p> <p>(c) Asset Backed Securities regulated by the SEBI</p> <p>(d) Units of Infrastructure Investment Trusts regulated by the SEBI</p>	Upto 5%

10.2 Any money received on the maturity of earlier investments reduced by obligatory outgoing shall be invested in category.

- 10.3 Turnover Ratio (the value of Securities traded in year/average value of the portfolio at the beginning or the year and the end of the year) should not exceed 2 (two).
- 10.4 If any of the instruments mentioned above are rated and their rating falling below investment grade as confirmed by one credit rating agency then the option of exit can be exercised.
- 10.5 The investment pattern as envisaged above may be achieved by the end of the financial year. However any volatility re-balancing at the end of the year may be avoided.
- 10.6 It may be noted, however, that the Funds of a Trust is the Fiduciary responsibility of the Trustees and needs to be exercised with appropriate due diligence. Therefore, as such, the trustees are solely responsible for the investment decisions taken in accordance with the pattern of investment specified above.

Note: The existing investment pattern as above is subject to change based on the notification issued by the Government of India from time to time.

10.7 Investment Restrictions

- 110.7.1 Investment should be taken by Portfolio Manager with maximum emphasis on safety, prudence, optimum return, sound commercial judgment and avoiding funds to remain idle.
- 110.7.2 Any moneys received on the maturity of earlier investments reduced by obligatory outgoings shall be invested in accordance with the investment pattern. The investment pattern may be achieved by the end of a financial year.
- 110.7.3 In case of any instruments mentioned above being rated and their rating falling below investment grade, then the option of exit can be exercised with the prior approval of BOT, CMPF.

The investment should be made by the Portfolio Manager through a Stock Exchange, or directly with other counterparties in respect of Government Securities and other debt instruments at the best possible rate available on the day of transitions. Portfolio managers shall not purchase or sell securities exuding 5 per cent or more

through any broker, of the aggregate purchases and sales of securities made by the Fund, unless the Portfolio Manager has recorded in writing the justification for exceeding the aforesaid limit and reports all such investments to the CMPFO on a quarterly basis. The aforesaid limits of 5 per cent shall apply for a block of three calendar months on a monthly rolling basis. The Portfolio Manager shall not utilize the services of the sponsor or any of its associates, employees or their relatives, for the purpose of any securities transition and distribution and sale of securities. Provided that a Portfolio Manager may utilize such services with the prior approval of BOT, CMPF if the prescribed limit as per the BOT investment guidelines is to be exceeded. However, investments can be made in primary market issuances in which the sponsor or any of its associates or its associate brokers is one of the Lead Managers, provided there is consensus with all other selected portfolio managers to invest in that issuance and the Portfolio Manager (whose sponsor or any of its associates or its associate brokers is one of the Lead Managers) does not subscribe to more than 50% of the issue size.

- 10.7.4 BOT, CMPF Funds shall not be used to buy securities/bonds held by the Portfolio Manager or its subsidiary in their own investment portfolio or any other portfolio held by them.
- 10.7.5 The Portfolio Manager shall buy and sell securities on the basis of deliveries and shall in all cases of purchase, take delivery of relative securities and in all cases of sale, deliver the securities and shall in no case put itself in a position whereby it has to make short sales or carry forward transitions.
- 10.7.6 The Portfolio Manager shall enter into transactions relating to Securities only in dematerialized form. The Portfolio Manager shall, for securities purchased in the non-depository mode get the securities transferred in the name of the BOT, CMPF on account of the Scheme.
- 10.7.7 Pending deployment as per investment objective, the moneys under the respective Schemes may be invested in

short-term deposits of Public Banks acceptable to the BOT, CMPF.

10.7.8 Guidelines for Investment in Public Sector Undertaking (PSU)

Rating	Tenure	Limits as % of Networth
Dual AAA	Min 3/Max 25	50%
AAA	Min 3/Max 25	40%
AA+	Min 3/Max 15	40%
AA	Min 3/Max 15	40%

10.7.9 Guidelines for Investment in Public Financial Institute (PFI):

Rating	Tenure	Limits as % of Networth
Dual AAA	Min 3/Max 10	50% of NW or 10% of capital employed whichever is lower
AAA	Min 3/Max 10	40%
AA+	Min 3/Max 08	40%
Dual AA	Min 3/Max 08	40%

10.7.10 Guidelines for Investment in Public Sector Bank (PSB)

Rating	Tenure	Limits as % of Networth
Dual AAA	Min 3/Max 15	I. 60% of NW or II. 60% of NW or 10% of capital employed whichever is lower in excess of limited beyond 50 % of NW
Dual AA	Min 3/Max 15	50%
AA	Min 3/Max 10	50%

10.7.11 Guidelines for Investment in Private Sector Bank (Pvt Bank):

Rating	Tenure	Limits as % of Networth
Dual AAA	15	30%
Dual AA+	10	20%

10.7.12 Guidelines for Investment in Private Sector Companies (PSC)

Sl. NO	Private Sector Companies	Guidelines
1.	Minimum Rating	Dual AAA
2.	Limits as % of net worth	25%
3.	Tenure	Min 3/Max10
4.	Listed Company	Yes
5.	Continuously made net profit during last 5 years	Yes
6.	Minimum Positive net worth	Rs. 3000 Cr.
7.	Continuously paid minimum dividend during last 5 years	15%

Contact Details:

Coal Mines Provident Fund Organization (CMPFO).
HQ, Near Police Line,
Dhanbad – 826

11. Glossary

AUM	: Assets Under Management
BOT	: Board of Trustees
CMPFO	: Coal Mines Provident Fund Organisation
CD	: Compact Disc
CMDLI	: Coal Mines Deposit Linked Insurance Scheme, 1976
CMPS	: Coal Mines Pension Scheme, 1998
GOI	: Government of India
MoC	: Ministry of Coal
N.A.	: Not Applicable
RBI	: Reserve Bank of India
RFP	: Request for Proposal
SEBI	: Securities and Exchange Board of India
TDR	: Term Deposit Receipt

