

Consolidated Replies to the Pre-bid Queries received from prospective Applicants/Bidders for selection of Custodian of Securities

Applicant / Bidder's Request for Clarification

S No	Bidding reference document (Number/ Page)	Section / Content of RFP requiring clarification	Points of clarifications required	Reply
1	5.3.1.c / Page number 21	The applicant's holding of Assets Under Custody (AUC) on the date of application must be at least Rs.1,00,000 Crore (Rupees One Lakh Crore)	Kindly clarify the "date of Application" for mentioning the Assets Under Custody (AUC)?	Date of Application means the date of submission of the Bid.
2	5.4.1 / Page number 24	Total Assets under Custody (AUC) as on date of application (Minimum Rs.1, 00,000 Cr.) Total Assets under Custody for last five years i.e. as on 31.03.2017 to as on 31.03.2021 and as on date of application to be mentioned.	Kindly specify the "date of Application" for computing the AUC?	Same as above
3	5.4. Technical Bid (Additional Data) / Page number 26	a) Details on office space and other related Infrastructure for carrying out custodial services b) Custodial services- Settlement and Reconciliation Process, Safe keeping of assets, Corporate action- Process for capturing various corporate actions, Client servicing & reporting	Please clarify, whether there are any limitations (i.e. number of words/ number of pages) applicable, while submitting details on Technical bid's (Additional data)?	There is no such defined limit of words, however, all requisite information on each of the required parameter should be mentioned.

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		<p>c) Technology deployed and IT security measures</p> <p>d)Risk Management Policy</p> <p>e)Business Continuity Plan</p> <p>f) Details of Data Center locations proposed to NPS and other schemes regulated/administered by PFRDA</p> <p>g) Data migration process from existing service provider for custody.</p>		
4	5.1.a / Page number 19	<p>The bidder shall submit a sealed cover consisting of two (2) copies of all the bid documents and one soft copy on USB storage device, separately each for Statement of Minimum eligibility criteria and Technical Proposal. The name of the proposal, 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 sealed proposal and must be received by the Authority by closing date as mentioned in Clause 4.6 by 16.00 hrs on 18th October,</p>	<p>The primary option is to send the bid documents by courier or hand delivery, but with the current pandemic predictions of 3rd / 4th Wave around the corner, can we request for secondary option of sending these bid documents through designated email IDs?</p>	<p>The bid documents shall be submitted in physical mode only, as mentioned under the RFP.</p>

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		2021. No Commercial Proposal to be submitted in soft copy on USB storage device										
5	Page 11, point 5	Databank Services	Request you to share some more details of the service expectations	The Custodian shall maintain the holding of securities in electronic form with necessary monitoring, security and back up, etc.								
6	Page 12, point 6	Electronic connectivity to various intermediaries	We understand the electronic connectivity would be required only for reporting purpose. Request your confirmation.	Correct. Please see the obligation of Custodian to various stakeholders under clause 3.3, for more details.								
7	Page 41	Assets under Custody	Kindly provide the total AUC nos. and asset split across equities, debt and Govt Securities.	<p>The details of AUC across various asset class is as follows:</p> <table border="1"> <thead> <tr> <th>Asset Class</th> <th>AUC (In Rs. Cr.) as on 30.09.2021</th> </tr> </thead> <tbody> <tr> <td>Equity (Purchase Price)</td> <td>67458.90</td> </tr> <tr> <td>Corporate Debt (Face value)</td> <td>190204.12</td> </tr> <tr> <td>G-Sec/SDL (Face value)</td> <td>310291.28</td> </tr> </tbody> </table>	Asset Class	AUC (In Rs. Cr.) as on 30.09.2021	Equity (Purchase Price)	67458.90	Corporate Debt (Face value)	190204.12	G-Sec/SDL (Face value)	310291.28
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8	Page 11, point 3	Securities to be held in the name of the NPS Trust	We understand that securities & cash accounts will be required to be opened by custodian in the name of NPS Trust A/c Pension Fund - scheme name. Kindly confirm.	Correct.
9	Page 24, point 1	Assets under Custody as on date of application	AUC details as of Sept 30, 2021 will be provided and certified by the Chartered Accountant. Kindly confirm if this is ok.	AUC details as on date of application to be provided.
10	Page 26, point 2d, 2e	Risk Management Policy & Business Continuity Plan	We understand that a document covering the key points of our risk management policy and BCP can be submitted, since the policy documents cannot be shared with clients as per our company policy. Kindly confirm.	The key details of the RMC & BCP may be submitted.
11	Page 41, Point 2	Calculation of fees at purchase price of equity instruments	We would require clarity on this requirement from a billing perspective (supporting data for migrated assets and method to be used for subsequent sale trades eg. FIFO etc.)	It is to be provided by the respective Pension Funds.
12	Fund Accounting Services	There is no mention of Fund Accounting Services	We understand FA services is not in scope. Request your confirmation.	Fund Accounting is out of scope of this RFP.
13	3.2.5/page 11	Custodian shall be responsible for providing custodial and depository services, transaction processing for all types of securities under NPS and APY on a daily basis which inter alia includes: Funds and Securities Settlement	We understand that custodian of securities will maintain both securities account and bank accounts of the authority as a market practice for seamless settlement and operations. Kindly confirm our understanding.	Here, the scope of Custodian is limited to Custodian and Depository Services which may not include Banking services.

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14	3.2.5/page 11	However, it may be noted that the Authority is in process of allowing Pension Funds to open SGL accounts. In case the Authority opts for SGL accounts in place of CSGL accounts in future, the selected custodian shall provide custodial services for the securities under NPS and APY except Government Securities/SDLs and the services of the Custodian shall be restricted to Corporate Bonds and Equities instruments.	We request you to kindly share your Assets under Custody (AUC) break-up.	Please refer reply to query no. 7.
15	4.1.2/page 14	SUBMISSION OF STATEMENT OF MINIMUM ELGIBILITY CRITERIA, TECHNICAL AND COMMERCIAL BIDS The bidders in response to this RFP document shall submit the required Statement of Minimum eligibility, Technical and Commercial bids in the specified formats along with a non-refundable application fee of Rupees Five lakhs only (Rs.5,00,00/-) to the Authority payable at New Delhi. The authorized representatives of the bidders may be present at the time of opening of Technical bids.	Request to please clarify the application fee amount as there is a discrepancy in the amount mentioned in words (Rs. Five Lakhs) and in figures (Rs. Fifty Thousand).	The Amount mentioned in words, Rs. 5 Lakh to be taken as correct figure for Application Fee.

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16	5.4.2/page 24	<p>Experience in providing custodial services (Minimum 5 years)</p> <p>Supporting Document: Copy of Registration and renewal certificates with SEBI to be enclosed.</p>	<p>As SEBI started issuing Registration Certificates from 1998, we understand that we can provide an affidavit to confirm the period of custodian services being offered prior to 1998. Request you to confirm.</p> <p>Also, we request your attention to Securities and Exchange Board of India (Custodian) Regulations, 1996 [Last amendment on April 17, 2020]. Page 9, clause 9A of the SEBI Custodian Regulation states that a Custodian's license is perpetual unless revoked by issuer. In this regards, we request your clarification with respect to point (a) of this requirement.</p>	Copy of Registration and renewal certificates with SEBI to be enclosed.
17	5.4.4/page 24	<p>Details of BCP Site/s in different seismic zone</p> <p>Periodicity of DRP drills carried out once in a year</p> <p>Certification from ISO 9000:2000 etc.</p> <p>supporting document: Complete BCP Plan and details of BC/Disaster Recovery Sites to be enclosed duly certified by Systems Auditor</p>	<p>We will provide an undertaking by a Managing Director that we have BC/Disaster Recovery and supporting documents in place.</p> <p>We request your understanding that a BCP Plan and details of our BC / DR sites are confidential information due to security concerns.</p> <p>Kindly confirm.</p>	The key details of the BCP/DRP to be submitted.

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18	5.4.5/page 24	Number of Institutional Clients The list of major institutional clients (Name, Number of years & AUC as on date of application to be enclosed).	We understand your requirements and we will be happy to provide names of the Client and Segment. We request your understanding that we are unable to disclose client AUC and number of years on account of client confidentiality. Kindly confirm if the same meets your requirement.	The details must to be submitted for evaluation under the Technical Bids.
19	ANNEXURE II: FORMAT OF COVERING FOR TECHNICAL PROPOSAL / Page 36	Witness Signature: Witness Name: Witness Address:	We have observed that generally two (2) witness signatures are requested. We seek clarity on the number of witness / witnesses required for signing the Covering Letter for Technical Proposal	The Annexure may be signed by two witnesses.
20	ANNEXURE II: FORMAT OF COVERING FOR TECHNICAL PROPOSAL / Page 36	CERTIFICATE AS TO AUTHORIZED SIGNATORIES I, certify that I am the Secretary/ duly authorized official of the and that...I, who has signed the above bid is authorized to bind the Corporation/Company by authority of its governing body/Board of Directors. (Secretary/Compliance Officer) Date	Our signing authority is established basis a Power of Attorney (POA) granted by our Head Office. We can furnish copies of our POAs to establish signing authority for the PFRDA bid. We seek your understanding in this regard and accept our POA as evidence of signing authority.	The copies of POAs may also be furnished along with the Annexure.

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21	Additional Information to Technical Bid/page 38	Shareholding pattern & details of top 5 shareholders as on 31.03.2021	Our major shareholders are disclosed on our website. We understand we may provide a signed copy of the print-out of the said page from our website and also mention the link to the said page.	The information should be submitted and signed by Authorised Signatory/ Compliance Officer.
22	ANNEXURE IV: FORMAT OF COVERING FOR COMMERCIAL PROPOSAL / Page 40	Witness Signature: Witness Name: Witness Address:	We have observed that generally two (2) witness signatures are requested. We seek clarity on the number of witness / witnesses required for signing the Covering Letter for Commercial Proposal.	The Annexure may be signed by two witnesses.
23	ANNEXURE IV: FORMAT OF COVERING FOR COMMERCIAL PROPOSAL / Page 40	CERTIFICATE AS TO AUTHORIZED SIGNATORIES I, certify that I am the Secretary/ duly authorized official of the and that...I, who has signed the above bid is authorized to bind the Corporation/Company by authority of its governing body/Board of Directors. (Secretary/Compliance Officer) Date	Our signing authority is established basis a Power of Attorney (POA) granted by our Head Office. We can furnish copies of our POAs to establish signing authority for the PFRDA bid. We seek your understanding in this regard and accept our POA as evidence of signing authority.	The copies of POAs may also be furnished along with the Annexure.

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24	ANNEXURE V: FORMAT FOR PROVIDING COMMERCIAL BIDS	<p>Duly authorized to sign the RFP Response for and behalf of:</p> <p>(Name and Address of Company)</p> <p>(Seal/Stamp of bidder//Compliance Officer)</p>	<p>Our signing authority is established basis a Power of Attorney (POA) granted by our Head Office.</p> <p>We can furnish copies of our POAs to establish signing authority for the PFRDA bid.</p> <p>We seek your understanding in this regard and accept our POA as evidence of signing authority.</p>	Please refer reply to query no. 23.
25	ANNEXURE VI: 'FIT AND PROPER' / Page 44	<p>CERTIFICATE AS FIT AND PROPER ENTITY</p> <p>I, the Secretary/ duly authorized official of the, certify that our organization is a 'Fit and Proper' entity as per the criterion specified above and the information provided above in is correct.</p> <p>(Secretary/Compliance Officer)</p> <p>Date</p>	<p>Our signing authority is established basis a Power of Attorney (POA) granted by our Head Office.</p> <p>We can furnish copies of our POAs to establish signing authority for the PFRDA bid.</p> <p>We seek your understanding in this regard and accept our POA as evidence of signing authority.</p>	Please refer reply to query no. 23.

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26	ANNEXURE VII: MINIMUM ELIGIBILITY CRITERIA / Page 46	<p>CERTIFICATE AS ELIGIBLE ENTITY</p> <p>I, the Secretary/ duly authorized official of the, certify that our organization is an eligible entity as per the criterion specified above and the information provided above in is correct.</p> <p>(Secretary/Compliance Officer)</p> <p>Date</p>	<p>Our signing authority is established basis a Power of Attorney (POA) granted by our Head Office.</p> <p>We can furnish copies of our POAs to establish signing authority for the PFRDA bid.</p> <p>We seek your understanding in this regard and accept our POA as evidence of signing authority.</p>	Please refer reply to query no. 23.
27	Page number-41	Asset Servicing Charges* for the physical segment expressed as % of the assets under custody (to be calculated on daily accrual basis)	Request you to provide us the number of Physical securities as on date.	At present, there is no security in physical mode.
28	Page Number 11 (Last Paragraph)	In case the Authority opts for SGL accounts in place of CSGL accounts in future.	Request you to provide details of the total assets under CSGL account.	Please see the details of assets under reply to query no. 7.
29	Page No-49 – Point i	Designated Account	Will the appointed custodian has to open and maintain these Designated Accounts with their own bank?	The designated accounts shall be maintained with Trustee Bank (i.e. Axis Bank).

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30	Page 21 – Point 5.3 (b)	Statement of minimum eligibility criteria	<p>The Custodian is a branch of Foreign entity.</p> <p>Is this clause to be complied by Branch in India or does it need compliance entity level.</p>	<p>Please refer to the terms of the RFP and PFRDA (Custodian of Securities) Regulations, 2015 as amended from time to time. The entity eligible to seek registration and desirous of seeking such registration from the Authority is required to satisfy the eligibility criteria as are stipulated in the RFP and the aforementioned Regulations.</p>
