

TECHNICAL CRITERIA FOR APPOINTMENT OF INVESTMENT ADVISOR

Minimum Eligibility Criteria:

- Investment Advisor should have SEBI Investment Advisory license of 2013
- Minimum Net-worth of INR 100 Cr
- Minimum AUM from Retirement Trust Fund – INR 5,000 Cr
- Investment Advisor/Group Company should not have been blacklisted by any PSU/Central Level undertaking/State Level Undertaking
- Should have Technical & Fundamental research Team

Investment advisor meeting above criteria is eligible for submitting the bid document.

INFORMATION REQUIRED & SCORING PARAMETER

(Eligibility criteria for opening of financial bid – Minimum 70% score in technical bid)

CATEGORY	INFORMATION REQUIRED	SCORING
Investment Advisors Regulatory compliance, Company structure (20 Marks)	1) Is there a separate legal entity for Investment Advisory Business? (Also, what are other businesses in case of no separate legal entity for investment Advisory business) 2) Is the Investment Advisory Entity has SEBI Investment Advisory license under SEBI regulation 2013 (Regulatory Requirement for <i>Investment Advisory Business</i>)? 3) Is there independent legal/compliance/Back office team for the investment advisory business? 4) Whether the entity has been blacklisted from any PSU/State level undertaking/Central level undertaking/Regulator or any disciplinary action pending against them?	If Yes – 5 Marks If No – 0 Mark (Also, how the conflict of interest will be managed) If SEBI investment Advisory 2013 Licence – 5 Marks If No License – - Not eligible If Yes – 5 Marks If No – 0 Mark If not blacklisted 5 Marks If blacklisted Not Qualified

<p>Corporate Profile (35 Marks)</p>	<p>1) Group Risk Management Structure and Policy</p> <p>2) Group - Net worth</p> <p>3) Long term credit rating of the Group (from one rating agency)</p> <p>4) Listed/Non-listed (NSE/BSE)</p> <p>5) Group size and profitability at Group Level</p> <p>6) Independent Directors at Group level</p> <p>7) Investment Advisory Entity – Board composition and members profile</p>	<p>Maximum 5 Marks (2 Marks if Policy in Place 3 Marks for Type of Policy)</p> <p>Maximum 5 Marks (if less than INR 100 Cr – Not qualified between 100 to 300 Cr – 2 Marks between 300 to 500 Cr – 3 Marks above 500 Cr – 5 Marks)</p> <p>If “AAA & AA+” : 5 Marks If “AA & AA-” : 4 Marks If “A+ & below” : 2 Marks</p> <p>If Listed – 5 Marks If Non-Listed – 2 Marks</p> <p>Maximum 5 Marks (if revenue > 500 Cr - 2.5 Marks, otherwise 1 mark If group profit > 100 Cr – 2.5 Marks, otherwise 1 mark)</p> <p>Independent Directors > 5 : 5 Marks Independent Directors < 5 : 2 Marks</p> <p>For the Independent Investment Advisory Board of Advisory entity – 5 Marks, otherwise 1 mark</p>
<p>Investment Advisory Expertise & Capabilities across the asset classes</p>	<p>1) Portfolio Management/Advisory Capability various segments such as:</p> <p>a. Equity & Equity PMS</p> <p>b. REITS & Real Estate Funds</p>	<p>If Yes : 5 Marks If No : 1 Marks</p> <p>If Yes : 5 Marks</p>

<p>(20 Marks)</p>	<p>c. Mutual Funds (Managed & Advised)</p> <p>d. Debt & Debt Portfolio</p> <p><i>(All of the above are external monies and does not include promoter/director wealth)</i></p>	<p>If No : 1 Marks</p> <p>If Yes : 5 Marks</p> <p>If No : 1 Marks</p> <p>If Yes : 5 Marks</p> <p>If No : 1 Marks</p>
<p>Research capabilities across the Spectrum</p> <p>(25 Marks)</p>	<p>1) Research capability across the spectrum</p> <p>Technical Research Capability:</p> <ul style="list-style-type: none"> a. Fixed Income b. Equity c. Currency d. Commodity <p>Fundamental Research Capability:</p> <ul style="list-style-type: none"> a. Fixed Income b. Equity <ul style="list-style-type: none"> a. Sector Reports b. Individual Stock Coverage Reports c. Currency d. Commodity <p>2) Performance of the Managed product (Fixed Income and Equity portfolio)</p>	<p>If all asset class are covered under Technical and Fundamental Research – 5 Marks, Otherwise – 2 Marks</p> <p>Fixed Income portfolio Performance for FY 2016-17 :5 Marks</p> <p>For calculation the last year investment & yield on that investment will be taken, scoring will be as follow:</p> <p>if composite yield on last year investment is above G-Sec plus 60 bps – 5 Marks</p> <p>if composite yield on last year investment is above G-Sec plus 40 bps – 4 Marks</p> <p>if composite yield on last year investment is above G-Sec plus 20 bps – 3 Marks</p>

	<p>3) Research team Size and Qualification</p> <p>a. Technical Team Size and Members qualification</p> <p>b. Fundamental Team Size and Members Qualification</p>	<p>if composite yield on last year investment is above G-Sec plus 10 bps – 2 Marks</p> <p>Equity Portfolio performance for FY 2016-17: 5 Marks</p> <p>if last year return above Nifty plus 300 bps – 5 Marks if last year return above Nifty plus 200 bps – 4 Marks if last year return above Nifty plus 150 bps – 3 Marks if last year return above Nifty plus 100 bps – 2 Marks if last year return above Nifty plus 50 bps – 1Marks</p> <p>Technical team size (Minimum 5 Members), Qualification, Experience: 5 Marks</p> <p>Fundamental team size (Minimum 10 Members), Qualification, Experience: 5 Marks</p>						
<p>Name of the entities , where you are Empanelled as Investment Advisory services (minimum 5 paid services)</p> <p>(10 Marks)</p>	<table border="1"> <thead> <tr> <th data-bbox="304 786 555 823"><u>Name of Institution</u></th> <th data-bbox="613 786 786 823"><u>Size of AUM</u></th> <th data-bbox="882 786 1182 855"><u>Fee Structure</u> (Annual/Annual + Variable)</th> </tr> </thead> <tbody> <tr> <td data-bbox="304 823 555 1232"></td> <td data-bbox="613 823 786 1232"></td> <td data-bbox="882 823 1182 1232"></td> </tr> </tbody> </table>	<u>Name of Institution</u>	<u>Size of AUM</u>	<u>Fee Structure</u> (Annual/Annual + Variable)				<p>For any Single AUM > Rs.2000 Crs.: 5 Marks For any Single AUM > Rs.1000 Crs But <Rs.2000 Crs : 3 Marks For any Single AUM > Rs.500 Crs But <Rs.1000 Crs : 2 Marks</p>
<u>Name of Institution</u>	<u>Size of AUM</u>	<u>Fee Structure</u> (Annual/Annual + Variable)						