



Bank Note Paper Mill India Private Limited
(A joint venture of SPMCIL, a Government of India Undertaking and BRBNMPL, a wholly owned subsidiary of Reserve Bank of India)

TENDER FOR APPOINTMENT OF GRATUITY FUND MANAGER FOR
BANK NOTE PAPER MILL INDIA PRIVATE LIMITED, MYSURU (LIMITED BIDDING)

Contact Details:

The General Manager (F&A)
Bank Note Paper Mill India Private Limited Registered & Corporate office:
Administrative Building,
Paper Mill Compound, Note Mudran Nagar,
Mysuru- 570003, Karnataka, India
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Contact person:
Shri CSN Chinna Rao (AGM-F&A)



Table of contents

Section No	Contents	Page No
1.	Notice Inviting Tender	3-4
2.	Eligibility Criteria	4-7
3.	Instructions to Bidders and general terms and conditions	8-10
4.	Scope of work	11-11
5.	Format for submitting Selection Criteria	12-13
6.	Format of tender forwarding letter	14-14



SECTION-1

Notice Inviting Tender (NIT)

Tender No. BNPM/LTE/Gratuity Fund Manager/1266/2019-20

Date:13 Mar 2020

INTRODUCTION AND BACKGROUND

The Bank Note Paper Mill India Private Limited is a SPV (Special Purpose Vehicle) of Govt. of India, established as a 50:50 Joint Venture between Security Printing & Minting Corporation of India Limited (A Govt. of India Enterprise) and Bharatiya Reserve Bank Note Mudran Private Limited (A wholly owned subsidiary of Reserve Bank of India). The company has been incorporated On 13th October 2010 as a standalone private limited company as per the provisions of the Companies Act, 1956 and **solely engaged in developing, designing and manufacturing the currency note paper.**

PURPOSE OF TENDER

The basic objective of BNPMIPL Management is to allocate the dedicated fund for gratuity liability with considering safety & better earning on allocated fund. The purpose of Tender is to invite proposals from the interested Fund Management Companies for managing the Gratuity Fund of the BNPM Gratuity Fund Trust and to meet the liabilities in respect of employees of the Corporation as and when they occur.

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, for a Corpus of Rs.500 Lakh (approximately). BNPMIPL Management reserves the right to allocate the fund to one or more parties.

PROPOSAL DATA SHEET

Interested bidders fulfilling the eligibility criteria as per section 2 are invited to submit the sealed tender in 2 parts (Techno commercial bid and selection criteria).

Name of work/service for which bid is invited	Appointment of fund manager to manage the gratuity fund for Bank Note Paper Mill India Private Limited, Mysuru
Bid Security (EMD)	Not applicable
Cost of Tender Document	Nil
Due date and time for submission of bid	23 rd March 2020 – 17:00 hrs
Date of opening techno-commercial bid	23 rd March 2020 – 17:15 hrs
Date of opening of selection criteria	To be intimated later.
Venue for bid submission and opening	Registered and Corporate Office, Administrative Block, Entry Gate No. 2, Paper Mill Compound, Note Mudran Nagar, Mysuru - 570003

The bidders or their designated representatives, who intend to bid, are invited to attend the opening of technical bid and selection criteria at the date and time mentioned as above.



Bidder(s) are advised to submit the proposal strictly as per terms and conditions of the tender documents and not to stipulate any deviations/exceptions. Once submitted, the Bidder shall not withdraw the bid after due date and time of submission of bid.

This NIT is an integral and inseparable part of the enclosed Bid Document.

Yours faithfully,

For and on behalf of
Bank Note Paper Mill India Private Limited
Sd/-
(Dharani Kumara K)
General Manager (F&A)



Section 2

Eligibility Criteria

SI.No.	Eligibility criteria
Technical Criteria	
1	<p>The tenderer should have underwritten and serviced in any of the last 5 years ending as on 28/02/2020.</p> <ul style="list-style-type: none">• Date of Inception of company in India must be on or before 28 Feb 2015.• Should hold a valid license of IRDA and as per the IRDA guideline.• The Assets Under Management (AUM) of the tenderer must be more than 75,000 Crore as on 31st Mar 2019. (IRDA reported)• AUM of the tenderer under Group Traditional Product must be more than or equal to Rs. 500 crore.• Solvency Ratio (Total ASM/Total RSM) must be maintained as per IRDA mandate (150% as on 31st Dec 2019). (IRDA reported)• The Company should have more than 3 years' experience for management or administration of fund under Group Traditional Product in India as per IRDA Guideline
2	<p>The tenderer should not have been blacklisted/debarred anytime during last 3 years ending 28/02/2020 from participation in a tender floated by any central/state PSU including Security Printing and Minting Corporation of India Limited, New Delhi and Bharatiya Reserve Bank Note Mudran Private Limited, Bangalore or any state/central government department/institutes. (A declaration to this effect is to be attached)</p>
Financial Criteria	
3	<p>The tenderer should not have suffered net loss in more than one year out of the last three years ending 31/03/2019. (Please provide audited balance sheet and profit and loss account)</p>
4	<p>The Net Worth of the tenderer should be positive as per audited financial statement as on 31/03/2019 and should not have eroded more than 30% in past 3 years.</p>
5	<p>The tenderer should at-least be rated AAA or equivalent (in insurance claims paying ability rating) by anyone of the credit rating agencies operating in India for the last two years ending 31/03/2018 and 31/03/2019 And, their promoters (parent company) should have at least a rating of A+ or equivalent by anyone of credit rating agencies. In case of international promoter (parent company) credit rating must be A+ or equivalent by international credit rating agencies (Moody's, S & P etc.).</p> <p>Necessary documentary evidence to be provided.</p>



Annexure-Technical Criteria

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 central/state PSU including Security Printing and Minting Corporation of India Limited, New Delhi and Bharatiya Reserve Bank Note Mudran Private Limited, Bangalore or any state/central government department/institutes.		
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 AUM of the Fund Management Company under Group Gratuity Fund - Traditional Product is more than or equal to Rs. 500 crore.		



Annexure-Financial Criteria

S.No	Particular	FY 2018-19	FY 2017-18	FY 2016-17
1	Reported Indian GAAP Profits of the company (in Crores)			
2	Growth in Indian GAAP Profits % (YOY)			
3	Paid-up Share Capital (in Crores)			
4	Net-worth of Company(in Crores)			
5	Gratuity AUM at the end of F.Y (in Crores)			
6	Gratuity Fund AUM Growth % (YOY)			
7	Total Group AUM as on 31.03.2019 AUM Employee Benefits fund as on 31.03.2019 AUM Split only for Employee Benefits fund: (Please mention in Amount and %)	Total Group AUM: (in Crores) AUM Employee Benefits fund (in Crores) Traditional Funds: Rs. (in Crores) % Unit Linked Funds: Rs. (in Crores) %		



SECTION-3

Instructions to Bidders and general terms and conditions

1. Bids from Joint Venture / Consortium: Not acceptable
2. Cost of Bidding

The bidder shall bear all costs associated with the preparation and submission of the bid, and BNPMIPL will in no case, be responsible or liable for these costs, regardless of the conduct or outcome of the bidding process.

3. Preparation and submission of Bids

Duly completed tender shall be submitted in a sealed envelope as under:

- Techno Commercial Bid should be submitted consisting of:

Sealed Envelope 'A' - which should contain the following:

- a. Section 2 – eligibility criteria printed on the letter head of the bidder and duly signed by the authorized representative along with all documentary evidences as mentioned in section 2.
- b. Bid forwarding letter.
- c. Authorization letter from the company on the company letter head for signatory.

Sealed Envelope 'B' – which should contain the following:

- a. Other terms and conditions – mentioned in section 3 of this tender – duly printed on the letter head of the bidder, dully filled up and signed by the authorized signatory.
- b. Section 4 – Scope of work – duly printed on the letter head of the bidder, dully filled up and signed by the authorized representative.

Both envelope A and B should be sealed and put in a separate **sealed envelope 1** (super – scribing "Techno-Commercial Bid)

- Selection criteria should be submitted in a separate sealed **envelope 2** (super-scribing "Selection Criteria")

Both envelop 1 and 2 shall be put in sealed envelope 3. The sealed envelope 3 should be super- scribed "Tender for Gratuity Fund Manager". The name and address of the



tenderer shall be clearly mentioned on the sealed envelope 3.

Tender should be signed by duly authorized representative.

4. Tender Opening and Evaluation

Tender will be opened in the presence of bidders' authorized representatives who intends to attend, at date, time and location stipulated in the tender document.

5. Selection criteria Opening:

BNPMIPL will open the Selection Criteria of those bidders whose bid is determined to be technically and commercially responsive. Bidders may depute their authorized representative to attend the opening of Selection Criteria.

6. Examination of tender & Determination of Responsiveness

Prior to the detailed evaluation of tender, BNPMIPL will determine whether each bid (a) has been properly signed; (b) is accompanied by the required documents; (c) is substantially responsive to the requirements of the bidding documents; and(d) provides any clarification and/or substantiation that BNPMIPL may require to determine the responsiveness.

7. Correction of Errors

Bids determined to be substantially responsive will be checked by the BNPMIPL for any arithmetic errors. Errors will be corrected by the BNPMIPL as follows:

8. Evaluation and Comparison of Bids

Evaluation of bid shall be done on following basis: -

a. Evaluation of the techno-commercial bid:

- Envelope "A" containing the eligibility criteria will opened and eligibility criteria will be evaluated first.
- Once it is satisfied that the bidder has met all the eligibility criteria, envelope "B" will be opened and evaluated.

b. Only the bids that are Techno-commercially qualified and substantially responsive to the Bid conditions would become eligible for the opening of the selection criteria.



c. Selection criteria **will only be** considered for evaluation and selection of fund manager. **The BNPMIPL shall decide at its sole discretion. The BNPMIPL's decision shall be binding and will not be liable to be challenged.**

9. Signing of Agreement:

BNPMIPL will issue Letter of Intent to the successful bidder on or before 31th March 2020 who shall sign and return the acceptance copy to BNPMIPL on the same day.

10. Acceptance and rejection of bid:

The company reserves the right to accept or reject any tender, and to annul the tendering process and reject all tenders, at any time prior to award of contract, without thereby incurring any liability to the affected tenderer or any obligations to inform the affected tenderer of the ground for the company's action.

The quotation submitted by the bidders who are found to have deficiency in service, pending settlement of claim etc. on the date of evaluation may be liable to be rejected at the sole discretion of company.

11. Governing Laws and Arbitration:

Indian Law will be applicable in every aspect of the bid/contact/tender. Further, if any disputes arises after the issue of insurance contract and during the execution of contract which is not resolved within 30 days of their arising, they shall be referred to arbitrator as per the governing law in this regard "The Arbitration and Conciliation Act 1996" of India. The venue of the Arbitration will be Mysore. Further, disputes if any, that may arise at any point of time, shall be subject to Mysore Jurisdiction only.

12. Other general terms and conditions

a. In case of any violation of IRDA provision or any other applicable provisions, risks and responsibility shall be entirely on the fund manager. As such the fund manager shall be solely and legally responsible to BNPMIPL for effective execution of the policy, if any etc.

b. The BNPMIPL shall have the option to award the entire Gratuity Fund to the one fund manager or multiple fund manager. **This is an option available to the BNPMIPL but not an obligation. The BNPMIPL shall decide at its sole discretion. The BNPMIPL's decision shall be binding and will not be liable to be challenged.**

c. Amount of Gratuity Fund specified is provisional and may vary.



Section-4

Scope of work

1. Assisting in formation of BNPM Gratuity Fund Trust.
2. Manage the fund awarded by "BNPM Gratuity Fund Trust" under the selected Traditional Product as per the IRDA/Finance Ministry guidelines.
3. Remit the fund on request of BNPM Gratuity Fund Trust or end of the policy period.
4. On direction of BNPM Gratuity Fund Trust, renewal of policy on expiry of policy period.



Section-5

Format for submitting Selection Criteria

1. Past performance of Offered Tradition Product:

S.No	Product Detail	Remark	Highest marks of selection criteria is 100.
1	Product Name		No marks.
2	Product UIN Number		No marks.
3	Interest Option	Yearly/Quarterly/Both	No marks.
4	Entry Load If yes, provide the amount or % on invested fund	(No charges/ Charges.....%)	(No charges 4 Marks)
5	Premium Allocation Charges	(No charges/ Charges.....%)	(No charges 4 Marks)
6	Fund Management Charges	(No charges/ Charges.....%)	(No charges 4 Marks)
7	Lock in period. If any, provide the number of years. Surrender charges during the lock in period.	(No lock in period/ No of years.....) (No charges/ Charges.....%)	(No lock in period 4 Marks)
8	Surrender charges after lock in period.	(Yes/No)	(No charges 4 Marks)
9	Is provision of MVA (Market Value Adjustment) is applicable. If Yes, provide the details of MVA	Yes/No	(No adjustment 7 Marks)
10	Any other charges. If any, provide the details.	(No charges/ Charges.....%)	(No charges 4 Marks)
11	Capital Protection	Yes/No	(Yes 4 Marks /No 0 Marks)
12	Does Traditional fund have a mandate to invest in Equity Assets. If yes, up to what %	Yes/No	(Yes 0 Marks /No 4 Marks)
13	Gratuity Claim Settlement (No of Days).	T+	T+1: 4 Marks T+2: 3 Marks T+3: 1 Marks More than T+3: 0 Marks
14	Notice period in case of bulk/total fund withdrawal, if any. If yes, No of days	Yes/No T+	T+0: 4 Marks T+1: 3 Marks T+2: 1 Marks More than T+2: 0 Marks
15	Portfolio composition of erstwhile group traditional product, as on 31.03.2019	1.Govt Sec: % 2.AAA: % 3.AA: % 4.Cash, deposits, money market: % 5.Others, if any: %	investment with Govt Sec & AAA <80% - 0 investment with Govt Sec & AAA up to 90% -2 investment with Govt Sec & AAA up to 95% - 3 investment with Govt Sec & AAA more than 95% -4



16	Charges for assisting in formation of Trust. (In Rs)	Rs...../-					L-1 will be 4 Marks (Others proportionate weighted marks)
17	Actual return declared by the Company for last 5 years under Group Traditional Product for the slab of 5-10 Crore	FOR FINANCIAL YEARS					Maximum 45 Marks, minimum marks 20.
		2018-19	2018-17	2017-16	2016-15	2015-14	

Highest average of 5 years return will be awarded with full marks i.e. 45 for other marks will be awarded based on weighted average of returns.

Example for calculation of weighted average marks:

(Highest Marks-45, Minimum Marks 20)

Tenderer	H1	H2	H3	H4	H5
Average Return of five years on erstwhile traditional product	8.9	8.7	8.4	8.1	7.9

Formula to calculate marks

$$= \text{Highest Marks} - (\text{H1} - \text{Average Return}) / (\text{H5} - \text{H1}) * 25$$

$$\text{In above example calculation of marks for H3} = 45 - (8.9 - 8.4) / (8.9 - 7.9) * 25 \\ = 32.5$$

Marks awarded to bidders in above example:

Tenderer	H1	H2	H3	H4	H5
Marks allotted	45	40	32.5	25	20

(Note: The same formula shall be applied for all other parameter also if any such kind of situation occurred.)

Final Selection: Highest scorer will be selected for managing the gratuity fund.



Section-6

Format of bid forwarding letter

Date:

To,
The General Manager (F&A)
Bank Note Paper Mill India Private Limited
Administrative Building,
Entry Gate No.1, Paper Mill Compound,
Note Mudran Nagar, Mysuru – 570003

Dear Sir,

Sub: Submission of techno commercial bid

Ref: Tender No. BNPM/CO/ Gratuity Fund Manager/--- /2019-20, dated 13.03.2020

With reference the above, we _____Insurance Company hereby submit our bid as under:

1. We have noted, understood and agreed (with or without deviation) to all the terms and conditions of the tender document for Gratuity Fund Manager. In token of our acceptance we have signed and enclosed the entire tender document including NIT, Instruction to the bidder, compliance to general terms and conditions duly signed by the authorized representative.
2. We have prepared and submitted the bid strictly as per the format and instruction given in the tender document.
3. Techno Commercial bid and Selection Criteria have been submitted in separate sealed envelopes duly super scribing Techno Commercial and Selection Criteria and both the sealed envelope have been put in third envelop super scribing tender for Gratuity Fund Manager.
4. The Selection criterial is submitted un-conditionally i.e. without any condition and strictly as per the format.
5. We accept that the decision of BNPMIPL in acceptance/rejection/evaluating the bid and awarding contract is final and binding on us.
6. The undersigned is duly authorized to sign the bid document and attestation. The terms and conditions shall be binding on the company represented by undersigned (Authorization letter in original is attached is herewith)

For and on behalf of _____Company Limited

(Authorized signatory)

