

Sl. No.	RFP Page No	RFP Clause no	Existing clause	Query/ Suggestion	Comments/ Reply to queries
1	12	10	The Bid is to be submitted separately for technical and Price physically at NaBFID's office	We understand that the bid is to be submitted physically, however please clarify if a soft copy of the bid is also to be submitted on the email address provided.	Hard copy is a must. A soft copy can be additionally submitted on the stated email address.
2	12	10	The Bid is to be submitted separately for technical and Price physically at NaBFID's office along with: (a) Index of all the documents, letters, bid forms etc. submitted in response to RFP along with page numbers. (b) Bid covering letter/Bid form on the lines of Appendix-A on Bidder's letter head. (c) Proof of remittance of EMD (if directly credited in designated account) and Tender Fee as specified in this document. In case, EMD is submitted in form of BG, scanned copy of original BG should be uploaded subject to compliance of requirement mentioned in clause no 11(ii). (d) Specific response with supporting documents in respect of Eligibility Criteria as mentioned in Appendix-B and technical eligibility criteria on the lines of Appendix-C. (e) Bidder's details as per Appendix-D on Bidder's letter head. (f) Audited financial statement and profit and loss account statement as mentioned in Part-II. (g) A copy of board resolution along with copy of power of attorney (POA wherever applicable) showing that the signatory has been duly authorized to sign the Bid document...	Items b, d, e, f and g have already been submitted to the Bank physically when submitting the Expression of Interest. Please clarify if the same has to be submitted again.	Yes, the same will have to be submitted again since this a separate standalone contract.
3	13	10.i.h	(h)If applicable, scanned copy of duly stamped and signed Pre-Contract Integrity Pact subject to compliance of requirement mentioned in clause no 11(ii).	Request to provide a format for Pre-Contract Integrity Pact. Which is the Clause 11(ii)?	A format for a pre-contract integrity pact is being provided. Clause 11(ii) is on page 14 of the RfP.
4	13	10.iii.d	Board resolution authorizing representative to Bid and make commitments on behalf of the Bidder is to be attached.	We have a POA (on letterhead) + Board Resolution giving authority to perform following actions. "To sign and execute necessary applications, returns, forms, agreements such as deeds, guarantees, indemnities, powers of attorney, discharge receipts and such other documents on behalf of the Company, as may be necessary to be executed in the ordinary course of business from time to time. " Hope this suffices the requirement.	Ok.

5	13	10.i.g	iv.Copy of board resolution and power of attorney (POA wherever applicable) showing that the signatory has been duly authorized to sign the acceptance letter, contract and NDA should be submitted.	We have a POA (on letterhead) + Board Resolution giving authority to perform following actions. "To sign and execute necessary applications, returns, forms, agreements such as deeds, guarantees, indemnities, powers of attorney, discharge receipts and such other documents on behalf of the Company, as may be necessary to be executed in the ordinary course of business from time to time. " Hope this suffices the requirement.	Ok.
6	15	14	Willful misrepresentation of any fact within the Bid will lead to the cancellation of the contract without prejudice to other actions that the Bank may take. All the submissions, including any accompanying documents, will become property of the Bank. The Bidders shall be deemed to license, and grant all rights to the Bank, to reproduce the whole or any portion of their Bid document for the purpose of evaluation and to disclose the contents of submission for regulatory and legal requirements.	Documents such as work orders, completion certificate may be under separate confidentiality requirement. Bank cannot be the owner of documents submitted by the bidders.	It is to be noted that the said documents can be used by NaBFID only for the purpose of evaluation and for disclosing/ submission for regulatory and legal requirements. They shall not be used by the Bank for commercial purposes. A confirmation on the same can be added to the agreement. It will not be feasible to grant adequate notice for wilfull mispresentation.
7	15	14	Willful misrepresentation of any fact within the Bid will lead to the cancellation of the contract without prejudice to other actions that the Bank may take. All the submissions, including any accompanying documents, will become property of the Bank. The Bidders shall be deemed to license, and grant all rights to the Bank, to reproduce the whole or any portion of their Bid document for the purpose of evaluation and to disclose the contents of submission for regulatory and legal requirements.	To add in the last sentence - .. provided that adequate notice is given to the Bidder prior to such disclosure.	It will not be feasible to grant adequate notice for wilfull mispresentation
8	19	20	The Bank shall have full powers, subject to the provision herein after contained, from time to time during the execution of the contract, by notice in writing to instruct the successful Bidder to make any variation without prejudice to the contract. The finally selected Bidder shall carry out such variation and be bound by the same conditions as far as applicable as though the said variations occurred in the contract documents. If any, suggested variations would, in the opinion of the finally selected Bidder, if carried out, prevent him from fulfilling any of his obligations under the contract, he shall notify Bank thereof in writing with reasons for holding such opinion and Bank shall instruct the successful Bidder to make such other modified variation without prejudice to the contract	Any variations in the scope of work should be made with mutual consent of both Parties ONLY. Please confirm.	Ok.
9	20	24	The Bank reserves the right to verify any or all of the statements made by the Bidder in the Bid document and to inspect the Bidder's facility, if necessary, to establish to its satisfaction about the Bidder's capacity/capabilities to perform the job.	Written notice of at least 2 (two) days to be given to the Bidder prior to such inspection.	Ok.

10	22	30(iii)	(b) damage(s) occasioned by the Gross Negligence or Willful Misconduct of Service Provider, (c) damage(s) occasioned by Service Provider for breach of Confidentiality Obligations,	Clause (b) and (c) to be deleted from the Clause. These clause are subjective in nature.	This is a standard clause and may appear subjective but is essential to the agreement keeping in mind the purpose that it seeks to provide.
11	23	33 (iii)	Service Provider will pay all indemnities arising from such incidents and will not hold the Bank responsible or obligated.	It is understood that: "will pay all indemnities arising from such incidents which are solely attributable to the Service Provider."	Ok.
12	23	34(i)	Service Provider agrees that all data or information supplied by the Bank to Service Provider and/or the consultancy team in connection with the provision of Services by it shall remain the property of the Bank or its licensors.	All pre-existing IP should vest with the originating part (Service Provider). Please confirm this.	It is to be noted that the said documents can be used by NaBFID only for the purpose of evaluation and for disclosing/ submission for regulatory and legal requirements. They shall not be used by the Bank for commercial purposes. A confirmation on the same can be added to the agreement.
13	24	34(iv)(iii)	(iii) Service Provider shall consult with the Bank with respect to the defense and settlement of any such claim, a	Service Provider shall consult the bank with respect of defending claims only where bank is a party.	Ok.
14	30	38 (i)	i. The Bank may, without prejudice to any other remedy for breach of Agreement, written notice of not less than 15 (fifteen) days, terminate the Agreement in whole or in part:	Request the bank to make this clause mutual.	We cannot allow the Service Provider to terminate the agreement on its own volition.
15	31	Section 38	In the event the Bank terminates the Contract in whole or in part for the breaches attributable to Service Provider, the Bank may procure, upon such terms and in such manner as it deems appropriate, Services similar to those undelivered, and subject to limitation of liability clause of this RFP Service Provider shall be liable to the Bank for any increase in cost for such similar Services. However, Service Provider shall continue performance of the Contract to the extent not terminated.	Would request if we can modify the clause to incorporate the following: In the event the Bank terminates the Contract in whole or in part for the breaches attributable to Service Provider (due to the deficient services), the Bank may procure, upon such terms and in such manner as it deems appropriate, Services similar to those undelivered, and subject to limitation of liability clause of this RFP Service Provider shall be liable to the Bank for any increase in cost for such similar Services. However, Service Provider shall continue performance of the Contract to the extent not terminated.	OK to add "(due to deficient services")
16	33	42	shall be referred to a sole arbitrator mutually agreed upon, and the award made in pursuance thereof shall be binding on the parties. In the absence of consensus about the single arbitrator, the dispute may be referred to an arbitration panel; one to be nominated by each party and the said arbitrators shall nominate a presiding arbitrator, before commencing the arbitration proceedings	The dispute should be settled by a sole arbitrator - either mutually appointed or appointed under the Arbitration and Conciliation Act 1996.	This is a standard clause which has been kept in RFP. We would not want to change the same.
17	43	B	Appendix C : Technical Eligibility: The Bank will examine the CVs of all other Professional Personnel and those not found suitable shall be replaced by the Applicant to the satisfaction of the Bank.	The delivery of credit rating models is an output based project not a Time & Material based assignment. Please explain what is the expectation.	NaBFID agrees that the assignment is output based. This clause is kept to protect the Bank's interest in a rare situation.

18	47	Appendix E 1.b	Development of a credit rating model for lending to Financial Institutions in the infrastructure sector.	Whether an ESG rating model/scorecard/framework also needs to be developed for financial institutions lending to infrastructure sector? (<i>Document specifies that a credit rating model is to be separately developed for such FIs</i>)	No. The FI rating model should help NaBFID rate entities like PFC, REC, SECI, IRFC, NHAI, State Financial Institutions, etc. At this stage, we would not need a ESG rating model for FIs.
19	47	Appendix E 1.c	Development of a model to rate the Environmental, Social and Governance (ESG) credit indicator of NaBFID's borrowers.	Clarification: The ESG model/ framework will be an offline - MS Excel based delivery. There can be multiple model/ frameworks depending on the nuances of the infrastructure sub-sectors.	Agree. This can be an excel based generic model applicable for most sectors.
20	48	2.1.a	ESG rating model to also be developed. Flexibility to integrate the ESG rating into the credit rating model to be provided.	What is the exact requirement on the integration?	There should be no hindrance in integrating the ESG model into the credit rating model if required to provide a consolidated rating. This should usually be possible if both are excel based models.
21	48	B.3	Back testing of model by considering adequate number of defaulted companies (depending upon data availability) in various infrastructure sub-sectors to check for appropriate credit rating output. The rating model is expected to rate most defaulted companies based on data when they were rated for the first time at the lower end of the rating spectrum (speculative grade).	Large Data set for for back testing of defaulted entities would be unavailable in public domain. Backtesting hence would not be possible, at best calibration with external rating can be checked.	The data set is expected from defaulted companies from information available in the public domain. Names of companies which have defaulted over the past 15 years would need to be found and the data necessary to conduct a credit rating exercise on them would have to be collected and a rating exercise conducted. It is expected that the credit model indicates a relatively lower rating for these borrowers.
22	48	Appendix E 2.1.a (Fifth point)	Model to permit dynamic updation of industry risk parameter related scores for the specified sectors; scores should be able to be fed directly from an external source.	Do the proposal and commercials need to include industry risk scores for the listed infrastructure sectors/ subsectors	Currently a service for providing industry risk scores as an input to the credit rating models is not required although the model must make a provision of incorporating the same if and when NaBFID decides to avail of such a service.
23	49	Appendix E 2.4)	Further, NaBFID is expected to start sanctioning loans from the current quarter i.e. Q2 2023. Whereas the Consultant is expected to be appointed by the end of August, the tested/ validated rating models are expected to delivered only from September 2023 and then accepted by NaBFID. During such period before the final rating models are accepted by NaBFID, the Consultant is expected to provide an interim solution for credit rating proposals, including, if necessary, providing off-the-shelf credit rating models for specific sectors.	The client is expected to start lending from Q2 FY23 onwards and has thus requested for "off-the-shelf credit rating models for specific sectors". Would the client need the same for ESG rating also? Request a timeline since the ESG frameworks will require customisation	A generic ESG rating model can be provided if possible.

24	49	Appendix E 2.3.a (Fifth point)	Based on external ratings default data, average 1 year PDs and CDR for at least 10 years for key sub-sectors i.e. roads, power – solar, power – wind, power – generic, ports, airports, urban infrastructure, others should be derived in each rating grade for each rating agency. Raw data should be made available to NaBFID for its own analytical purposes.	<p>CDRs for the sectors will be provided based on the closest GICS classification:</p> <ul style="list-style-type: none"> - Highway tolling - Solar power - Wind power - Power others - Airport operators - Marine ports and services (includes marine logistics) - Other generic infrastructure (construction and engineering, railroads, telecom) <p>CDRs will be based on plain vanilla long term ratings and will be provided for all CRAs combined (not for individual CRAs)</p> <p>Raw data shall be provided at sub-sector level from 2005 onwards with outstanding rating for entities at the end of each year.</p> <p>The plain vanilla rating without prefixed CRA will be provided.</p>	The name of the rating agency which had rated the infrastructure companies in the data set should be provided. The dataset should be in the form of say an excel sheet with key columns being name of company, sector, sub-sector, name of rating agency, 18 columns with rating at the end of each year from 2005. The data should be such that NaBFID should be able to determine PDs, CDRs for various sectors over various periods for various agencies if necessary.
25	49	Appendix-E, 2	Development of reporting tool for Regulatory Submission and MIS as necessary.	Does the Bank currently have subscription to any reporting tools like Power BI? Please clarify the expectation in terms of number of reports to be developed	The Bank does not have any such subscription currently while the same is being envisaged. This requirement can be ignored currently.
26	50	Appendix-E, Project Schedule & Milestones	Model Development Phase: Interaction between teams, collation of data on defaulted infrastructure companies, identification of parameters and weightages. Ends with draft model submissions	Given that the Bank has recently begun operations, does the Bank have any bureau subscriptions for data on defaulted infrastructure companies for peer benchmarks?	No. The Bank has not started operations as yet. It is expected that the consultant will procure such data/ information from the public domain and present the strategy for the same in the bid documents.
27	50	Appendix-E, Payment Schedule	<p>Payment schedule</p> <p>Based on the total fee amount quoted by the Consultant for all the Phases of the project, the fee pay-out will happen on the basis of the following schedule, on timely completion of various milestones as outlined above. It should be noted that the milestones pertain to Phase 1 of the project only as outlined above. It is expected that Phase 2 and Phase 3 would have been completed before reaching milestone 1 of Phase 1.</p>	<p>Would request if you can please accept the below proposal for payment milestone:</p> <ul style="list-style-type: none"> a) On signing of the SOW - 10%; b) On submission of draft models (Phase I) - 25%; c) On completion of Phase I - 25%; d) On completion of Phase 2 - 25%; e) On completion of Phase 3 - 15% 	As stated in the RfP, whilst the price bids have been asked separately for each of the phases, the financial evaluation and selection of the Consultant would be based on the total fee quoted. As per the RfP, fees would be paid as per the payment schedule which is based on the milestones: 50% of total fees on submission of draft credit rating models, 20% of fees on submission of validated/ tested rating models and 30% of fees on acceptance of final models and documentation. Considering the request made, NaBFID can revise the same to: 5% of total fees on signing of the SLA, 55% of total fees on submission of draft credit rating models, 30% of fees on submission of validated/ tested rating models and 10% of fees on acceptance of final models and documentation.

28	52	Appendix F Price Bid	For this purpose, in addition to the Price Bid in S.N. 1. in the above table, the Bidder should also quote a price for development of a single credit rating model in addition to the specific models currently proposed for development. The Bidder should also quote a price for development of 5 credit rating models and 10 credit rating models in the following format.	Can you suggest a list of additional Models for which a tentative price is required?	These models would typically pertain to the infrastructure sector like airports, municipals, etc.
29	57	Appendix H	maximum cap on LD will be 10% of TCO	Request to be capped at 5% of TCO.	This is standard and no change to this clause is proposed. NaBFID can provide some leeway that we shall levy LD of "1% of total fees on delay of each week" instead of "each day".
30	57	Appendix-H	Liquidated Damages (LD)	Would request if we can please revisit this clause to ensure that the vendor is not penalised for mutual delay or delay beyond Vendor's control	We can agree that we shall levy LD of "1% of total fees on delay of each week" instead of "each day".
31	70	Clause 9.2.7	By furnishing the Confidential Information, no Party makes an express or implied representation or warranty as to the accuracy or completeness of the Confidential Information that it has disclosed and each Party expressly disclaims any liability that may be based on the Confidential Information, errors therein or omissions there from, save in the case of fraud or willful default.	Please clarify that this does not apply to the data provided for model development as it will be Banks responsibility to ensure that accurate and complete data is provided	NaBFID does not expect to provide any data for development/ testing/ validation of the model other than conducting its own due diligence on the models. No further clarification is needed.
32	70	Clause 9.7	The foregoing obligations (collectively referred to as "Confidentiality Obligations") set out in this Agreement shall survive the term of this Agreement and for a period of (five) years thereafter provided Confidentiality Obligations with respect to individually identifiable information, customer's data of Parties or software in human-readable form (e.g., source code) shall survive in perpetuity.	Please suggest if we can have this confidentiality clause revised to 3 years	We can agree to revise this clause to 3 years
33	77	SLA- Clause 16	16.1 Service Provider agrees and hereby keeps the Bank indemnified against all claims, actions, loss, damages, costs, expenses, charges, including legal expenses (Attorney, Advocates fees included) which the Bank may suffer or incur on account of (i) Services Provider's breach of its warranties, covenants, responsibilities or obligations; or (ii) breach of confidentiality obligations mentioned in this Agreement; or (iii) any wilful misconduct and gross negligent acts on the part of employees, agents, representatives or sub-contractors (if allowed) of Service Provider. Service Provider agrees to make good the loss suffered by the Bank.	Clause 16.1 (i) & (ii) to be deleted.	This is a standard clause and cannot be deleted keeping in mind the purpose the clause intends to provide.

34	80	20	<p>It is agreed by and between the parties that Service Provider shall be subject to annual audit by internal/ external Auditors appointed by the Bank/ inspecting official from the Reserve Bank of India or any regulatory authority, covering the risk parameters finalized by the Bank/ such auditors in the areas of products and Services etc.</p>	<p>What kind of audit needs to be done? Kindly elaborate.</p>	<p>It is immediately covered in the subsequent lines that the audit would be conducted on the "efficiency and effectiveness ... process created by Service Provider." The audit could also be conducted due to serious underperformance of the models including, inter alia, audit of the appropriateness of the risk parameters or risk weights or the process of determining the same. Further, it is already mentioned that such audits, if conducted, could be prompted by a regulatory authority on which the Bank would not have any control. Clause to remain.</p>
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