

RFP for Prevention of Insider Trading Solution
RFP Ref: LIC/CO/IT-BPR/HW/PIT/2021-22 dated 22.09.2021

Clarifications to Pre-bid Queries

Sl. No.	RFP Document Reference (Section & Page Number)	Clause of RFP requiring clarification	Brief Details/ Query in reference to the clause	Clarifications
1	Eligibility Criteria 4, Page 24	The bidder should have registered annual revenue of at least Rs.25 lakhs in each of the three accounting years preceding the date of release of this RFP.	Request to provide relaxation for Start-up in public procurement as per General Financial Rules 2017 Rule 173 (i) - Relaxation from Prior Experience and Turnover, refer to <u>Notification Document</u> .	Relaxation would be provided subject to the bidder meeting the quality and technical specifications, on submission of Certificate of Recognition by DPIIT.
2	Section 3 - Criteria 4 - Page no 24	The bidder should have registered annual revenue of at least Rs.25 lakhs in each of the three accounting years preceding the date of release of this RFP.	The company which will bid for the RFP does not have turnover exceeding Rs 25 lakhs. However the group has turnover exceeding Rs 25 lakhs. Will this be acceptable?	Yes
3	Eligibility Criteria 5, Page 24	The bidder should have made profit before tax in any two of the last five accounting years preceding the date of release of this RFP.	Request to provide relaxation for Start-up in public procurement as per General Financial Rules 2017 Rule 173 (i) - Relaxation from Prior Experience and Turnover, refer to <u>Notification Document</u> .	This clause is deleted from the eligibility criteria. Please refer Corrigendum.
4	Eligibility Criteria 5, Page 24	The bidder should have made profit before tax in any two of the last five accounting years preceding the date of release of this RFP.	Can this requirement for profit before tax be waived, considering the turnover requirement is exceeding in all the 5 years?	This clause is deleted from the eligibility criteria. Please refer Corrigendum.

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5	Section 4.2 - Page no 25 - Services Location	The bidder has to implement the solution at Mumbai or such locations as may be required by LIC.	Implementation will be done remotely i.e. there will be no requirement for onsite manpower except for training of the key users. Such training can be in Mumbai. Out of Mumbai training will be chargeable extra. There will be no onsite IT support	The hardware on which the solution shall be implemented would be at Mumbai.
6	Section 4.3.5 - Page no 26 - Subcontracting	The Vendor will not be allowed to subcontract any portions of the scope of this RFP to any other party.	The IT implementation and support will be by our own group company which is a software company	The vendor should not subcontract the work to any other party.
7	Section 5 - Page 43 Project timelines - Sr No 3	Delivery of licences and Project completion period - 4 weeks from the date of receipt of details from LIC	Such time line for customisation is not feasible	Please refer Corrigendum.
8	6.3, Page 44	Licences available with LIC: o RHEL Enterprise wide Unlimited Licences o MYSQL Enterprise wide Unlimited Licences	Request to include SQL Standard or SQL Express licence type	SQL Standard or SQL Express licences are not available with LIC. Bidder to supply the licences and include the cost in the commercials.
9	6, Page 44	Scope of Work and Deliverables	Need to confirm the scope of work also need to confirm whether PIT compliance schedule C or schedule B will be applicable on LIC	Both PIT Compliance Schedule C and Schedule B are applicable on LIC

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10	Section 6.1 - Page 44 - Hardware	Server with 4 vCPU, 16 GB RAM, 500 GB Hard Disk	With increase in number of users the hardware configuration may need to be increased. In such a case LIC will bear the cost for the same	The requisite hardware and any increase in configuration, in future, would be provided by LIC.
11	Section 6.2 - Page 44 - Designing the Solution	The scope of work and implementation plan must be satisfactory to LIC.	We have a software package which is already operational. There will be no requirement for any project plan. The only additional work would be with reference to customisation as required by LIC	Project plan, including customisation, with timelines to be submitted to LIC, on receipt of Purchase Order.
12	Section 6.6 Training Page 44	The Training shall be imparted at a location suggested by Central office IT Department (likely to be at Mumbai) for a team of around 10 persons	The training can be provided in off line mode only if it is in Mumbai. If training is required outside Mumbai then it can be provided online	This is acceptable to LIC.
13	6.6 Training, Page 44	Bidder shall train specified LIC employees for operational management of the system.	Will training require to be done in person or e/video will be acceptable.	An effective training either in person or through video conferencing facility is acceptable.
14	Section 6.9 - Page 45 - Compliance with SEBI regulations	The solution should always be compliant to SEBI (PIT) Regulations, 2015 as amended from time to time, and any new Regulations by SEBI on Prevention of Insider Trading. Any change in the regulation should be carried out within 2 days of amendment/ new regulation	Our solution takes care of all compliance with PIT regulations except for Trading plan which will not be provided. Furthermore it is not possible to immediately carry out changes in the software within 2 days of amendment/ new regulations	Please refer Corrigendum.

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15	6.9 Compliance with SEBI Regulation, Page 45	Any change in the regulation should be carried out within 2 days of amendment/ new regulation.	The complexity of the change may require more time than the 2 days mentioned here. Please clarify whether this can be changed based on the complexity of the change made by SEBI	Please refer Corrigendum.
16	Section 7 - Page 46 - SLA, Penalties	Delay in updation of software, beyond two days of amendment in SEBI Regulation	Not possible	Please refer Corrigendum.
17	Section 7 - Page 46 - SLA, Penalties	Delay in implementation beyond 4 weeks from the date of receipt of details from LIC	Not possible to carry out customisation within such time period	Please refer Corrigendum.
18	Section 7 - Page 46 - SLA, Penalties	Delay in troubleshooting, beyond 24 hours of reporting	Will attend to the software within 24 hours of reporting. However cannot guarantee that it will be resolved within 24 hours	No change in RFP condition.
19	8. Payment Terms, Page 47	75% of the first year charges will be paid on implementation of the solution and signoff by LIC, on receipt of invoice from the vendor. The remaining 25% will be paid on completion of training to LIC officials.	Can the payment terms be modified for an advance payment towards the project? Advance in the range of 50% to 70%	Please refer Corrigendum.

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Sl. No.	RFP Document Reference (Section & Page Number)	Clause of RFP requiring clarification	Brief Details/ Query in reference to the clause	Clarifications
20	Section 8 - Page 47 - Payment Terms	75% of the first year charges will be paid on implementation of the solution and signoff by LIC, on receipt of invoice from the vendor. The remaining 25% will be paid on completion of training to LIC officials	25% is required to be paid on issue of PO/ signing of contract. Alternatively we shall supply our current software without any customisation and 50% to be paid on installation of software. In such a case license for OS to be paid by LIC	Please refer Corrigendum.
21	Section 8 - Page 47 - Payment Terms	The Vendor will not be entitled to charge LIC for any other fees, charges or expenses (including travel and accommodation, document reproduction, transportation and courier charges, and telecommunications charges, etc.)	All implementation will be done remotely. There will be no onsite support. Training can be provided without additional cost in Mumbai. All costs for any travel outside Mumbai will be charged extra	The Vendor will not be entitled to charge LIC for any other fees, charges or expenses, other than the first year and subsequent year charges, and man-day charges for customisations, quoted in the Purchase Order.
22	Customisation		We have a software package which is already operational. LIC can evaluate the software in details and let us know what customisation they require. We shall quote for our software license fees on as is where is basis and give a man day rate for customisation	All the requirements given in the Technical Specifications (Annexure VII) need to be complied with at the time of implementation.

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Sl. No.	RFP Document Reference (Section & Page Number)	Clause of RFP requiring clarification	Brief Details/ Query in reference to the clause	Clarifications
23	Integration with HR System		There is no mention in the RFP whether integration is required with your HR system. The charges and cost for the same will be outside the purview of this contract. We can do it at the man day rate which we shall quote	Integration with HR system may be required in future. It is not a part of the current scope.
24	Annexure VII: Technical Specifications - Sl. No. 9	Filling of Continual Disclosure as and when the trade crosses the statutory limit, including facility for uploading of signed disclosure.	There is no provision for uploading of signed disclosure since the entire software has done away with movement of any paper	Uploading facility of scanned images/PDF would definitely be required by LIC. Vendor to make necessary arrangement.
25	Annexure VII: Technical Specifications - Sl. No. 14	Approval for Pre-Clearance with the enabling provision to see the Undertaking signed on e-mail with complete past details	The undertaking template is editable by admin and cannot be varied by user. Hence there is no provision for signing of undertaking. The user is accepting the undertaking on screen. The past details can be seen by Compliance Officer/ admin in the reports section	This is acceptable to LIC.
26	Annexure VII: Technical Specifications - Sl. No. 16	Provision to create Trading Plan and Approval of the same by the Compliance Officer	No.	Require provisions for DP to key in the Trading plan, CO to be alerted and CO to indicate clearance or otherwise.

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27	Annexure VII: Technical Specifications - Sl. No. 31	All information in encrypted form	No	All the information should be stored in the database in encrypted form.
28	Annexure VII: Technical Specifications		Asset Class to be Covered: Equity	Yes
29	Annexure VII: Technical Specifications		User Authentication: Should the application authenticate the user via SSO/ADS?	LIC users should authenticate using their Active Directory (AD) credentials.
30	Annexure VII: Technical Specifications		Request Approval workflow: 1. What would be the request approval workflow for equity asset class?	The requests generated by the Designated persons are to be approved/ denied by the Compliance Officer through the system.
31	Annexure VII: Technical Specifications		Holding & Contra period: 1. What would be the holding/contra period for equity?	Holding/ contra period for equity for LIC would be as per the SEBI (PIT) Regulations, 2015.
32	Annexure VII: Technical Specifications		Grey List: 1. Is there a grey list integration required from the front office system?	Grey List integration is not required right now. It may be required in the future.

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Sl. No.	RFP Document Reference (Section & Page Number)	Clause of RFP requiring clarification	Brief Details/ Query in reference to the clause	Clarifications
33	Annexure VII: Technical Specifications		Transaction Reporting: 1. Is there a designated broker through which EOD (equity) trade details would be received for auto reporting of transactions?	As of now there is no designated broker.
34	Annexure VII: Technical Specifications		Annexures: 1. Would the following annexures - initial, quarterly, half yearly, annual be submitted by employees?	Annexures will be submitted by employees authorised for the purpose.
35	Annexure VII: Technical Specifications		UPSI declaration: 1. What are the mediums through which UPSI can be received or shared? 2. Are there any external parties with or by whom UPSI can be shared or received?	1. UPSI can be shared either through system, or sometimes physically. There should be a provision for keying in the details, in case of physical sharing. 2. External parties are also involved with or by whom UPSI can be shared or received.
36	Annexure VII: Technical Specifications		Data Migration: 1. Are there any data migrations to be considered from existing systems?	Data migration is not required now.
37	Annexure VII: Technical Specifications		Employee & Dependent details: 1. How would the employee/ dependent details be created 2. Is there an requirement for HRMS integration?	1. Details of Designated Persons and Relatives will be provided to the Vendor to incorporate in the system for first time, and in periodic intervals, if required. 2. Integration with HRMS is not a part of the current scope. It may be required in the future.

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38	Annexure VII: Technical Specifications		Initial Holdings Details: 1. How would the initial holdings be updated by employees in the system? 2. Is there an integration from where we can source this data?	Details of initial holdings of Designated Persons and Relatives will be provided to the Vendor to incorporate in the system for the first time and in periodic intervals, if required.
39	Annexure VII: Technical Specifications - Sl No. 6	Create the relative portfolio of demat accounts	Please specify what exactly is required to be done	Details of Designated Persons and Relatives will be provided to the Vendor to incorporate in the system for the first time and in periodic intervals, if required.
40	Annexure VII: Technical Specifications - Sl No. 7	Filling of Initial Disclosure with e-mail to Compliance Officer as per the requirement of law	Please specify the regulation under which a separate email to the CO is required to be sent, in respect of initial disclosure.	Whenever a disclosure (as required by law) is submitted by DP, an automated alert should be received by Compliance Officer in mail.
41	Annexure VII: Technical Specifications - Sl No. 8	Filling of Periodic Disclosure as per the Code of conduct of the Organisation	Please give us LIC's Corporate Code of Conduct in this regard, specifying all the places where it is different from the SEBI Regulations	LIC's code of conduct is not different from provisions of SEBI Regulations.

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42	Annexure VII: Technical Specifications - Sl No. 12	Facility to set up Pre-Clearance parameters	Please specify the pre-clearance parameters to be provided for.	Facility to set up pre-clearance parameters should be available in the proposed solution. The parameters would be provided to the successful bidder at the time of implementation.
43	Annexure VII: Technical Specifications - Sl No. 16	Provision to create Trading Plan and Approval of the same by the Compliance Officer	Please specify what exactly is required to be done. There are various interpretations of the Trading Plan concept. It would be necessary for us to have a clear understanding of the interpretation LIC would like to adhere to, and also get an understanding how, therefore the CO of LIC would approve a Trading Plan application made by a DP.	The term 'Trading Plan' has the meaning similar to what is given in SEBI (PIT) Regulations.
44	Annexure VII: Technical Specifications - Sl No. 18	UPSI Updation with the following features: a) Who shared b) With whom shared c) When shared d) Type of UPSI shared e) Version of UPSI	What does 'version of UPSI' mean? How does someone create 'a version of UPSI'? Please explain this, with illustrative examples, so that we may understand and implement the same in the software.	Version of UPSI means 'category/ nature of UPSI'. Some examples are below: Finance related, Secretarial related, business related. Please refer Corrigendum

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Sl. No.	RFP Document Reference (Section & Page Number)	Clause of RFP requiring clarification	Brief Details/ Query in reference to the clause	Clarifications
45	Annexure VII: Technical Specifications - Sl No. 19	Admin Dashboard with the following details: a) Consolidated holding of the Designated persons b) Number of Trades done by the Designated persons c) Details of all trades d) Number of Disclosures Filed e) Status of the updation of the details of the Designated persons f) Documents shared with Password Protected	Please clarify the details of this dashboard. a) is a balance b) is a transaction etc.	The transactions done during the Quarter/ Half year/ Financial Year should be available.
46	Annexure VII: Technical Specifications - Sl No. 21	Status of Holding as per system in comparison with the last Benpos updated a) Pre-clearance Status b) Last date of due Disclosures	What is the difference between 21 and 22? Please specify.	Both are similar.
47	Annexure VII: Technical Specifications - Sl No. 23	Automated system at each stage	Please specify what this means, detailing each step.	All specified outputs and alerts should be available without manual intervention.
48	Annexure VII: Technical Specifications - Sl No. 24	Detailed reports for Management review	Please specify each required report, with details of format and content.	Customised MIS is required. The requirement cannot be specified now as it may change.

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49	Annexure VII: Technical Specifications - Sl No. 29	Admin to be able to do certain activities on behalf of employees in admin login with audit trail	This does not appear to be consistent with the regulation. As we understand, the regulation requires the individual DP to be responsible for timely and correct inputting of the data pertinent to him/ her. Should the CS team member take up that responsibility on his/ her behalf, and make an error in the timing or content of the data entered on behalf of a DP, will it still be the responsibility of the DP or would it be the CS Team's responsibility? It would be in LIC's best interest to get the regulator's intent and advise before seeking to do this. While it is possible to provide this in our software, its advisability is worth checking before implementation.	The term 'employee' may please be read as 'Compliance officer'. Please refer Corrigendum

06.10.2021

Executive Director (IT/BPR)