Clarifications on Queries raised in Pre bid Meeting

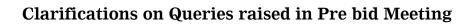


Ref: The RFP No – SHCIL/CIAA/2021/01 dated June 25, 2021 for appointment of Central Internal Auditor

A pre-bid meeting was held in this respect on Friday, July 02, 2021 at 11:00 a.m through video conference. The meeting was attended by interested bidders, who expressed their willingness to join the same.

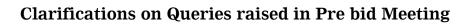
Please find below the responses for the queries raised in the pre bid meeting:

S.No.	Query	Response
1.	With respect to the point no. 9 of eligibility criteria, whether the Concurrent Audits of banks will be considered for the internal audit of Companies having a turnover of Rs 50 crore or more, in the last 3 years preferably from the BFSI?	Banks will be considered for
2.	With respect to the point no. 10 of eligibility criteria, whether DP audit carried out for few branches of a large zone as part of Concurrent Audits of bank will be considered?	bidder will have to submit proof that they had conducted DP
3.	With reference to the point no. 7 of eligibility criteria, whether Turnover for FY 2020-21 unaudited with declaration of no variation beyond 2% or certified by an Independent Auditor be considered for calculation of average annual turnover?	for last three financial years has been asked for. In this respect, the unaudited figures supported by a CA certificate



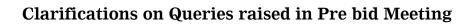


S.No.	Query	Response
	·	should not less than Rs. 2 crore.
4.	ICAI had suo-motto initiated proceedings in respect of one of the partners at any branch of the firm, in respect of which the matter is under hearing and no conclusion has been drawn. Will the firm become ineligible for the tender?	Please refer to point no. 6 of eligibility criteria - No adverse remark/disciplinary proceedings should be pending against the firm/any of its partners on record of The Institute of Chartered Accountants of India (ICAI) – Hence the firm will not be eligible for tender
5.	What is the volume of DP accounts opening?	20000 to 25000 per annum.
6.	What is approx. no. of transactions in different products?	Transaction audit for retail products is carried out at regional level. For the scope of audit of Central Internal Auditor, kindly refer to the RFP document (page no. 21 onwards) for clarity. Mentioned below are the total volume of different products on a pan India basis: Product Particulars Depository Total no. of Participant accounts – services 6,70,792 Accounts added in FY 21 – 23,176 e-stamping, FY 21



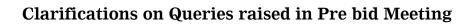


S.No.	Query	Res	sponse
		e-court fees and e- registration	mobilisation – Rs. 24,800 cr. Av. daily mobilization – Rs. 80 cr.
		Professional Clearing Member services	Total no. of accounts – 115 FY 21 volume – Rs. 1,53,91,297 cr. Av. Daily volume – Rs. 76,956 cr.
		NPS	Total no. of subscribers – 140,000 approx. Subscribers added in FY 21 –31,900
		Institution (Custody)	Av. No. of Equity monthly transactions – 23000 Av. No. of Non-Equity monthly transactions – 800 Assets under custody (as on 31.05.2021) – Rs. 22,45,762 cr.
		TPP – FD, MF, IPO	Total no. of clients – 1,50,000 approx. FY 21 volume – Rs. 2,807 cr. Average no. of daily transactions – 60
		GOI Bonds	Total no. of clients – 35,785



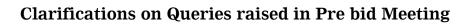


S.No.	Query	Re	sponse
			FY 21 volume – Rs. 1,516 cr. Average no. of daily transactions – 66
		Sovereign Gold Bonds	Total no. of clients – 16,117 FY 21 volume – Rs. 399 cr. Average no. of daily transactions – 50
		Insurance	Total customers as on 31.03.2021 – 12617 Policies mobilisied in FY 21 – Life – 3659 Policies mobilisied in FY 21 – Non-life - 2658
		Bullion	FY 21 volume – Rs. 9,10,92,911 Average no. of daily transactions – 2
		Gold Rush	Total no. of accounts – 39409 Average no. of daily transactions – 100
7.	For how many schemes, NAV is to be calculated on a daily basis? What is	There are twenty schem	approximately es for which NAV



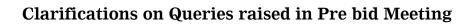


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S.No.	Query	Response
	the timeline T+0 or T+1?	is to be calculated on a daily
		basis. The TimeLine for the
		same is T + 0.
8.	Is the process of account opening	Around 20% of the process is
	digitalised? What percentage of	digitisied.
	processes is digitised?	
9.	What is the employee headcount of	Around 1400 as of now
	SHCIL?	
10.	How many AMC contracts are related	There are approximately 50
	to Admin?	AMC contracts related to
		Admin.
11.	Can Balance sheet be shared for better	The Balance Sheet of
	understanding of the Accounts related	Stockholding is available on the
	areas?	website "www. shcil.com" in
	areas.	the Corporate Corner- About us
		TAB.
10		
12.	How many warehouses are to be	
	covered in Bullion business?	digital platform and no storage
		is resorted to.
13.	How many applications are to be	As per Scope of Audit, the
	audited in "System Audit" mentioned	"System Audit" is being
	in the Scope of Audit?	referred to the pledge module of
		the DP only. The said audit is
		not a transaction audit but
		audit on account of processes
		and security controls in place.
14.	Does the role of Central Internal	With respect to the regional
	Auditor is also to verify the quality of	internal audit, the Central



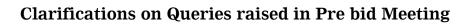


S.No.	Query	Response
	audit conducted by the Regional	Internal Auditor reviews the
	Auditors of the Corporation, apart	final reports of the Regional
	from collating the regional reports	Internal Auditors.
	and reporting the same to ACB as Executive Summary?	After review, the Central Internal Auditor collates the various reports along with their own observations. Thereafter, executive summary is prepared on material observations for presentation of the same to the Audit Committee of the Board. However, any suggestions by the Central Internal Auditor with respect to quality or scope of regional audit will be considered positively to the
		extent possible.
15.	Approximately how many certificates are to be issued per annum, as Central Internal Auditor of the Corporation?	The Central Internal auditor may have to issue around 100 certificates as regulatory and internal requirements.
16.	Except the Mahape and Centre Point, does the Central Internal Auditor need to visit any other office in Mumbai and Navi Mumbai?	In the normal circumstances, the Central Internal Auditor would be operating from the Operations office of the Corporation, i.e.Mahape. The Central Internal Auditor would be visiting Centre point office for some audits and management meetings.





S.No.	Query	Response
		However, in extra ordinary circumstances like Covid-19 etc., the auditors may be required to operate from any of our Mumbai offices. The auditors would be informed in advance for this. The list of our Mumbai offices is available on our website.
17.	Kindly clarify on the minimum fee	SHCIL has floated a RFP for internal audit. The evaluation in the RFP would be based not only on financial basis but on technical grounds as well. Thus, the RFP is a technofinancial RFP. Hence, no minimum fee is mentioned.
18.	If a firm is the auditor of a pension fund, will it be considered as conflict of interest to accept the SHCIL's assignment?	Kindly refer to the agreement between your firm and the pension fund and PFRDA regulations and circulars if any on this aspect.
19.	Kindly clarify on the difference between two Criteria in Technical evaluation criteria Sr. no 4 & 5 on page 17, Annexure III.	The technical evaluation criterion no. 4 & 5 relate to post qualification experience and experience as full time partner respectively. Both the criteria are with respect to the lead partner. For e.g. Mr. A qualified in the





S.No.	Query	Response
		year 2000. He was working in a
		company till the year 2005. In
		the year 2006, he joined a CA
		firm as a full timepartner. So,
		in 2021, his experience under
		both the criteria would be as
		follows:
		Criteria 4 - 20 years
		Criteria 5 - 14 years