



**28 March 2019**

**REQUEST FOR PROPOSAL (RFP)  
[RISK BASED AUDIT AND INSPECTION OF POINTS OF  
PRESENCE (POPs) UNDER NATIONAL PENSION  
SYSTEM FOR THE FINANCIAL YEARS 2017-18, 2018-19  
& 2019-20]**

**NATIONAL PENSION SYSTEM TRUST**

**TENDER NUMBER - NPST/POPs/2018-19/001**



Date: 28 March 2019

**RFP NUMBER [NPST/POPs/2018-19/001] (RISK BASED AUDIT AND INSPECTION OF POINTS OF PRESENCE (POPs) UNDER NATIONAL PENSION SYSTEM FOR THE FINANCIAL YEARS 2017-18, 2018-19 & 2019-20)**

The National Pension System Trust (NPS Trust) invites bids (“Bids”) from eligible, qualified and capable Chartered Accountant firms (hereinafter referred to as “audit firms”) for the supply and delivery of above services (“the Services”) and provision of associated services (“Associated Services”) according to the requirements as defined in the RFP.

The RFP includes:

- Section I: Instructions to Bidders
- Section II: Important clauses
- Section III: Technical Bid Forms
- Section IV: Commercial Bid Form
- Section V: Commercial Terms and Conditions
- Section VI: Annexures

The Services shall be supplied for the financial years **2017-18, 2018-19 & 2019-20**. NPS Trust shall however be under no obligation to buy any or all of the Services and Associated Services exclusively from the selected firm.

Bids must be delivered in accordance to Article 15 of Section I of RFP. Closing date for the bids is **22 April 2019 1500 hours**.

Unless otherwise specified, bids sent by e-mail and facsimile will not be accepted.

The Bid prices shall be quoted in **INR**. The Contract(s) under consideration shall be entered into with the NPS Trust. The Services shall be provided to the NPS Trust. Bidders should include in their Bid prices any and all costs associated in respect to the provision of the Services.

The NPS Trust reserves the right to accept or reject any Bid, and to annul, in whole or in part, or to suspend the bidding process and reject all Bids at any time and without reason prior to award, without thereby incurring any liability to the affected Bidder or Bidders.

The RFP can be downloaded from **<http://www.npstrust.org.in>**

Please address your queries or questions in writing at the address given below and kindly refrain from any telephone calls or personal visits.

Deputy General Manager  
 NPS Trust  
 3rd Floor, Chhatrapati Shivaji Bhawan  
 B-14/A, Qutub Institutional Area  
 New Delhi-110 016 India

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## SECTION I - INSTRUCTIONS TO BIDDERS

**Notes to Bidders:** This section provides detailed information necessary for Bidders to prepare their Bids, in accordance with the requirements specified by NPS Trust. It also provides information on Bid submission, opening, and evaluation, and on the award of contract. Bidders should read these Instructions to Bidders in conjunction with Section II, Important clauses, of the RFP.

### 1. SCOPE

1.1 The entity of the NPS Trust specified in the cover note to this RFP invites Bids for the procurement of Services and Associated Services as described in detail in the RFP.

### 2. ELIGIBILITY OF BIDDERS

2.1 This bidding is open to all eligible audit firms as defined in Article 2 of Section I.

2.2 The NPS Trust may, in its sole unfettered discretion, disqualify or otherwise determine ineligible any potential Bidder that the NPS Trust believes is, has been or will be, whether directly or indirectly, engaged in criminal or any other unethical behaviour, financially unsound, or otherwise unfit in the NPS Trust's opinion to participate in the bidding exercise. This provision shall also be a condition precedent to, and continuing condition of, any Contract between the NPS Trust and successful Bidder(s).

2.3 A Bidder shall not be eligible to participate in this bidding or in the performance of the contract under consideration if such Bidder:

- is bankrupt or being wound up, is having its affairs administered by the courts, has entered into an arrangement with creditors, has suspended business activities, is the subject of proceedings concerning those matters, or is in any analogous situation arising from a similar procedure provided for in national legislation or regulations;
- has been convicted of an offence concerning its professional conduct by a judgement which has the force of res judicata;

- has been subject of a judgement which has the force of res judicata for fraud, corruption, involvement in a criminal organization or any other illegal activity detrimental to the financial interests of the NPS Trust;

- is guilty of misrepresentation in supplying the information required as a condition of participation in this bidding exercise or fails to supply this information;

- is subject to a conflict of interest.

### 3. NPS TRUST PRIVILEGES AND IMMUNITIES

3.1 Nothing in or relating to the RFP shall be deemed a waiver, expressed or implied, of any of the privileges and immunities of the NPS Trust.

3.2 This document does not constitute nor should it be interpreted as an offer or invitation for any contractual agreement with NPS Trust.

3.3 Prospective Bidders are advised to go through the complete tender documents including terms and conditions carefully before applying and understand the eligibility conditions etc. The bid once submitted shall not be ordinarily permitted to be withdrawn, after the closing time and date of submission of bids, which shall be at the sole discretion of NPS Trust.

3.4 A bidder will, by responding to NPS Trust for RFP, be deemed to have accepted the terms & conditions of this RFP.

3.5 This document has not been filed, registered or approved in any jurisdiction. Recipients of this document should inform themselves and/ or observe any applicable legal requirement.

3.6 This document constitutes no form of commitment on the part of NPS Trust. Furthermore this document confers neither the right nor any expectation on any party to participate in the tender process. The bidder is responsible for all acts incurred in connection with participation in this process. This tender does not commit the NPS Trust to award a contract or to engage in negotiations. The bidder participations in this process may result in NPS Trust selecting the bidder to engage in further discussions and negotiations towards execution of a contract. The commencement of such negotiations does not, however signify a commitment by NPS Trust to execute a contract or to continue negotiations. The NPS Trust may terminate negotiations at any time without assigning any reason.

3.7 NPS Trust reserves the right to vary/alter/amend the eligibility criteria at any time, in its discretion, before the last date of submission of bids.

3.8 The selected audit firm shall comply with and abide by such instructions/directions that NPS Trust may issue from time to time.

#### **4. ETHICS**

4.1 In accordance with general principles of procurement, it is a requirement of the NPS Trust that Bidders, or any executive, manager or director thereof, observe the highest standards of ethics during each phase of any procurement and execution of contracts. The NPS Trust defines for this purpose:

- ‘coercive practice’ means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in a procurement or affect the execution of a contract;
- ‘collusive practice’ means a scheme or arrangement between two or more Bidders, designed to establish bid prices

or other terms at artificial, non-competitive levels;

- ‘corrupt practice’ means the offering, giving, receiving, or soliciting, directly or indirectly, of anything, of value to influence the action of any NPS Trust official or any other person involved in any procurement or in contract execution;
- ‘fraudulent practice’ means a misrepresentation or omission of facts in order to influence a procurement or the execution of a contract.

4.2 In pursuance of this requirement, the NPS Trust will:

- Reject a Bid if it determines that the Bidder has, directly or through an agent, engaged in corrupt, fraudulent, collusive or coercive practices in competing for the contract;
- Terminate a contract if it determines that the firm has, directly or through an agent, engaged in corrupt, fraudulent, collusive or coercive practices in competing for, and in executing, the contract;
- Declare the Bidder ineligible, either indefinitely or for a stated period of time, from being awarded any contract by the NPS Trust if it at any time determines that the Bidder has, directly or through an agent, engaged in corrupt, fraudulent, collusive or coercive practices in competing for, or in executing, the contract.

#### **5. BIDDER’S RESPONSIBILITIES**

5.1 The Bidder is expected to examine all instructions, forms, terms, and specifications in the RFP. Failure to furnish all information required by the RFP or to submit a Bid substantially responsive to the RFP in every respect will be at the Bidder’s risk and may result in the rejection of its Bid.



5.2 The Bidder shall bear all costs associated with the preparation and submission of its Bid, including costs relating to contract award, and the NPS Trust will in no case be responsible or liable for those costs, regardless of the conduct or outcome of the Bidding process.

5.3 To obtain information on the assignment, technical requirements, and on the local conditions, Bidders are encouraged to attend, at their own cost and risk, a pre-bid meeting. Attending the pre-bid meeting is optional.

#### **6. SEPARATE GROUPS FOR WHICH BIDS TO BE SUBMITTED**

6.1 There are the following groups of Points of Presence:

- (a) five (5) different Groups of Point of Presence (POPs) catering to NPS –
  - (i) Distribution and servicing for public at large through physical as well as online platforms;
  - (ii) Distribution and servicing for citizens at large through online platforms only, and
  - (iii) Distribution and servicing only for own employees and other personnel either through physical or online platforms.
  
- (b) Five (5) different Groups of Point of Presence (POPs) catering to NPS Lite Swavalamban scheme (erstwhile Aggregators).

The above groups have been created according to the locations/regions where the Head offices of the POPs are located for the purpose of inspection/audit. The details of the Groups are mentioned under Section VI Annexure III. The Groups of POPs for remaining period of FY 2018-19 and FY 2019-20 will undergo change as registration of new entities and de-registration of existing entities may take place during the tenure of the contract.

The bidder can bid for one or more than one Group. Each Bidder shall submit only one Bid for each group. A Bidder who submits

or participates in more than one Bid for a single group shall cause all Bids for that particular Group with the Bidder's participation to be disqualified.

#### **7. LANGUAGE OF BID**

7.1 The governing language in respect to the Bid prepared by the Bidder as well as all correspondence and documents relating to the Bid exchanged between the Bidder and the NPS Trust shall be English.

#### **8. AMENDMENTS TO RFP**

8.1 At any time prior to the deadline for the receipt of Bids, the NPS Trust may, for any reason, whether at its own initiative or in response to a clarification requested by a prospective Bidder, modify the RFP by amendment which will be available on NPS Trust's web-site at [www.npstrust.org.in](http://www.npstrust.org.in).

8.2 All prospective Bidders are advised to regularly visit NPS Trust web-site to view any amendment made to the RFP. The NPS Trust will assume neither responsibility nor liability for the Bidder's non-familiarity with any amendment issued pursuant to any provision herein.

8.3 In order to allow prospective Bidders reasonable time in which to take the amendment into account in preparing their Bids, the NPS Trust may extend the deadline for the receipt of Bids.

#### **9. DOCUMENTS COMPRISING THE BID**

9.1 The Bid prepared by the Bidder shall comprise the Forms contained in Section III - Technical Bid Forms, Section IV - Commercial Bid Form and Section V - Commercial Terms and Conditions, duly completed and signed by the Bidder, details of EMD and any other documents and/or information specified in the RFP.

## 10. **BID PRICES**

10.1 The Bidder shall indicate in the Commercial Bid form the unit prices (where applicable) and total Bid Price of the offered Services.

10.2 The Bidder's separation of price components will be solely for the purpose of facilitating the comparison of Bids by the NPS Trust and will not in any way limit the NPS Trust's right to contract on any of the terms offered.

10.3 All non-exempt duties, taxes, and other levies payable by the Firm under the Contract or for any other cause shall be included in the rates, prices and total Bid price submitted by the Bidder. GST needs to be excluded, however.

## 11. **BID CURRENCY**

11.1 The unit rates and prices shall be quoted by the Bidder entirely in INR.

## 12. **PERIOD OF VALIDITY OF BIDS**

12.1 Bids shall remain valid for a period of 180 days after the deadline for the receipt of Bids. A Bid valid for a shorter period shall be rejected by the NPS Trust as non-responsive.

12.2 In exceptional circumstances, the NPS Trust may solicit the Bidders' consent to an extension of the period of validity. The request and the responses thereto shall be made in writing. The EMD provided under Article 13 of Section I shall also be suitably extended. A Bidder may refuse the request without forfeiting its EMD. A Bidder granting the request will not be required nor permitted to modify its Bid.

## 13. **EARNEST MONEY DEPOSIT (EMD)**

13.1 If specified in Section II, RFP, the Bidder shall furnish, as part of its Bid, EMD. The applicant needs to submit separate EMD for each group for which it has submitted the bid.

13.2 The EMD is required to protect the NPS Trust against the risk of Bidder's conduct, which would warrant the EMD's forfeiture, pursuant to Article 13.7 of Section I.

13.3 If provided therefore under Article 13.1 of Section I, the EMD shall be denominated in INR and shall be in the form of an online transfer to the bank account details of NPS Trust as mentioned in Section II.

13.4 Any Bid not secured in accordance with Articles 13.1 and 13.3 of Section I will be rejected by the NPS Trust as non-responsive, pursuant to Article 22.2 of Section I.

13.5 Unsuccessful Bidders' EMD will be discharged or returned as promptly as possible, but not later than thirty (30) calendar days after the date of expiration of the bid validity period prescribed by the NPS Trust pursuant to Article 12 of Section I. The mode of refund will be online transfer to the bidder's bank account. The bidder needs to provide the details of bank account to NPS Trust as per format specified in Section II.

13.6 The successful Bidder's EMD will be discharged upon such Bidder furnishing the Performance Security, if applicable, pursuant to Article 30 of Section I.

13.7 The EMD may be forfeited:

- (a) if the NPS Trust determines, on the basis of objectively verifiable evidence, that such Bidder has provided materially false or misleading information to the NPS Trust;
- (b) if a Bidder withdraws its Bid during the period of Bid validity specified by the Bidder on the Bid Submission Form,
- (c) in the case of a successful Bidder, if the Bidder fails or refuses (i) to sign the Contract/LoI or (ii) to furnish a Performance Security.

#### 14. FORMAT AND SIGNING OF BID

14.1 The Bidder shall prepare a Bid indicated in Section I, RFP.

14.2 The Bid shall be typed or written in indelible ink and shall be signed by the Bidder or a person or persons duly authorized to bind the Bidder to the Contract.

14.3 All entries in the tender form should be legible and filled clearly. No overwriting or cutting is permitted in the Commercial Bid Form. In such cases, the tender shall be summarily rejected.

14.4 The person(s) signing the bid documents shall initial all pages of the bid.

14.5 There should be an index at the beginning of the bid detailing the summary of all information contained in the bid and all the pages of the bid should be serially numbered. All bids and accompanying documents received within the stipulated time will become the property of NPS Trust and will not be returned. The hard copy version will be considered as the official proposal.

#### 15. SUBMISSION, SEALING AND MARKING OF BIDS

15.1 Bids must be properly secured and sealed. The bidders shall submit the completed Section III - Technical Bid Forms. In addition, the bidders shall also sign and stamp each page of Section V – Commercial Terms and Conditions, as confirmation of their acceptance to the terms and conditions contained therein and submit it along with the completed Technical Bid Forms in a separate envelope clearly marked “Technical Bid”. Further, the bidders shall also sign with date and affix their firm’s seal on each page of this RFP document and submit the same as part of Technical Bid.

15.1a The Section IV - Commercial Bid Form shall contain the pricing terms corresponding to the Technical Bid and shall be submitted in a separate sealed envelope clearly marked “Commercial Bid”.

15.1b Bids must consist of the following:

i. Envelope I: Details of Earnest Money Deposit transferred online in sealed cover super scribing on the right hand side top of the cover as "Envelope 1: Earnest Money Deposit".

ii. Envelope II: Technical Bid, including a softcopy on CD-ROM: In a sealed cover super scribing on the right hand side top of the cover as "Technical Bid".

iii. Envelope III: Commercial Bid, in a sealed cover super scribing on the right hand side top of the cover as "Commercial Bid".

All the above three envelopes must be enclosed in a main envelope and marked with the tender number and title and submitted in the tender box provided for the purpose at the office of NPS Trust or mailed to :

**Deputy General Manager  
NPS Trust  
3rd Floor, Chhatrapati Shivaji Bhawan,  
B-14/A, Qutub Institutional Area,  
New Delhi-110 016 India**

**Tender Title: RISK BASED AUDIT AND INSPECTION of POINTS OF PRESENCE (POPs) UNDER NATIONAL PENSION SYSTEM for the financial years 2017-18, 2018-19 & 2019-20**

**Tender Number: NPS Trust/POPs/2018-19/001**

15.1c Bids will only be received at the location nominated above.

15.2 The inner and outer envelopes shall:

(a) be addressed to the NPS Trust at the address indicated in 15.1b above.

(b) bear the NPS Trust Tender Number and Title indicated in the cover note to the RFP

15.3 All inner and outer envelopes shall also indicate the name and address of the Bidder to enable the Bid to be returned unopened in case it is declared “late” or the Bid is validly withdrawn by the Bidder.

15.4 If the outer envelope is not sealed and marked, the NPS Trust will assume no responsibility for the misplacement or premature opening of the Bid.

## **16. DEADLINE FOR THE RECEIPT OF BIDS**

16.1 Bids must be received by the NPS Trust at the address and not later than the time and date specified in RFP.

16.2 The NPS Trust may, at its discretion, extend the deadline for the receipt of Bids by amending the RFP in accordance with Article 8, of Section I in which case all rights and obligations of the NPS Trust and Bidders previously subject to the deadline will thereafter be subject to the deadline as extended.

## **17. LATE BIDS**

17.1 Any Bid received by the NPS Trust after the deadline for receipt of Bids prescribed by the NPS Trust pursuant to Article 16 of Section I will be rejected and returned unopened to the Bidder.

## **18. WITHDRAWAL, MODIFICATION AND SUBSTITUTION OF BIDS**

18.1 The Bidder may withdraw, modify or substitute its Bid after the Bid’s submission, provided that written notice of the withdrawal, modification or substitution is received by the NPS Trust prior to the deadline prescribed for the receipt of Bids.

18.2 The Bidder’s withdrawal, modification or substitution notice shall be prepared, sealed, marked, and delivered in accordance with the provisions of Article 15 of Section I, with the outer and inner envelopes additionally marked “WITHDRAWAL”, “MODIFICATION” or “SUBSTITUTION,” as appropriate.

18.3 No Bid may be substituted or modified after the deadline for receipt of Bids.

18.4 No Bid may be withdrawn in the interval between the deadline for receipt of Bids and the expiration of the period of Bid validity specified in the RFP, or as extended pursuant to Article 16.2 of Section I. Withdrawal of a Bid during this interval may result in the Bidder’s forfeiture of its EMD, pursuant to Article 13.7 of Section I.

## **19. OPENING OF BIDS**

19.1 In general, the NPS Trust Evaluation Committee will open all Bids in the presence of the Bidders choosing to present themselves at Bid Opening at the time, on the date, and at the place specified in Section II, RFP. The Bidders’ representatives who are present shall sign a register evidencing their attendance.

19.2 All other envelopes shall be opened one at a time, reading out: The Bidders’ names, Bid prices, (in the case of Commercial Bid opening) and the confirmation of transfer/ deposit of requisite EMD and such other details as the NPS Trust, at its discretion, may consider appropriate, will be announced at the Bid Opening. No Bid shall be rejected at the Bid Opening, except for late Bids, which shall be returned unopened to the Bidder pursuant to Article 17 of Section I.

19.3 The Bids that are not opened and read out at Bid Opening shall not be considered further for evaluation, irrespective of the circumstances.

## **20. CONFIDENTIALITY**

20.1 If any Bidder wishes to contact the NPS Trust on any matter related to its Bid, it should do so in writing.

20.2 Any effort by a Bidder to influence the NPS Trust in its decisions on Bid evaluation, Bid comparison, or Contract Award may result in the rejection of the Bidder’s Bid.

## 21. CLARIFICATION OF BIDS

21.1 During evaluation of the Bids, the NPS Trust may ask any Bidder for a clarification of its Bid. The request for clarification and the response shall be in writing, and no change in the prices or substance of the Bid shall be sought, offered, or permitted. Failure by any Bidder to timely and duly respond to a request for clarification may result in the rejection of its Bid.

## 22. PRELIMINARY EXAMINATION

22.1 The NPS Trust may waive any minor informality, nonconformity, or irregularity in a Bid which does not constitute a material deviation, provided such waiver does not prejudice or affect the relative ranking of any Bidder.

22.2 Prior to the detailed evaluation, the NPS Trust will determine the substantial responsiveness of each Bid to the RFP. For purposes of these articles, a substantially responsive Bid is one which conforms to all the terms and conditions of the RFP without material deviations.

22.3 If a Bid is not substantially responsive, it will be rejected by the NPS Trust and may not subsequently be made responsive by the Bidder by correction of the nonconformity.

## 23. CURRENCY FOR BID EVALUATION

23.1 Unless otherwise specified in accordance with Article 11.1 of Section I, Bids shall be evaluated as quoted in the currency of the INR.

## 24. EVALUATION AND COMPARISON OF BIDS

24.1 The NPS Trust will first evaluate and compare Technical Bids, which have been determined to be substantially responsive, pursuant to Article 22 of Section I.

24.2 The NPS Trust will then compare the quoted Bid prices of the technically compliant bids.

24.3 The lowest or any tender will not necessarily be accepted.

24.4 The NPS Trust reserves the right to conduct post tender negotiations with one or more selected Bidders regarding any aspect of the contract. Bidders may be obliged to establish reasonableness of their quote notwithstanding that their quote is the most competitive of all the bids received. This may require bidders sharing with the NPS Trust Evaluation Committee copy(ies) of invoices raised on other customers, comparable to NPS Trust in size and scope of purchase, for the Services under consideration in this tender.

24.5 Bidders will be responsible for all costs associated with the attendance of their officers as may be required during the tender assessment phase for the purpose of discussion or negotiations with the NPS Trust.

24.6 The list of technically qualified bidders shall be informed through email to all the bidders who applied in response to the RFP. Only the representatives of the bidders, who have been declared as technically qualified, will be allowed to attend the opening of financial bids. The bidder's representative(s) shall sign a register evidencing their attendance.

24.7 NPS Trust may at its sole discretion, disqualify any bid, if –

- (i) the bidder has
  - a) submitted the bid in consortium with other firms;
  - b) made misleading or false representation in the forms of statements and attachments submitted in proof of the eligibility requirements;
  - c) submitted a bid that is not accompanied by required documents;
  - d) failed to provide clarifications as needed by NPS Trust.

(ii) the bid is not complete in any or all respects and does not conform to the requirements specified in the RFP or any other selection criteria specified.

iii) the bid is unaccompanied by the specified earnest money deposit or with relevant documents in support or the applicant fails to furnish such additional information as required by NPS Trust.

iv) the bid contains or information provided by the Bidder is incorrect, false or misleading information.

v) incomplete Financial Bid is submitted

vi) it does not conform to Bid's Commercial Bid format.

vii) it has prices which are not firm during the entire duration of the contract and / or with any qualifications.

viii) received through Fax/E-Mail.

ix) received by NPS Trust after the last date and time for receipt of Bids prescribed.

x) received without power of authorization or any other document consisting of adequate proof of the Signatory's authority.

## 25. AWARD CRITERIA

25.1 The NPS Trust will award the Contract to the successful Bidder whose Bid has been determined to be substantially responsive and has been determined to be the best evaluated Bid, provided further that the Bidder is determined to be qualified to perform the Contract satisfactorily.

## 26. NPS TRUST'S RIGHT TO VARY QUANTITIES AT TIME OF AWARD

26.1 The NPS Trust reserves the right at the time of award to increase or decrease the quantity of Services originally specified in

the RFP without any change in unit price or other terms and conditions.

26.2 Even though the bid invited includes (a) the price for 3 audits of the PoP, the number of audits will depend on the date of registration and de-registration of the PoP.

(b) the price for inspection of the PoP also, the assignment related to inspection will be awarded only on need basis.

## 27. NPS TRUST'S RIGHT TO ACCEPT ANY BID AND TO REJECT ANY OR ALL BIDS

27.1 The NPS Trust reserves the right to accept or reject any Bid, and to annul, in whole or in part, or to suspend the Bidding process and reject all Bids at any time and without reason prior to award, without thereby incurring any liability to the affected Bidder or Bidders.

## 28. NOTIFICATION OF AWARD

28.1 Prior to the expiration of the period of Bid Validity, the NPS Trust will notify the successful Bidder in writing, e.g. by letter or email, that its Bid has been accepted.

## 29. LETTER OF INTENT

29.1 At the same time as or after the NPS Trust notifies the successful Bidder that its Bid has been accepted, the NPS Trust will send the successful Bidder two original signed and stamped sets of the Letter of Intent.

29.2 The successful bidder will provide its acceptance on one of the set and return the same to NPS Trust.

29.3 Upon receipt by the NPS Trust of one original set of signed and stamped Letter of Intent and the furnishing of a Performance Security in form and content acceptable to the NPS Trust in accordance with Article 30 of Section I, the NPS Trust shall notify the unsuccessful Bidders.

### 30. **PERFORMANCE SECURITY**

30.1 Within seven (7) calendar days of the date of notification of award by the NPS Trust, the successful Bidder shall furnish a Performance Security in an amount, form and format as provided for in the Section II, RFP.

30.2 Failure of the successful Bidder to comply with the requirement of Article 30.1 and Article 29.2 of Section I shall constitute

sufficient grounds for the annulment of the award and forfeiture of the EMD, in which event the NPS Trust may make the award to the next lowest evaluated Bidder or call for new Bids.

### 31. **PURCHASE ORDER**

31.1 NPS TRUST will follow its Letter of Intent with a firm Purchase Order on receipt of the required Performance Security.

## Section II – IMPORTANT CLAUSES

### 1. KEY ACTIVITIES & DATES

THE VARIOUS CRUCIAL DATES RELATING TO “RFP FOR APPOINTMENT OF AUDITOR BY NPS TRUST FOR THE POP” ARE CITED AS UNDER:

(a)	Issuance of Request for Proposal (RFP)	28 March 2019
(b)	Last date and time for receiving queries from bidders	04 April 2019 till 18:00hrs
(c)	Response to queries and pre-bid meeting	11 April 2019 at 11:00 hrs  NPS Trust 4 <sup>th</sup> floor, Chhatrapati Shivaji Bhawan, B-14/A, Qutub Institutional Area, New Delhi-110 016.
(d)	Last Date and time for submission of bids	22 April 2019 at 15:00 hrs  NPS Trust 3 <sup>rd</sup> floor, Chhatrapati Shivaji Bhawan, B-14/A, Qutub Institutional Area, New Delhi-110 016.
(e)	Opening of technical bids	22 April 2019 at 15:30 hrs  NPS Trust 4 <sup>th</sup> floor, Chhatrapati Shivaji Bhawan, B-14/A, Qutub Institutional Area, New Delhi-110 016.
(f)	Opening of commercial bids of technically qualified bidders	29 April 2019 at 15:30 hrs  NPS Trust 4 <sup>th</sup> floor, Chhatrapati Shivaji Bhawan, B-14/A, Qutub Institutional Area, New Delhi-110 016.
(g)	Issue of Letter of Intent to the successful bidder	06 May 2019
(h)	Acceptance of Letter of Intent by successful firms	13 May 2019
(i)	Submission of Performance Security deposit	20 May 2019

**Note:** NPS Trust reserves the right to change any date/time or location mentioned in the schedule above under intimation to all concerned.



## 2. OTHER IMPORTANT CLAUSES

<p><b>Eligibility Conditions</b></p>	<p>Minimum Eligibility criteria:-</p> <ul style="list-style-type: none"> <li>a) The applicant firm should be a registered partnership or a limited liability partnership and should have been registered with the Institute of Chartered Accountants of India (ICAI) and practicing continuously in India for a minimum period of 10 years and engaged in conducting audit for at least a period of five years.</li> <li>b) The applicant firm should be currently empanelled as auditor with PFRDA/ RBI/ SEBI/IRDAI/NSE.</li> <li>c) The Applicant firm should have a minimum of three partners out of which, <ul style="list-style-type: none"> <li>i. Any two partners should have been in practice with an audit firm/ entity for ten years,</li> <li>ii. Any two partners should have been with the appointed audit firm for a continuous period of 5 (five) years,</li> <li>iii. Any one partner should be a Fellow member of ‘The Institute of Chartered Accountants of India’ (ICAI) and should have been in continuous practice for 5 (five) years after enrolment as FCA.</li> </ul> </li> <li>d) The applicant firm should have experience of audit of at least 5 Points of Presence (including erstwhile Aggregators) / Share Brokers/ Depository Participants/Mutual Funds/Insurance Companies.</li> <li>e) The applicant firm should not have been banned/declared ineligible on account of corrupt and fraudulent practices by the Government of India/ any State Government/PFRDA/RBI/ SEBI/IRDAI/NPS Trust/ ICAI/C&amp;AG and should not have any disciplinary proceedings pending against it or any of its partners including proceedings before PFRDA/RBI/ SEBI/IRDAI/NPS Trust/ ICAI/C&amp;AG.</li> </ul> <p>Note: The eligibility criteria have to be duly satisfied as on the date of submission of bid and not later.</p>
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<p><b>DOCUMENTS TO BE SUBMITTED WITH THE APPLICATION</b></p>	<p>Audit firms shall submit the following documents along with the application.</p> <ol style="list-style-type: none"> <li>i) Bid Submission form</li> <li>ii) Bidder's authorization form</li> <li>iii) Mandatory information in format given at S No 4 of Section III (Duly certified)</li> <li>iv) Copies of Registration Certificate issued to the firm by ICAI. (Duly certified)</li> <li>v) Copy of constitution Certificate issued by ICAI. (Duly certified)</li> <li>vi) Copy of letter issued by PFRDA/RBI/SEBI/IRDAI/NSE in relation to empanelment. (Duly certified)</li> <li>vii) Copies of certificate of experience and conduct of audit assignment etc., in relation to similar assignment performed elsewhere, if any. (Duly certified)</li> <li>viii) Self declaration (S No 5 of Section III )</li> <li>ix) Self- Attested copy of Telephone bill/ Electricity Bill /Registered Lease Deed/ the Constitution certificate issued by ICAI to the firm supporting the address of the firm.</li> </ol>
<p><b>Earnest Money Deposit</b></p>	<p>The Earnest Money Deposit (EMD) is required: <b>Yes</b></p> <p>Amount of EMD: Rs. 10,000/- (Rs. Ten Thousand only) per group by electronic transfer to the following bank account:</p> <p>Beneficiary name – NPS Trust  Bank Name - Yes Bank  Bank Address - D-12, South Extension Part II, New Delhi-110 049  Bank Account no- 001694600000949  Bank IFSC - YESB0000016</p> <p>failing which the tender shall be rejected summarily</p> <p>The EMD amount of Rs. 10,000/- is per group. For example: If an audit firm is submitting bid for two groups, the amount of EMD will be Rs. 20,000/-.</p> <p>The following details of EMD needs to be given in an envelope which needs to be</p> <ol style="list-style-type: none"> <li>(a) Addressed to Deputy General Manager, NPS Trust, New Delhi</li> <li>(b) Duly superscribed as Envelope 1 – EMD</li> <li>(c) Carrying the name of the bidding organization</li> </ol> <p>Details of EMD of Rs. 10,000/- (Rupees Ten Thousand only) sent by online transfer in bank account details given above to be submitted in the following format:</p>

	Transaction Reference Number	Date of transfer	Sender Bank name & branch
	<p>The Bidders also need to provide bank account details so that NPS Trust, in case of unsuccessful bidders, can return EMD through online transfer:</p>		
	Beneficiary name		
	Bank name		
	Bank's branch and address		
	Account number		
	Account type		
	IFSC		
<b>Performance Security Deposit</b>	<p>The Performance Security is required: Yes</p> <p>The successful bidder will have to deposit a Performance Security Deposit equivalent to 10% of the contract value (including GST) awarded to the particular audit firm. The Performance Security Deposit is required to be submitted to NPS Trust in the form of Bank Guarantee/Fixed Deposit Receipt from any commercial Bank drawn in favour of <b>National Pension System Trust, New Delhi</b> having validity till 31 December 2020. In case, the contract is further extended beyond the initial period, the Bank Guarantee/ Fixed Deposit Receipt will have to be accordingly renewed by the successful bidder at its own cost.</p>		
<b>Mode of selection</b>	<p>Those Bidders who satisfy the minimum eligibility criteria will be technically qualified and their commercial bids will be opened on the date and time specified in Section II.</p>		
<b>Number of copies of bids</b>	<p>Bidders are required to submit bids in original only and no copies are required. Further, bidders are required to submit technical bids only once even if they are bidding for multiple groups. Commercial Bids, however, will be submitted separately for each group of PoPs. Separate Commercial bid for each group may be placed together in envelope III.</p>		

## Section III – TECHNICAL BID FORMS

**Note to Bidders:** It is mandatory that the Bidder duly completes and signs the Bid Submission Form and other forms contained in this Section.

### 1. DOCUMENTS TO BE SUBMITTED WITH THE APPLICATION

Audit firms shall submit the following documents along with the application.

- i) Bid Submission form
- ii) Bidder's authorization form
- iii) Mandatory information in format given at S No 4 of Section III (Duly certified)
- iv) Copies of Registration Certificate issued to the firm by ICAI. (Duly certified)
- v) Copy of constitution Certificate issued by ICAI. (Duly certified)
- vi) Copy of letter issued by PFRDA/RBI/SEBI/IRDAI/NSE in relation to empanelment. (Duly certified)
- vii) Copies of certificate of experience and conduct of audit assignment etc., in relation to similar assignment performed elsewhere, if any. (Duly certified)
- viii) Self declaration (S No 5 of Section III )
- ix) Self- Attested copy of Telephone bill/ Electricity Bill /Registered Lease Deed/ the Constitution certificate issued by ICAI to the firm supporting the address of the firm.

## 2. BID SUBMISSION FORM

Date [Bidder to insert date]

To: National Pension System Trust  
3rd Floor, Chhatrapati Shivaji Bhawan  
B-14/A, Qutub Institutional Area,  
New Delhi – 110 016

Having examined the Tender No. **NPS TRUST/POPS/2018-19/001** and any addenda thereof, the review of which is hereby duly acknowledged, we, the undersigned, offer to deliver services related to 'RISK BASED AUDIT AND INSPECTION of POINTS OF PRESENCE (POPs) UNDER NATIONAL PENSION SYSTEM for the financial years **2017-18, 2018-19 & 2019-20**, in conformity with the RFP for the price(s) quoted in the Commercial Bid Form in a separate sealed envelope and made part of this Bid.

Please find enclosed the bid for consideration of our firm for conducting the risk based audit and inspection of PoPs under National Pension System for the FY 2017-18, 2018-19 and 2019-20 for Group \_\_\_\_\_ of PoPs serving\_\_\_\_\_.

We agree to abide by this Bid for the Bid Validity Period specified in the RFP, and it shall remain binding upon us and may be accepted at any time before the expiration of that period.

We accept and agree that the terms and conditions of Contract contained in the RFP will apply to any contract resulting from this bidding exercise.

We understand that you are not bound to accept the lowest or any Bid that you may receive.

We confirm that the information contained in this bid or any part thereof, including its exhibits, schedules and other documents and instruments delivered or to be delivered to the NPS Trust is true, accurate and complete. This bid includes all information necessary to ensure that the statements therein do not in whole or in part mislead NPS Trust as to any material fact.

We certify and confirm that we comply with the eligibility requirements stated in Article 2 of Section I of the RFP.

Yours sincerely,

Authorized Signature:

Name and Title of Signatory:

Name of Firm:

Address:

Date:

**3. BIDDER’S AUTHORIZATION FORM**

**Note to Bidders:** This letter of authorization should be on the original letterhead of the Bidder and should be signed by a person with the proper authority to sign documents that are binding on the Bidder.

To: The NPS Trust

WHEREAS \_\_\_\_\_ [name of the firm]  
which is an established and reputable Chartered Accountant firm having offices at:

\_\_\_\_\_

\_\_\_\_\_ [cities of presence] do hereby authorize

\_\_\_\_\_ [name, designation and address of the firm’s  
officer] to submit a Bid, and subsequently negotiate and sign the Contract with you against the Tender  
No. **NPS TRUST/POPS/2018-19/001** for the contracted Services.

\_\_\_\_\_  
[SIGNATURE FOR AND ON BEHALF OF BIDDER]

**Name:**

**Date:**

**Seal:**

**4. MANDATORY INFORMATION TO BE SUBMITTED ON THE LETTER HEAD OF THE FIRM. THE SAME MUST BE DULY SIGNED BY THE AUTHORIZED SIGNATORY**

Sr.No.	Particulars	Details						
1.	Name of the Audit Firm							
2.	Address of Head Office							
	Number of Branch Offices							
3.	Constitution							
4.	Date of Establishment							
5.	Registration Number of the firm with ICAI							
	Total years of practicing continuously in India by the firm after registration with ICAI							
	Total years of experience of the firm in conducting audit							
6.	Details of empanelment with PFRDA/ RBI/SEBI/ IRDAI/ NSE							
7.	Whether your firm had or is presently having any kind of professional/business association directly with NPS Trust/PFRDA/intermediary under NPS, which is likely to result in conflict with the proposed assignment under this RFP?							
8.	Manpower (Nos)							
	A) Qualified Professionals:							
	(i) Partners/ Designated Partner(s) _of LLP____							
	(ii) Others _____							
	B) Articles:_____							
	C) Partner/ Staff with DISA/ CISA qualification							
9.	Brief profile of partners in the following manner)							
	Name/ Qualification	ICAI Membership/Date of Certificate of Practice	Number of years of experience in conducting audit	Number of years since joining the current firm	Whether DISA/ CISA	Whether FCA or ACA	Date of acquiring FCA designation	Mobile No.
10.	Past Experience of Concurrent / Internal/ Statutory Audit of Share Brokers/depository participants/Mutual Funds/insurance Companies							
	Name of the Share Brokers/depository participants/Mutual Funds/Insurance Companies	Nature of Assignment (Statutory/ Concurrent/Internal/Inspection)			Year of Assignment	No. of Staff Deployed		

**5. SELF- DECLARATION**

(to be furnished on the letter head of the firm)

The Chief Executive officer  
National Pension System Trust  
3<sup>rd</sup> floor, Chhatrapati Shivaji Bhawan  
B-14/A, Qutub Institutional Area,  
New Delhi-110 016

Dear Sir,

**SUBJECT: APPLICATION FOR APPOINTMENT OF EXTERNAL AUDITOR BY NPS Trust  
FOR F.Y. 2017-18, 2018-19 and 2019-20**

We hereby declare that our firm does not have any pecuniary liability or any claim/disciplinary/legal proceeding(s) pending against us/ our partners or any other cause which could hamper our ability to render the services as envisaged. We also declare that our firm has not been banned / declared ineligible for corrupt and fraudulent practices by the Government of India / any State Government / PFRDA/ RBI / SEBI/ IRDAI/ NPS Trust/ ICAI/C&AG and does not have any disciplinary proceedings pending against it or any of its partners by PFRDA/ RBI/ SEBI/ IRDAI/ NPS Trust/ ICAI/C&AG. If the aforesaid representation /declaration or information is found to be incorrect, we agree that the NPS Trust shall be entitled to terminate the agreement, if executed, or initiate suitable action as deemed fit and appropriate by the NPS Trust, without reference to us. We or our affiliates have, during the last three years, neither failed to perform any agreement, as evidenced by imposition of a penalty by an arbitral award or a judicial pronouncement against us or our Affiliates, nor have been expelled from any project or agreement nor had any agreement terminated for breach by us or our affiliates.

Date:

Signature of Authorised Person

Place:

Name :

Designation with Stamp:



## 6. TECHNICAL SPECIFICATIONS AND SCHEDULE OF REQUIREMENTS (PART OF TECHNICAL BID) –

### 6.1 TECHNICAL AND GENERAL SPECIFICATIONS:

There are following groups of Points of Presence:

- (a) five (5) different Groups of Point of Presence (POPs) catering to NPS – (i) Distribution and servicing for public at large through physical as well as online platforms,
  - (ii) Distribution and servicing for citizens at large through online platforms only
  - (iii) Distribution and servicing only for own employees and other personnel either through physical or online platforms.
- (a) Five (5) different Groups of Point of Presence (POPs) catering to NPS Lite Swavalamban scheme (erstwhile Aggregators under NPS architecture)

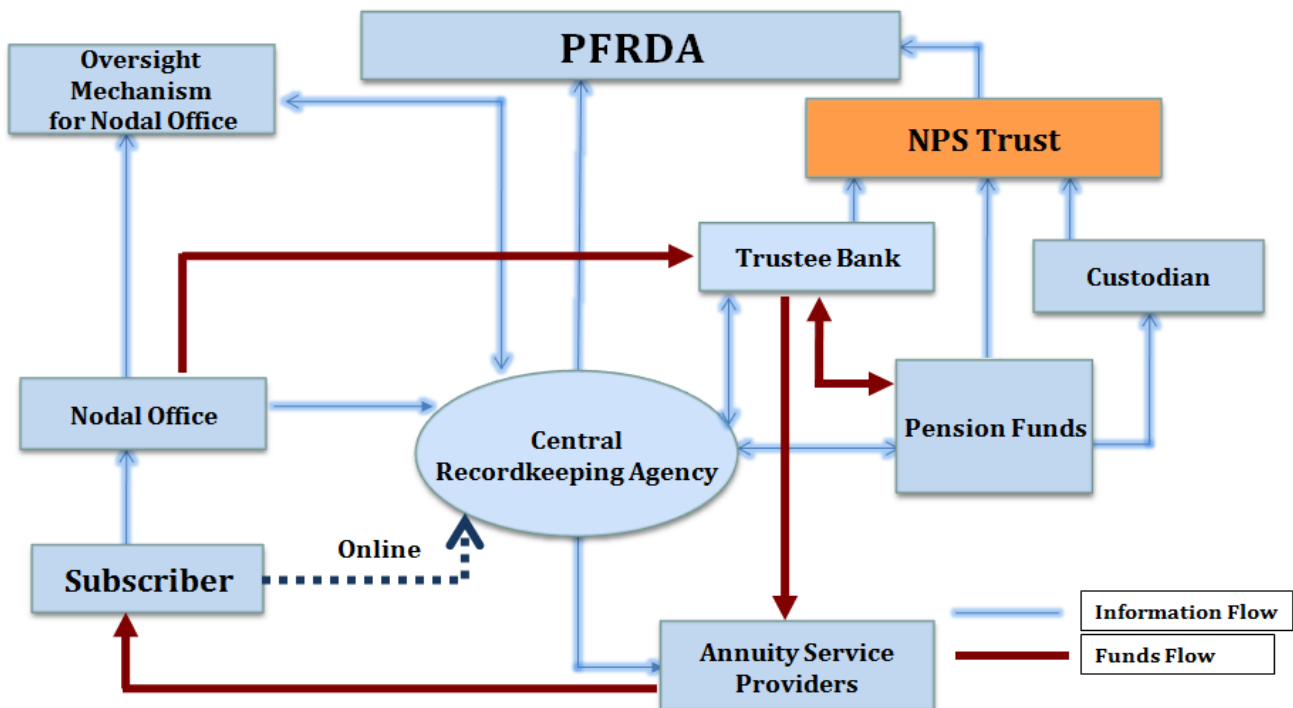
The above groups have been created according to the locations/Regions where the Head office of the POPs are located for the purpose of inspection/audit. The details of the Groups are mentioned under Section VI Annexure III for FY 2017-18 and 2018-19. The bidder can bid for one or more than one Group. The name of the Group, the bidder's name and address should be provided on the right hand side of the main sealed bid. The Groups of POPs for remaining period of FY 2018-19 and FY 2019-20 will undergo change as registration of new entities and de-registration of existing entities may take place during the tenure of the contract. Additions/ deletions in the groups of PoPs will be advised subsequently by NPS Trust.

### Background:

#### NATIONAL PENSION SYSTEM (NPS)

National Pension System (NPS) earlier known as New Pension Scheme (NPS) was launched with effect from 01 January 2004 and in the initial phase covered the new entrants to the Central Government services (excluding Defence Forces). NPS is now applicable on employees of majority of State Governments, Central Autonomous bodies and some State Autonomous bodies. NPS was extended to all other citizens of India from 1 May 2009 on voluntary basis and has also been made available to the corporates.

#### DIAGRAMMATIC REPRESENTATION OF PRESENT NPS ARCHITECTURE



### **NATIONAL PENSION SYSTEM TRUST (NPST)**

National Pension System Trust (NPST) was established by PFRDA as per the provisions of the Indian Trusts Act of 1882 for taking care of the assets and funds under the NPS in the best interest of the subscribers. The powers, functions and duties of NPS Trust are laid down under the PFRDA (National Pension System Trust) Regulations 2015, besides the provisions of the Trust deed dated 27 February 2008. NPS Trust is the registered owner of all assets under the NPS architecture which is held for the benefit of the subscribers under NPS. The securities are purchased by Pension Funds on behalf of, and in the name of the NPS Trust, however individual NPS subscriber remains beneficial owner of the securities, assets and funds. NPS Trust, under the NPS Trust regulations, is responsible for monitoring the operational and functional activities of NPS intermediaries' viz. Custodian, Pension Funds (PFs), Trustee Bank, Central Recordkeeping Agency, Points of Presence and that of IRDAI registered Annuity Service Providers (empanelled with PFRDA) and also for providing directions/advisories to PF(s) and other intermediaries for protecting the interest of subscribers, ensuring compliance through audit by Independent Auditors, performance review of Pension Funds etc.

The NPS Trust with its Head Office located at 3rd Floor, Chhatrapati Shivaji Bhawan, B-14/A, Qutub Institutional Area, New Delhi-110 016, seeks to appoint Chartered Accountant firms as External Auditors for risk based audit and inspection of Points of Presence (POPs) for FY 2017-18, 2018-19 & FY 2019-20.

### **PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY (PFRDA)**

Pension Fund Regulatory and Development Authority (PFRDA) was initially established as an interim regulator for NPS vide Government of India notification dated 10 October 2003 and subsequently with the passage of the PFRDA Act 2013 and its notification on 1 February 2014, PFRDA has been established as the statutory Authority for regulating and developing the pension sector in India.

PFRDA is responsible for registration of various intermediaries in the system such as Central Record Keeping Agencies (CRAs), Pension Funds (PFs), Custodians, Trustee Bank, etc. PFRDA has a significant role to play in safeguarding the interest of the subscribers. It regulates the manner in which each intermediary functions under the NPS architecture so as to ensure fair play for subscribers. It also ensures that all stakeholders/ intermediaries comply with the PFRDA Act/ Guidelines/ Regulations/ Circulars issued by PFRDA from time to time.

### **CENTRAL RECORDKEEPING AGENCY (CRA)**

It is an agency appointed by PFRDA to perform the functions of recordkeeping, accounting and administration for subscribers. The recordkeeping, accounting and administration functions for all subscribers of the National Pension System are centralized and performed by the CRA. The CRA is responsible for receiving instructions from Nodal Offices/PoPs and subscribers etc. through CRA web system, transmitting such instructions to the appointed Trustee Bank and Pension Fund to act accordingly. The CRA monitors subscriber contributions and instructions and transmits information to the Trustee Bank and relevant Pension Fund on a regular basis. The CRA provides periodic, consolidated PRAN statements to each subscriber and has hosted the eNPS online platform on behalf of NPS Trust.

### **TRUSTEE BANK**

The Trustee Bank is appointed by PFRDA for providing banking services to the NPS architecture. The Trustee Bank receives funds from various nodal offices/PoPs, reconciles the funds received with the subscriber details provided by CRA, transfers funds to PFs and Annuity Service Providers based on instruction given by the CRA.

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

(a) Pension Funds (PFs) are appointed/registered by PFRDA to manage the pension contributions of all subscribers under NPS through various schemes mandated by PFRDA. Subscribers have the option to select the PFs and allocate their contributions in one or more schemes of the PFs. The PFs are responsible for investment of NPS contributions in different asset classes. The terms and conditions of registration for PFs and their duties and functions are contained under regulation 12 and 22 respectively of the PFRDA (Pension Fund) Regulations, 2015.

(b) On a broader perspective, PFs are required to undertake the investment management of the schemes and make investment management decisions within the scheme objectives as per the investment guidelines and instructions specified by PFRDA. PFs are required to optimize the return on the investments of the funds of the subscribers deployed by it and exercise all due diligence in carrying out its duties and in protecting the rights and interests of the subscribers.

### **POINT OF PRESENCE (POP)**

POP is the first point of interaction between the subscriber and the NPS architecture. Point of Presence (POP) performs the functions relating to registration of subscribers, undertaking Know Your Customer (KYC) verification, receiving contributions and instructions from subscribers and transmission of the same in the NPS architecture. PoP(s) and their authorized branches (PoP-SPs) shall also be required to comply with the provisions of the Prevention of Money Laundering (PML) Act, 2002 and the rules framed thereunder, as may be applicable from time to time.

Points of Presence have been appointed under PFRDA (Point of Presence) Regulations, 2018 or PFRDA (Point of Presence) Regulations, 2015 or PFRDA (Aggregator) Regulations, 2015 for performing any one or more of the following activities:

- i. National Pension System (NPS) – Distribution and servicing for public at large through physical as well as online platforms
- ii. National Pension System (NPS) – Distribution and servicing for citizens at large through online platforms only
- iii. National Pension System (NPS) – Distribution and servicing only for own employees and other personnel either through physical or online platforms.
- iv. NPS- Lite - Swavalamban scheme.
- v. Atal Pension Yojana.
- vi. Any other scheme regulated or administered by Authority.

After notification of PFRDA (Point of Presence) Regulations, 2018 on 25 June 2018, the term Point of Presence will encompass erstwhile Points of Presence servicing NPS - All Citizens model and Corporate model & registered under PFRDA (Point of Presence) Regulation, 2015 and Aggregators serving NPS Lite subscribers & registered under PFRDA (Aggregator) Regulations, 2015.

More information on NPS architecture is available on the website of NPS Trust ([www.npstrust.org.in](http://www.npstrust.org.in)).

## 6.2 Scope of work:

The contract is essentially for providing services as mentioned in the table below:

S. No.	Brief Description of Services
	<p>The selected firm would broadly have the scope of work related to the following categories of POPs as under:</p> <ul style="list-style-type: none"> <li>(a) National Pension System (NPS) – i) Distribution and servicing for public at large through physical as well as online platforms, (ii) Distribution and servicing for citizens at large through online platforms only, and (iii) Distribution and servicing only for own employees and other personnel either through physical or online platforms.</li> <li>(b) NPS- Lite - Swavalamban scheme (erstwhile Aggregators under NPS architecture)</li> </ul> <p>The scope of work will include the following</p> <ol style="list-style-type: none"> <li>1. <b>Risk based Audit of POPs for FY 2017-18, 2018-19 &amp; 2019-20 (number of audits will depend on the date of registration &amp; de-registration of the PoP)</b></li> <li>2. <b>Inspection or any other allied activity- as and when required on need basis</b></li> <li>3. <b>Any other allied activity may also include audit or inspection of any PoP for a FY prior to 2017-18 depending on the requirements. The PoP may also include PoP other than those mentioned in the list given in RFP document.</b></li> </ol> <p>The above will be on the basis of Regulations and Operational Guidelines issued by PFRDA which includes PFRDA (PoP) Regulations, 2018, PFRDA (PoP) Regulations, 2015 and PFRDA (Aggregator) Regulations, 2015 and Operational Guidelines issued for PoPs and Aggregators from 2015 onwards. The Operational Guidelines are subject to changes introduced by PFRDA.</p>
6.2a	<p><b>Risk based Audit of POPs for FY 2017-18, 2018-19 &amp; 2019-20 (number of audits will depend on the date of registration of PoP)</b></p> <ul style="list-style-type: none"> <li>i. NPS subscriber Service Request management and risk management systems.</li> <li>ii. Subscriber registration under NPS and documentation/Anti Money Laundering Compliance by the POPs.</li> <li>iii. Subscriber Contribution File (SCF) and Funds Upload by the POPs.</li> <li>iv. Collection and transmission of initial contribution and subsequent contribution to the Trustee Bank.</li> <li>v. Adherence with the timeframe laid down under the service standard or as per the guidelines issued by PFRDA.</li> <li>vi. Identification of Collection Account for NPS contributions.</li> <li>vii. Details of collection account as per the nomenclature prescribed by PFRDA.</li> <li>viii. Calculation of compensation as per laid down Regulations and</li> </ul>

	<p>Operational Guidelines in case of deviations observed and to be reported to NPS Trust</p> <ol style="list-style-type: none"> <li>ix. Receiving and processing switching requests from subscribers among schemes and among pension fund.</li> <li>x. Uploading all requests from subscribers into the CRA within the timelines.</li> <li>xi. Delivering the subscriber registration form and supporting documents to the Central Recordkeeping Agency.</li> <li>xii. Receiving and processing subscriber withdrawal request within timelines laid down.</li> <li>xiii. Responsible for attending subscriber's request for shift from one POP to another POP.</li> <li>xiv. Transfer of data or records or documents or money to any other POP in the event of cancellation or suspension of registration.</li> <li>xv. Charges collected by the POPs to the limits, mode and manner of collection as laid down by PFRDA.</li> <li>xvi. Banking and NPS Lite account operations.</li> <li>xvii. Subscriber grievance handling by the POPs.</li> <li>xviii. Maintenance of Books of Accounts by the POPs.</li> <li>xix. Verification of MIS/ Compliance/ Audit reports submitted by POPs.</li> <li>xx. Any other activity in relation to the above</li> </ol> <p><b>Other parameters:</b></p> <ol style="list-style-type: none"> <li>i. Net worth of the PoP for each FY from beginning</li> <li>ii. Turn over pertaining to NPS and other businesses (both in terms of volume and value)</li> <li>iii. Ownership structure of the PoP and change thereof, if any, along with names and shareholding of owners/ directors</li> <li>iv. Key personnel and other staff members including CEO, Compliance officer, Company Secretary, etc.</li> <li>v. Conflict of interest with other intermediaries or for the services provided under NPS, if any</li> <li>vi. Number of transaction related to NPS (FY wise)</li> <li>vii. Separation of accounts pertaining to pension schemes from other businesses</li> <li>viii. Technological capabilities       <ol style="list-style-type: none"> <li>ix. Infrastructure capabilities &amp; requirements</li> <li>x. Necessary systems and procedures</li> <li>xi. Processes adopted for NPS related activities</li> <li>xii. Redressal of subscribers grievances</li> <li>xiii. Appointment and discharge of responsibilities of Compliance Officer</li> <li>xiv. Maintenance of books of accounts, records including electronic records and documents</li> <li>xv. Adequate internal control systems, procedures and safeguards</li> <li>xvi. Compliance with the circulars/ guidelines/ notifications issued by PFRDA and/ or any other Statutes</li> <li>xvii. Quality and timeliness of reporting</li> <li>xviii Inquiring into the complaints received from subscribers, nodal offices, intermediaries or any other person</li> <li>xix SWOT analysis of the PoP with reference to its role as NPS PoP</li> <li>xx Verification of the Utilisation certificates submitted by APY-SPs in accordance with the guidelines of PFRDA</li> </ol> </li> </ol>
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	<p>The applicants may refer to PFRDA (Point of Presence) Regulations, 2018, Guidelines for Operational Activities to be followed by POPs in accordance with PFRDA (Point of Presence) Regulations, 2015 and Guidelines for Operational Activities to be followed by Aggregators in accordance with PFRDA (Aggregator) Regulations, 2015, available on the website <a href="http://www.pfrda.org.in">www.pfrda.org.in</a> for more information.</p> <p>Note: The scope as specified above is only indicative and not exhaustive.</p>
6.2b	<p><b>The scope for risk based inspection of PoPs and any other work will encompass all or any of the activities assigned to PoPs under NPS architecture and will be assigned to the audit firms on need basis only.</b></p> <p>**Charges for the inspection and any other work to be mentioned on per manday basis for one POP ( in the Commercial Bid Form only).</p>

#### 7. OTHER TERMS AND CONDITIONS:

	<b>Description</b>
7.1	<p><b>Delivery terms:</b></p> <p>Service # 1 – – Risk based Audit of PoP - within 3 months of the end of the FY.</p> <p>Service # 2 – Risk based Inspection of PoP -within 15 days from as and when advised by NPS Trust.</p>
7.2	<p><b>Payment terms:</b></p> <p>All invoices shall be in original and shall contain the description, units and total price(s) of the Services delivered. The currency of invoice and payment shall be INR. A separate invoice shall be submitted for each group of PoPs.</p>
7.3	<p><b>Penalties:</b></p> <p>If, in accordance with clause 15 of Section V, the NPS Trust imposes penalties on the Firm, such penalties shall amount to zero point five percent (0.5%) of the price applicable to the delayed service, for each Day following the initial Due Date specified in the Purchase Order but shall not amount to more than one hundred percent (100%) of the total price. The penalties for the delay may be deducted by NPS Trust from any sum(s) due, or to become due, by the NPS Trust to the Firm.</p>

Signature with date and Seal of Bidder: \_\_\_\_\_

## SECTION IV - COMMERCIAL BID FORM

**(NOTE TO BIDDERS: TO BE SUBMITTED IN A SEPARATE SEALED ENVELOPE CLEARLY MARKED 'COMMERCIAL BID'. PLEASE REFER TO ARTICLE 10 OF SECTION I OF RFP FOR MORE DETAILS)**

For the purpose of calculation of bid price for a particular Group by a bidder, the sum total of price for three risk based audits of a PoP, and price for risk based inspection of 8 mandays of a PoP will be taken into consideration. The sum total will be considered as bid per PoP for a particular group and will be applicable for all PoPs of the particular group for which the audit firm has submitted the bid. The audit firm with the lowest bid per PoP for a particular group will be considered for that particular group.

In other words; bid price,  $P = 3PA + 8PI$

Where PA = price of carrying out single risk based annual audit

PI = price per manday for carrying out risk based inspection

### Commercial Bid

Group for which bid submitted	
-------------------------------	--

S.No. (A)	Particulars (B)	Price (in Rs.) (C)	Quantity (D)	Amount (in Rs.) (E) = (C)*(D)
1	(a) Price for risk based annual audit of one PoP, PA		3	
	(b) Price per manday for risk based inspection of one PoP, PI		8	
	Total price per PoP for the group			

Date  
Place:

Signature of Authorised Person

Name:  
Designation along with Stamp

Notes:

A Group is defined as a cluster of PoPs in particular region/s of the country depending on the main office handling NPS related work. But audit and inspection may also include travelling and visiting offices located at other places/ cities also. There are separate groups for (a) PoPs servicing public and/ or employees and (b) PoPs servicing NPS Lite subscribers.

Including all kinds of charges, taxes, duties, levies, other statutory obligations, surcharge etc. but excluding GST. Only one unit price / rate should be indicated for a particular service i.e. no variation in unit price / rate from one year to another shall be accepted.

NPS Trust would not be providing or reimbursing any expenditure towards accommodation, local conveyance, air fare or train fare, halting expense, lodging, boarding etc. in connection with carrying out the assignment.

Signature with date and Seal of Bidder: \_\_\_\_\_

## **Section V – COMMERCIAL TERMS AND CONDITIONS**

### **1. DEFINITIONS**

1.1 These Commercial Terms and Conditions shall constitute the General Conditions of Contract, where no separate contract is signed with the selected Bidder(s), and, the Bidders by putting their signature and stamp on each page of this Section V are binding themselves to these Terms and Conditions. In the Commercial Terms and Conditions as defined below, words and expressions shall have the following meanings assigned to them:

- (a) “Contract” means the agreement of the Parties relating to the procurement of Services and / or the National Pension System Trust (NPST) Purchase Order, and all attachments incorporated by reference, which shall form an integral part of the Contract. In the event of any discrepancy, the documents to prevail shall be given precedence in the following order: (i) the Contract (where separately signed), (ii) the NPST Purchase Order, (iii) its attachments, and (iv) these Commercial Terms and Conditions;
- (b) “Firm” means the person or entity named in the Purchase Order issued by the NPS Trust;
- (c) “Day” means any calendar day;
- (d) "Due Date" means the latest possible date by which the Services shall be delivered by the Firm to the NPS Trust, as specified in the NPS Trust Purchase Order;
- (e) “Force Majeure” shall mean any unforeseeable exceptional situation or event beyond the Parties’ control which prevents either of them from fulfilling any of their obligations under the Contract, was not attributable to error or negligence on their part (or of their partners, firms, agents or employees), and could not have been avoided by the exercise of due diligence. Defects / deficiencies in services or delays in making them available, labour disputes, strikes or financial problems cannot be invoked as Force Majeure by the defaulting Party. Neither of the Parties shall be held liable for breach of its obligations under the Contract if it is prevented from fulfilling them by Force Majeure. The Party invoking Force Majeure shall notify the other without delay, stating the nature, likely duration and foreseeable effect, and take any measure to minimise possible damage;
- (f) “Services” means all of the Services to be provided to the NPS Trust by the Firm under the Contract;
- (g) “NPS Trust” means National Pension System Trust, New Delhi;
- (h) “Party” means the NPS Trust or the Firm and “Parties” means the NPS Trust and the Firm; and
- (i) “Place(s) of Service” means the location(s) or place(s) where the Services are to be provided, as specified in the NPS Trust Purchase Order.
- (j) “NPS Trust Purchase Order” means NPST’s official Purchase Order document

### **2. CONCLUSION OF THE CONTRACT**

2.1 The Contract is made between the NPS Trust and the Firm. The Firm is engaged as an independent firm for the sole purpose of delivering the Services.

2.2 The Contract shall be concluded upon the Firm duly following the countersigning procedure as stated in the NPS Trust Letter of Intent.

Signature with date and Seal of Bidder: \_\_\_\_\_



### **3. FUNDING**

3.1 This Contract shall become and remain effective only on the condition that an official Purchase Order is issued by NPS Trust following the conclusion of tender exercise. Any continuation of the Firm's performance under this Contract after being notified by the NPS Trust shall be at the Firm's risk and expense.

### **4. DELIVERY AND TAKE-OVER OF SERVICES**

4.1 The Firm shall provide the Services to NPS Trust. Take-over of the Services by the NPS Trust shall not be deemed acceptance of the Services by the NPS Trust. The timelines of delivery as specified in the Contract/ Purchase Order shall be strictly adhered to, and time shall be of the essence.

### **5. QUALITY OF SERVICES**

5.1 The Firm shall provide Services that are:

- a) of the quality, quantity and description as required by the Contract / Purchase Order; and
- b) free from any right or claim of a third party, including rights based on industrial property or other intellectual property.

### **6. INSPECTION AND ACCEPTANCE**

6.1 The duly authorised representative(s) of the NPS Trust shall have the right, before payment, to inspect the Services received. The Firm shall provide all facilities for such inspection. Any inspection carried out by representative(s) of the NPS Trust or any waiver thereof shall be without prejudice to other provisions of the Contract concerning obligations assumed by the Firm, including specifications of the Services.

6.2 Upon delivery and inspection of the Services, the NPST shall inspect the Services as soon as possible and complete the Services Receiving Document. Should any Services fail to conform to the technical specifications, codes and standards under the Contract, the NPST may reject the Services. The Firm shall, at no cost to the NPST, replace the rejected Services or, alternatively, rectify the non-conformity.

6.3 In the case of Services ordered on the basis of specifications, the NPS Trust shall have the right to reject the Services or any part thereof and terminate the Contract if the Services do not conform to the specifications. Nothing in this clause shall in any way release the Firm from any warranty or other obligations under the Contract.

### **7. INSURANCE**

7.1 The Firm will arrange, at its own cost, any and all insurance required for meeting its obligations under this contract.

### **8. OBSERVANCE OF LAW AND LICENCES**

8.1 The Firm shall comply with all laws, ordinance, rules and regulations bearing upon the performance of its obligations under the terms of the Contract. If any licence or any other

Signature with date and Seal of Bidder: \_\_\_\_\_

governmental authorisation is required for the Services, it shall be the obligation of the Firm to obtain such licence or governmental authorisation. In the event of the Firm's failure to obtain such licence or authorisation within a reasonable time, the NPS Trust may immediately terminate the Contract. Where the award procedure or execution of the Contract is vitiated by substantial errors or irregularities or by fraud, the NPS Trust shall suspend execution of the Contract.

Where such errors, irregularities or fraud are attributable to the Firm, the NPS Trust may also refuse to make payments or may recover monies already paid, in proportion to the seriousness of the errors, irregularities or fraud. The purpose of suspending the Contract shall be to verify whether presumed substantial errors and irregularities or fraud have actually occurred. If they are not confirmed, execution of the Contract shall resume as soon as possible. A substantial error or irregularity shall be any infringement of a contract or regulatory provision of India, resulting from an act or an omission that causes or might cause a financial loss.

## **9. PRICE**

9.1 The price of the Services shall be as stated by the firm and accepted in Letter of Intent and may not be increased.

## **10. PAYMENT**

10.1 All invoices shall be in original. The currency of invoice and payment shall be INR. Unless otherwise authorised by the NPS Trust, a separate invoice shall be submitted for each group allocated under the Contract.

10.2 The NPS Trust shall not pay any charge for late payments.

## **11. TAX EXEMPTION**

11.1 The Firm's price shall reflect any tax exemption to which the NPS Trust is entitled. If it is subsequently determined that any taxes that have been included in the price are not required to be paid or if, having been paid, any such taxes are subject to refunding, the NPS Trust shall deduct the amount from the Contract price. Payment of such adjusted amount shall constitute full payment by the NPS Trust.

## **12. WARRANTY**

12.1 The Firm warrants that the Services furnished under the Contract shall conform to the technical specifications, description and standards specified in the Contract, and shall be free from any deficiencies.

12.2 The Firm shall continue to remain responsible for the accuracy and quality of the Services provided.

12.3 Should any portion of the Services, at any time, not comply with clause 5.1 herein or otherwise prove to be deficient, the Firm shall, upon written notification from the NPS Trust, render the services again as per laid down standards and bear all associated costs.

Signature with date and Seal of Bidder: \_\_\_\_\_

### **13. DELIVERY OF SERVICES**

13.1 The Services shall be provided in a proper manner and in accordance with the Contract and any statutory requirements and any requirements of the law, Government of India (GOI) and the Comptroller and Auditor General (CAG) of India.

### **14. DEFAULT AND DAMAGES**

14.1 If due to reasons attributable to the Firm, the Firm fails or refuses to:

- (a) provide any or all of the Services under the Letter of Intent;
  - (b) comply with any or all of the terms and conditions set out in the Letter of Intent; or
  - (c) provide any or all of the Services under the Letter of Intent on or before the Due Date;
- the NPS Trust may hold the Firm in default under the Letter of Intent.

14.2 When the Firm is thus in default, the NPS Trust may, by written notice to the Firm, immediately terminate the Contract in whole or in such part or parts thereof in respect of which the Firm is in default.

14.3 Alternatively to clause 14 above when the Firm is thus in default, the NPS Trust may, at its own discretion, set a reasonable period of time for the Firm to remedy its default. Any new Due Date shall be specified in a written amendment to the Purchase Order, duly countersigned by the Firm.

14.4 The NPS Trust may, at its discretion, impose penalties upon the Firm calculated in accordance with clause 15 for each Day the Firm is late in delivering the Services past the Due Date initially specified in the Contract.

14.5 If the Firm does not remedy its default within the period of time accorded under clause 16, the NPS Trust may, by written notice to the Firm, terminate the Contract with immediate effect.

14.6 Upon any termination of the Contract, in whole or such part(s) thereof in respect of which the Firm is in default, the NPS Trust may engage another firm to deliver the Services and recover any difference in price and any additional costs from the Firm.

14.7 The Firm shall indemnify the NPS Trust for all losses, charges, costs and expenses, which the NPS Trust may suffer or incur as a result the Firm's default, including those resulting from engaging another firm pursuant to this clause 14.

### **15. PENALTIES**

15.1 If, in accordance with clause 14, the NPS Trust imposes penalties on the Firm, such penalties shall amount to zero point five percent (0.5%) of the price mentioned in Letter of Intent applicable to the delayed service, for each Day following the initial Due Date specified in the Purchase Order but shall not amount to more than one hundred percent (100%) of the total Purchase Order value. The penalties for the delay may be deducted by NPS Trust from any sum(s) due, or to become due, by the NPS Trust to the Firm.

### **16. DELAY NOT ATTRIBUTABLE TO THE FIRM**

16.1 If the Firm is delayed at any time in the delivery of the Services or fulfilment of any other of the Firm's obligations by any act or omission of the NPS Trust, or by any of its officials,

Signature with date and Seal of Bidder: \_\_\_\_\_

or any causes beyond the Firm's reasonable control, or by any other cause, which the NPS Trust determines may reasonably justify the delay, the Due Date of the Services, or fulfilment of any other of the Firm's applicable obligations shall be extended for such reasonable period of time as the NPS Trust and the Firm mutually determine. The set reasonable period of time and any amended delivery date shall be specified in a written amendment to the Contract, duly countersigned by the Firm.

## **17. FORCE MAJEURE**

17.1 As soon as possible after the occurrence of any event constituting Force Majeure, but no later than three (3) Days, the Firm shall give notice and full particulars in writing to the NPS Trust of the Force Majeure. If the Firm is thereby rendered unable, wholly or in part, to meet its obligations under the Contract, the NPS Trust may terminate the Contract with immediate effect by providing written notice to the Firm.

## **18 INDEMNITY**

18.1 The Firm shall indemnify, hold and save harmless and defend at its own expense the NPS Trust, and all of the foregoing's officials, agents, servants and employees from and against all suits, claims, demands and liability of any nature or kind, including costs and expenses, arising out of acts or omissions of the Firm or its employees, agents or subfirms in the performance of the Contract.

18.2 Clause 18 shall include, without limitation, claims and liabilities in the nature of workmen's compensation and claims and liabilities arising out of the use of patented inventions or devices.

## **19. ASSIGNMENT**

19.1 The Firm shall not assign, transfer, pledge or make other disposition of the Purchase Order or any part thereof or of any of the Firm's rights, claims or obligations under the Purchase Order except with the express written consent of the NPS Trust. Any assignment made without such consent shall be void and of no effect.

## **20. INSOLVENCY AND BANKRUPTCY**

20.1 Should the Firm become insolvent or should control of the Firm change by virtue of insolvency, the NPS Trust may with immediate effect and without prejudice to any other right or remedy available to it, suspend the performance of the Firm's obligations or terminate the Purchase Order with immediate effect, by providing the Firm with written notice thereof.

20.2 Should the Firm be adjudged bankrupt, or should the Firm make a general assignment for the benefit of its creditors, or should a receiver be appointed on account of the Firm's insolvency, the NPS Trust may, without prejudice to any other right or remedy available to it, terminate the Purchase Order with immediate effect by providing the Firm with written notice thereof.

## **21. TERMINATION**

21.1 The NPS Trust shall have the right to terminate the Purchase Order or any of the provisions thereof, without assigning any reason, at any time by serving 15 (fifteen) days' notice to the Firm.

Signature with date and Seal of Bidder: \_\_\_\_\_

## **22. WAIVER**

22.1 A waiver of any breach of or default under the Contract shall not constitute a waiver of any other breach or default and shall not affect the other terms of the Contract. The rights and remedies provided by the Contract are cumulative and are not exclusive of any other rights or remedies.

## **23. ADVERTISING**

23.1 The Firm shall neither advertise nor otherwise make public the fact that it is a firm to the NPS Trust nor in any way use the name, emblem, logo, official seal, or any abbreviation of the NPS Trust, without prior written consent of NPS Trust.

## **24. DISCRETION AND CONFIDENTIALITY**

24.1 The Firm is required to exercise the utmost discretion in all matters relating to the Contract. Unless required in connection with the performance of the Contract or expressly authorised in writing by the NPS Trust, the Firm shall not disclose at any time to any third party any information which has not been made public and which is known to the Firm by reason of its association with the NPS Trust. The Firm shall not, at any time, use such information to any private advantage. These obligations do not lapse upon any completion, expiration, cancellation or termination of the Contract/ Purchase Order.

## **25. NOTICES**

25.1 Any notice given in connection with the Contract shall be given in English and in writing and shall be deemed to be validly given if sent by speed post or registered post or by email to the other Party at the following:

- (a) for the NPS Trust: Deputy General Manager, 3rd Floor, Chhatrapati Shivaji Bhawan, B-14/A, Qutub Institutional Area, New Delhi-110 016 India, [e:dgm2@npstrust.org.in]; and
- (b) for the Firm: the contact details set out in the 'To' named field of the Letter of Intent

## **26. STAFF MEMBERS NOT TO BENEFIT**

26.1 The Firm shall not grant to any official of the NPS Trust any direct or indirect benefit or preferential treatment on the basis of the Contract. Any breach of this provision shall constitute a fundamental breach of the Contract.

## **27. GOVERNING LAW**

27.1 The Contract shall be governed by and construed in accordance with the substantive laws of the Republic of India.

## **28. SETTLEMENT OF DISPUTES**

28.1 The Parties shall use their best efforts to negotiate and amicably settle any disputes, controversies or claims arising out of, or in connection with, the Contract or its interpretation.

28.2 If the Parties fail to settle the dispute amicably within thirty (30) Days of commencement of the negotiations, the dispute shall be settled through arbitration governed by the provisions of the Arbitration and Conciliation Act, 1996. Sole arbitrator shall be appointed by the appointing authority i.e. the CEO of NPS Trust and the decision/ award of the sole arbitrator shall be final and binding. The seat of arbitration shall be New Delhi and the language used in the arbitration proceedings shall be English.

Signature with date and Seal of Bidder: \_\_\_\_\_

28.3 All disputes are subject to the exclusive jurisdiction of the competent Court at New Delhi.

**29. PRIVILEGES AND IMMUNITIES**

29.1 No provision of the Contract shall be deemed, or interpreted as, a waiver of the privileges and immunities enjoyed by the NPS Trust.

**30. AMENDMENTS**

30.1 No modification, amendment or change to the Contract, or waiver of any of its provisions, or any additional contractual relationship with the Firm shall be valid unless approved in the form of a written amendment to the Contract, signed by a fully authorised representative of each Party.

**31. VALIDITY**

31.1 The invalidity in whole or part of any condition of the Contract or clause thereof shall not affect the validity of the remainder of such condition or clause.

**32. ENTIRE AGREEMENT**

32.1 The Contract constitute the entire agreement and understanding of the Parties and supersede any previous agreement, whether orally or in writing, between the Parties relating to the subject matter of the Contract.

**33. GOVERNING LANGUAGE**

33.1 The Contract shall be executed in the English language which shall be the binding and controlling language for all matters relating to the meaning and interpretation of the Contract.

Signature with date and Seal of Bidder: \_\_\_\_\_



## SECTION VI: ANNEXURES

### Annexure I: Request for Clarification

A prospective bidder requiring any clarification on the RFP documents may notify NPS Trust in writing at the address indicated in this RFP. The format for the same is prescribed at **Annexure I (MS Word only)**. The same shall also be mailed to [dgm2@npstrust.org.in](mailto:dgm2@npstrust.org.in), [mgr1@npstrust.org.in](mailto:mgr1@npstrust.org.in) and [am2@npstrust.org.in](mailto:am2@npstrust.org.in). All queries and clarifications should reach NPS Trust latest by the date and time as specified in the Key Activities & Dates.

NPS Trust would provide clarifications to the bidders in the pre-bid meeting. Further, NPS Trust would prepare and upload responses to the queries and clarifications sought by the bidders in a consolidated manner on the website of NPS Trust. NPS Trust will not entertain or respond to bidders' queries and clarifications after pre-bid meeting.

The bidders' authorized representatives are invited to attend the Pre-bid meeting at their own cost, which would take place at the venue mentioned below and time as stipulated in this RFP. The maximum number of authorized representatives for each bidder shall not be more than two.

Venue:

**National Pension System Trust**  
Chhatrapati Shivaji Bhawan  
B-14/A, Qutub Institutional Area,  
New Delhi – 110 016

Bidder's Request For Clarification			
Name of Organization submitting request		Name & position of person submitting request	Address of organization including phone number and email
			Address: Tel: E-mail:
S. No.	RFP Reference (Number/page)	Content of RFP requiring clarification	Points of Clarification required
1			
2			
3			

**Annexure II – Format of Performance Security deposit in the form of Bank Guarantee**

**PERFORMANCE BANK GUARANTEE**

**To,**  
**National Pension System Trust**  
**3<sup>rd</sup> Floor, Chhatrapati Shivaji Bhawan**  
**B/14 A, Qutub Institutional Area,**  
**New Delhi – 110 016**

Sub: Guarantee No. \_\_\_\_\_ for Rs...../-  
 (Rupees ..... only) in the context of award of contract of Auditor for Risk based Audit & Inspection of Points of Presence (POP) by the **National Pension System Trust to M/s \_\_\_\_\_ (hereinafter referred to as the “Auditor” which expression shall include its successors)**

Ref: Award of contract of Auditor vide letter dated.....

1. Whereas in consideration of the National Pension System Trust (NPST) having its office at the above address having awarded the contract of Auditor for Risk based Audit & Inspection of Points of Presence (POP) vide letter dated..... to (M/s \_\_\_\_\_), having its registered office at..... and whereas M/s..... “hereinafter referred to as the “**Auditor**” has confirmed that it would remain bound by the terms and conditions of its appointment and whereas in consideration of the Appointment of “**Auditor**” for providing the requisite service to National Pension System Trust (NPST), it is required to submit an unconditional and irrevocable guarantee.
2. AND WHEREAS M/s ....., having its registered office at..... has approached us (Name of the Bank) to give the said Performance Bank Guarantee on its behalf and in favour of National Pension System Trust (NPST) for an amount of Rs. ....../(Rupees .....).
3. That in consideration of the promises and at the request of (M/s .....), we (Name of the Bank), having registered office at (Address of the Bank) & branch at \_\_\_\_\_ hereby unconditionally and irrevocably undertake and guarantee to pay National Pension System Trust (NPST) forthwith on demand in writing and without any demur, any sum up to a maximum guarantee amount of Rs. ....../(Rupees ..... only), as may be demanded by National Pension System Trust (NPST), upon any defaults or breach being committed by the “**Auditor**” or any loss or damage caused to or suffered or would be caused to or suffered by National Pension System Trust (NPST), without National Pension System Trust (NPST) needing to prove or to show grounds or reasons for demanding the sum(s) under this Performance Bank Guarantee
4. We agree that the decision of National Pension System Trust (NPST), whether any default has occurred or has been committed by (M/s .....) in the performance,



observance or discharge of the guarantee aforesaid shall be conclusive and binding on us (Name of the Bank).

5. We agree that the exercise of any of your rights against the “**Auditor**” to enforce or forbear or to enforce or any other indulgence or facility, extended to the “**Auditor**” to carry out the obligations as per the terms and conditions of appointment, would not release our liability under this guarantee and that your right against us shall, remain in full force and effect, notwithstanding any arrangement that may be entered into between you and the “**Auditor**” during the entire currency of this guarantee.
6. We undertake to pay National Pension System Trust (NPST) money so demanded notwithstanding any dispute or disputes raised by “Auditor” in any suit or proceeding pending before any court or Tribunal relating thereto and our liability under this present guarantee being absolute and unequivocal, and is independent of any rights or obligations, inter se of the said agreement, between the, “Auditor” and National Pension System Trust (NPST). The payment so made by us pursuant to this Performance Bank Guarantee shall be a valid discharge of our liability for payment there under and “Auditor” shall have no claim against us for making such payment.
7. This Bank Guarantee shall be valid till 31.12.2020.
8. This performance Bank Guarantee shall not be affected by any change in the constitution of the “Auditor” or therewith or reconstruction or winding up, but will insure your benefit and be available to and be enforceable by you during the period from and including the date of issue of this guarantee and throughout the period.
9. That no claim under this guarantee shall be entertained by us unless the same has been preferred by National Pension System Trust (NPST) by the said date.
10. We hereby confirm that we have the power/s to issue this guarantee in your favour under the Constitution and business procedure of our Bank and the undersigned is/are the recipient of authority by express delegation of power/s and has/have full power/s to execute this Performance Bank Guarantee in your favour under the Power of Attorney issued by the Bank.
11. Notwithstanding anything contained hereinabove:
  - i) Our liability under this guarantee shall not exceed Rs. ....../(Rupees .....).
  - ii) We shall not revoke the guarantee during its currency except with the previous consent of National Pension System Trust (NPST) in writing.
  - iii) We are liable to pay the guaranteed amount or any part thereof under this Bank Guarantee only if you serve upon us a written demand on or before the expiry of this guarantee.

All claims under the guarantee will be payable at New Delhi.

This guarantee will be returned to us as soon as the purpose for which it is issued is fulfilled.

Date \_\_\_\_\_

Place \_\_\_\_\_

Witness \_\_\_\_\_

(Bank's common seal)

### Annexure III – Details of Groups

- (a) **Point of Presence (POPs) catering to NPS** –i)Distribution and servicing for public at large through physical as well as online platforms;  
(ii)Distribution and servicing for citizens at large through online platforms only; and  
(iii)Distribution and servicing only for own employees and other personnel either through physical or online platforms.

Group - A		
Sr. No	Name of PoP	City
1	Angel Broking Pvt. Ltd.	Mumbai
2	Asit C. Mehta Investment Intermediates Ltd.	Mumbai
3	Axis Bank Ltd.	Mumbai
4	Bank of India	Mumbai
5	Bank of Maharashtra	Pune
6	Central Bank of India	Mumbai
7	Dena Bank	Mumbai
8	Edelweiss Broking Ltd.	Mumbai
9	Gujarat Infotech Ltd.	Ahmedabad
10	HDFC Bank Ltd.	Mumbai
11	HDFC Securities Ltd.	Mumbai
12	Housing Development Finance Corporation Ltd.	Mumbai
13	ICICI Bank Ltd.	Mumbai
14	ICICI Securities Ltd	Mumbai
15	IDBI Bank Ltd.	Mumbai
16	IDFC Bank Ltd.	Mumbai
17	IIFL Securities Limited	Mumbai
18	IL&FS Securities Services Ltd.	Mumbai
19	India Infoline Finance Ltd.	Mumbai

<b>Group - B</b>		
<b>Sr. No</b>	<b>Name of PoP</b>	<b>City</b>
1	IndusInd Bank Ltd.	Mumbai
2	Konkan Railway Corporation Ltd.	Mumbai
3	Kotak Mahindra Bank Ltd.	Mumbai
4	LICHFL Financial Services Ltd	Mumbai
5	Marwadi Shares & Finance Ltd.	Rajkot
6	Monarch Networth Capital Ltd.	Mumbai
7	NJ India Invest Pvt. Ltd.	Surat
8	RBL Bank Ltd.	Mumbai
9	Reliance Capital Ltd.	Mumbai
10	SBICap Securities Ltd.	Mumbai
11	State Bank of India	Mumbai
12	Stock Holding Corporation of India Ltd.	Mumbai
13	Suryoday Small Finance Bank Ltd.	Mumbai
14	Syndicate Bank	Mumbai
15	UTI Asset management Company Ltd	Mumbai
16	Ventura Securities Ltd	Thane
17	Yes Bank Ltd.	Mumbai
18	Prudent Corporate Advisory Services Limited	Ahmedabad

<b>Group- C</b>		
<b>Sr. No.</b>	<b>Name of PoP</b>	<b>City</b>
1	Abhipra Capital Ltd.	New Delhi
2	Alankit Assignments Ltd.	New Delhi
3	AU Small Finance Bank Limited	Jaipur
4	Bajaj Capital Ltd.	New Delhi
5	Bank Of Baroda	New Delhi
6	CSC E-Governance Services India ltd.	New Delhi
7	Elite Wealth Advisors Ltd	New Delhi
8	Institute for Studies in Industrial Development	New Delhi
9	Oriental Bank of Commerce	Gurgaon
10	Paytm Payment Bank Ltd.	Noida
11	Punjab and Sind Bank	New Delhi
12	Punjab National Bank	New Delhi
13	Religare Broking Limited	Noida
14	SMC Global Securities Ltd	New Delhi
15	Union Bank Of India	New Delhi

<b>Group - D</b>		
<b>Sr. No</b>	<b>Name of PoP</b>	<b>City</b>
1	Andhra Bank	Hyderabad
2	Canara Bank	Bengaluru
3	Computer Age Management Services Pvt. Ltd.	Chennai
4	Corporation Bank	Mangalore
5	DBFS Securities Ltd.	Kochi
6	Indian Bank	Chennai
7	Indian Overseas Bank	Chennai
8	Integrated Enterprises (India) Pvt. Ltd.	Chennai
9	Karnataka Bank Ltd.	Mangalore
10	Karvy Stock Broking Ltd.	Hyderabad
11	Muthoot Finance Ltd.	Kochi
12	Muthoot Fincorp Ltd.	Trivandrum
13	Steel City Securities Ltd.	Vishakhapatnam
14	Tamilnad Mercantile Bank Ltd	Thoothukudi
15	The Federal Bank Ltd	Ernakulam
16	The Karur Vysya Bank Ltd	Karur
17	The Lakshmi Vilas Bank Ltd.	Chennai
18	The South Indian Bank	Ernakulam
19	Vijaya Bank	Bengaluru
20	Way2Wealth Brokers Pvt. Ltd.	Bengaluru
21	Zen Securities Limited	Hyderabad

<b>Group - E</b>		
<b>Sr No</b>	<b>Name of PoP</b>	<b>City</b>
1	Allahabad Bank	Kolkata
2	Assam Electricity Grid Corporation Ltd.	Guwahati
3	Assam Power Generation Corporaion Ltd.	Guwahati
4	Ortem Securities Ltd.	Kolkata
5	Dayco Securities Pvt. Ltd.	Kolkata
6	Eureka Stock And Share Broking Services Limited	Kolkata
7	Narnolia Securities Ltd.	Ranchi
8	UCO Bank	Kolkata
9	United Bank of India	Kolkata
10	Assam Power Distribution Company Ltd.	Guwahati
11	Chattisgarh State power Transmission Company Ltd	Raipur

**Points of Presence – catering to NPS Lite subscribers**

<b>Group - A</b>		
<b>Sr. No</b>	<b>Name of PoP</b>	<b>City</b>
1	Dena Bank	Mumbai
2	Gujarat Infotech Ltd.	Ahmedabad
3	Samhita Community Development Services	Bhopal
4	IDBI Bank Ltd.	Mumbai
5	Shri Mahila Sewa Sahakari Bank Ltd.	Ahmedabad
6	State Bank of India	Mumbai
7	Baroda Gujarat Gramin Bank	Vadodara
8	LIC Housing Finance Ltd.	Mumbai
9	Life Insurance Corporation of India	Mumbai
10	Bank of Maharashtra	Pune
11	Banaskantha Dist. Co-operative Milk Producers Union Ltd.	Palanpur

<b>Group - B</b>		
<b>Sr. No</b>	<b>Name of PoP</b>	<b>City</b>
1	Abhipra Capital Ltd.	New Delhi
2	Allahabad U.P Gramin Bank	Banda
3	Bank of Baroda	New Delhi
4	Cashpor Micro Credit	Varanasi
5	CSC E-Governance Services India Ltd.	New Delhi
6	Sarva Haryana Gramin Bank	Rohtak
7	Oriental Bank of Commerce	Gurgaon
8	Punjab National Bank	New Delhi
9	Department of Post	New Delhi
10	Union Bank of India	New Delhi
11	Baroda Rajasthan Kshetriya Gramin Bank	Ajmer
12	Building & Other Construction Workers Welfare Board Rajasthan	Jaipur
13	Alankit Assignments limited	New Delhi



<b>Group - C</b>		
<b>Sr. No</b>	<b>Name of PoP</b>	<b>City</b>
1	Indian Bank	Chennai
2	Indian Overseas Bank	Chennai
3	IFMR Holdings Private Limited	Chennai
4	Andhra Bank	Hyderabad
5	Creditaccess Grameen Ltd. (formerly Grameen Koota Financial Services Pvt. Ltd.)	Bengaluru
6	Indur Intideepam Producers' MACS Federation Ltd.	Nizamabad
7	Jana Small Finance Bank( formerly Janalakshmi Financial Services Ltd.)	Bengaluru
8	Karnataka State Un-organized Workers Social Security Board	Bengaluru
9	Shri Kshetra Dharmasthala Rural Development Project	Dharmasthala

<b>Group - D</b>		
<b>Sr. No</b>	<b>Name of PoP</b>	<b>City</b>
1	Syndicate Bank	Bengaluru
2	Vijaya Bank	Bengaluru
3	ESAF Small Finance Bank Ltd.	Thrissur
4	Society For Elimination of Rural Poverty	Hyderabad
5	The South Indian Bank	Thrissur
6	A.P.Building and Other Construction Workers Welfare Board	Hyderabad
7	Dept. of Women & Child Development	Bengaluru
8	Canara Bank	Bengaluru
9	Corporation Bank	Mangalore

<b>Group - E</b>		
<b>Sr. No</b>	<b>Name of PoP</b>	<b>City</b>
1	Swayamshree Micro Credit Services	Bhubaneswar
2	Assam Gramin Vikash Bank	Guwahati
3	Adhikar Microfinance Private Limited	Bhubaneswar
4	Bandhan Bank Ltd.	Kolkata
5	Jagaran Microfin Pvt. Ltd.	Kolkata
6	United Bank of India	Kolkata
7	UCO Bank	Kolkata
8	Allahabad Bank	Kolkata
9	Centre for Development Orientation & Training(CDOT)	Patna
10	Dakshin Bihar Gramin Bank	Patna

Note:

1. The Groups of POPs for remaining period of FY 2018-19 and for FY 2019-20 may undergo change as registration of new entities and de-registration of existing entities may take place during the tenure of the contract.

## Annexure IV

POP-Audit F.Y. \_\_\_\_\_ : Auditors' Report

(To be Furnished on the letter head of Audit Firm)

**To**

**The Board of Trustees**

National Pension System (NPS) Trust  
3rd Floor, Chhatrapati Shivaji Bhawan,  
B-14/A, Qutub Institutional Area,  
New Delhi – 110 016

### CERTIFICATE OF RISK BASED AUDIT

We have conducted the Risk based Audit of M/s. \_\_\_\_\_, (name of the Point of Presence (POP)) bearing PFRDA registration number \_\_\_\_\_ under the National Pension System for the Period/Year .... ..as per the check list provided to us by the NPS Trust and hereby submit the POP Audit Report for your perusal.

1. The purpose of this risk based audit is to examine that the processes, procedures followed and the operations carried out by the Point of Presence are as per the applicable Act, Rules, Regulations, and Circulars prescribed by PFRDA and the notifications, circulars, guidelines etc issued there under.
2. Our procedures covered all the areas listed in the recommended risk based Audit Checklist for POPs provided by NPS Trust (enclosed, duly signed by us under reference to this certificate.)
3. We have obtained all the information and explanations, and examined the relevant books which to the best of our knowledge and belief were necessary for the purpose of this risk based Audit. In our opinion proper books of accounts, records and documents, as per the regulatory requirement have been maintained by the Point of Presence (POP).
4. We have conducted the risk based audit within the framework provided by NPS Trust for the purpose of this Audit. To the best of our knowledge and belief and according to the information and explanations given to us, no material fraud / non-compliance /misrepresentation/violation by the Point of Presence is observed during the course of this Audit.
5. In case of deviations observed, the quantum of compensation as per prescribed Regulations and Operational Guidelines has been calculated, shared with the PoP and also mentioned in the report for submission to NPS Trust.
6. Based on the scrutiny of relevant books of accounts, records and documents, we certify that the Point of Presence has complied with the relevant provisions of PFRDA Act, 2013, PFRDA (Point of Presence) Regulations, 2018 and other relevant guidelines and circulars issued by PFRDA.

7. We declare that we do not have any direct / indirect interest in or relationship with the Point of Presence or its shareholders / directors / partners / proprietors / management and also confirm that we do not perceive any conflict of interest in such relationship / interest while conducting audit of the said Point of Presence (POP).
8. In our opinion and to the best of our information and according to the explanations given to us by the proprietor/partner (s)/director (s)/ compliance officer, the Report provided by us as per the Annexure and subject to our observations, which covers the entire scope of the risk based Audit, is true and correct.

**For**

**..... (Name of the Firm)**

**Chartered Accountants**

**Firm Regn No...**

**..... (Name of Partner)**

**Partner**

**Membership No:**

**Place:**

**Date:**

## Annexure V

POP-Inspection F.Y. \_\_\_\_\_: Auditors' Report

(To be furnished on the letter head of Audit Firm)

**To**

**The Board of Trustees**

National Pension System (NPS) Trust  
3rd Floor, Chhatrapati Shivaji Bhawan,  
B-14/A, Qutub Institutional Area,  
New Delhi – 110 016

### **CERTIFICATE OF RISK BASED INSPECTION**

We have conducted the risk based inspection of M/s. \_\_\_\_\_, (name of the Point of Presence (POP)) bearing PFRDA registration number \_\_\_\_\_ under the National Pension System for the Period/Year .... ..as per the check list provided to us by the NPS Trust and hereby submit the POP Inspection Report for your perusal.

1. The purpose of this risk based inspection is to examine that the processes, procedures followed and the operations carried out by the Point of Presence are as per the applicable Act, Rules, Regulations, and Circulars prescribed by PFRDA and the notifications, circulars, guidelines etc issued there under or any other particular assignment/ scope of work defined by NPS Trust.
2. Our procedures covered all the areas listed in the recommended Checklist for POPs provided by NPS Trust and applicable in the particular case (enclosed, duly signed by us under reference to this certificate.)
3. We have obtained all the information and explanations, and examined the relevant books which to the best of our knowledge and belief were necessary for the purpose of this risk based inspection. In our opinion proper books of accounts, records and documents, as per the regulatory requirement have been maintained by the Point of Presence (POP).
4. We have conducted the risk based inspection within the framework provided by NPS Trust for the purpose of this Inspection. To the best of our knowledge and belief and according to the information and explanations given to us, no material fraud / non-compliance /misrepresentation/violation by the Point of Presence is observed during the course of this Inspection.
5. In case of deviations observed, the quantum of compensation as per prescribed Regulations and Operational Guidelines has been calculated, shared with the PoP and also mentioned in the report for submission to NPS Trust.
6. Based on the scrutiny of relevant books of accounts, records and documents, we certify that the Point of Presence has complied with the relevant provisions of PFRDA Act, 2013, PFRDA (Point of Presence) Regulations, 2018 (Chapter IV, Regulations 23-28) and other relevant guidelines and circulars issued by PFRDA.

7. We declare that we do not have any direct / indirect interest in or relationship with the Point of Presence or its shareholders / directors / partners / proprietors / management and also confirm that we do not perceive any conflict of interest in such relationship / interest while conducting inspection of the said Point of Presence (POP).
8. In our opinion and to the best of our information and according to the explanations given to us by the proprietor/partner (s)/director (s)/ compliance officer, the Report provided by us as per the Annexure and subject to our observations, which covers the entire scope of the Inspection, is true and correct.

**For**

**..... (Name of the Firm)**

**Chartered Accountants**

**Firm Regn No...**

**..... (Name of Partner)**

**Partner**

**Membership No:**

**Place:**

**Date:**

## Annexure VI

After notification of PFRDA (Point of Presence) Regulations, 2018 on 25 June 2018, the term Point of Presence will encompass erstwhile Points of Presence servicing NPS to All Citizens model and Corporate model under PFRDA (Point of Presence) Regulation, 2015 and Aggregators serving NPS Lite subscribers under PFRDA (Aggregator) Regulations, 2015. Further, the audit firms need to take into account Operational Guidelines issued for PoPs under PFRDA (Point of Presence) Regulations, 2015 and Operational Guidelines for Aggregators issued under PFRDA (Aggregator) Regulations, 2015. The Operational Guidelines are subject to changes through issuance of new Operational Guidelines by PFRDA after notification of PFRDA (Point of Presence) Regulations, 2018. Accordingly, the checklist provided below for audit of PoPs and PoPs serving NPS Lite (erstwhile Aggregators) may undergo change. But the following checklist will remain valid till date of issuance of new Operational Guidelines.

### Checklist for Risk based Audit of PoPs

<b>Subscriber Registration &amp; Prevention of Money Laundering</b>				
<b>S. No</b>	<b>Details</b>	<b>Comments of the Auditor on observation</b>	<b>Remarks of Auditor on non-compliance</b>	<b>Sample Size</b>
1	Whether applicants were provided appropriate explanation to the applicant in case of rejection of application at the collection stage?	YES/NO/NA		<b>25 transactions per quarter or 3% transactions processed during the quarter, whichever is higher during the Audit Period.</b>
2	Whether PoP carried out KYC verification as per the Guidelines prescribed by PFRDA?	YES/NO/NA		
3	Whether PoP delivered Subscriber Registration Form and supporting documents to CRA/CRA-FC within time frame? <b>Prescribed turnaround time:</b> T+2 from district level T+7 for other location T is the date of receipt of complete Subscriber registration form.	YES/NO/NA		
<b>Subscribers' Contribution Submission - Initial Contribution</b>				
4	Whether POP issued NCIS contribution slip to the subscriber and retained copies of the same?	YES/NO/NA		<b>25 transactions per quarter or 3% transactions processed during the quarter, whichever is higher during</b>
5	Whether PoP prepared and uploaded Subscriber Contribution File (SCF) into CRA system simultaneously after processing the subscriber's contributions and before remitting funds to Trustee Bank within the turnaround time?	YES/NO/NA		



	<b>Prescribed turnaround time:</b> T + 1, where T is the date of receipt of clear funds by POP.			<b>the Audit Period.</b>
6	Whether POP transferred the clear funds to Trustee Bank account in T+1 days? Where T – date of clear funds received in collection account.	YES/NO/NA		
7	Whether POP is adhering to the Code of Conduct as specified under Regulations	YES/NO/NA		
<b>Subsequent Contribution Submission (Tier I &amp; Tier II)</b>				
8	Whether POP issued NCIS contribution slip to the subscriber and retained copies of the same?	YES/NO/NA		<b>25 transactions per quarter or 3% transactions processed during the quarter, whichever is higher during the Audit Period.</b>
9	Whether PoP prepared and uploaded Subscriber Contribution File (SCF) into CRA system simultaneously after processing the subscriber's contributions and before remitting funds to Trustee Bank within the turnaround time? <b>Prescribed Turnaround time:</b> T + 1, where T is the date of receipt of clear funds by POP.	YES/NO/NA		
10	Whether POP transferred the clear funds to Trustee Bank account in T+1 days? Where T – date of clear funds received in collection account.	YES/NO/NA		
11	Whether POP is using Payment Gateway(s) to accept contribution from subscribers under NPS? Specify the name of Payment Gateway being used.	YES/NO/NA		<b>25 transactions per quarter or 3% transactions processed during the quarter, whichever is higher during the Audit Period.</b>
12	In case of use of online modes – ECS, Netbanking and Payment Gateway(s), whether subscribers are charged extra fee as per the manner and limits prescribed under Regulation, guidelines & circulars issued by PFRDA	YES/NO/NA		
13	In case of use of ECS, Netbanking and Payment gateway(s) for accepting the NPS contributions by POP, the upload of SCF are being done in T+1 days? Where T is date of clear funds received by the POP.	YES/NO/NA		
14	In case of use of ECS, Netbanking and Payment gateway(s) for accepting the NPS contributions by POP, whether funds are being	YES/NO/NA		

	transferred within in T +1 days? where T is date of receipt of clear funds with POP.			
<b>Handling of Withdrawal/Exit Requests</b>				
15	Whether Subscriber's request for withdrawal/exit processed/uploaded on same day into the CRA system by PoP, if such request received within banking hours for public?	YES/NO/NA		<b>25 transactions per quarter or 3% transactions processed during the quarter, whichever is higher during the Audit Period.</b>
16	Whether Subscriber's request for withdrawal/exit processed/uploaded into the CRA system on next working day (T+1) by PoP, if such request received after banking hours for public?	YES/NO/NA		
17	Whether POP reviewed the withdrawal request and informed about the pending requirements to the subscriber on the same day?	YES/NO/NA		
18	Whether POP communicated the 'pending requirements' (as received by CRA) in the withdrawal request to subscriber on the same day?	YES/NO/NA		
19	Whether POP has sent the original physical copy of the withdrawal forms to CRA for recordkeeping purpose after authorisation of claims in CRA system?	YES/NO/NA		
<b>Handling of Other Transactions</b>				
20	Whether subscriber's request for shifting of POP was uploaded into the CRA system by PoP within T+1 days., T – date of request received by POP?	YES/NO/NA		<b>25 transactions per quarter or 3% transactions processed during the quarter, whichever is higher during the Audit Period.</b>
21	Whether subscriber's request for reissue of IPIN/TPIN was uploaded into the CRA system by PoP within T+1 days., T – date of request received by POP?	YES/NO/NA		
22	Whether subscriber's request for change of address/nominee/bank account etc. was uploaded into the CRA system by PoP within T+1 days., T – date of request received by POP?	YES/NO/NA		
<b>Handling of Subscriber's Grievances</b>				
23	Number of subscriber grievances received during the year, including CGMS of CRA.			Audit Period
24	Number of subscriber grievances resolved during year, including			Audit Period

	CGMS of CRA.			
25	Number of subscriber grievances pending as on the last day of the year, including CGMS of CRA.			Audit Period
26	Whether the grievances raised against the POP/POP-SP are resolved within the timelines specified by PFRDA, including CGMS of CRA?	YES/NO/NA		Audit Period
27	Whether designated email id for NPS subscriber grievance is created and informed to the CRA and displayed on the website of the Point of Presence?	YES/NO/NA		Audit Period
<b>Servicing and Risk Management Systems</b>				
28	Whether proper systems are in place to ensure timely subscription collection and issuance of acknowledgement in lieu of the receipt of subscriptions from the subscriber before MIS formats are uploaded into the CRA system?	YES/NO/NA		Audit Period
29	Whether POP is uploading mandatory MIS in CRA system on daily basis/as and when required?	YES/NO/NA		Audit Period
30	Whether deviations reported in Exceptions reports (Annexure 7.1, 7.2 & 7.3 of Operational Guidelines) submitted to NPS Trust matches with the actual transactions made by the POP?	YES/NO/NA		At least 3 months (Quarter 4 of the FY) data to be compared and deviations to be reported
31	Whether no cash dealings with subscribers are done in violation of the prescribed norms (Collection of copy of PAN for amounts exceeding Rs.50000/-) for non-subscribers (if already not submitted)?	YES/NO/NA		During Quarter 4 of the FY
32	Whether subscribers' funds are misutilised (not being remitted to NPS system despite collection from subscriber without any justifiable reason)? If misutilised, instances to be provided	YES/NO/NA		Audit Period
33	Whether POP is charging the extra fee from subscribers which are not permitted under the Regulation, guidelines & circulars issued by PFRDA in this regard?	YES/NO/NA		Audit Period
<b>Handling of Books of accounts, records and registers</b>				

34	Whether Point of Presence maintains separate bank account for NPS subscriber funds and own funds?	YES/NO/NA		Audit Period
35	Whether POP has returned the rejected NPS Registration form along with documents and fund to subscriber?	YES/NO/NA		Audit Period
36	Whether POP is maintaining the records of registration applications received and submitted to CRA and whether PRAN has generated for such records?	YES/NO/NA		Audit Period
37	Whether POP is maintaining the details of money received from the subscribers – in cash, by cheque, or any authorized form of remittance?	YES/NO/NA		Audit Period
38	Whether POP is maintaining the details of subscriber-wise money remitted to the Trustee Bank?	YES/NO/NA		Audit Period
39	All quarterly compliance certificates submitted to NPS Trust are checked and found correct.	YES/NO/NA		Audit Period

**Other activities to be examined by the Auditor in addition to the above:**

<b>S. No.</b>	<b>Parameter</b>	<b>Comments of auditor (Whether Point of Presence has complied with?)</b>	<b>Remarks of auditor (In case non compliance observed)</b>	<b>Sample Size</b>
1	Whether POP has carried out monthly reconciliation of the NPS Trust Collection account and maintained the reconciliation statement.	Yes/No/NA		<b>Audit Period</b>
2	No. of unreconciled transactions in the NPS Trust Collection account at the end of last month of Financial Year.			<b>Audit Period</b>
3	Total unreconciled amount in the NPS Trust Collection account at the end of last month of Financial Year.			<b>Audit Period</b>
4	Whether efforts were made by POP to resolve the unreconciled amount?	Yes/No/NA		<b>Audit Period</b>
5	Whether POP is adhering to the Code of Conduct as specified Regulations.	Yes/No/NA		<b>Audit Period</b>

<b>6</b>	Has the Internal Audit Report as a requirement of POP guidelines issued by PFRDA been submitted by POP on Half Yearly basis.	<b>Yes/No/NA</b>		<b>Audit Period</b>
<b>7</b>	Whether POP submitted to the National Pension System Trust, reports on monthly/quarterly basis or at such intervals in specified formats of its activities and the compliances with the guidelines.	<b>Yes/No/NA</b>		<b>Audit Period</b>
<b>8</b>	Any other matters, which you may like to bring to the attention of the management of POP or NPS Trust?			

### Reference Guidelines

The guidelines prescribed hereunder do not limit the scope of the audit and inspection. The points mentioned are only indicative in nature and not exhaustive. This has been prepared based on the regulatory requirement (as per relevant act, regulations and circulars) which keep on developing from time to time. The auditors should peruse them and update the scope of the audit. The auditors should clearly indicate 'Yes' indicating Compliance, 'No' indicating Non-compliance and 'NA' wherever 'Not Applicable'.

The report shall also include the following.

1. In case of any non-compliances/findings/observations/qualifications by the auditor the management comments/ responses should be obtained against each point. Further paragraph wise comments are required to be given by the management for corrective action taken as given in the format above.
2. Improvements brought about in the operations between the last audit and the current audit.
3. Auditor shall specifically declare about direct / indirect interest in or relationship with the Point of Presence or its shareholders / directors / partners / proprietors / management if any and also confirm that they do not perceive any conflict of interest in such relationship / interest while conducting audit of the said Point of Presence.
4. Membership number allotted by the affiliated professional body should be quoted at the bottom of the report as provided in the format. Each page of the report shall be signed and stamped by the auditor.
5. In case any violations/qualifications/observations are observed by the auditor the same shall be submitted as annexure with complete details and should be quantified specifying the no of instances, value etc. and the evidences should be enclosed with the Audit Report.
6. Sample size indicated in the format above is minimum sample size. The auditor may increase the sample size as it may deem fit. It is desirable that the sample selected is representative sample of the population.
7. The details of the sample checked by the auditor needs to be provided along with the report.
8. The audit report should be submitted to NPS Trust as per the report format specified above along with the POP management comments wherever non-compliance/adverse remarks are made by the auditor.
9. In case where audit report submitted is incomplete and not as per the guidelines like sample size not given, only certificate submitted without report, same would be treated as non-submission of audit report. NPS Trust reserves the right to advise the auditor to get the audit redone for completing the set audit process and format or change the auditor if quality of the report is not satisfactory or the audit is not carried out as per guidelines.

- 10.** If in the opinion of the auditors, any observation related to any area also possesses a risk relating to Anti Money Laundering (AML) or Combating Financing of Terrorism (CFT), then such observation should be highlighted clearly specifying the risk relating to it.
  
11. In case of deviations observed, the quantum of compensation as per prescribed Regulations and Operational Guidelines has been calculated, shared with the PoP and also mentioned in the report for submission to NPS Trust.

**ANNEXURE VII****Audit Checklist for Audit and Inspection of PoPs catering to NPS Lite Swavalamban scheme**

<b>S. No</b>	<b>Details</b>	<b>Comments of the Auditor on observation</b>	<b>Remarks of Auditor on non-compliance</b>	<b>Sample Size</b>
<b>Subsequent Contribution Submission</b>				
1	Whether Aggregator issued contribution receipt to the subscriber on the same day and retained copies of the same?	YES/NO/NA		<b>25 transactions per quarter or 3% transactions processed during the quarter, whichever is higher during the Audit Period.</b>
2	Whether the contribution collected from the subscriber (cash/cheque) by the collection centre deposited into the collection account maintained by NLOO/NLAO within T+1 days? Where T is the date of collection of money from subscriber by the Aggregator.	YES/NO/NA		
3	Whether Aggregator prepared and uploaded Subscriber Contribution File (SCF) into CRA system simultaneously after processing the subscriber's contributions and before remitting funds to Trustee Bank within the turnaround time? <b>Prescribed Turnaround time: T + 2,</b> where T is the date of receipt of clear funds by Aggregator.	YES/NO/NA		
4	Whether Aggregator transferred the clear funds to Trustee Bank account in T+2 days? Where T – date of clear funds received in collection account.	YES/NO/NA		
<b>Handling of Withdrawal/Exit Requests</b>				
5	Whether Subscriber's request for withdrawal/exit processed/ uploaded same day into the CRA system by Aggregator, if such request received within banking hours for public?	YES/NO/NA		<b>25 transactions per quarter or 3% transactions processed during the quarter, whichever is higher during the Audit Period.</b>
6	Whether Subscriber's request for withdrawal/exit processed/ uploaded into the CRA system within T+5 days where T is the date of receipt of the request.	YES/NO/NA		
7	Whether Aggregator communicated the 'pending requirements' (as received by CRA) in the withdrawal request within	YES/NO/NA		

	T+1 day, where T is the date of letter/email asking for pending requirements by NSDL/CRA or mail/letter to NLCC by NLOO/NLAO			
8	Whether Aggregator has sent the original physical copy of the withdrawal forms to CRA for recordkeeping purpose post authorisation of claims request in CRA system?	YES/NO/NA		
<b>Handling of Other Transactions</b>				
9	Whether subscriber's request for shifting of Aggregator was uploaded into the CRA system by Aggregator within T+5 days., T – date of request received by Aggregator?	YES/NO/NA		<b>25 transactions per quarter or 3% transactions processed during the quarter, whichever is higher during the Audit Period.</b>
10	Whether subscriber's request for change of address/nominee/bank account/scheme preference change etc. was uploaded into the CRA system by Aggregator within T+5 days., T – date of request received by AGGREGATOR?	YES/NO/NA		
<b>Handling of Subscriber's Grievances</b>				
11	Number of subscriber grievances received during the year, including CGMS of CRA.			Audit Period
12	Number of subscriber grievances resolved during year, including CGMS of CRA.			Audit Period
13	Number of subscriber grievances pending as on the last day of the year, including CGMS of CRA.			Audit Period
14	Whether the grievances raised against the Aggregator/ are resolved within the timelines specified by PFRDA, including CGMS of CRA?	YES/NO/NA		Audit Period
15	Whether designated email id for subscriber grievance is created and informed to the CRA and displayed on the website of the Aggregator?	YES/NO/NA		Audit Period
<b>Servicing and Risk Management Systems</b>				
16	Whether proper systems are in place to ensure timely subscription collection and issuance of acknowledgement in lieu of the receipt of subscriptions from the subscriber?	YES/NO/NA		Audit Period



17	Whether deviations reported in Exceptions reports (Annexure 1.1, 1.2 & 1.3 of Operational Guidelines) submitted to NPS Trust matches with the actual transactions made by the Aggregator?	YES/NO/NA		At least 3 months (Quarter 4 of the FY) data to be compared and deviations to be reported
18	Whether no cash dealings with subscribers are done in violation of the prescribed norms	YES/NO/NA		Audit Period
19	Whether subscribers' funds are misutilised (not being remitted to NPS system despite collection from subscriber without any justifiable reason)? If misutilised, instances to be provided	YES/NO/NA		Audit Period
20	Whether Aggregator is charging any extra fee from subscribers which is not permitted under the Regulation, guidelines & circulars issued by PFRDA in this regard?	YES/NO/NA		Audit Period
<b>Handling of Books of accounts, records and registers</b>				
21	Whether Aggregator maintains separate bank account for NPS subscriber funds and its/his own funds?	YES/NO/NA		Audit Period
22	Whether Aggregator is maintaining the details of money received from the subscribers – in cash, by cheque, or any authorized form of remittance?	YES/NO/NA		Audit Period
23	Whether Aggregator is maintaining the details of subscriber-wise money remitted to the Trustee Bank?	YES/NO/NA		Audit Period
24	All quarterly compliance certificates submitted to NPS Trust are checked and found correct.	YES/NO/NA		Audit Period

**Other activities to be examined by the Auditor**

S. No.	Parameter	Comments of auditor (Whether Aggregator has complied with?)	Remarks of auditor (In case non compliance observed)	Sample Size																																
1	Whether Aggregator has carried out monthly reconciliation of the NPS Trust Collection account and maintained the reconciliation statement.	Yes/No/NA		Audit Period																																
2	Unreconciled Balance in the NPS Trust Collections account during Year 2016-17: <table border="1" data-bbox="264 725 826 1319"> <thead> <tr> <th data-bbox="264 725 469 909">Particulars</th> <th data-bbox="469 725 611 909">Amount (Rs)</th> <th data-bbox="611 725 826 909">No. of subscribers to which amount belongs</th> </tr> </thead> <tbody> <tr> <td data-bbox="264 909 469 987">Opening Balance</td> <td data-bbox="469 909 611 987"></td> <td data-bbox="611 909 826 987"></td> </tr> <tr> <td data-bbox="264 987 469 1133"><b>Less:</b> Reconciled during the Year</td> <td data-bbox="469 987 611 1133"></td> <td data-bbox="611 987 826 1133"></td> </tr> <tr> <td data-bbox="264 1133 469 1245"><b>Add:</b> Unreconciled for the Year</td> <td data-bbox="469 1133 611 1245"></td> <td data-bbox="611 1133 826 1245"></td> </tr> <tr> <td data-bbox="264 1245 469 1319">Closing Balance</td> <td data-bbox="469 1245 611 1319"></td> <td data-bbox="611 1245 826 1319"></td> </tr> </tbody> </table>	Particulars	Amount (Rs)	No. of subscribers to which amount belongs	Opening Balance			<b>Less:</b> Reconciled during the Year			<b>Add:</b> Unreconciled for the Year			Closing Balance																						
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<b>Add:</b> Unreconciled for the Year																																				
Closing Balance																																				
3	Opening Balance of unreconciled balance in the NPS Trust Collection account(s) maintained during previous years (Year wise): <table border="1" data-bbox="264 1431 868 1845"> <thead> <tr> <th data-bbox="264 1431 344 1621">S. No.</th> <th data-bbox="344 1431 493 1621">Financial Year</th> <th data-bbox="493 1431 695 1621">Unreconciled Balance</th> <th data-bbox="695 1431 868 1621">No. of subscribers to which amount belonged</th> </tr> </thead> <tbody> <tr><td></td><td></td><td></td><td></td></tr> <tr><td></td><td></td><td></td><td></td></tr> <tr><td></td><td></td><td></td><td></td></tr> <tr><td></td><td></td><td></td><td></td></tr> <tr><td></td><td></td><td></td><td></td></tr> <tr><td></td><td></td><td></td><td></td></tr> <tr><td></td><td></td><td></td><td></td></tr> </tbody> </table>	S. No.	Financial Year	Unreconciled Balance	No. of subscribers to which amount belonged																															
S. No.	Financial Year	Unreconciled Balance	No. of subscribers to which amount belonged																																	
4	Whether efforts were made by Aggregator to resolve the unreconciled amount? Provide detailed comments of the observations made by the Auditor.	Yes/No/NA		Audit Period																																
5	Whether Aggregator is using Payment Gateway(s) to accept contribution from	Yes/No/NA		Audit Period																																

	subscribers under NPS.			
<b>6</b>	In case of use of Payment Gateway(s), whether subscribers are charged extra fee as per the manner and limits prescribed under Regulation, guidelines & circulars issued by PFRDA	<b>Yes/No/NA</b>		<b>Audit Period</b>
<b>7</b>	Whether Aggregator is adhering to the Code of Conduct as specified under Regulations.	<b>Yes/No/NA</b>		<b>Audit Period</b>
<b>8</b>	Has the Internal Audit Report as a requirement of Aggregator guidelines issued by PFRDA been submitted by Aggregator on Half Yearly basis.	<b>Yes/No/NA</b>		<b>Audit Period</b>
<b>9</b>	Whether Aggregator submitted to the National Pension System Trust, reports on monthly/quarterly basis or at such intervals in specified formats of its activities and the compliances with the guidelines.	<b>Yes/No/NA</b>		<b>Audit Period</b>
<b>10</b>	Any other matters, which you may like to bring to the attention of the management of Aggregator or NPS Trust?	<b>Yes/No/NA</b>		<b>Audit Period</b>

### Reference Guidelines

The guidelines prescribed hereunder do not limit the scope of the audit. The points mentioned are only indicative in nature and not exhaustive. This has been prepared based on the regulatory requirement (as per relevant act, regulations and circulars) which keep on developing from time to time. The auditors should peruse them and update the scope of the audit. The auditors should clearly indicate 'Yes' indicating Compliance, 'No' indicating Non-compliance and 'NA' wherever 'Not Applicable'.

The report shall also include the following:

1. In case of any non-compliances/findings/observations/qualifications by the auditor the management responses should be obtained against each point. Further paragraph wise comments are required to be given by the management for corrective action taken as given in the format above.
2. Improvements brought about in the operations between the last audit and the current audit.
3. Auditor shall specifically declare about direct / indirect interest in or relationship with the Aggregator or its shareholders / directors / partners / proprietors / management if any and also confirm that they do not perceive any conflict of interest in such relationship / interest while conducting audit of the said Aggregator.
4. Membership number allotted by the affiliated professional body should be quoted at the bottom of the report as provided in the format. Each page of the report shall be signed and stamped by the auditor.
5. In case any violations/qualifications/observations are observed by the auditor the same shall be submitted as annexure with complete details and should be quantified specifying the no of instances, value etc. and the evidences should be enclosed with the Audit Report.
6. Sample size indicated in the format above is minimum sample size. The auditor may increase the sample size as it may deem fit. It is desirable that the sample selected is representative sample of the population.
7. The audit report should be submitted to NPS Trust as per the report format specified above along with the Aggregator management comments wherever non-compliance/adverse remarks are made by the auditor.

8. In case where audit report submitted is incomplete and not as per the guidelines like sample size not given, only certificate submitted without report, same would be treated as non-submission of audit report. NPS Trust reserves the right to advise the auditor to get the audit redone for completing the set audit process and format or change the auditor if quality of the report is not satisfactory or the audit is not carried out as per guidelines.
9. If in the opinion of the auditors, any observation related to any area also possesses a risk relating to Anti Money Laundering (AML) or Combating Financing of Terrorism (CFT), then such observation should be highlighted clearly specifying the risk relating to it.
10. In case of deviations observed, the quantum of compensation as per prescribed Regulations and Operational Guidelines has been calculated, shared with the PoP and also mentioned in the report for submission to NPS Trust.