

**Pre Bid meeting held on 27.04.2018 -**  
**Clarifications on the RFP for appointment of Adviser for creation and launch of Debt ETF**

SI No	Clarification sought	Clause of RFP	Particulars	Clarification
1	How many members would be allowed in the Consortium?	Para 2.1 page 2 of RFP	Proposal for inviting bids for appointment of Adviser.	The RFP doesn't specify any limitation on the numbers of members of Consortium.
2	Whether the experience of an individual hired by the bidder would be counted as experience of the bidder?	Para 4.1(ii) page 7 of RFP	Eligibility condition.	No.
3	Whether we would have separate Market Maker. If yes, what would be the eligibility? Will there be a separate RFP which will be issued in future for appointing the AMC which will set up/launch Debt ETF? If yes, there is no mention of the same under RFP sections related to responsibilities of the advisor/consultant?	Para 3 Pages 3-6 of RFP	Roles and responsibilities of Adviser.	It has been proposed to appoint one Market Maker also. The eligibility criteria would be spelled out in the RFP for Market Maker.
4	Will the agency appointed as Adviser, be eligible to bid for market maker?	Para 4 page 7 of RFP	Eligibility-Conflict of interest	No.
5	In terms of eligibility condition of minimum size of issuance handled by the bidder, should each issuance of Rs. 500/- crore or more is required to add upto Rs. 5000 crore during last three years	Para 4 (ii) page 7 of RFP	Eligibility condition.	No. As mentioned in RFP, Bidder should have been involved in advisory or transaction capacity or have launched ETF/Debt ETF/Debt Mutual Fund/ Index linked Fund/ Corporate Bond issuance during 01.04.2015 to 31.03.2018 of total value of Rs. 5000 crore or more with minimum size of <b>Rs. 500 in one issuance.</b>
6	How would the basket of CPSEs having different individual ratings, be rated?	--	--	The decision on rating of the basket would be taken at the time of structuring of Debt ETF.
7	There should be some fee to the Adviser after completion of 1 <sup>st</sup> Stage before 1 <sup>st</sup> issuance.	Para 5 (vi) page 8 of RFP	Fees and Expenses.	As mentioned in the RFP, DIPAM may terminate the process after conclusion of Stage-I/1 <sup>st</sup> issuance, in such case the fee payable to the Advisor would be the fees mentioned for 1 <sup>st</sup> issuance.
8	If one sister concern of an agency is appointed as Adviser, can the other subsidiary/sister concern bid	Para 4.2 page 7 of RFP	Eligibility condition - conflict of interest	No.

	for Market Maker?			
9.	Market Maker is not a recognised entity under Indian regulations	--	--	The Legal nomenclature of the Market Maker will be spelled out in the RFP.
10.	The agency registered with RBI may be exempted from SEBI registration.	Para 4.1 (i)	Eligibility condition	As per eligibility condition.
11.	Does Government of India intends to construct an index for Debt ETF	Para 3 pages 6-8 of RFP	Roles and responsibilities of Adviser	As mentioned in RFP, the decision would be based on final structure of Debt ETF.
12.	Which entity will bear the cost of marketing budget/broker incentive	Para 5 pages 7-8 and Para 9 page 15 of RFP	Fees and Expenses and Requirements of Financial Bids	This will not be the responsibility of the Adviser.
13.	Does the scope of Clause 4.2 Note 2 of RFP also covers AMC's who are currently advising/launching similar ETFs for disinvesting Gols stake in CPSEs	Para 4.2 Note4	Eligibility condition-conflict of interest	No. Conflict of interest would deem to exist or originated if the bidder is in the process of advising/launching a <b>similar product</b> comprising of CPSEs/PSBs/PSUs.
14.	Under which collective investment vehicle will market maker set up/collect money from investors under Debt ETF	--	--	Not related to the appointment of Adviser.
15.	Will the market maker have requisite infrastructure to handle the tasks required to support the launch of an Open Ended/Close ended Debt ETF (e.g. how will market maker support tasks like ongoing subscription/redemption request etc. from investors and how will market maker operationally support these tasks	--	--	Not related to the appointment of Adviser.
16.	If Government of India intends to raise money through retail segment to meet borrowing requirements of CPSEs, can't the money to be raised directly by the relevant borrowing CPSEs via Public issue route given that GoI does not intend to set up Debt ETF under AMC?	Para 3 pages 6 - 8 of RFP	Roles and responsibilities of Adviser.	As mentioned in RFP, the decision would be based on the final structure of Debt ETF