

Government of India
Ministry of Communications and Information Technology
Department of Electronics and Information Technology

Doc. No. 8(9)/2011-IPHW/EDF/RFP ver. 1p0

Dated 19th June 2015

Subject: Supplements / Amendments to RFP for Selection of Financial Institution/AMC to house Electronics Development Fund (EDF)

- References:**
1. RFP for Selection of Financial Institution/AMC to house Electronics Development Fund (EDF) - (Doc. No. 8(9)/2011-IPHW/EDF/RFP ver. 1p0) (Doc. Date 03/06/2015)
 2. Electronics Development Fund (EDF) scheme notified vide Notification No. 09 dated 9th January 2015 published in the Gazette of India, Extraordinary in Part I-Section I [File no. 8(9)/2011 – IPHW 9Pt.) Vol III]

The following Supplements / Amendments to RFP for Selection of Financial Institution/AMC to house Electronics Development Fund (EDF) cited at References 1) above are made:

Clause 5.2 is supplemented and following is also added:

Minimum deliverable for the selected FI/AMC shall be: Number of daughter Funds (8) and Total Fund Size (Rs 2000 crore) till 31.3.2017

Clause 8.16 is supplemented and following is also added:

The trigger clauses for forfeiture of Performance Bank Guarantee are as below:

- Mismatch between Commitment and actual deliverables.
- When there is no commitment from the selected FI/AMC.
- Any unexcused delay by the selected FI/AMC in the performance of his implementation/service/other obligations as per the conditions of the contract.
- Failure to abide by the terms and conditions of the contract.
- Willful Default /unethical practices which violates law of the land.
- All above trigger clauses will be to the satisfaction of the Secretary, DeitY

Clause 5.2 is supplemented and following is also added:

Hurdle Rate (of 8% per annum, compounded) shall be calculated based on XIRR method. Since any Daughter Fund proposals approved upto 31.3.2017 shall be eligible for support, therefore money committed by Government for all such Daughter Funds to EDF and returns from EDF to Government will be used as a base for calculation of returns as per XIRR method. The first preference of 8% return as per XIRR shall be given to Government of India.

It is understood that the "Hurdle Rate" is not a guaranteed return or an assured return and in the event of non-achievement of the "Hurdle Rate", the Manager of the EDF will not be held responsible.

Clause 6.1 is supplemented and following is also added:

The Management Fees shall be calculated on committed capital every quarter (i.e, 1st of April, July, October and January) and shall be paid twice a year (1st April and 1st October).

Clause 7.1.1 Point No. 5 is amended:

In Parameters, in the statement - "Leverage (By how many multiple times of the DeitY's share, the FI/AMC can promise to get from open market).", the word "promise" is replaced by "endeavour".

Clause 7.2, Point No. 3 is amended:

To be mentioned in RFP that "Contract price shall be inclusive of the applicable taxes but shall be adjustable to the limits of change in tax rates."

Clause 4, Following is supplemented:

Daughter Funds with 100% funding is kept out of scope for this RFP. For these types of Daughter Funds with 100% funding by Government of India, a separate mechanism/arrangement shall be defined and is not included in present bid.

Clause 4, Point No. 6 is supplemented and following is also added:

The High Level Monitoring of the progress and performance of the Daughter Funds to be done quarterly.

Clause 7.1.1 Point No. 4 is supplemented and following is also added in "Criteria for Technical Evaluation":

Criteria for evaluation of Point 4) of Technical Evaluation

AUM (1/3 of 15=5)

Total amount invested till date by FI/AMC in AIF including but not limited to VCF, PEF and Private equity Fund of Funds

- >5000 cr: 5
- >3000 cr & <=5000 cr: 4
- >1000 cr & <=3000 cr: 3
- >500 cr & <=1000 cr: 2
- >100 cr & <=500 cr: 1
- <=100 cr:0

Number of funds managed in the past (since inception) (1/3 of 15=5)

AIF including but not limited to VCF, PEF and Private equity Fund of Funds

- >20: 5
- >15 & <=20: 4
- >10 & <=15: 3
- >5 & <=10: 2
- >1 & <=5: 1
- 0: 0

Cumulative Performance of these funds (Average & Till last audited results) (1/3 of 15=5)

- >20%: 5
- >16% & <=20%: 4
- >12% & <=16%: 3
- >8% & <=12%: 2
- >4% & <=8: 1
- <=4%: 0

2. These Supplements / Amendments come into force with immediate effect.


(Dr. Ajay Kumar)

Joint Secretary to Govt. of India

Tel: 24360160

File No. 8(9)/2011 – IPHW (Pt.) Vol. III

Copy to:

1. JS&FA, Department of Electronics & Information Technology.
2. Internal Circulation.
3. DeitY Website.