



Request for Proposal (RFP)
For
Fund Accounting and Administration and
Custody Services (FAACS)

Date of Issue of RFP	13th September 2017
Last Date for Submission of application RFP	22nd September 2017 by 17:00 hours



Disclaimer

The information contained in this Request for Proposal (“RFP”) document or information provided subsequently to applicants whether verbally or in documentary form by or on behalf of IDBI Asset Management Limited (“IDBI AML”), is provided to the applicant(s) on the terms and conditions set out in this RFP document and all other terms and conditions subject to which such information is provided.

This RFP document is not an agreement and is not an offer or invitation by IDBI AML to any parties other than the applicants who are qualified to submit the applications. The purpose of this RFP is to provide the applicant(s) with information to assist the formulation of their proposals. This RFP does not claim to contain all the information each applicant may require. Each applicant should conduct its own investigations and analysis and should check the accuracy, reliability and completeness of the information in this RFP. IDBI AML makes no representation or warranty and shall incur no liability under any law, statute, rules or regulations as to the accuracy, reliability or completeness of this RFP.

The information contained in the RFP document is selective and is subject to updating expansion, revision and amendment. It does not purport to contain all the information that an Applicant may require. IDBI AML does not undertake to provide any applicant with access to any additional information or to update the information in the RFP document or to correct any inaccuracies therein, which may become apparent. IDBI AML reserves the right or discretion to change, modify, re-issue, re-commence, add to or alters any or all of the provisions of this RFP document and/ or the selection process, without assigning any reasons, whatsoever. Such change will be intimated to all applicants. Any information contained in this RFP document will be superseded by any later written information on the same subject made available to all recipients by IDBI AML. Decision as to any arithmetical error manifest or otherwise in response to RFP document shall be decided at the sole discretion of IDBI AML and shall be binding on the applicant. Any decision of IDBI AML in this regard shall be final, conclusive and binding on the applicant.

IDBI AML may in its absolute discretion, but without being under any obligation to do so, update, amend or supplement the information in this RFP.

IDBI AML reserves the right to reject any or all the expression of interest/ proposals received in response to this RFP document at any stage without assigning any reason whatsoever. The decision of IDBI AML shall be final, conclusive and binding on all the parties.



IDBI Asset Management Limited

1. Introduction

IDBI Asset Management Limited (CIN: U65100MH2010PLC199319) is a company registered and incorporated under the Companies Act, 1956 having its Registered Office at IDBI Tower, WTC Complex, Cuffe Parade, Colaba, Mumbai - 400 005 and Corporate Office at 05th Floor, Mafatlal Centre, Nariman Point, Mumbai - 400 021, hereinafter referred to as "IDBI AML".

IDBI AML hereby invites proposals from the competent and eligible service providers in India and who are willing to provide Fund Accounting and Administrative Services & Custody Services (FAACS) by submitting detailed application i.e. technical response and commercial response.

The fund house manages approximately INR 7,338 crore (AAUM from April 2017 to June 2017) of assets and has a diverse profile of investors actively parking their investments across 17 active schemes of IDBI Mutual Fund (IDBI MF) (8 Equity Schemes including 1 Balance Fund, 7 Debt Schemes including 1 liquid scheme, 1 Gold ETF and 1 Gold Fund of Fund). The fund house is in the growing phase.

2. The words Bidder, Prospective Applicant, Applicant by whatever name referred to in this RFP shall mean and refers only to the person making an Application under this RFP.

3. Scope of Work: (Detailed scope of work forms part of the various annexure)

- a) Fund Accounting and Administrative and Custody Services for the live, redeemed and the prospective schemes of IDBI AML.
- b) Migration of data since inception related to Fund Accounting Services.
- c) Requiring support from the service provider at all times whether for smooth transition, which amongst include support for data migration, interfacing and parallel run whenever IDBI AML proposes to go for new system.

4. Due Diligence

The Applicant is expected to examine all instructions, forms, terms and specifications in this RFP. Application shall be deemed to have been submitted after carefully studying and examining on the contents of this RFP including the scope of the assignment with full understanding of its implications and requirements after ascertaining that the applicant is eligible to apply for the assignment. The Application should be precise, complete in all respects and to be submitted in the prescribed format as per the requirement of this RFP only. Failure to furnish all information required by this RFP or submission of a Application not responsive to this RFP in every respect will be at the applicant's risk and may result in rejection of the Application for which IDBI AML shall not be held liable under any circumstances, whatsoever.

5. Cost of Participation

The bidder shall bear all costs associated with the preparation and submission of its Application and IDBI AML/IDBI MF, will in no case be held responsible or liable for these costs, regardless of the conduct or outcome of the selection process.



6. Clarification of RFP Documents

A prospective applicant requiring any clarification on this RFP or its contents may notify IDBI AML in writing by e-mail at rfpresponse@idbimutual.co.in only (subject of the mail to mention “**Clarification on the RFP for FAACS**”). IDBI AML shall respond in writing by e-mail to any request for clarification of the application documents, from the prospective Applicants, which it receives not later than 20th September, 2017 by 17:00 hours. IDBI AML shall not be responsible for any external agency delays. Communication made to other officials will not be allowed or recognized as valid. IDBI AML shall not be obliged to respond to any such queries and/or communication.

7. Amendment of RFP Document

- a) IDBI AML reserves the sole right for including any addendum to this entire bid process. The bidders shall not claim as a right for requiring IDBI AML to do the aforesaid.
- b) At any time before the deadline for submission of offers, IDBI AML may, for any reason, whether at its own initiative or in response to a clarification requested by prospective applicants, modify this RFP Document.
- c) All prospective applicants who have received this RFP shall be notified of the amendment in writing by e-mail or fax or post, and all such amendments shall be binding on them and shall form an integral part of this RFP for the intended purpose.
- d) If required in order to allow prospective Applicants reasonable time in which to take the amendment into account in preparing their applications IDBI AML, reserves the rights to extend the deadline for the submission of applications. However no request from the Applicant, shall be binding on IDBI AML.

8. RFP Submission Structure

Both the technical & commercial response shall in separate sealed envelopes.

- a) Technical and Commercial RFP response should be submitted in hardcopy that is duly signed by the authorized signatory. In addition, one soft copy (CD/Pen Drive) of the Technical RFP response should be submitted at the time of submitting the hard copy. The soft copy must contain duly completed Annexure in MS Excel format. Other documents, if any, should be preferably submitted in standard Microsoft Word or MS Power point or PDF formats.
- b) The envelope containing hard copy of technical response should be superscribed “**Technical Response for Fund Accounting and Administrative and Custody Services**”.
- c) The envelope containing hard copy of commercial response should be superscribed “**Commercial Response for Fund Accounting and Administrative and Custody Services**”. The commercial response for fee shall not be sent and shall not be entertained/ accepted in any other manner.
- d) Both the hard copy of the envelope i.e. Technical Response and Commercial Response should be submitted to by hand/ postal service/ courier: -

Shri Amit R. Bhavsar
Chief Operating Officer & Chief Financial Officer
IDBI Asset Management Limited
05th Floor, Mafatlal Centre,
Nariman Point,
Mumbai – 400 021



- e) All enclosures must be attested as true copy under seal by the authorised signatory of the service provider.
- f) Last date for submission of the application through email as well as hard copy and soft copy in the form of CD/Pen Drive is **on or before 22nd September 2017 by 17:00 hours**. Applications received thereafter shall not be considered.
- g) Mere submission of application does not, in any way, constitute guarantee for allotment/award of this assignment from IDBI AML.
- h) IDBI AML reserves the sole right to shortlist and award the assignments based on specified criteria and subject to approval of the appointment by Competent Authority.
- i) Further in case only one application is received/ no competitive applications are received, IDBI AML shall have the sole right to either scrap the RFP process or to appoint the said sole applicant or act/take steps as per directions of its Competent Authority.
- j) Contact Point for RFP: -
Shri Amit R. Bhavsar
Chief Operating Officer & Chief Financial Officer
IDBI Asset Management Limited
05th Floor, Mafatlal Centre,
Nariman Point,
Mumbai – 400 021
Tel: 022-66442812/66442827
rfpresponse@idbimutual.co.in

9. Timelines for RFP

S. No.	Activity	Date
1.	RFP Release Date	13 th September 2017
2.	Queries from vendors to be accepted by IDBI AML	13 th September 2017 to 18 th September 2017 by 17:00 hours
3.	Clarifications on the queries from IDBI AML	13 th September 2017 to 20 th September 2017
4.	Last Date (also referred as due date) and Time for submission of response to RFP	22 nd September 2017 by 17:00 hours
5.	Opening of technical bids submitted by applicants*	22 nd September 2017 by 17:30 hours
6.	Timeline for response presentations/walk through for applicants	To be communicated separately

Note: In the event of occurrence of any force majeure event, IDBI AML may extend the last day of Receipt of Application for submission of RFP. However, the time of receipt of application will remain the same as well as opening of technical bid. The decision for extension of dates will be at the sole discretion of IDBI AML.

* This will only mean opening of Bids, evaluation of bids would be done separately including point no. 5 above.



10. Eligibility Criteria

All Service Providers are requested to study the minimum eligibility criteria listed below carefully and submit the responses only if they fully qualify for responding for the relevant services.

Service Provider should-

Fund Accounting and Administration:

- a) Have a minimum of five years of experience in providing Fund Accounting Business in India.
- b) Have his office in Mumbai/ Navi Mumbai/ Thane from where FA core operations would be carried out.
- c) Have experience in FY 2016-17 as a Fund Accountant in India with a minimum Asset under Management (AUM) of INR 5,000 Crores of Indian Mutual fund schemes and across all asset classes.
- d) Not have been black-listed by RBI, SEBI, IRDA or Government of India or any Public Sector agencies, as on 13th September, 2017.
- e) Should have a capacity to deploy a dedicated team of experienced persons, having minimum average work experience of 5 years in the fund accounting business in India.

Custody

- a) Have a minimum of five years of experience in providing Custody Business in India.
- b) Have his office in Mumbai/ Navi Mumbai/ Thane from where Custody operations would be carried out.
- c) Have experience in FY 2016-17 as Custodian in India with a minimum Asset under Custody (AUC) of INR 5,000 Crore across all asset classes.
- d) Not have been black-listed by RBI, SEBI, IRDA or Government of India or any Public Sector agencies, as on 13th September, 2017.
- e) Should have a capacity to deploy a dedicated team of experienced persons, having minimum average work experience of 5 years in the custody business in India.

11. Evaluation of service provider for appointment of Fund Accounting & Custody Services assignments:

- a) The Service Provider will be evaluated based on eligibility criteria as mentioned above.
- b) Merely meeting the eligibility criteria shall not automatically entitle the Service Provider for appointment.
- c) IDBI AML reserves its right to cancel any or all the offers without assigning any reason whatsoever.
- d) The selection of the service provider will be decided by the competent authority based on the technical and commercial response received.
- e) Service Provider shall be entrusted to with end to end responsibility for the execution of the project under the scope of this RFP. The service provider is expected to commit for the delivery of services within the timelines and due dates.



- f) Any form of canvassing/ lobbying/ influencing/ query regarding short listing, status, etc. shall result in disqualification. Applicants shall abide by the provisions of the Prevention of Corruption Act, 1988.
- g) IDBI AMC reserves the right to relax the eligibility criteria as mentioned above.

12. Documents to be submitted along with the application:

A) Technical response (duly signed by the authorised signatory signing the application)

- a) Organisation Structure – Annexure 1
- b) Management Staffing and Reference Check –Annexure 2
- c) Transition Process – Annexure 3
- d) Fund Accounting Process – Annexure 4
- e) Compliance, Risk, Legal and Internal Controls –Annexure 5
- f) Reporting & Systems – Annexure 6
- g) Custody Services – Annexure 7

The response should be submitted in the format as per Annexure in excel (editable) and separate documents can be attached to give the details about any section in word, pdf. or excel format. **Commercial Response should be submitted in hard copy in separate envelope.**

Please do not change the sequence of Annexure and the line items therein to be submitted in excel format. Technical Proposal should not carry any price information.

B) Commercial Response should be submitted in a separately sealed envelope in Annexure 8.

13. Terms and conditions

i.	No communication will be sent by the IDBI AML and no correspondence will be entertained in respect of Service Providers, which are not being selected.
ii.	The Service Provider on receiving the Letter of Intent by way of e-mail and or hard copy from IDBI AML, should submit the hard copies of Letter of acceptance of terms and conditions, undertaking letter (Annexure 9),
iii.	The assignment should be carried out in a professional manner and in case of any misconduct & negligence; IDBI AML is free to report the matter to SEBI/RBI or to any other statutory authority as may be required. This will be in addition to the disengagement from the assignment.
iv.	All the necessary support for Fund Accounting and Administration and Custody to be provided including daily, weekly, fortnightly, monthly, quarterly, half-yearly, annual, ad-hoc and statutory reporting that need to be given by Service Provider to IDBI AML/ IDBI MF without any additional fee.
v.	By virtue of this engagement, the successful applicant's team may have access to business information of IDBI MF Schemes. IDBI AML shall at all times have the sole ownership of and the right to use, all such data in perpetuity in the course of performing the Service(s) under the Engagement.
vi.	Appointment of Service Provider shall be purely at discretion of IDBI AML and no rights whatsoever accrue to the Service Provider for such appointment.



vii.	IDBI AML shall monitor the performance of Service Provider closely. Performance of the Service Provider shall be evaluated once in a year for their quality and reporting. In case, Service Provider is not performing work properly, continuous delay in submission of reports/declaring NAV, non reporting of serious irregularities/ deviations, non-detection of fraud/error, non-detection of excess expenditure or wrong calculation of NAV, leakage of income, etc. IDBI AML reserves the right to terminate the assignment by giving 45 days written notice without assigning any reason.
viii.	The Service Provider shall not sub-contract the core fund accounting work to any outside Service Provider or other persons. In case some of the activity other than core fund accounting has been outsourced, vendors should provide complete details of subcontractor(s) used for the purpose of this engagement. It is clarified that notwithstanding the use of subcontractors by the Vendor, the Vendor shall be solely responsible for performance of all obligations under the RFP irrespective of the failure or inability of the subcontractor chosen by the Vendor to perform its obligations. The Vendor shall also have the responsibility for payment of all dues and contributions, as applicable, towards statutory benefits for its employees and subcontractors.
ix.	The Service Provider shall adhere strictly as per the scope as may be decided by IDBI AML from time to time.
x.	IDBI AML reserves the right to seek views from the corporate houses with whom the Service Provider is/has been/was associated.
xi.	No binding legal relationship will exist between any of the Service Providers and IDBI AML until issuance of Letter of Intent in writing to the selected Service Provider by IDBI AML.
xii.	The Service Provider will have to take reasonable and suitable action to provide the services to IDBI AML at a technological and functional level that will enable IDBI AML to take advantage of advancements in the industry from time to time and be in-line with the changing regulatory requirements.
xiii.	Service Provider is expected to demonstrate the capabilities and confirm readiness to provide the regulatory reports, financials, adhoc reports as may be required from SEBI/AMFI/RBI or any regulatory body, standard reports as given to other clients .
xiv.	To have monthly meetings and reviewsor meetings at such interval as may be desired by IDBI AML from time to time.
xv.	To attend and make presentations, reply to Board of IDBI AML or IDBI MF Trustee Company Limited on queries and clarifications, if any.
xvi.	Support and help in managing various audits including the support in Financial & System Audit even after the termination of contract to be executed between IDBI AML and Service Provider.
xvii.	Any other terms and conditions of the assignment would be discussed and mutually agreed between IDBI AML and the Service Provider on a case-to-case basis.
xviii.	Due to the nature of the evaluation process, proposals must be valid for a minimum of 180 days from the date of opening of the respective proposal. Responses must clearly state the length of the offer and its explicit expiration date.
xix.	The Service Provider should have process to get the NAV audited before publishing.

14. Tenure of Assignment

The proposed appointment would be valid for the period of three years subject to review, each year by IDBI AML.



15. Payment of fee

- a) The fee would be decided based upon the quote received from the Service Provider as part of this application and assignment shall be awarded accordingly after negotiations, if any.
- b) Payment to the service provider shall be subject to deduction of tax at source at appropriate rates and then applicable taxes.
- c) All necessary support as mentioned in the scope to be documented for the Fund Accounting & Administration & Custody Services to be provided to IDBI AML/IDBI MF by the Service Provider will be without any additional fee.
- d) IDBI AML reserve the right to enter into pricing discussions with the chosen Service Provider at more favourable terms in case such terms are prevalent in the industry at that time for more projects of similar and comparable size, scope and quality.

16. Conduct and Performance Monitoring

- a) IDBI AML shall designate one of its senior officer as a Nodal Officer as a single point contact for coordinating the assignments.
- b) IDBI AML shall provide requisite initial information of its activities and further support to Service Provider.
- c) The Service Provider should ensure rectification of deficiencies without any loss of time so as to achieve the very purpose of NAV calculation and its declaration.
- d) All the aspects/ areas covered in the scope of assignment including quality of compliance with the internal as well as with all statutory provisions/ requirements shall be covered and commented upon by the Service Providers.
- e) The Senior Management may interact with the Service Providers at least once in a quarter for the performance review.
- f) IDBI AML reserves its right to review the appointment at any point of time and if necessary, can cancel the appointment by giving at least 45 days written notice.
- g) In case the Service Provider fails to report serious omissions/ commissions/ non compliance etc., IDBI AML reserves right to report the matter to SEBI/ RBI or any other authority as may be required & initiate appropriate action. Such Service Providers will be black listed and they will not be eligible for assignment of work with IDBI AML for next five years. Apart from the same IDBI AML shall have the right to recover any monetary loss incurred by it due to serious omissions/ commissions/ non compliance etc by the Service Provider.
- h) The Service Provider has very important role in identifying system lapses, irregularities of every type, NAV calculation mistakes, delay in upload/ non-compliance with statutory/ internal guidelines, detecting frauds, pointing out procedural lapses, etc. Therefore, it would be expected that Service Provider keep its staff updated with the Statutory and other legal requirements as well as with the internal circulars/ policies/ guidelines of IDBI AML which are provided by IDBI AML to the Service Provider.
- i) The senior employee of successful Service Provider is expected to attend the Audit Committee Board/Board of IDBI Asset Management Limited/IDBI MF Trustee Company Limited as and when advised by IDBI AML.
- j) The Service Provider is expected to strictly abide by the directions of the Management from time to time as communicated & documented. Further, the scope of FA service as defined in this document is indicative and is subject to revision/ modification/ alteration/ addition with the approval of the competent authority of IDBI AML.



- k) The quality of the Service Provider would be judged from the number of instances of incorrect calculation of NAV, declaration of NAV after cut off time, Incorrect reporting, non-compliance of the regulatory aspects/offer document/internal business rule, non-adherence of the instruction of the IDBI AML, incorrect calculation of the distributable surplus, wrong calculation of the statutory payments, procedural lapse on the part of the service provider, etc.

17. Representations and Warranties

- a) That the Applicant which has the requisite qualifications, skills, experience and expertise in providing Service(s) contemplated hereunder the financial wherewithal, the power and the authority to enter into the Engagement and provide the Service(s) sought by IDBI AML.
- b) That the Applicant is not involved in any major litigation, potential, threatened and existing, that may have an impact of affecting or compromising the performance and delivery of Service(s) under the Engagement.
- c) That the representations made by the Applicant in its application are and shall continue to remain true and fulfill all the requirements as are necessary for executing the duties, obligations and responsibilities as laid down in the Engagement and the RFP Documents and unless IDBI AML specifies to the contrary.
- d) That the Applicant has the professional skills, personnel and resources/authorizations/approvals/ licenses/infrastructure that are necessary for providing all such services as are necessary to perform its obligations under the application and this Engagement.
- e) That the Applicant shall use such assets of IDBI AML as IDBI AML may permit for the sole purpose of execution of its obligations under the terms of the RFP or the Engagement. The Applicant shall however, have no claim to any right, title, lien or other interest in any such property, and any possession of property for any duration whatsoever shall not create any right in equity or otherwise, merely by fact of such use or possession during or after the term hereof.
- f) That the Applicant shall procure all the necessary permissions and adequate approvals and licenses for use of various software and any copyrighted process/product free from all claims, titles, interests and liens thereon.
- g) That all the representations and warranties as have been made by the Applicant with respect to its RFP and Engagement, are true and correct, and shall continue to remain true and correct through the term of the Engagement.
- h) That the execution of the Service(s) herein is and shall be in accordance and in compliance with all applicable laws.
- i) That there are – (a) no legal proceedings pending or threatened against Applicant or its team which adversely affect/may affect performance under this Engagement; and (b) no inquiries or investigations have been threatened, commenced or pending against the Applicant or its team members by any statutory or regulatory or investigative agencies.
- j) That the Applicant has the corporate power to execute, deliver and perform the terms and provisions of the Engagement and has taken all necessary corporate action to authorize the execution, delivery and performance by it of the Engagement.
- k) That all conditions precedent under the Engagement has been complied.
- l) That neither the execution and delivery by the Applicant of the Engagement nor the Applicant's compliance with or performance of the terms and provisions of the Engagement (i) will contravene any provision of any applicable law or any order, writ, injunction or decree of any court or governmental authority binding on the Applicant (ii) will conflict or be inconsistent with or result in any breach of any or the terms,



covenants, conditions or provisions of, or constitute a default under any agreement, contract or instrument to which the Applicant is a party or by which it or any of its property or assets is bound or to which it may be subject.

18. Confidentially

The Parties agree that they shall hold in trust any Confidential Information received by either Party, under the Engagement, and the strictest of confidence shall be maintained in respect of such Confidential Information. The Parties also agree: -

- a) to maintain and use the Confidential Information only for the purposes of the Engagement and only as permitted herein;
- b) to only make copies of such documents/papers as specifically authorized by the prior written consent of the other party and with the same confidential or proprietary notices as may be printed or displayed on the original;
- c) to restrict access and disclosure of Confidential Information to such of their employees, strictly on a "need to know" basis.
- d) To treat Confidential Information as confidential till the termination of this engagement. In the event of termination of the engagement, the Parties hereby agree to maintain the confidentiality of the Confidential Information for a further period of [two (2)] years from the date of such termination.
- e) Confidential Information in oral form must be identified as confidential at the time of disclosure. Confidential Information does not include information which:
 - i. the recipient knew or had in its possession, prior to disclosure, without limitation on its confidentiality;
 - ii. is independently developed by the recipient without breach of the Contract;
 - iii. information in the public domain as a matter of law;
 - iv. is received from a third party not subject to the obligation of confidentiality with respect to such information;
 - v. is released from confidentiality with the written consent of the other Party.

The recipient shall have the burden of proving that Clauses (i) or (ii) above are applicable to the information in the possession of the recipient.

Notwithstanding the foregoing, the Parties acknowledge that the nature of the Service(s) to be performed under this Engagement may require the successful Applicant's personnel to be present on premises of IDBI AML or may require the Successful Applicant's personnel to have access to computer networks and databases of IDBI AML while on or off premises of IDBI AML or at only its third party locations. It is understood that it would be impractical for IDBI AML to monitor all information made available to the Successful Applicant under such circumstances and to provide notice to the Successful Applicant of the confidentiality of all such information. Therefore, the Successful Applicant agrees that any technical or business or other information of the Successful Applicant that the Successful Applicant's personnel, acquire while on the IDBI AML's premises, or through access to IDBI AML's computer systems or databases while on or off IDBI AML premises, shall be deemed Confidential Information.

Confidential Information shall at all times remain the sole and exclusive property of the disclosing Party. Upon termination of the Engagement, Confidential Information shall be returned to the disclosing Party or destroyed, if incapable of returning. The destruction shall be witnessed and so recorded, in writing, by an authorized representative of each of the Parties.



In the event that any of the Parties hereto becomes legally compelled to disclose any Confidential Information, such Party, where practicable shall give sufficient notice to the other Party to enable the other Party to prevent or minimize to the extent possible, such disclosure. Neither party shall disclose to a third party any Confidential Information or the contents of the Contract/Agreement without the prior written consent of the other Party. The obligations of this Clause shall be satisfied by handling Confidential Information with the same degree of care, which the receiving Party applies to its own similar confidential information but in no event less than reasonable care. The obligations of this Clause shall survive the expiration, cancellation or termination of this Contract.

The provision of this clause shall survive termination of the Contract till such Confidential Information enters public domain.

The service provider shall enter into a separate Confidentiality agreement with IDBI AML.

19. Indemnity

The Service Provider shall indemnify IDBI AML, and shall always keep indemnified and hold IDBI AML, its employees, personnel, officers, directors, harmless from and against any and all direct losses, liabilities, claims, actions, costs and expenses (including attorneys' fees) relating to, resulting directly or indirectly from or in any way arising out of any claim, suit or proceeding brought against IDBI AML as a result of: -

- a) IDBI AML's authorized/ bona fide use of the deliverables and/ or the services provided by Service Provider under this RFP; and/ or
- b) A deliberate act or omission of the Service Provider, its employees, agents, in the performance of the obligations of the Service Provider under this RFP; and/ or
- c) Claims made by employees, who are deployed by the Service Provider, against IDBI AML; and/ or
- d) Breach of any representation or false representation or inaccurate statement or assurance or covenant or warranty of the Service Provider under this RFP; and/ or
- e) Any or all deliverables or services infringing any copyrights or such other Intellectual Property Rights; and/ or
- f) Breach of confidentiality obligations of the Service Provider contained in this RFP; and/ or
- g) Gross negligence or willful misconduct attributable to the Service Provider or its employees or agents and/or such persons who are directly responsible for performance of the assignment.

The Service Provider shall at its own cost and expenses defend or settle any third party claim against IDBI AML in the event that the Deliverables and Services delivered or provided under this RFP infringe a patent, utility model, industrial design, copyright, trade secret, mass work or trade mark in the country where the Deliverables and Services are used, sold or received, provided IDBI AML: -

- a) Notifies the Service Provider in writing;
- b) Co-operates with the Service Provider in the defence and settlement of the claims; and
- c) permits service provider to control and direct the defense or settlement off any such claim.



The Service Provider shall be liable to pay infringement claim defense costs, negotiated settlement amounts, and court-awarded damages and shall not claim any reimbursement in this regard from IDBI AML.

20. Right to Inspection

IDBI AML and its authorized representatives, including auditors, regulators shall have the right to visit any of the Service Provider's premises without prior notice. The Service Provider will have to co-operate with the authorized representative/s of IDBI AML and will have to provide all information/ documents required by IDBI AML/ authorized representative(s) to satisfy the auditors and co-operate in finalization of the reports and assist the management with suitable replies.

21. Inspection of Records

All records with respect to any matters covered by this RFP will have to be made available to IDBI AML and regulators including SEBI/AMFI, at any time during normal business hours, as often as IDBI AML deems necessary, to audit, examine, and make excerpts or transcripts of all relevant data by the selected Service Provider. The said records are subject to examination. IDBI AML's auditors may, if so required, execute confidentiality agreement with the Service Provider, provided that the auditors would be permitted to submit their findings to IDBI AML, for use by IDBI AML. The cost of such auditor will be borne by IDBI AML.

22. Penalty

IDBI AML expects the successful Service Provider to provide services (including migration activities) as mentioned in Scope of Work. Inability of the Service Provider to either provide the requirements as per the scope or to meet the timelines as specified causing any financial loss to IDBI AML or otherwise would be treated as breach of contract and IDBI AML would invoke the penalty clause. The proposed rate of penalty would be based on the service level agreement between IDBI AML and Service Provider during agreement finalization. In the event the timeframes are impacted due to delays caused solely by IDBI AML, the Service Provider will be given additional time (proportionate to the time lost due to the delay) to complete the activity and further the Service Provider will not be responsible for any penalties for such delay or resultant extension.

Penalties on delay will be applicable when the delay is attributable to the Service Provider. For the purpose of clarity, no such penalty will be applicable on the Service Provider under the clause above, for inability occasioned, if such inability is due to reasons entirely attributable to IDBI AML.

These rights shall be in addition to and without prejudice to other rights available to IDBI AML including but not limited to termination of contract, invocation of indemnity and recovery of loss incurred/amount paid, etc.

23. Information ownership

All information/documents/papers etc. shall be processed, stored, and/or transmitted by selected Service Provider for the services provided to IDBI AML. By having the responsibility to provide services, the Service Provider does not entail or acquire rights to redistribute/copy/share/forward the information to any third party in any manner unless



specifically mentioned by IDBI AML. The Service Provider understands that civil, criminal, or administrative penalties may apply for failure to protect information appropriately. On termination/cancellation/non renewal of contract, the information whether in hard or soft form maintained/created/stored/developed/received or otherwise by the selected Service Provider shall be handed over to IDBI AML or to such other Service Provider as specified by IDBI AML without any protest or demur or delay or otherwise in such form as may be specified. The selected Service Provider shall support the IDBI AML in successful data migration and audit if any. This clause shall survive termination clause for a period of two years or successful completion of Migration whichever is later.

24. Limitation of liability

a. In respect of Custody assignment

The Custodian will not be responsible for any loss or damage suffered by IDBI AML as a result of any act or failure to act by the Custodian unless the loss or damage results from the Custodian's breach; Provided that Custodian's liability shall be limited to the replacement value or market value of the Property, at the time of the breach or IDBI AML's discovery of the reasonable loss or damage, whichever is lower, actual costs including interest till the time of actual payment of such loss or damage, and market penalty fees, together with any tax payable/imposed from time to time. IDBI AML shall promptly inform the Custodian in writing of any loss or damage and the Custodian and IDBI AML shall forthwith take all reasonably necessary steps to mitigate such loss or damage and IDBI AML shall notify the Custodian of such action taken.

b. In respect of Fund Accounting assignment

(i) Service Provider shall not be responsible for any loss or damage suffered by the IDBI AML as a result of any act or failure to act by the Service Provider unless the loss or damage results from breach of assignment; or to perform the assignment; Provided that the Service Provider's aggregate liability in connection with obligations undertaken as a part of this assignment regardless of the form or nature of the action giving rise to such liability (whether in contract, tort or otherwise), shall be at actuals or limited to minimum of 24 months' agreed fees.

25. Monitoring and audit

Compliance with Industry best practices may be monitored by periodic audits performed by or on behalf of IDBI AML. The periodicity of these audits will be decided at the discretion of IDBI AML. These audits may include, but are not limited to, a review of access and authorization procedures, physical security controls, backup and recovery procedures, process adherence, business continuity, etc. to the extent that IDBI AML deems it necessary to carry out a program of inspection and audit to safeguard against threats and hazards to the confidentiality, integrity, and availability of data and service quality. The Service Provider shall afford IDBI AML's representatives access to the Service Provider's premises, technical resources, operations, documentation, records, databases and personnel.

26. Violation of terms

IDBI AML clarifies that IDBI AML shall be entitled to an injunction, restraining order, right for recovery, specific performance or such other equitable relief as a court of competent



jurisdiction may deem necessary or appropriate to restrain the Service Provider from committing any violation or enforce the performance of the covenants, obligations and representations contained in this RFP. These injunctive remedies are cumulative and are in addition to any other rights and remedies IDBI AML may have at law or in equity, including without limitation a right for recovery of any amounts and related costs and a right for damages.

27. Parallel Run

The Service Provider agrees that the parallel-run shall continue for a period as mutually agreed, but not less than 1 month than during which the Service Provider shall adequately supervise the hand-over of the various components of the Service Provider's functions under this RFP. Service Provider must consult in writing with IDBI AML on any third party contracts between Service Provider and third parties that are necessary or useful for IDBI AML or a Third Party to perform the services and shall arrange for transfer or assignment of such third party contracts that IDBI AML wishes to have transferred or assigned to IDBI AML or a Third Party designated by IDBI AML.

28. Governing Law

The Engagement shall be governed in accordance with the laws of Republic of India. These provisions shall survive the Engagement.

29. Jurisdiction of Courts

The courts of India at Mumbai have exclusive jurisdiction to determine any proceeding in relation to the Engagement. These provisions shall survive the Engagement.

30. Time Limit for the Commencement of Work

Time limit for commencement of work shall be 2 working days from the date of award of Engagement or issue of Letter of Intent.

31. Time of the Essence

Time is of the essence to the performance of the parties' obligations under this Assignment.

32. Service Level Agreement (SLA)

The successful bidder/applicant shall enter into an SLA with IDBI AML which shall cover points mentioned in RFP.
