

Annexure I: Format of Undertaking Letter

[Date]

Head of Department (Pension Funds – Regulations)
Pension Fund Regulatory and Development Authority,
New Delhi

Dear Sir,

Ref: Submission of Application for Selection of Sponsor of Pension Fund

After going through the PFRDA Guidelines for Registration of Pension Fund, I/we the undersigned, offer to provide the services as required under the PFRDA (Pension Fund) Regulations for managing the assets under the schemes regulated and/or administered by PFRDA. We agree to meet such requirements and provide such services as set out in the said regulations.

I/We enclose hereby our application and application fee of Rs for being considered for appointment as sponsor of pension fund.

I/We undertake, if our application is accepted, to unconditionally accept of all the terms and conditions set out in the PFRDA (Pension Fund) Regulations and the PFRDA Guidelines for Registration of Pension Fund as applicable.

I/We confirm that the information contained in this application or any part thereof, including its exhibits, schedules, and other documents and instruments delivered or to be delivered to PFRDA is true, accurate, and complete. This application includes all information necessary to ensure that the statements therein do not in whole or in part mislead PFRDA as to any material fact. In case the information submitted in this application is found to be incorrect/false at any stage, our application or registration of pension fund shall be liable to be rejected/cancelled by the Authority.

I/We also understand that submission of this application and satisfying the eligibility conditions to act as sponsor(s) of a pension fund as specified in the guidelines and the said regulations will not bind PFRDA to offer appointment to us as sponsor of pension fund. PFRDA may reject our application and may do so without assigning any reasons.

It is hereby confirmed that I/We are entitled to act on behalf of our corporation/company/firm/organization and empowered to sign this document as well as such other documents, which may be required in this connection.

Dated this Day of 20.....

(In the capacity of)

(Signature)

Duly authorized to sign the application for and behalf of:
(Name and Address of Company)

(Seal/Stamp of Company)

Witness Signature:

Witness Name:

Witness Address:

CERTIFICATE AS TO AUTHORIZED SIGNATORIES

I, certify that I am Secretary of the, and thatwho signed the above application is authorized to bind the corporation/ Company by authority of its governing body/ Board of Directors

(Secretary)

Date

(Company Seal)

Annexure II: Format for submitting Commercial Proposal

Head of Department (Pension Funds – Regulations)
Pension Fund Regulatory and Development Authority,
New Delhi

Dear Sir,

Ref: Submission of Commercial Proposal along with the Application for Selection of Sponsor of Pension Fund

I/We hereby enclose our commercial proposal i.e investment management fee to be charged as percentage of assets under management by the pension fund (to be established by us), as part of the Application for Selection of Sponsor of Pension Fund dated, for being considered for appointment as sponsor of pension fund by PFRDA.

Proposal for Investment Management Fee by Applicant Sponsoring Pension Fund

Sl.	Slabs of AUM (In Rs Crores)	Percentage of IMF to be charged against the slab*	
		In figures	In words
1	Upto 10,000 crore.		
2	Above 10,000 & Upto 50,000 crore		
3	Above 50,000 & Upto 1,50,000 crore		
4	Above 1,50,000 crore		

* Please refer clause 14 of these guidelines for details

'Investment Management Fee' is expressed as percentage of the assets managed by the pension fund (calculated on daily accrual basis). The Investment Management Fee is inclusive of all transaction related charges except brokerage on equity transactions as permitted (maximum brokerage @ 0.03% inclusive of taxes and stamp duty) and custodian charges along with applicable taxes thereon. All other transaction costs shall be borne by the pension fund and shall not be charged to the scheme by the pension fund.

It is hereby confirmed that I/We are entitled to act on behalf of our corporation/company/ firm/organization and empowered to sign this document as well as such other documents, which may be required in this connection.

Dated this Day of 20.....

(In the capacity of)

(Signature)

Duly authorized to sign the application for and behalf of:

(Name and Address of Company)

(Seal/Stamp of Company)

Witness Signature:

Witness Name:

Witness Address:

CERTIFICATE AS TO AUTHORIZED SIGNATORIES

I, certify that I am Secretary of the, and thatwho signed the above application is authorized to bind the corporation/ Company by authority of its governing body/ Board of Directors

(Secretary)

Date

(Company Seal)

Annexure III: Format for confirming fulfillment of Eligibility Criteria (Pre-Qualification)

SL	Extracts	Remarks	Meet Criteria (Yes/No)	Supporting Document
1.	Applicant shall have at least five years' experience of fund management (comprising of both equity and debt)	Experience of fund management (<i>no. of years</i>) - Equity <input type="text"/> - Debt <input type="text"/>	<input type="checkbox"/> Yes <input type="checkbox"/> No	Details of fund management experience during the last 5 years in Debt market Equity market
2.	Applicant is engaged in financial business activity and regulated by RBI or SEBI or IRDAI	In financial business since	<input type="checkbox"/> Yes <input type="checkbox"/> No	Registration Certificate from RBI / SEBI / IRDAI
3.	Applicant (individually or jointly) shall have a positive net worth of at least Rs 50 crore on the last day of each of the preceding five financial years and at least Rs 25 crore of paid-up equity capital on the date of application	Paid Up Capital (<i>for last 05 FY</i>) Net worth (<i>for last 05 FY</i>)	<input type="checkbox"/> Yes <input type="checkbox"/> No	Certificate of Net worth from Chartered Accountant and Audited Balance Sheets of the Applicant(s) as on 31 st March of the last 5 financial years.
4.	Applicant shall have profit after tax in at least three of the preceding five financial years and no cash losses in the last preceding five financial years	Profits/Loss..... (<i>for last 05 FY</i>) FY with cash loss (if any)	<input type="checkbox"/> Yes <input type="checkbox"/> No	Audited Balance Sheets of the Applicant(s) as on 31 st March of the last 5 financial years.
5.	Applicant and its principal officer(s) is a 'fit and proper person' as specified in Schedule II of the PFRDA (Pension Fund) Regulations		<input type="checkbox"/> Yes <input type="checkbox"/> No	Declaration from the Applicant(s)
6.	Applicant (individually or jointly) should have a Monthly Average Assets under Management (AAUM) of more than Rs. 50,000 crore for the last 12 months ending the preceding month of application.	Monthly AAUM shall exclude investment of its own assets, investment advisory services rendered or any other similar activities undertaken by the Applicant(s)	<input type="checkbox"/> Yes <input type="checkbox"/> No	Details of schemes/funds managed evidencing Monthly AAUM

NOTE

In case of joint venture Applicant(s), one or more of the joint venture partner(s) should fulfill the above eligibility criteria and the copy of Agreement/ Memorandum of Understanding between the joint venture partners should be submitted.

Annexure IV: Format for furnishing equity shareholding in the proposed Pension Fund and of the Applicant/Sponsor company/entity

A. DIRECT FOREIGN HOLDING IN PENSION FUND

Name of Pension Fund (proposed):

Information on total equity shareholding (including name of shareholders) in the Pension Fund (proposed)

Name of Shareholder(s)	No. of Shares	Amount	% of Holding
Domestic:			
Sub-Total (Domestic Holding)			
Foreign:			
Sub-Total (Foreign Holding)			
Total (Domestic + Foreign Holding)			100.00

B. INDIRECT FOREIGN HOLDING IN PENSION FUND

Name of the Sponsor(s):

Information on total equity shareholding (including details of shareholders) in the Applicant/Sponsor company as on

Name of Shareholder	No. of Shares	Amount	% of Holding
Promotor:			
(i) Domestic			
(ii) Foreign			
Public:			
(i) Domestic			
(ii) Foreign			
Non-promotor/Non-public			
(i) Domestic			
(ii) Foreign			
Others (Please specify category, if any)			
			100.00

C. NAME OF GROUP ENTITY SHAREHOLDER HOLDING EQUITY IN APPLICANT/SPONSOR COMPANY:

Information on total equity shareholding (including details of shareholders) as on

Name of Shareholder	No. of Shares	Amount	% of Holding
Promotor:			
(i) Domestic			
(ii) Foreign			
Public:			
(i) Domestic			
(ii) Foreign			
Non-promotor/Non-public			
(i) Domestic			
(ii) Foreign			
Others (Please specify category, if any)			
			100.00

- D. Whether the Pension Fund (proposed) qualifies as a Government Company as defined under Sec 2(45) of Companies Act, 2013.
If Yes, please provide details.

Annexure V: Technical Evaluation Parameters

A: Business management	(25 Marks)
1. Management quality	
2. Experience in equities and debt as per assets under management	
3. Financial strength (profit and net worth)	
4. Corporate Governance	
5. Support to PF from sponsor/ group	
B: Investment capabilities	(25 Marks)
1. Investment policy document, investment decision-making process flow and portfolio operations management process	
2. Sources and quality of information, in-house research and independent analysis	
3. Portfolio Operation process including trading systems, procedures and controls, BCP/DRP	
4. Quality of investment team	
C: Investment track record	(25 Marks)
1. Track record in managing equities asset classes	
2. Track record in managing fixed interest asset classes	
3. Give details of the range within which tracking error was maintained for passively managed funds	
4. NPAs in the portfolio.	
D: Operational due diligence	(15 Marks)
1. Risk management – Credit risk, market risk, operational risk.	
2. Mid and back office processes	
E: Business Plan	(10 marks)
Total (A+B+C+D+E)	(100 marks)

Note: Applicant(s) scoring or securing a total of 70 marks or more shall be considered as technically qualified applicant(s) eligible for further evaluation of its Commercial Proposal.

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