

**Expression of Interest for Empanelment of Primary Dealers/
Investment Arrangers for investment of BHEL EPF & Gratuity Trusts**

Dear Sir/Madam,

Bharat Heavy Electricals Limited (BHEL) is a Central Public sector Enterprise under the Ministry of Heavy Industries, Government of India. BHEL is having Ten (10) EPF Trusts and One (1) BHEL Employees' Gratuity Fund under an irrevocable Trust vested in the Board of Trustees for the benefit of the employees of the company. EPF Trusts are located at various places in India (i.e. New Delhi, Haridwar, Hyderabad, Trichy, Bhopal, Jhansi, Bengaluru, Ranipet, Chennai and Vishakhapatnam). BHEL Gratuity Trust is centralized for all its Units and Regions and is functioning from Corporate Office, New Delhi.

All BHEL EPF Trusts and Gratuity Trust are independent. Every Trust is investing surplus funds through empanelled arrangers. ***Empanelment of arrangers is being done centrally by BHEL EPF Trust, New Delhi by inviting applications from the prospective arrangers by publishing the Empanelment Forms, the minimum qualifying criteria and the assessment criteria on BHEL website as well as Central Public Procurement (CPP) Portal.*** Total quantum of fresh investments of all Trusts including Gratuity Trust would be approx. Rs. 1000 Cr. to Rs. 1200 Cr. in a year.

All Primary Dealers / Arrangers accepting the terms & conditions (Including the review procedure for Arrangers) as per **Annexure-III** are invited to submit their Application / Expression of Interest (EOI). Further, Arrangers (otherthan PDs) must satisfy the MQC as per **Annexure-I**. However, the information as per **Annexure-I** shall be provided by all the Arrangers (Including Primary dealers).

It is to clarify that the reply to the EOI sent by the arrangers, who are recently de-empanelled, will not be considered for evaluation. However, the reply to the EOI sent by the arrangers, put on hold, will be evaluated. In Case, they are shortlisted based on the criteria, they will be put in reserve till their period of hold is over.

The validity of Empanelment will be for **Five (5) Years** from the date of empanelment.

Please ensure that the reply complete in all respect in requisite format with necessary enclosures is delivered on or before the due date & time i.e. **03:00 P.M. on 21st March, 2023.** All the envelopes should be indicating **"Application / EOI for Empanelment of Arrangers for BHEL EPF/Gratuity Trusts"** shall be addressed to the below mentioned addressee and shall be placed at **the 5th floor of the main Administrative Block of BHEL House, Siri Fort, New Delhi:**

Ms. Aruna
DGM(Fin-PF),
5th Floor, Corporate Finance
Bharat Heavy Electricals Limited
BHEL House, Siri Fort,
New Delhi-110 049
Phone No. 011-66337261

Aruna.
07/03/2023

अधिकृत हस्ताक्षरकर्ता / Authorized Signatory
भारत हेवी इलेक्ट्रिकल्स लिमिटेड / Bharat Heavy Electricals Limited
नई दिल्ली ई.पी.एफ. ट्रस्ट / New Delhi E.P.F. Trust
बी.एच.ई.एल हाउस, सीरी फोर्ट / BHEL House, Siri Fort
नई दिल्ली-110049 / New Delhi-110049

Annexure-I**Expression of Interest for Empanelment of Primary Dealers/
Investment Arrangers for investment of BHEL EPF & Gratuity Trusts****Minimum Qualifying Criteria for fresh Empanelment of Arrangers is as under:**

Sr. No.	Criteria	Minimum Qualifying Criteria (MQC)	Documents Required
1.	Net Worth	Minimum Rs.12 Cr. as on 31/03/2022	Copy of Annual Report or a Certificate from a CA or necessary proof for the same to be submitted.
2.	Annual Turnover	Minimum Rs. 225 Cr. from Secondary Debt Market for the year 2021-22.	Copy of Annual Report or a Certificate from a CA.
3.	Registration Certificate with RBI / SEBI	Registration with RBI/SEBI.	Copy of Registration Certificate to be submitted.
4.	Registration with NSCCL/ICCL	Registration with NSCCL or ICCL or Both.	Copy of Registration Certificate to be submitted.
5.	Experience in No. of Years	Minimum of 3 years in Business prior to the date of EOI.	Certificate of Incorporation or any other valid proof to be submitted.
6.	No. of Clients	Minimum of 5 EPF/Gratuity Trusts of Central PSUs (other than BHEL). Out of 5 central PSU EPF/Gratuity Trusts at least 3 should be Schedule A or B Central PSUs. Empanelment date for the list of clients will be within last 7 years from the date of EOI.	Copy of empanelment or proof of any deal/enquiry for quotes to be submitted.
7.	PAN No.	Mandatory	Copy of PAN to be submitted.
8.	GST registration No.	Mandatory	Copy of GST Registration certificate to be submitted.

Sharma
07/03/2023

Annexure-II**Expression of Interest for Empanelment of Primary Dealers/
Investment Arrangers for investment of BHEL EPF & Gratuity Trusts****ASSESSMENT CRITERIA****A) ORGANISATIONAL SOUNDNESS**

Sr. No.	Criteria	Total Marks	Range	Marks	Documents to be submitted as proof
1.	Net Worth	10	=>Rs.12 Cr. upto Rs.50 Cr. >Rs.50 Cr. upto Rs.75 Cr. Above Rs.75 Cr.	5 7 10	Certificate from C.A. or Latest Audited Accounts clearly showing Net worth of the Company.
2.	Turnover	20	=>Rs.225 Cr. upto Rs.350 Cr. >Rs.350 Cr. upto Rs.500 Cr. Above Rs.500 Cr.	13 16 20	Annual Audited Accounts separately showing the Turnover from Secondary Debt Market or Certificate from C.A.
3.	No. of Branches	10	Only Branches in Zone-X (=> 1 branches) Only Branches in Zone-Y Region (=> 1 branches) Branches in both Zone-X & Zone-Y (equal or more than one in each Zone)	5 5 10	Zone-X: Delhi/UP/MP/Mumbai Zone-Y: Tamil Nadu, Karnataka, Andhra Pradesh and Telangana. Branch details to be given including Complete Postal address, Landline No., E-Mail ID, Name of the Branch Incharge and contact details including Mobile No. Documentary proof for each branch to be provided for verification.
	Sub Total (A)	40			

TECHNICAL COMPTENCIES

Sr. No.	Criteria	Total Marks	Range	Marks	Documents to be submitted as proof
4.	Experience- No. of Years	15	=> 3 Yrs. upto 5 Yrs. > 5 Yrs. upto 10 Yrs. Above 10 Yrs.	5 10 15	Certificate of incorporation or any other valid proof to be submitted.
5.	No. of Clients- EPF/ Gratuity Trusts	10	=> 5 upto 15 > 15 upto 25 Above 25	5 8 10	List of Clients (Other than BHEL). Copy of empanelment or proof of any deal/ enquiry for quotes to be submitted.
6.	Market Segment dealt with	15	Only Secondary Market Both Primary & Secondary	12 15	One deal in each category to be submitted.
7.	Categories dealt with	20	Only Category-1 Only Category-2 Both Categories	10 10 20	One deal in each category to be submitted.
	Sub Total (B)	60			
	Total Marks (A+B)	100		100	

Categories of Securities for the purpose of Sr. No. 7 above

Cat.1- Government Securities, State Development Loans, T-Bills

Cat.2- Corp. Bonds, PSU Bonds, PFI Bonds, Bank Bonds, State Guaranteed Bonds, Pvt. Sector Bonds.

Shruti
07/03/2023

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बी.एच.ई.एल हाउस, सीरी फोर्ट / BHEL House, Sin Fort
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**Expression of Interest for Empanelment of Primary Dealers/
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The parties who satisfy the Minimum Qualifying Criteria as per Annexure –I shall be assessed for the criteria specified under Annexure II and awarded marks. All the Primary Dealers, who apply, shall be empanelled. Further, we may empanel top 20 arrangers (other than PDs) those who meet minimum qualifying criteria based on the ranking. Other arrangers (below 20th rank, but otherwise qualified as per mandatory requirements), will be kept as reserve, who could be brought into the panel if and when required.

TERMS AND CONDITIONS FOR EMPANELMENT WITH THE TRUSTS

1.0 SUBMISSION OF APPLICATION / EOI

Your application / EOI should be complete in all respects Profile/Proposals should be either typed or written legibly in English. Alterations/overwriting, if any, in the profile/proposal should be attested by the person signing the profile/proposal. Profile/Proposals with alterations etc. not authenticated as above may be rejected by BHEL.

2.0 ELIGIBILITY CONDITION

All the Primary Dealers, who apply, shall be empanelled. The Arrangers (Other than PDs) who meet the **MINIMUM QUALIFYING CRITERIA** as specified in **Annexure-I**, shall be eligible for empanelment. Proposals not meeting the Minimum Qualifying Criteria shall be rejected.

3.0 SELECTION PROCEDURE

For selection of Primary Dealers / Arrangers to be empanelled, the following procedure shall be adopted:

All the application/EOI received by BHEL EPF Trust, New Delhi would be scrutinized by a committee w.r.t. the Minimum Qualifying Criteria. All the Primary Dealers, who apply shall be empanelled. The Arrangers (Other than PDs) meeting the Minimum Qualifying Criteria shall only be considered. The Arrangers (Other than PDs) may please note that mere meeting of the Minimum Qualifying Criteria does not entitle / right to be empanelled as arranger. The arrangers thus empanelled shall be issued an Empanelment Letter and all the BHEL EPF Trusts including Gratuity Trusts shall deal with these empanelled arrangers.

**4.0 PROCEDURE FOR REVIEW OF ARRANGERS INCLUDING PUTTING ON HOLD /
DEPANELLING**

List of empanelled arrangers shall be reviewed based on the performance during a period of 12 months from last year July to June end current year.

Annexure
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Procedure for Review of Arrangers will be as follows:

1. Performance of Arrangers will be assessed on the following criteria:

Criteria	Performance	Performance Evaluation Criteria	Weight
Criteria 1	Responsiveness	No. of times Response given by Arranger / Total No. of times quotes invited.	50
Criteria 2A	Quoting Success	Total No. of successful deals done with the arranger / Total no. of deals during the year.	25
Criteria 2B		Total value of successful deals done with the arranger / Total value of deals during the year.	25
		Final Score (1+2A+2B)	

Note: Response also includes formal Regret by the Arranger.

For the following instances, negative marking will be done. In case of multiple instances with the same Arranger, negative marking will be done for each such instance.

Sr. No.	Criteria	Marks to be deducted from Final Score of Individual Trust
1.	Providing any wrong information on any aspect crucial to the investment decision, including rating, guarantee, category, tenure, put/call option, interest payment, etc.	30
2.	Arranger backs out at the time of finalising the deal due to stock out, inability to hold the price owing to market movement, failure to participate in the online bidding process after shortlisting / becoming H1 etc.	30

2. Based on above, the Average Score of each Arranger for all Trusts put together will be calculated.

A. Overall Average score for all Trusts put together less than or equal to 10:

1. Arranger shall be issued a "Show-cause notice" giving a notice period of 15 days. To enable the Arranger to understand and reply to the notice, the facts shall be mentioned briefly stating that an action under these Guidelines has been proposed.

Shruti
07/03/2023

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2. In case the Arranger expresses his inability to improve his performance / continue as an Arranger with BHEL, the Arranger will be de-paneled (banned for all PF Trusts / Gratuity Trust) for a period of 2 years.
3. In all other cases, the Arranger will be put on Watch-list for one year after due intimation to the Arranger. The Arrangers will be advised to improve their performance during watch-list period.
4. In case the performance is not improved during the one-year watch-list period (as evaluated by calculating scores as per above procedure), arranger will be put on hold for all BHEL Trusts for a period of one year.
5. Lifting of Hold will not be automatic. In case the Arranger submits explanations regarding corrective action / preventive actions taken by him, on receipt of such intimation, BHEL may consider lifting the hold. However, restoration can be done only after 1 year i.e. the period for which Arranger had been put on hold.

B. Score less than or equal to 25 for any particular Trust (only in r/o cases not covered above):

1. Arranger shall be issued a "Show-cause notice" giving a notice period of 15 days. To enable the Arranger to understand and reply to the notice, the facts shall be mentioned briefly stating that an action under these Guidelines has been proposed.
2. In case the Arranger expresses his inability to improve his performance/ continue his performance as Arranger with the Trust, the Arranger will be put on hold for a period of One year. In case the Arranger approaches the Trust for restoration after the period of One year, the same shall be reviewed.
3. Clause No. 3,4 and 5 will be same as Clause 3,4,5 of Para-4.2.A.

3. Putting on Hold by the Individual Trust / De-paneling triggered by specific Default Events:

In the following cases, Individual Trust shall immediately put on hold the defaulter for a period of six months after due intimation to the Arranger to discourage the defaulters.

- (i) Failure to fulfill the commitment of delivery of security;
- (ii) Failure to hold the price after the deal is confirmed;
- (iii) Any one of the mandatory conditions of empanelment is no more fulfilled;

Anura
07/03/2023

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नई दिल्ली-110049 / New Delhi-110049

Simultaneously, on the occurrence of any of the eventualities listed above:

1. BHEL may consider de-paneling the Arranger (Banning of the Arranger for all PF Trusts / Gratuity Trust).
 2. The Arranger shall be issued a "Show-cause notice" giving a notice period of 15 days. To enable the Arranger to understand and reply to the notice, the facts shall be mentioned briefly stating that an action under these Guidelines has been proposed.
 3. The de-panelment, if recommended, will be for a period of 2 years.
 4. All the Trusts shall stop dealing with the de-paneled arranger concerned forthwith.
 5. Lifting of Hold will not be automatic. In case the Arranger submits explanations regarding corrective action / preventive actions taken by him, on receipt of such intimation, BHEL may consider lifting the hold. However, restoration can be done only after 2 years i.e. when the period of de-paneling is over.
4. Putting the Arranger on watch list/Hold / Depanelling / Restoration will be effective from the date of approval by the competent authority as per above. The Arranger shall be informed regarding any decision of putting on Watch list / Putting on hold / Depanelling / Restoration by concerned Trust / Sub-Committee within 7 days of the approval.

5.0 ARBITRATION

Any dispute or difference, whatsoever arising between the parties out of or relating to the Application/EOI shall be referred to the sole arbitrator (chosen mutually by the Parties from a list of three names offered by BHEL to the other Party) to be appointed by BHEL.

6.0 EFFECT AND JURISDICTION

The law applicable to this application / EOI shall be the laws in force in India. The courts in New Delhi, India, shall have exclusive jurisdiction in all matters arising under and on account of this EOI.

7.0 INCOMPLETE APPLICATION / EOI

Incomplete Application / EOI, which do not contain all the information called for, are liable to be rejected.

8.0 CANCELLING THE APPLICATION / EOI

BHEL EPF Trust, New Delhi reserves the right to cancel/scrap the Application/ EOI without assigning any reason whatsoever.

Amna
07/03/2023

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नई दिल्ली-110049 / New Delhi-110049

9.0 ACCEPTANCE OF TERMS & CONDITIONS

Empanelled arrangers shall be required to give their acceptance to our "Terms & Conditions" as per Annexure-IV of doing business with BHEL EPF & Gratuity Trusts.

10.0 AUTHORISED OFFICER

General Manager & Head-(Finance/Chairman-PF), Corporate Office or any other officer nominated by him shall be the authorized officer with regard to the Application/EOI. The decision of the authorized officer shall be final and binding on the Primary Dealers / Arrangers.

11.0 VALIDITY OF EMPANELMENT

The tenor of Empanelment will be valid for 5 Years from the date of letter of empanelment issued to the eligible Arrangers (Including Primary Dealers) subject to the Performance and review as per the Annexure-III of EOI.

12.0 CONTACT OFFICIAL

Ms. Aruna
DGM(Fin-PF),
5th Floor, Corporate Finance
Bharat Heavy Electricals Limited
BHEL House, Siri Fort,
New Delhi-110 049.
Phone No. 011-66337261

Aruna
07/03/2023

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Annexure-IV

**Expression of Interest for Empanelment of Primary Dealers/
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Format of Application

Sr. No.	Subject	Particulars (As per Annexure I & II)
1.	Name of the Primary Dealer/ Arranger	
2.	Name of Contact Official	
3.	Complete Address	
4.	Telephone No: (Office- Landline)	
5.	Mobile No:	
6.	<u>E-Mail Address:</u> Office ID: Contact Official's ID:	
7.	PAN No.	
8.	GST Registration No.	
9.	Net Worth as on 31/03/2022	
10.	Annual Turnover for the year 2021-22	
11.	Registration Certificate No. with RBI / SEBI	
12.	Registration No. with NSCCL/ICCL	
13.	No. of Branches- Zone- X- Zone- Y-	
14.	Experience- No. of Years	
15.	No. of Clients – EPF/Gratuity Trusts	
16.	Market Segment dealt with	
17.	Categories Dealt With	
18.	Acceptance of "Terms & Conditions"	

Dated:

Shankar
07/03/2023

Signature with Seal
PD / Arranger's Authorised Official

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