

**PENSION FUND REGULATORY AND  
DEVELOPMENT AUTHORITY**



**REQUEST FOR PROPOSAL  
FOR  
SELECTION OF  
NPS TRUSTEE BANK  
(2020)**

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**GLOSSARY**

ASP	Annuity Service Provider
CRA	Central Recordkeeping Agency
DDO	Drawing and Disbursement Officer
EOI	Expression of Interest
GOI	Government of India
NPS	National Pension System
NPSCAN	NPS Contributions Accounting Network
PAO	Pay and Accounts Officer
PFRDA	Pension Fund Regulatory and Development Authority(or Authority)
PF	Pension Fund
PFM	Pension Fund Manager
PRA	Permanent Retirement Account
PRAN	Permanent Retirement Account Number
RFP	Request for Proposal
NPS Trust	National Pension System Trust
DTO	District Treasury Office
DTA	Directorate of Treasuries and Accounts
TB	Trustee Bank
M&B	Match & Book
POP	Point of Presence

## DISCLAIMER

1. This document is being published to enable the applicants to make an offer for selection as National Pension System Trustee Bank as per the PFRDA (Trustee Bank) Regulations 2015, as amended from time to time.
2. This document does not constitute nor should it be interpreted as an offer or invitation for the selection of NPS Trustee Bank described herein.
3. This document is published to provide information only and the recipients shall use it only for the purposes set out herein. It does not purport to be all-inclusive or contain all the information about NPS Trustee Bank or be the basis of any contract. No representation or warranty, expressed or implied, is being given regarding reliability, accuracy or the completeness of any of the information contained herein. It shall not be assumed that there shall be no deviation or change in any of the herein mentioned information on NPS Trustee bank. While this document has been prepared in good faith, neither PFRDA, nor any of its officers make any representation or offer any warranty or shall have any responsibility or liability whatsoever in respect of any statements or omissions made herein Accordingly, PFRDA or any of its officers shall not be responsible to any loss or damage that may occur to an entity who acts solely relying upon the information contained herein.
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5. Accordingly, interested recipients should carry out an independent assessment and analysis of the requirements of NPS Trustee Bank and of the information, facts, and observations contained herein.
6. This RFP is published as per the Pension Fund Regulatory and Development Authority (Trustee Bank) Regulation, 2015, as amended from time to time. The regulations provide standards for the eligibility, governance, organization and operational conduct of the Trustee Bank and requiring it to establish internal system that delivers compliance with standards for internal organization and operational conduct and for protecting the interest of the subscribers.
7. The entity appointed as NPS Trustee Bank shall be required to abide by the provisions of PFRDA Act, 2013, PFRDA (Trustee Bank) Regulations, 2015, as amended form time to time and other guidelines and directions issued by PFRDA from time to time including the terms and conditions of Request for Proposal and certificate of registration issued by the Authority.

## 1 INTRODUCTION

Pension Fund Regulatory and Development Authority (PFRDA) was established by the Government of India on 23rd August 2003 to promote old age income security by establishing, developing and regulating pension funds, to protect the interests of subscribers to schemes of pension funds and for matters connected therewith or incidental thereto. The PFRDA Act was passed on 19th September, 2013 and the same was notified on 1st February, 2014.

- 1.1 The Central Government has introduced the National Pension System (NPS) with effect from 01 January 2004. The National Pension System covers, at present, new entrants to Central Government services (excluding Armed Forces) and State Government services and is available to all other citizens of India on voluntary basis.
- 1.2 The NPS is based on a unique individual Permanent Retirement Account Number (PRAN) created for individual subscribers. In this system, a subscriber shall periodically accrete savings into his/her Permanent Retirement Account (PRA) while he/she is working and shall use the accumulations at retirement to procure a pension for the rest of his/her life. Subscribers in this system enjoy a variety of important facilities and rights including portability across jobs and locations, rights and choices regarding the selection of Pension Fund Manager(s) and schemes, freedom to switch between Pension Funds and service providers and nationwide access.
- 1.3 The recordkeeping and administration functions for all subscribers of the National Pension System are centralized and performed by Central Recordkeeping Agencies (CRAs). The CRA(s) issues unique PRAN to each subscriber, maintains a master database of all pension accounts and records the transactions related to each subscriber's PRAN.
- 1.4 This pension system is currently envisaged to be based on two types of sub-accounts created for individual subscribers:
  - (a) Tier-I non-withdrawable pension account, and
  - (b) Tier-II withdrawable account.

The selected NPS Trustee Bank shall be responsible for providing the banking facilities to both the Tier-I non-withdrawable pension account and voluntary Tier-II withdrawable account or any other type of account as may be specified by the Authority, for all subscribers.

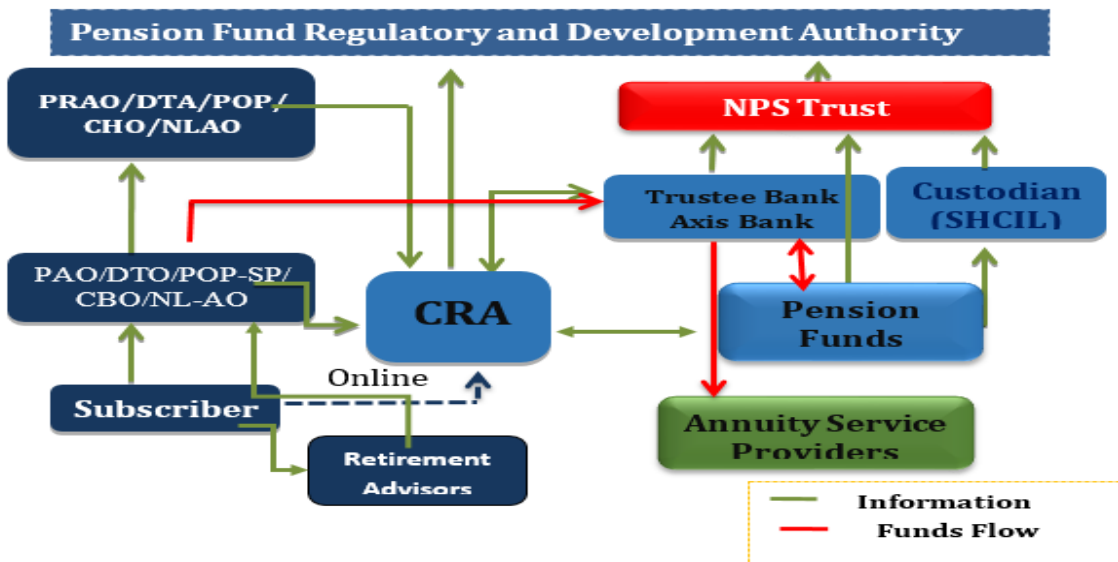
- 1.5 At present, the Central Government employees who are covered by the NPS are contributing 10% of pay towards pension and the Government is contributing up to 14% of pay. Similar arrangements are also in place in all the states and union territories where the NPS have been notified. Public Sector Undertakings (PSUs) and many Corporates have joined NPS Corporate model. NPS is offered on voluntary basis to all citizens of India under the Unorganized Sector (UoS) Model. To cater the weaker and economically disadvantaged sections of the society with their limited investment potential, PFRDA had launched NPS- Lite with Swavalamban benefit. In the year 2015, Government of India had given a mandate to PFRDA to administer "Atal Pension Yojana-(APY)" through Banks/PoP.
- 1.6 PFRDA has appointed, through a process of competitive bidding, National Securities Depository Limited (NSDL) now NSDL e-Governance Infrastructure Limited and Karvy Computershare Pvt. Ltd to function as the CRA.
- 1.7 Pension Funds (PFs) are appointed by PFRDA to maintain the Pension contributions of underlying subscribers through various schemes offered by them. The PFs are responsible for the investment of funds and based on the Net Asset Value (NAV) of the Schemes declared by the Pension Funds, the units are allocated to permanent retirement account Number (PRAN) of individual subscribers by the CRA.
- 1.8 Axis Bank is the current Trustee Bank for NPS.
- 1.9 As per regulation 13 of the PFRDA (Trustee Bank) Regulations, 2015 and amendments thereunder, the appointment of NPS Trustee Bank would be valid for 5 years unless suspended or cancelled by the Authority. On an ongoing basis, PFRDA or NPS Trust at their discretion may

appoint more NPS Trustee Banks and also may review the performance of NPS Trustee Bank at periodic intervals.

- 1.10 Proposals received in response to this RFP will be evaluated in terms of the conditions laid out herein and the entity which is thus selected as NPS Trustee Bank by PFRDA will be required to provide banking facilities under the NPS. The NPS Trustee Bank so appointed will be required to meet the specifications laid out in the RFP and shall comply with the provisions of PFRDA (Trustee Bank) Regulations, 2015 and amendments thereunder. The NPS Trustee Bank will be required to perform functions as detailed herein.

## NPS ARCHITECTURE

### 1.1.1 DIAGRAMMATIC REPRESENTATION OF NPS ARCHITECTURE



### 1.1.2 PFRDA

PFRDA is the regulator for the NPS. PFRDA is responsible for the appointment of various intermediaries in the system such as Central Record Keeping Agencies (CRAs), Pension Funds, Custodians, NPS Trustee Banks, etc. PFRDA also monitors the performance of the various intermediaries. PFRDA has a significant role to play in safeguarding the interest of subscribers. It regulates the manner in which such money are invested by PFs and will make all efforts to ensure fair play for subscribers. It also ensures that all stakeholders comply with the guidelines/regulations issued by it from time to time.

### 1.1.3 CRA(s)

It is an agency registered under PFRDA (Central Recordkeeping Agency) regulations, 2015 and amendments thereunder in line with provision contained in section 27 of the PFRDA Act-2013 to perform the functions of recordkeeping, accounting, administration and customer service for subscribers to schemes; the recordkeeping, administration and customer service functions for all subscribers of the National Pension System is centralized and performed by the CRA(s). The CRA is responsible for receiving instructions from PAO/DDO/DTO/DTA, POPs, Aggregators, and subscribers

etc. through CRA web system, transmitting such instructions to the appointed Pension Fund Managers, to act accordingly. The CRA(s) monitors subscriber contributions and instructions and transmits the information to the relevant Pension Fund and schemes on a regular basis. The CRA(s) provides periodic, consolidated PRAN statements to each subscriber.

#### **1.1.4 PENSION FUNDS ( PFs)**

PFs are intermediaries which have been granted a certificate of registration under PFRDA (Pension Fund) Regulations, 2015 and amendments thereunder in line with provision contained in sub-section (3) of section 27 by the Authority as a pension fund for receiving contributions, accumulating them and making payments to the subscriber in the manner as may be specified by regulations;

Appointed PFs manage the retirement savings of subscribers under the NPS. PFs use their secure access codes to confirm receipt of netted assets and instructions regarding fund allocation, confirm allocation of funds and communicate the NAV of each scheme to CRA(s) on a regular basis.

#### **1.1.5 ANNUITY SERVICE PROVIDERS(ASPs)**

ASPs are responsible for delivering a regular annuity/pension to the subscriber/annuitant for the rest of his/her life as per annuity scheme & frequency of payout selected by subscriber/annuitant through empaneled Annuity Service Provider. On receipt of specified sum along with personal and banking information details of the subscriber from CRA(s), the ASP would use its access codes to confirm receipt. ASP would then begin payments of annuities to the subscriber post completion of necessary formalities.

#### **1.1.6 CUSTODIAN**

The custodian provides custodial services to the Pension Funds and ensures that benefits due on the holdings are received; provide detailed information and other reports as required by the NPS Trustee Bank; maintain confidentiality of the transactions; and are responsible for any loss or damage to the assets belonging to the Pension Funds due to negligence on its part or on the part of its approved agents. The Custodian shall not assign, transfer, hypothecate, pledge, lend, use or otherwise dispose of any assets or property of the Fund, except pursuant to instruction from the Trustee/NPS Trust .

#### **1.1.7 NPS TRUST AND NPS TRUSTEE BANK**

NPS Trust is responsible for taking care of the funds under the NPS. The Trust holds accounts with the bank designated as NPS Trustee Bank. NPS Trustee Bank will facilitate fund transfers across various entities of CRA(s) system viz. Nodal Offices, POPs, Aggregators, PFs, Annuity Service Providers and subscribers, etc.

##### **1.1.7.1 ROLES & RESPONSIBILITY OF NPS TRUSTEE BANK:**

The NPS Trustee Bank shall, in the course of managing its affairs include:

1. The NPS Trustee Bank will carry out operations as per the PFRDA (Trustee Bank) Regulations 2015 and amendments thereunder and under the directions/guidelines of the Board of Trustees of the NPS Trust set up under the Indian Trust Act, 1882. The NPS Trustee Bank shall be required to provide banking facilities as directed by NPS Trust under the prescribed regulations, guidelines, circulars and directions of the Authority.
2. The Trustee Bank shall sign the required Service Level Agreement and Non-disclosure Agreement, where applicable, with the National Pension System Trust and other intermediaries under the schemes regulated or administered by the Authority. The Trustee Bank shall establish an interface and work in total co-operation and co-ordination with the other intermediaries appointed under the National Pension System.



3. NPS Trustee Bank shall take all reasonable steps and exercise due diligence to ensure that the banking facilities provided are not contrary to the provisions of PFRDA/NPS Trust guidelines/directions and the rights and interests of the subscribers are protected.
4. The NPS Trustee Bank accounts shall be on behalf of the NPS subscribers, and in the name of the NPS Trust. The NPS Trust shall be the registered owner of these funds. However, individual NPS subscribers shall remain beneficial owners of these funds.
5. The NPS Trustee Bank shall carry out banking functions for the funds under the NPS as per guidelines/ notifications/ directions issued by PFRDA and operational Service Level Agreement executed with NPS Trust and Standard Operating Procedures issued by NPS Trust based on PFRDA's guidelines.
6. The NPS Trustee Bank shall be responsible for the day-to-day flow of Funds.
7. The NPS Trustee Bank shall be responsible for transmission of information pertaining to the NPS funds available with it and instructions to the CRA(s) on a regular basis.
8. The NPS Trustee Bank shall provide web-based access to the NPS Trust, PFRDA, CRA(s) and other service providers. The NPS Trustee Bank will need to be able to adapt to future changes including changes on account of technology advancements, changes in system specifications including number of subscribers, number of schemes, and services and functional obligations prescribed by PFRDA/NPS Trust.
9. As per regulation 19 of the PFRDA (Trustee Bank) Regulations, 2015 and amendments thereunder, NPS Trustee Bank would need to maintain books and records about the funds flow and information flow between NPS Trustee Bank, CRA(s), subscribers, Pension Fund, etc. to ensure compliance with the guidelines, and submit regular reports at such intervals and in such manner as may be required or called for by PFRDA/NPS Trust. The NPS Trustee Bank shall be expected to comply with the disclosure requirements and the code of conduct specified by PFRDA/ NPS Trust and other financial sector regulators from time to time. The books and records related to the Trust accounts shall be available for inspection to the authorized officers or agents of PFRDA, NPS Trust, RBI, and their respective auditors.

The Bank shall file the following Periodic reports with PFRDA/NPS Trust–

- a) Extracts of Internal audit report from independent auditors with respect to the NPS Trust Accounts, compliance certificates and subscriber complaints reports at regular intervals.
- b) Concurrent audit report to be submitted every quarter.
- c) External audit report of all the NPS accounts maintained with the Trustee Bank to be submitted annually.

The scope of all the above three audits shall be defined by PFRDA. The Authority and the NPS Trust may, if they consider necessary at any time, undertake directly or through their authorized representative or auditor, an inspection and audit of Trustee Bank.

The audit fees and all other incidental expenses shall be borne by the Trustee Bank.

10. The ownership rights and all other rights relating to ownership of all the record/records data, statistical returns and information whether in electronic form, or physical form or in any other form obtained collected and/or required to be maintained by NPS Trustee Bank shall vest in PFRDA. No person/entity other than PFRDA shall have any ownership rights or any other rights over any data or information in the possession of the NPS Trustee Bank. NPS Trustee Bank or any other appointed agency or person shall neither have any right over such records/data/information nor use it at any stage for commercial purpose(s). The NPS Trustee Bank will not, without the prior

permission of PFRDA, produce / share such data or information as evidence or for any other purpose except as required by the due process of law. It shall be the responsibility and duty of the NPS Trustee Bank to maintain absolute confidentiality of such records/data/information and to produce these as and when called for by PFRDA/NPS Trust.

11. NPS Trustee Bank shall be responsible for the acts of commissions or omissions by its employees or the persons whose services have been procured by NPS Trustee Bank.
12. NPS Trustee Bank shall not utilize the services of the sponsor or any of its associates and their employees or their relatives, for the purpose of any of its duties and obligations. Provided that NPS Trustee Bank may utilize such services if disclosure to that effect is made to NPS Trust.
13. NPS Trustee Bank shall file with NPS Trust-
  - a) Bio-data of all its Directors along with their interest in other companies within fifteen days of their appointment; and
  - b) Any change in the interests of Directors every six months.
14. Provide periodic reports as per the parameters and frequency defined by the Authority or the National Pension System Trust. Some of the key parameters on which reports are required includes:
  - a) account wise balances on a daily basis;
  - b) fund transfer and receipt status on a daily basis;
  - c) report on the status of identified and unidentified funds in NPS account;
  - d) sector-wise unmatched amount return report – weekly, monthly or as specified by the Authority.
15. NPS Trustee Bank shall not appoint any person who has been found guilty of any economic offence or involved in violation of any financial sector laws.
16. NPS Trustee Bank shall be able to develop and adopt technological advancement as prescribed by PFRDA/ NPS Trust from time to time.
17. The overall responsibility of the Trustee Bank for redressal of subscriber grievance shall be as per the Pension Fund Regulatory and Development Authority (Redressal of Subscriber Grievance) Regulations, 2015 and amendments thereunder.

#### **1.1.7.2 LINKAGES OF NPS TRUSTEE BANK WITH CRA(s)**

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Trustee bank is required to establish necessary systems and procedures, to facilitate fund transfers across various entities of CRA system viz. Nodal Offices (PAO/DDO/DTO/DTA/POPs/Aggregators), PFs, subscribers and ASPs. Some of the key functions are as listed below:

1. Identify funds transferred by various entities under NPS based upon existing fund transfer guidelines prescribed by PFRDA to all entities. Identify and capture unique details required for further processing of NPS funds.
2. Timely upload of contribution details received from the Nodal Offices in specified file format to CRA(s).
3. Receive Confirmation Report & Discrepancy Report from CRA(s).
4. Download consolidated investment instruction from CRA(s) on daily basis.

5. Transfer of funds based on the instructions received from CRA(s) during the settlement process to various entities.
6. Download instructions from CRA(s) for fund transfer to Annuity Service Providers.
7. Download instructions from CRA(s) about transfer of funds to the Withdrawal Account.
8. Time bound refund of unidentified funds or funds which can't be processed, to the remitting bank/concerned Nodal Office, intimating the offices on the same day of return of the remittances mentioning the reason of return and remedy of the discrepancy.
9. Preparation of cheques/electronic transfers for disbursement to ASPs and/ or subscribers at the time of Exit or in case of withdrawals by the subscribers according to CRA's communication and as per the operational guidelines of NPS Trust.
10. Upload of statement of closing balance of Trustee Bank account on CRA system.
11. Daily reconciliation between balances in various CRA(s) related accounts of Trustee Bank with the details available in CRA system.
12. Generate periodic and need based reports required by NPS Trust and PFRDA.
13. Adequate contingency planning ensuring continuous operations and effective disaster management and recovery provisions for NPS activities.
14. Ensure compliance with prescribed guidelines and take into account the interests of all stakeholders.
15. Sharing the details with CRA in respect of the returned funds/remittances into the bank account of the NPS Trustee Bank at the time of Exit/withdrawal/partial withdrawals/error rectification etc. of the subscribers or from any intermediary/nodal offices due to any reason and coordinate with CRA for revised correct bank details for re-initiation of the fund transfer/remittance to the correct bank account of the subscribers or any intermediary/nodal offices .
16. Periodic reconciliation of the bank accounts (NPS Collection as well as withdrawals) as per the prescribed guidelines and submission of report to CRA/NPS Trust/Authority.

## **2 RFP PROCESS**

The selection process will have the following steps:

### **2.1 STEP 1: CONTENT OF RFP DOCUMENTS**

The RFP document should be read in conjunction with any Addendum issued in accordance with section 2.3.1 (Amendments of RFP documents) of this RFP document and proceedings of Pre-Bid meeting issued in accordance with section 2.2 (Pre- Bid meeting).

The bidder is expected to go through all instructions, forms, terms, PFRDA's requirements and other information in this RFP documents carefully. Failure to furnish all information required by the RFP documents or submission of a proposal not substantially responsive to the RFP documents in every aspect would be at the bidder's risk and may result in rejection of its proposal.

### **2.2 STEP 2: PRE-BID MEETING**

A prospective bidder requiring any clarification on the RFP documents may notify PFRDA in writing at the PFRDA's address indicated in this RFP. The format for the same is prescribed at Annexure II (MS Word only). The same shall also be mailed to [vikas.s@pfrda.org.in](mailto:vikas.s@pfrda.org.in) and [sudhir.singh@pfrda.org.in](mailto:sudhir.singh@pfrda.org.in). All

queries and clarifications should reach PFRDA latest by the date and time as specified in the section 2.11 of this RFP.

PFRDA would provide clarifications to the bidders at the pre-bid meeting only. PFRDA would prepare and send responses to the queries and clarifications by the bidders in a consolidated manner via e-mail. PFRDA will not normally entertain or respond to bidders' queries and clarifications after the pre-bid meeting.

Due to prevailing restrictive scenario of Covid-19 pandemic, the bidders' authorized representatives may attend the Pre-bid meeting at their own cost, which would take place electronically through video conferencing (the details of platform shall be shared by Authority on request basis received on the abovementioned e-mail IDs) on time as stipulated in this RFP. The maximum number of authorized representatives for each bidder shall not be more than two.

### **2.3 STEP 3: SUBMISSION OF BIDS**

The bidders shall respond to the RFP and send the required bids to PFRDA as detailed in **Annexure I & IV**. The bidder shall submit a sealed cover consisting of hard copies of both technical and commercial bid documents in a separate sealed envelope as well as softcopy of technical proposal in CD-ROM/pen drive kept in the technical bid envelope. The name of the project, the bidder's name and address, and the name of the primary and secondary contact person should be provided on the right-hand side of the sealed proposal. There should be an index at the beginning of the proposal detailing the summary of all information contained in the proposal and all the pages of the proposal should be serially numbered. The currency of the proposal and payments shall be in Indian Rupees only. PFRDA will not accept the delivery of the proposal by fax or email. Proposals received in such manner shall be treated as defective/invalid and rejected. All proposals and correspondence and documents shall be written in the English language only. All proposals and accompanying documents received within the stipulated time will become the property of PFRDA and will not be returned. The hard copy version will be considered as the official proposal.

**2.3.1** At any time prior to the last date and time for submission of bid, PFRDA may modify or amend the RFP at its own discretion. Such modifications or amendments shall be faxed or e-mailed to the bidders and shall be binding on them.

### **2.4 STEP 4: VENUE AND DEADLINE FOR SUBMISSION OF PROPOSAL.**

Proposals should reach PFRDA at the following address not beyond the time limit as specified in section 2.11:

**General Manager,  
Pension Fund Regulatory and Development Authority (PFRDA)  
Regulation Department-TB  
B-14/A, Chhatrapati Shivaji Bhawan,  
Qutab Institutional Area, Katwaria Sarai,  
New Delhi-110016**

In case the proposal is submitted by hand, bidders' representative(s) shall sign a register evidencing their attendance.

### **2.5 STEP 5: BID OPENING**

Total transparency will be observed during the opening of proposals. Sealed envelopes of the bids will be opened at the date and time as prescribed in section 2.11 of this RFP in the presence of authorized

representatives of the bidders' who wish to attend the event. The maximum number of authorized representatives for each bidder will not be more than two. The bidder's representative(s) shall sign a register evidencing their attendance. PFRDA reserves the right at all times to postpone or cancel a scheduled RFP opening. The venue for the opening of proposals is as mentioned in Section 2.2 of this RFP.

If any document is not in the specified format, PFRDA, at its option, may seek a fresh submission of this document. Bidder is allowed to withdraw his bid documents till the deadline for submission of proposals. Once the bid documents are submitted, modifications and substitutions in the bid documents shall not be allowed unless modification is following from amendments made to the RFP document by PFRDA.

## **2.6 STEP 6: LATE BIDS**

Any proposal received by PFRDA after the deadline for submission of proposal prescribed in section 2.11 of this RFP shall be summarily rejected and return unopened to the bidder.

## **2.7 STEP 7: DISQUALIFICATION CRITERIA**

PFRDA may at its sole discretion, disqualify any bidder, if the bidder has-

- Submitted the proposal in consortium with other firms/banks
- Made misleading or false representation in the forms of statements and attachments submitted in proof of the eligibility requirements.
- Submitted a proposal that is not accompanied by required documents.
- Failed to provide clarifications as needed by PFRDA.
- If the application is not complete in all respects and does not conform to the requirements specified in the RFP or PFRDA (Trustee Bank) Regulations, 2015 and amendments thereunder or any other selection criteria specified by the Authority on the date of inviting applications for grant of certificate of registration;
- If the application is unaccompanied by the specified application fee or with relevant documents in support or the applicant fails to furnish such additional information as required by the Authority;
- If the application contains incorrect, false or misleading information.

## **2.8 STEP 8: EVALUATION OF BID**

Evaluation of the bids will be done in two stages. Out of the total score of 100, the technical bid carries a score of 70 and Commercial bid carries score of 30. The bids of all the bidders will be evaluated as per the criteria specified in the Annexure V. The proposal shall include duly filled format as prescribed in Annexure I of this RFP. Proposals will be reviewed by an Evaluation Committee constituted by the PFRDA. PFRDA/ Evaluation Committee may seek clarifications from the bidders and the bidders are expected to respond/provide the information/clarifications within the stipulated time. Failure to provide the requested information may lead to disqualification of the bidder. The proposals shall be valid for a period of four (4) months from the date of opening of the proposals.

The Technical bid will be opened at the time and date specified in section 2.11 of this RFP document. The qualified interested bidders would be required to make a presentation of their credentials/parameters of the RFP before the evaluation committee at PFRDA office, New Delhi. The schedule and time of presentation will be posted on the website of PFRDA on the date mentioned in section 2.11 of this RFP document. The team for presentation should not exceed 4 persons. However, only the team leader of the core team shall make detailed presentation.

Commercial bids of the technically qualified proposals (Refer section 2.9) will be opened and only the representatives of the bidders, who have been declared as technically qualified, will be allowed to attend the opening of commercial bids.

## **2.9 STEP 9: DETERMINATION OF SUCCESSFUL BIDDERS**

In the determination of the best value bid, the following weightage shall be given for the technical and commercial parameters of the bidders:

Technical score: 70

Commercial score: 30

The bidders who score a Technical score of 70% (49 marks) or more will qualify for the evaluation of the commercial bid. The bidder who quotes highest rate (Repo plus margin over and above the prevailing Repo rate) of annual fee will score the highest in commercial bid. The bidders will be ranked on the combined score of technical and commercial parameters as mentioned in Annexure V. The bidder with the highest total score (H1) shall be ranked as first, second highest (H2) as second and so on and the best value bidder (H1) will be considered for appointment as the NPS Trustee Bank. The scoring shall be done in the following manner:

In response to the RFP, 4 proposals, A, B, C and D are received. The technical evaluation committee awarded them 45, 50, 55 and 60 marks respectively. Hence, proposals of B, C and D qualify for commercial bid opening.

<b>Proposals Received (1)</b>	<b>Technical Score (2)</b>	<b>Annual fee proposed as percentage (%) (Repo rate plus a margin over and above the prevailing Repo rate) per annum on daily average balance with TB (3)</b>	<b>Commercial score(4) (annual fee quoted by the bidder/highest annual fee quoted)*30</b>	<b>Final score (2+4) (5)</b>	<b>Rank (6)</b>
A	45	-	-	-	-
B	50	Repo plus 4.5%	$8.5/8.5*30=30$	80	2
C	55	Repo plus 4%	$8/8.5*30=28.23$	83.23	1
D	60	Repo plus 1.5%	$5.5/8.5*30=19.76$	79.76	3

Thus, proposal C is the highest scorer (H1) in this case.

The present Repo rate has been taken as 4% p.a.

## **2.10 STEP 10: NEGOTIATIONS, FINALIZATION OF NPS TRUSTEE BANK AND NOTIFICATION OF AWARD**

The Committee shall have the right to negotiate with the bidder whose proposal has been ranked H1 on the basis of the highest score. The PFRDA reserves the right to present a contract to the bidder selected for negotiations. PFRDA will finalize the selection of NPS Trustee Bank based on its evaluation criteria and inform the successful bidder. A contract will be awarded to the bidder whose proposal conforms to the RFP and is, in the opinion of PFRDA, the most advantageous and provides the best value to the project and other technical factors considered. PFRDA reserves the right to call for a re-bid if, in its opinion, the bids received are not reasonable. The evaluation will be based on the proposals and any additional information requested by PFRDA. Prior to the expiry of the validity period, PFRDA shall notify the successful bidder in writing that its proposal has been accepted.



## **2.11 KEY ACTIVITIES AND DATES**

The expected schedule of key activities for the purpose of this RFP is outlined below:

<b>S.No.</b>	<b>Key Activities</b>	<b>Date*</b>
1.	Issuance of Request For Proposal (RFP)	01.07.2020
2.	Last date for receiving queries on RFP	By 2:00pm on 08.07.2020
3.	Pre- Bid meeting	11:00am on 17.07.2020
4	Posting/intimation of bidder's queries and response thereto.	22.07.2020
5	Last date for submitting Proposals	By 14:00 pm on 31.07.2020
6	Opening of the Technical Bids	By 16:30 pm on 31.07.2020
7	Presentations (the schedule of the presentation will be posted on the website of PFRDA)	On 14.08.2020 (tentatively)
8	Opening of the Commercial Bids	By 16:30 pm on 31.08.2020
9	Issuance of Letter of Intent to selected NPS Trustee Bank	After approval of the competent authority

\* PFRDA reserves the right to change any date/time mentioned in the schedule mentioned above by publishing the same at its website. Though the efforts will be made to inform the relevant parties about the change, if any, through other means of communications, they are advised to keep checking the PFRDA's website for updates, in their own interest.

## **3 APPOINTMENT OF NPS TRUSTEE BANK**

### **3.1 ELIGIBILITY CRITERIA FOR APPOINTMENT AS TRUSTEE BANK UNDER NPS**

In terms of regulation 4 (1) and (2) of the PFRDA (Trustee Bank) Regulations, 2015 the Authority hereby specifies following eligibility criteria for selection of Trustee Bank under this RFP:

- A. Any scheduled commercial bank [registered and regulated by the Reserve Bank of India, under the Banking Regulation Act, 1949 (10 of 1949)] with an extensive rural and urban network of branches.
- B. The applicant, as on 31st March 2019, should have made a net profit in at least two financial years out of last five consecutive financial years wherein, FY 2018-19 has been taken as the base financial year, and shall satisfy the minimum capital adequacy ratio as specified by the Reserve Bank of India from time to time;
- C. The size of the Balance Sheet of the applicant Bank as on 31st March, 2019 should be at least Rs. 5 Lakh crores (after taking both advances and deposits into account);
- D. The applicant has been authorized to undertake Government business on behalf of Ministries or Departments of the Central Government and the State Governments;
- E. All branches of the applicant shall be networked;
- F. The commitment of the applicant to establish technological compatibility with the CRA(s) if selected as the NPS Trustee Bank including allowing a unique transaction identity generated by the CRA(s) for every transaction to be validly recognizable throughout the complete transaction trail.
- G. The applicant should have Cash Management Services business.

### **3.2 PFRDA'S RIGHT TO ACCEPT OR REJECT ANY OR ALL PROPOSALS**

PFRDA reserves the right to accept or reject any or all proposals, and to annul the RFP process at any time prior to award of contract, without incurring any liability to the affected bidder or bidders or any obligation to inform the affected bidder or bidders of the grounds for PFRDA's action.

## 4 PAYMENT SCHEDULE

1. **Application fee-** The entity desirous of obtaining a certificate of registration shall be required to submit an application along with a non –refundable application fee of rupees 10,00,000/- (ten lakh) to the Authority in the form of bank draft/ bankers' cheque in favor of Pension Fund Regulatory and Development Authority at New Delhi.

2. **Registration fee-**A non – refundable registration fees of rupees 25,00,000/- (twenty-five lakh) shall be paid to the Authority by the entity, selected as NPS Trustee Bank.

3. **Annual fee-** The Trustee Bank shall deposit each year's annual fee before the due date as may be specified by the Authority. On extension of the registration certificate for less than one-year, pro-rata annual fee or renewal fee shall be recovered on quarterly basis.

In case the applicant/ Trustee Bank fails to deposit any fees before or on due date as applicable, the Authority shall have the right to cancel the certificate of registration of the Trustee Bank.

The fee/ charges payable, by the NPS Trustee Bank to PFRDA would be payable on an annual basis or at periodicity as may be specified by the Authority, as a fixed percentage per annum as quoted by the Trustee Bank in the selection process on daily average balance.

## 5 APPOINTMENT CONDITIONS FOR NPS TRUSTEE BANK

On selection of the applicant, a certificate of registration will be issued to it by the Authority. The successful bidder needs to sign a Service level agreement with NPS Trust containing terms and conditions of the selection.

### 5.1. CONDITIONS OF APPOINTMENT

1. The appointment of NPS Trustee Bank would be as per the terms and conditions specified during the selection process in accordance with the PFRDA (Trustee Bank) regulations-2015 and amendments thereunder and would be valid for five (5) years, subject to annual review.

2. PFRDA reserves the right to appoint more than one Trustee Bank in future.

### 5.2. TERMINATION OF NPS TRUSTEE BANK

The Authority may, without prejudice to any other action under the Act, regulations, directions, instructions or circulars issued thereunder, by order take such action in the manner provided under the PFRDA (Trustee Bank) regulations-2015 including cancellation or suspension of the registration of such Trustee Bank and such other action, as may be deemed appropriate. The grounds for suspension/termination of NPS Trustee Bank would be as per the PFRDA (Trustee Bank) regulations 2015 and amendment thereunder and may include inter alia

- i. Contravention of the conditions/clauses as would be specified in the Contract/Letter of Appointment.
- ii. Inability to perform the duties and requirements as would be specified in the Contract.



### 5.3. SURRENDER OF ANY CERTIFICATE OF REGISTRATION BY NPS TRUSTEE BANK

(1) Any Trustee Bank, which has been granted a certificate of registration under the Act or the regulations made thereunder, desirous of giving up its activity and surrendering the certificate, may make a request for such surrender to the Authority.

(2) While disposing of a request under these regulations, the Authority may require the concerned Trustee Bank to satisfy the Authority of the factors as it deems fit, including but not limited to the following: –

- (a) the arrangements made by the Trustee Bank at its own cost and expenses for maintenance and preservation of records and other documents required to be maintained under the Act, regulations and guidelines;
- (b) redressal of subscriber grievances;
- (c) transfer of records, funds or securities of the subscribers at its own cost and expense;
- (d) the arrangements made by it for ensuring continuity of service to the subscribers;
- (e) defaults or pending actions, if any.

(3) While accepting the surrender request, the Authority may impose such conditions upon the Trustee Bank as it deems fit for the protection of interest of the subscribers of the schemes regulated or administered by the Authority and the Trustee Bank concerned shall comply with such conditions.

(4) No Trustee Bank shall be permitted to surrender its certificate, in respect of which any action for default has been initiated or has been contemplated by the Authority.

(5) Effect of suspension, cancellation or surrender of certificate will be as per regulation 28 of PFRDA (Trustee Bank) Regulations, 2015 and amendments thereunder.

### 5.4. PROCESS FOR TRANSFER OF ASSETS IN CASE OF TERMINATION/ END OF TENURE

NPS Trustee Bank shall submit an exit management plan in the last month of first year of its term and shall subsequently submit it at the end of each year of its term. It shall be the duty of NPS Trustee Bank to ensure that it transfers all the assets banked with it at the end of its tenure as NPS Trustee Bank to the newly appointed NPS Trustee Bank as per the exit management plan finalized with the mutual consent of PFRDA/ NPS Trust with complete reconciliation

NPS Trustee Bank shall provide all the necessary support in ensuring smooth transfer of all the funds. It shall also ensure transfer of all the relevant documents/records/information in accordance with the directions issued by PFRDA/NPS Trust.

Any form of non-support or non-cooperation or obstruction from NPS Trustee Bank shall amount to non-performance. PFRDA reserves the right to take other legal action as deemed appropriate against NPS Trustee Bank in such cases.

On and from the date of suspension or cancellation of the certificate, the concerned Trustee Bank shall not undertake any additional assignment or collect any new money or information from the subscribers and shall return the certificate of registration so cancelled to the Authority.

### 5.5. GOVERNING LAWS/

It shall be the duty of NPS Trustee Bank to comply with the PFRDA (Trustee Bank) regulations-2015 and amendments thereunder and directions and guidelines issued thereunder by the PFRDA or NPS

Trust from time to time. NPS Trustee Bank shall also be responsible to comply with the terms and conditions of appointment prescribed by the PFRDA at the time of selection and notified from time to time and service level agreement with the NPS Trust. In case of or default or non-compliance, the Authority reserves the right to take action as per the PFRDA (Trustee Bank) Regulations 2015 and amendments thereunder.

**5.6. ANNEXURE I : PROPOSAL COVERING LETTER FORMATS**

**I (a) Technical proposal covering letter format**

[Date]

General Manager  
Pension Fund Regulatory and Development Authority,  
Regulation Department-TB  
B-14/A, Chhatrapati Shivaji Bhawan,  
Qutab Institutional Area, Katwaria Sarai,  
New Delhi-110016

Dear Sir/Madam,

**Ref: Request For Proposal (RFP): Selection of NPS Trustee Bank as per PFRDA (Trustee Bank) Regulations-2015 and amendments thereunder.**

Having examined the RFP documents, the receipt of which is hereby duly acknowledged, we, the undersigned, offer to provide the services as required and outlined in the RFP for selecting NPS Trustee Bank as per PFRDA(Trustee Bank) Regulations 2015 and amendments thereunder. We agree to meet such requirements and provide such services as set out in the RFP documents.

We attach hereto our response to the RFP document, which constitutes our proposal for being considered for selection as NPS Trustee Bank.

We undertake, if our proposal is accepted, to adhere to the stipulations put forward in the RFP or such adjusted plan as may subsequently be mutually agreed between us and PFRDA or its appointed representatives.

We agree to the unconditional acceptance of all the terms and conditions set out in the RFP documents.

We confirm that the information contained in this proposal 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 proposal includes all information necessary to ensure that the statements therein do not in whole or in part mislead PFRDA as to any material fact.

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                      2020

(Signature)

(In the capacity of)

Duly authorized to sign the RFP Response for and behalf of:

(Name and Address of Company)

(Seal/Stamp of bidder)

Witness Signature:

Witness Name:

Witness Address:

**CERTIFICATE AS TO AUTHORIZED SIGNATORIES**

I, certify that I am... (*Designation*)... of the...(*Name of the Bank*)... and that...Mr. /Ms (*xyz*)...who signed the above bid is authorized to bind the corporation by authoring of its governing body.

(*Designation*)

Date

(Seal here)

**I (b) Commercial proposal covering letter format**

[Date]

General Manager  
Pension Fund Regulatory and Development Authority,  
Regulation Department-TB  
B-14/A, Chhatrapati Shivaji Bhawan,  
Qutab Institutional Area, Katwaria Sarai,  
New Delhi-110016  
Dear Sir/Madam,

**Ref: Request For Proposal (RFP): Selection of NPS Trustee Bank as per PFRDA (Trustee Bank) Regulations-2015 and amendments thereunder.**

Having examined the RFP documents, the receipt of which is hereby duly acknowledged, we, the undersigned, offer to provide the services as required and outlined in the RFP for selecting NPS Trustee Bank. We agree to meet such requirements and provide such services as set out in the RFP documents.

We attach hereto our response to the RFP document, which constitutes our proposal for being considered for selection as NPS Trustee Bank.

We undertake, if our proposal is accepted, to adhere to the stipulations put forward in the RFP or such adjusted plan as may subsequently be mutually agreed between us and PFRDA or its appointed representatives.

We agree to the unconditional acceptance of all the terms and conditions set out in the RFP documents and PFRDA (Trustee Bank) Regulations 2015 and amendments thereunder.

We confirm that the information contained in this proposal 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 proposal includes all information necessary to ensure that the statements therein do not in whole or in part mislead PFRDA as to any material fact.

**REQUEST FOR PROPOSAL**

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                      2020  
(Signature)                      (In the capacity of)

Duly authorized to sign the RFP Response for and behalf of:  
(Name and Address of Company)                      (Seal/Stamp of bidder)

Witness Signature:

Witness Name:

Witness Address:

**CERTIFICATE AS TO AUTHORIZED SIGNATORIES**

I, certify that I am... (*Designation*)... of the...(Name of the Bank)... and that...Mr. /Ms (xyz)...who signed the above bid is authorized to bind the corporation by authoring of its governing body.  
(Designation)  
Date

(Seal here)

**5.7. ANNEXURE II : REQUEST FOR CLARIFICATION**

Pension Fund Regulatory and Development Authority			
Bidder's Request For Clarification			
Name of Organization submitting request		Name & position of the person submitting the request	Address of organization including phone, fax, email points of contact
			Tel: Fax: E-mail:
S. No.	Bidding Document Reference (Number/page)	Content of RFP requiring clarification	Points of Clarification required
1			
2			
3			

**5.8. ANNEXURE III: FORMAT FOR PROVIDING EXPLANATIONS FOR DEVIATIONS IF ANY**

S. No.	Reference (Clause No. & Page No.)	Deviation in proposal	Brief Reason
1			
2			
3			

**5.9. ANNEXURE IV: FORMAT FOR SUBMITTING COMMERCIAL BIDS**

**A) Service charges**

Particulars	In percentage per annum (% p.a.) (Repo rate plus a margin over and above the prevailing Repo rate)	In Words ( )
The rate of Annual fee/ charges (Repo rate plus a margin over and above the prevailing Repo rate) to be paid to PFRDA by NPS Trustee Bank as a percentage per annum on a daily average balance of all the NPS Trust accounts with TB		

**5.10. ANNEXURE V: EVALUATION PARAMETERS**

**5.10.1 Evaluation:**

The following table outlines the broad parameters based on which evaluation of proposals of the bidders shall be carried out by PFRDA:

Technical bid related parameters			
<b>A) Quantitative parameters</b>			<b>40.00</b>
<b>1.</b>	<b>Financial strength and key ratio(Refer to para 5.10.3)</b>		14.00
		PAT	5
		Capital Adequacy Ratio in %	5
		Size of balance sheet (Total of deposits and advances)	4
<b>2</b>	<b>Number of accounts and an annual turnover of Government business being handled by the entity (Refer to para 5.10.3)</b>		8.00
		Total No. of accounts	4
		Total Annual Turnover in Rs.	4
<b>3.</b>	<b>Track Record of handling Cash Management Services business (Refer to Para 5.10.3)</b>		8.00

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		No. of clients	4	
		Through Put (in INR)	4	
<b>4.</b>	<b>Branch Network (including IT infrastructure) (refer to para 5.10.3)</b>			10.00
		Total Number of branches	3	
		No. of states in which present through branches	2.5	
		No. of districts in which present through branches	2.5	
		% of rural and semi-urban branches out of the total branches	2	
<b>B)</b>	<b>Qualitative Parameters</b>			<b>30.00</b>
<b>1</b>	<b>Infrastructure/IT Architecture and service quality for handing NPS and related business (refer to para 5.10.4)</b>			12.00
		The existing Govt. and CMS business and track record on systems and architecture and servicing parameters, account maintenance and reconciliation etc.	6	
		How the entity shall have technical soundness as given in regulation 4 (e) of the PFRDA (Trustee Bank) Regulations, 2015 and amendments thereunder to handle roles and responsibility of Trustee Bank for NPS.	6	
<b>2</b>	<b>Risk Management systems (Refer to para 5.10.4)</b>			6.00
		Risk Management Organization/ policies	3	
		Business continuity plan, disaster recovery plans	3	
<b>3</b>	<b>Grievance Redressal Mechanism and Client servicing (Refer to para 5.10.4)</b>			6.00
		Write-up on policies/ grievance redressal mechanisms		
<b>4</b>	<b>Manpower planning (Refer to 5.10.4 and 5.11.1.1) Manpower planning for NPS Cell with qualifications and experience of the resources</b>			6.00
<b>Total for Technical Score</b>				<b>70.00</b>

**5.10.2 Commercial Evaluation:**

The following table outlines the broad parameters based on which evaluation of commercial proposals of the bidders shall be carried out by PFRDA:

<b>Commercial bid related parameters</b>		
<b>Commercial Bid</b>		<b>30.00</b>
	Annual fee/ charges	The rate of Annual fee/ charges (Repo rate plus a margin over and above the prevailing Repo rate) to be paid to PFRDA by NPS Trustee Bank as a percentage per annum on a daily average balance of all NPS Trust account with TB
<b>Total Score (Technical + Commercial)</b>		<b>100.00</b>
<b>Final score</b>		

### 5.10.3 Quantitative information requirement:

The following quantitative information in respect of each bank is required to be submitted:

<b>S. No</b>	<b>Description</b>	<b>Data sought</b>
1	Financial strength and Key Ratios	The Total income, PAT (in Rs. crore) and Capital Adequacy Ratio (in %), for the last 5 financial years (audited) from March 2015 to March 2019. The size of the Balance Sheet of the applicant Bank (after taking both advances and deposits into account) as on 31 <sup>st</sup> March 2019.
2.	Track Record of handling Govt. business	The Number of accounts and a total annual turnover (in Rs. crore) for the FY 2018-19, duly certified by the same auditors who have audited and certified the financial statements including Balance Sheet of the bank to be provided in the format as in chart 'A1 and A 2'.
3.	Cash Management Services (CMS)	The client base of CMS and its throughput' in INR for financial year 2018-19 duly certified by the same auditors who have audited and certified the financial statements including Balance Sheet of the bank to be provided in the format as in chart 'C'.
4.	Branch Network	The geographical spread of branches of the bank has to be provided as on 31 <sup>st</sup> March 2020 in the format as in Chart 'D1 & D2'

### 5.10.4 Qualitative information requirement

The following qualitative information in respect of each bidder is required to be submitted:

#### Write-ups on the following

Please attach the write-ups only in the order as given below.

1. Risk management organization structure, policies followed and team members' educational qualifications and relevant experience.
2. Organization structure of the IT division in the bank and team members' educational qualifications and relevant experience.

3. Business continuity plans and disaster recovery system.
4. Grievance redressal mechanisms and client servicing policies and procedures, if any, including those proposed if appointed as NPS Trustee Bank.
5. Details of being an accredited bank with departments in the Government of India/State Government. (Refer to chart 'A')
6. Manpower planning for NPS Cell with qualifications and experience of the resources. (Refer to chart 'B')
7. CMS details (Refer to chart 'C')
8. How the entity will have technical soundness as given in regulation 4 (e) of the PFRDA (Trustee Bank) Regulations, 2015 and amendments thereunder to handle roles and responsibility of Trustee Bank for NPS.

## **5.11. ANNEXURE VI: BUSINESS PROCESS FLOW FOR NPS TRUSTEE BANK**

### **5.11.1 Overview**

The NPS Trust, as constituted by PFRDA, shall get into service level agreement with Trustee Bank which will facilitate the transfer of funds between different entities under NPS. The NPS Trust would hold several accounts (like NPS Trust account for Central Government, each State Governments, Withdrawal account, etc.) related to NPS with this bank. The entity appointed as NPS Trustee Bank will use its branches across the country to render services to the Nodal Offices (PAOs/DDOs/DTOs/DTAs/POPs/Aggregators), Pension Fund (PFs), Annuity Service Providers (ASPs), subscribers and Central Recordkeeping Agencies (CRAs). The contribution payments received from the Nodal Offices at different branches of the NPS Trustee Bank will be consolidated by Nodal (main) branch. Subsequently, the records pertaining to the Nodal Offices' contribution details will be uploaded at CRA System. Bank will transfer the funds to PFs, ASPs, subscribers and withdrawal accounts as per CRA(s) instructions. The overview of NPS Trustee Bank functions are as follows:

1. Operational requirements for NPS Trustee Bank
2. NPS Trustee Bank registration process in CRA system
3. Trustee Bank Business Activities

#### **5.11.1.1 Operational requirements for NPS Trustee Bank**

Based on the level of activity, NPS Trustee Bank would be required to fulfill certain minimum operational requirements. The requirements may be modified from time to time depending on PFRDA guidelines. The minimum operational requirements are listed below:

1. NPS Trustee Bank will have to obtain two class three digital certificates from Controller of Certifying Authorities (CCA) approved Certifying Authority (CA). NPS Trustee Bank should have a separate Digital Signature Certificate (DSC) for the maker user and checker user. DSC details will have to be provided to CRA(s).
2. The Nodal branch should have the list of all collecting branches with the details like address, contact person name, and contact telephone numbers.



3. NPS Trustee Bank should be able to provide service to all the Nodal Offices/POP/Aggregators/ASP etc. through its branches.
4. Adequate training should be arranged and provided to the employees of branches accepting contribution amount from the Nodal Offices/POP/Aggregators etc.
5. The main branch should have adequate trained officials to ensure smooth operation for the daily settlement-related activities.
6. NPS Trustee Bank should form an NPS Cell for NPS related activity. The Cell should comprise at least two compliance officers (main compliance officer, alternate compliance officer) and other team members comprising minimum three dedicated officers for reconciliation activity, one dedicated officer for Central Government, two shared resources for system and IT operations and Nodal Officers all states and Union Territories where NPS have been notified. The qualification for the compliance officer and alternate compliance officer should be CA/ICWA/CS/MBA (Finance). The qualification for the system and IT officers should be MCA/B Tech- IT/ Computer science and CISA.

#### **5.11.1.2 Business Rules for Registration**

1. Bank is required to provide complete details of all the officers including the Compliance Officer and the Alternate Compliance Officer and register them with CRA(s).
2. Bank shall appoint Compliance Officers who will look after the implementation of business rules and guidelines prescribed by PFRDA or by CRA(s) from system requirement perspective.
3. In case of addition of any new branch, NPS Trustee Bank shall intimate all the details such as an address, telephone number, BSR code, etc. of new branch to NPS Trust/ CRA(s) within seven days.
4. If there is any change in the information which is provided at the time of registration to CRA(s), NPS Trustee Bank shall intimate the same to Authority/ NPS Trust/ CRA(s) within seven days.
5. In case of closure of any existing branch NPS Trustee Bank shall intimate the same to NPS Trust/ CRA(s) within seven days.

#### **5.11.2 Trustee Bank Business Activities:**

Trustee bank shall carry out following business activities on regular basis as per PFRDA guidelines and CRA(s) system requirement. The indicative list is as under:

1. Trustee bank shall accept contributions from Nodal Office along with the Contribution Submission Form generated from CRA system. In case of online transfers, required details will be provided in sender-receiver information section.
2. Trustee bank shall verify the amount of payment made by Nodal Office, with the amount as per the Contribution Submission Form and basis that, accept/reject the payment.
3. Trustee Bank shall consolidate all the contribution records received through various collecting branches and shall prepare a Fund Receipt Confirmation (FRC) file.
4. Trustee Bank shall download the incremental PAO id and Transaction id file from the CRA system and validate the same while preparing Fund Receipt Confirmation file.
5. Transfer of funds based on the instructions received from CRA(s) during the settlement process to various entities.

6. Electronic Fund Transfer / Preparation of cheques for disbursement from withdrawal account and forwarding it to CRA(s).
7. Upload of statement of closing balance of Trustee Bank account to CRA system.
8. Trustee Bank shall retain all the records of Nodal Offices/POP/Aggregators etc. contributions and documents pertaining to the same.
9. Daily reconciliation between balances in various CRA(s) related accounts of Trustee Bank with the details available in CRA system.
10. Trustee Bank shall upload the fund receipt confirmation file the same day of realization of funds. The file has to be uploaded in the format as provided by CRA(s).
11. Trustee Bank shall upload digitally signed (using DSC) on CRA system.
12. Trustee Bank shall download the Pay-in instruction file daily before the specified time.
13. Time-bound refund of unidentified funds or funds which can't be processed, to the remitting bank/concerned Nodal Offices.
14. Each NPS account like Central Government, State Government, UoS, APY etc. to be managed separately and maintain audit trail for each account at transaction level.
15. Trustee bank shall maintain high degree of control and checks with dedicated service team.
16. Timely reconciliation within committed turnarounds.
17. Ensure that internal control procedures provide reliable and valid information for monitoring operations and performance, as and when required by PFRDA or its authorized intermediary.
18. Provide periodic reports as per the parameters and frequency defined by PFRDA. Some of the key parameters on which reports are required includes:
  - a. Account wise balances on daily basis
  - b. Fund transfer and receipt status on a daily basis
  - c. Report on status of identified and unidentified funds in NPS/APY account
  - d. Sector-wise unmatched amount return report – weekly, monthly or as specified by PFRDA
  - e. Any other report as required by PFRDA

The ability of the Trustee bank to establish technological compatibility with the CRA(s) is very important. This includes allowing a unique transaction identity to be validly recognizable throughout the complete transaction trail. The business activities of Trustee bank are linked with the other processes at CRA(s). Therefore, bank shall ensure that the activities are completed before the timeline specified. The table given below will give the basic idea of the core activities to be carried out by the Trustee Bank.

**Core activities of the TB**

Sr. No	Nature of activity	Cut off time*	Day*
1	Fund realisation at TB	-	T
2	Return of unidentified funds	-	T+1
3	Upload of fund receipt confirmation file	-	Daily

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4	Download pay in instruction files	-	Daily
5	Cut off time for Confirmation of transfer of Funds to PFs and withdrawal account	13:30 hrs	Daily
6	Transfer of M&B Funds to PFs	-	T+1
7	Upload of statements and closing balance of various accounts	-	Daily

Note \*

1. Times and TATs are indicative. Based on the advancement in technology, applicable electronic remittance system, and allowed clearing/electronic clearing cycle etc. the timelines may further be improved as per instruction of Authority/NPS Trust.

2. Non compliance of the time -lines as specified by the Authority may attract penal provisions as may be specified from time to time.

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5.12. ANNEXURE VII: CHARTS

**Track record of operating as accredited bank for Government business**

**CHART A- CONSOLIDATED DETAILS OF OPERATING AS ACCREDITED BANK FOR GOVERNMENT BUSINESS**

*(For FY 2018-19)*

Sr. No.	Total No. of accounts	Total annual turnover

**CHART B—MANPOWER PLANNING (PROPOSED)**

Sr. No.	Name	Designation	Qualification	Experience in years	Role in NPS Cell

**CHART C - DETAILS OF ACCOUNTS OF CASH MANAGEMENT SERVICES**

*(For FY 2018-19)*

Sr. No.	No. of clients	Through put in INR

**CHART D-1 – BRANCH NETWORK**

<b>Sr. No.</b>	<b>Zone</b>	<b>Name of states</b>	<b>Number of Districts in state</b>	<b>Number of Districts covered by Bank</b>
	<b>North</b>			
	<b>East</b>			
	<b>South</b>			
	<b>West</b>			
	<b>Central</b>			
	<b>North-East</b>			
	<b>Total</b>			

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**CHART D-2 NUMBER OF BRANCHES AND PERCENTAGE OF RURAL AND SEMI URBAN BRANCHES**

<b>S. No.</b>	<b>Total Number of Branches</b>	<b>Percentage of Rural and Semi urban branches to total number of branches.</b>

Please note: -

1. The latest list of districts may be downloaded from the following url:-  
<http://goidirectory.nic.in/district.php>
  2. The data needs to be provided in the format specified above and in case the data cannot be given, please write N.A. Any deviation from the format specified above can lead to non-allotment of scores for that parameter during the evaluation process.
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**5.13. ANNEXURE VIII: EVALUATION CRITERIA-**

<b>Evaluation Criteria</b>				
<b>A</b>	<b>Quantitative Parameters</b>			<b>40</b>
<b>1</b>	<b>Financial strength (Refer Para 5.10.3)</b>			<b>14</b>
	<b>Profit after Tax (PAT)</b>	>=5000 Cr	5	
		>=3000 Cr < 5000 Cr	4	
		>=1000 Cr < 3000 Cr	3	
		< 1000 Cr	2	
	<b>Size of Balance Sheet (Total of deposits and advances)</b>	=>500000 Cr <750000 Cr.	2	
		=>750000 Cr <1000000 Cr.	3	
		=>1000000 Cr.	4	
	<b>Capital Adequacy Ratio (in %)</b>	>= 12%	5	
		> =11% < 12%	4	
		> =10% < 11%	2	
		> =9% < 10%	1	
<b>2</b>	<b>Track record for handling Govt. business</b>			<b>8</b>
	<b>Number of accounts</b>	>=10	4	
		>4 <=9	3	
		<=4	1.5	
	<b>Annual Turnover</b>	>=200 cr	4	
		>100 <200 Cr	3	
		<=100 Cr	1.5	
<b>3</b>	<b>Track record for handling CMS business</b>			<b>8</b>
	<b>Number of clients</b>	>=200	4	
		>=100< 200	3	
		>=50< 100	1.5	
		< 50	0.5	
	<b>Throughput (in INR)</b>	>=1000 Cr	4	
		>=500 Cr< 1000 Cr	3	
		< 500 Cr	1.5	
<b>4</b>	<b>Branch Network (Refer Para 5.10.3)</b>			<b>10</b>
	<b>Total no. of branches</b>	>5000	3	
		>=3000 < 5000	2	
		>=2000 < 3000	1.5	
		>=1000 < 2000	1	
		<1000	0.5	
	<b>No. of states and UTs in which present through branches</b>	<b>All states and UTs</b>	2.5	
		>=30	1.5	
		< 30	0	
	<b>No. of districts in which present through branches</b>	<b>All districts covered</b>	2.5	
		>=601 < All districts	2	
		>=551<=600	1.5	
		>=501 <= 550	1	
		<=500	0.5	
	<b>Percentage of rural and semi urban branches of the total branches</b>	>40%	2	
		>=20% < 40%	1.5	
		>=10% < 20%	1	
		< 10%	0.5	
<b>B</b>	<b>Qualitative Parameters</b>			<b>30</b>

**REQUEST FOR PROPOSAL**

<b>1</b>	<b>Infrastructure/IT Architecture and service quality for handing NPS and related business</b>			<b>12</b>
	The existing Govt. and CMS business and track record on systems and architecture and servicing parameters, account maintenance and reconciliation etc.	Write-up	6	
	How the entity shall have technical soundness as given in regulation 4 (e) of the PFRDA (Trustee Bank) Regulations, 2015 and amendments thereunder to handle roles and responsibility of NPS Trustee Bank.	Write-up	6	
<b>2</b>	<b>Risk Management Systems (Refer Para 5.10.4)</b>			<b>6</b>
	Risk Management Organization / Policies	Write-up	3	
	Business continuity plan, disaster recovery plan	Write-up	3	
<b>3</b>	<b>Grievance Redressal Mechanism and Client servicing (Refer Para 5.10.4)</b>			<b>6</b>
	Policies / Grievance Redressal Mechanisms	Write-up	6	
<b>4</b>	<b>Manpower planning</b>			<b>6</b>
	Manpower planning for NPS cell with qualifications and experience of resources	Write-up	6	
<b>Total Score for Technical Criteria</b>				<b>70</b>