Clarifications against the queries received against Call for Application for grant of Certificate of Registration to Repository

Sr. No.	Call for Application section No.	Call for Application Page no	Description as in call for Application	Query / clarification sought	Suggestion / Remarks if any	WDRA Response
Queries from BSE						
1.	2.6.2.1	38	Message switch - What type of switch is required for messaging. (Do we need hardware or can we use software messaging layer)			Message switch is required at software and hardware level. However, whether there will be a switch or not will be dependent on number of repositories being granted licenses. If there are 2 repositories, it can mutually decide the methodology to operationalize inter-repository transfers. If message switch had to be deployed, the repositories among themselves can identify a neutral entity to manage it or if there is no consensus, WDRA may decide a suitable alternative. Standardised Message formats for different transactions will be finalised in consultation with market participants and published by WDRA.
2.	1.5.1	16	Is there a plan to develop facilitating standardized market?			Yes, it is WDRA's endeavour to facilitate standardized market. AGMARK and BIS grading standards will be followed to grade the commodities at warehouse registered with WDRA. However, for such commodities where AGMARK/BIS Standards are not available, any other standard

Sr. No.	Call for Application section No.	Call for Application Page no	Description as in call for Application	Query / clarification sought	Suggestion / Remarks if any	WDRA Response
						approved by WDRA, will be followed. In case of any change, WDRA shall intimate about the grading standard to bring in standardization to the market participants
3.	1.5.2	16,17	What will be the eNWR life cycle process?			Detailed processes have been provided in Annexure 1to the call for application. It explains various phases and stages of eNWR transactions (eNWR life cycle).
Queries from MCX						
1.	2.1	28	An eNWR has a time validity, after which it expires	After time validity of the e-NWR, whether the eNWR can/ cannot be transferred, has to be converted into physical receipt or the status in the electronic form will change from Negotiable to Non-negotiable needs clarity. Whether the e-NWR will be blocked etc.		Upon expiry of time validity of goods captured by the warehousemen at the time of issuance of eNWR: • Such eNWRs cannot be transferred unless it gets reassayed and validity period extended. • eNWRs will not be converted into physical form and only be maintained in electronic form • There are two possible situations: a) Goods removed from the warehouse; or b) The validity of goods underlying the eNWR gets extended after following the due process of re-assaying by the warehouseman.

Sr. No.	Call for Application section No.	Call for Application Page no	Description as in call for Application	Query / clarification sought	Suggestion / Remarks if any	WDRA Response
						Upon re-assaying, if the quality of goods is acceptable, validity will be extended by approved timeframe subject to accrued storage charges will be collected at the time of such extension. If quality is not acceptable, the goods shall be withdrawn by the holder and eNWR balance shall be extinguished.
2.	2.2	29	Negotiable Receipt	In case of e-NWR the need for this field may please be clarified. What can be the circumstances under which the description is 'N' for e-NWRs.		The field indicates whether warehouse receipt is negotiable ('Y') or non-negotiable warehouse receipt ('N'). In the Repository system, both eNWR and non-negotiable warehouse receipt balances can be maintained.
3.	2.3	33	The repository system or repository module is the central system that connects various participants like warehouses/WSPs, Repository Participants and clearing services of exchanges.	Warehouseman and WSP are used interchangeably.	WSP needs to be defined	WSP is a Warehouseman having more than one warehouse under its control.
4.	2.4.2	36	Commodity details such as code, grade, quantity…..commodity etc	Does this exclude other grades which are not incorporated in AGMARK, BIS etc. What happens to Exchange traded		All goods (commodities) kept in WDRA registered warehouses will be graded by AGMARK and BIS grading standards. This may or may not match the grading

Sr. No.	Call for Application section No.	Call for Application Page no	Description as in call for Application	Query / clarification sought	Suggestion / Remarks if any	WDRA Response
				grades? Is it restricted to the listed commodities under WDRA? Can non –agri commodities also be brought within the fold of WDRA?		systems followed by commodity exchanges. Under the WDRA Act. Non agri commodities can be notified by the Government. Currently, only agriculture and horticulture goods are notified.
5.	2.6.2.1 (g)	38	The message switch will be… using a hub & spoke model	What will be the message formats for different requests/transactions?		Standardised Message formats for different transactions will be finalised in consultation with market participants and published by WDRA.
6.	2.6.2.1 (g)	38	The message switch will be deployed at WDRA or one of the repositories.	Who will own Enterprise Service Bus? If WDRA, will we have some governing body and support team from WDRA to own & maintain? If Repository, how will we ensure that the message formats are always consistent b/w repositories and are not overly customized as per individual implementation?		Whether there will be a switch or not will be dependent on number of repositories being granted licenses. If there are 2 repositories, it can mutually decide the methodology to operationalize inter-repository transfers. However, it is also possible to exchange inter-repository transfer instructions through a message switch which the repositories among themselves can identify a neutral entity to manage it or if there is no consensus, WDRA may decide a suitable alternative. Standardised Message formats for different transactions will be finalised in consultation with market participants and published by WDRA.

Sr. No.	Call for Application section No.	Call for Application Page no	Description as in call for Application	Query / clarification sought	Suggestion / Remarks if any	WDRA Response
7.	4.2.1	52	The entity which proposes to act as a Repository shall have a net-worth of not less than rupees fifty crore as on the date specified by the Authority.	**'as on the date specified'…what is this date.** What are the audited B/S, N/W certificate referred to since a new entity cannot produce such documents.		The prescribed date for audited balance sheet is 31.03.2016. If the quarterly Balance Sheet and P&L statements are available for a later period, the net-worth certificate on the basis of latest quarterly audit report for FY 16-17 can be submitted.
8.	4.2.1 (3)	52	The sole or lead sponsor shall have a……by the Authority	The basis for calculation of net-worth needs to be specified		"Net-worth" means aggregate of value of the paid-up equity capital and free reserves (excluding reserves created out of revaluation) and reduced by the aggregate value of accumulated losses and deferred expenditure not written off (including miscellaneous expenses not written off) as per the audited balance sheet.
9.	4.2.1(5)	53	If the entity proposes to act as a Repository has …..Repository	Apart from the lead sponsors who are the other entities that can become shareholders in the repository? E.g. can software vendors, technology partners be eligible ii) Can the FPI/ FII be allowed as a shareholder in the		Only entities that are regulated by SEBI, RBI, IRDA and PFRDA can be shareholders. ii) Equity investment by any entity is allowed only if it is regulated by SEBI, RBI, IRDA and PFRDA and will be subject to investment restrictions by any competent authorities iii) Multiple exchanges can come together and set up the repository

Sr. No.	Call for Application section No.	Call for Application Page no	Description as in call for Application	Query / clarification sought	Suggestion / Remarks if any	WDRA Response
				repository? Is FDI allowed iii) Are multiple Exchanges allowed equal partnership in the repository? iv) Can a shareholder sell its holding to another eligible entity subsequently?		and can have equal partnership or as per the shareholding structure given in the guidelines. iv) Yes, shareholder can sell its holding to another eligible entity subsequently.
10.	4.2.1 (8)	53	ISO 27001 and ISO 23001 certified	The other documents (Guidelines on Repositories) mention only ISO 27001. Whether ISO 23001 certificate is mandatory at the time of application?		Please refer to corrigendum. This certification is not mandatory at the time of submitting the application but is required before starting operations.
11.	5.2.1	65	Letter for enclosing the Technical Application as per Form M of Annexure II	Whether it is **Form** M or Form N... typo		It is FORM N.
12.				Enabling E-Auction of Electronic negotiable warehouse receipts: Does it mean to have an integrated platform where auction can be conducted?		Repository needs an e-auction platform which needs to be integrated with the repository system for e-NWRs to update e-auctions and post-auction transfers & settlement details.

Sr. No.	Call for Application section No.	Call for Application Page no	Description as in call for Application	Query / clarification sought	Suggestion / Remarks if any	WDRA Response
13.				Currently there is no compelling reason for warehouses to issue NWRs. Under the existing circumstances the viability will be uncertain?		The transformation process initiated by WDRA with the proposed eco-system with repositories in the centre stage is expected to create a lot of traction in issuance of NWRs. Most importantly, the benefits that repositories can provide, it can be safely assumed that eNWRs will facilitate an easy process for loans to holders of eNWR.
14.				Whether the onversion of e-NWR can be done into NWR/WR in paper form?		No, conversion of e-NWR to NWR/WR in paper form is not possible.
15.				Whether Registration fees of Rs.10 lakhs is over and above the annual fees of Rs. 10 lakhs mentioned in the guideline? Is it Rs 10 lakhs at registration and Rs 10 lakhs every year thereafter?		Registration fee of Rs. 10 lakhs is payable before grant of certificate of registration. In subsequent years an annual fee of Rs. 10 lakhs is payable in the first month of the financial year.
16.				The times lines are extremely challenging. Can WDRA consider extending these particularly since permissions from existing Regulators have to be sought		There will be no change in the timelines. However, WDRA may consider requests for extensions only if they are genuine and for compelling reasons. Also, such extensions will be granted on a case by case basis.

Sr. No.	Call for Application section No.	Call for Application Page no	Description as in call for Application	Query / clarification sought	Suggestion / Remarks if any	WDRA Response
17.				Authentication Biometric (Type 3 Authentication) a. In case biometric authentication fails, what should we do as RP? Reject the deposit? OTP (Type 2 Authentication) b. If in case the mobile number on Aadhaar database is incorrect or is not in-use, what should we do?		a. If biometric authentication fails, OTP based in-person verification can be done. b. Depositor needs to ensure that the mobile number is updated in the AADHAR database so as to avoid any inconvenience.
18.				Inter Repository Transfer 1. How will repository requests for replay? (Re-entrant) 2. What should Repository do if it does not receive response from other party? (Deterministic)		1. As mentioned above, inter-repository transfer mechanism will be finalized in consultation with the repositories. At that time, these issues will be suitably addressed.
CDSL Queries						

Sr. No.	Call for Application section No.	Call for Application Page no	Description as in call for Application	Query / clarification sought	Suggestion / Remarks if any	WDRA Response
1.	2.2.1	29	Technical Specifications of eNWR	Status defined as T,P,D,N,F,R.	A WR could have multiple status e.g. Part of the stock pledged could be de-pledged or invoked. Thus multiple status could exist.	Yes, eNWR can have multiple status at any point of time. This will be updated in the Technical Specs. Please refer to corrigendum for updated Technical specifications
2.	2.2.1	29	Technical Specifications of eNWR	Market Value is dynamic and need not be stored	Suggest MV be picked from Price master	Market Value will be picked up from AGMARK and BIS portal
3.	2.2.1	29	Technical Specifications of eNWR	MV needs to be defined in case of less traded Commodities	Suggest last traded price and exchange be decided in advance.	For less traded commodities, WDRA, in consultation with the repositories will specify the method to capture the MV.
4.	2.2.1	29	Technical Specifications of eNWR	Charges should not be part of WR master	Should form part of the master of charges	Charges cannot be a part of the master as it can vary from commodity to commodity and person to person. This needs to be captured at the time of creation of eNWR. eNWR needs to show the charges to make the transferee or pledgee aware of such charges which will need to be cleared in case of delivery or auction.
5.	2.2.1	29	Technical Specifications of eNWR	Charges levied by warehouses would differ from customer to customer	Suggest that charges are part of Warehouses internal working	Unit charges will need to be shown for the reason above.

Sr. No.	Call for Application section No.	Call for Application Page no	Description as in call for Application	Query / clarification sought	Suggestion / Remarks if any	WDRA Response
					and should not be part of the Repository system.	
6.	2.2.1	29	Technical Specifications of eNWR	Storage date –To	Would this be used to inform when the goods were withdraw? If so please explain how this would work in case of transfer	This is to identify the duration of storage at warehouses. However, it does not mean that goods have to be withdrawn post the storage date.
7.	2.2.1	29	Technical Specifications of eNWR	Transferee details may have multiple records with different quantities	Quantity to be included	Please refer to corrigendum for updated Technical specifications.
8.	2.2.1	29, 30	Warehouse Address, Depositor, Address	Length 300	It is suggested that address is recorded as separate lines for Address Line 1, Address Line 2, Address Line 3, City, State, Country, Pin Code and hence defined appropriately. Same is true for all Address Fields.	Please refer to corrigendum for updated Technical specifications.
9.	2.2.1	31	Storage Charges	Description	Storage charges should have the	Charges are mentioned per unit basis.

Sr. No.	Call for Application section No.	Call for Application Page no	Description as in call for Application	Query / clarification sought	Suggestion / Remarks if any	WDRA Response
					rate per unit of measurement which could vary based on the commodity.	
10.	2.2.1	31	Shelf Life Goods	Length	The length may need to be increased to accommodate commodities like pepper gaur seeds with long shelf life.	Please refer to corrigendum for updated Technical specifications.
11.	2.2.1	32	Pledge Details		Provision for part de-pledge and invocation needs to be provided.	These processes have been defined.
12.	2.2.1	32			Provision for freeze/unfreeze needs to be provided.	Provision is made for freeze and once unfrozen, eNWR can have status of issued or one of the other applicable status.
13.	2.4	35	Information Exchange by Depository		What would be the frequency of regulatory disclosures	Will be notified by WDRA separately.
14.	2.4.8	36	Inspection & Audit agencies seek information from the repository directly or through WDRA, as the case may be		These Inspections/Audits should be authorized by WDRA.	Yes, inspection and audit will be authorised by WDRA.
15.	2.7	41	BCP and DR	RTO and RPO defined per year. Downtime to	Suggest this should be defined per incidence.	RTO and RPO will be defined per incidence. Downtime excludes

Sr. No.	Call for Application section No.	Call for Application Page no	Description as in call for Application	Query / clarification sought	Suggestion / Remarks if any	WDRA Response
				mean unscheduled downtime	Downtime to exclude EOD time and scheduled downtime for system upgrades and releases	scheduled downtimes and not EOD time.
16.	2.8	42	RTO of 45 Minutes. RPO of 1 minutes		This is more stringent than that stipulated by SEBI and may be relaxed on the lines defined by SEBI.	Please refer to corrigendum.
17.	2.8	42	Business continuity	Weekly backup may be difficult as images of KYC and other documents are to be stored	Suggested that images may be allowed to be stored on hard disks which are read only. They will have back up at DR and third back up also.	Please refer to corrigendum.
18.	2.8	42	Enable data replication, using advanced mechanisms such as log shipping, to enforce data protection with zero data loss		This may read as 'Enable data replication, using advanced mechanisms such as log shipping, to enforce data protection with **near** zero data loss.	Please read as: 'Enable data replication, using advanced mechanisms such as log shipping, to enforce data protection with near zero data loss

Sr. No.	Call for Application section No.	Call for Application Page no	Description as in call for Application	Query / clarification sought	Suggestion / Remarks if any	WDRA Response
19.	3.1	47	Performance Requirements	Min throughput 5,000 transactions per hour mentioned.	Request that basis for this and break up per type of transaction be given.	Estimate is based on the expected no. of transactions in the 5th year after starting operations and is calculated on the basis of transactions such as creation, amendments, deliveries, splits, pledges, e-auction etc. The repositories should develop the software which is scalable to handle the load expected to come at the end of the 5th year. The repositories should plan its infrastructure to be able to handle the volume at the end of 5 years and should have complete plan for scaling up to this level
20.	3.4	48	There should be DC.DR and Network security audit through external IS auditors at least once every half year		This may be conducted annually to allow for implementation of the audit observations.	Please refer to corrigendum.
21.	5.1.1	64	Eligibility submission	Mentions Power of Attorney	Would the extract of the Delegation of Powers duly approved by Board suffice?	If the Board resolution delegates such powers, it is fine.
22.	1 (forms	1 (forms	Forms to be submitted	Forms provide for only one Signatory	Can the forms be signed by the lead applicant	Only Lead sponsor will sign the form.

Sr. No.	Call for Application section No.	Call for Application Page no	Description as in call for Application	Query / clarification sought	Suggestion / Remarks if any	WDRA Response
					only in case of multiple applicants.	
23.	Form F	7	Undertaking to create strategic business unit	Can we modify this undertaking in case we plan to setup another Co?		If another company is set up for the purpose of operating the repository, it is not required to give the undertaking to create SBU unless that company will engage in other activities
24.	Form g	8	Undertaking of Key-Managerial Persons	This mentions "key managerial persons including _____" . If we set up another Company the Key managerial persons would be selected subsequently.	Pl clarify whose designation should be filled?	Designation of Key Managerial persons have to be decided by the applicant and to be filled.
25.	Form I and Form J	11 and 12	Auditor certificate	Is this required if the applicant is a functioning Depository or exchange registered with SEBI /FMC		Yes, it is required.
26.				Grant for Certificate of Registration	What is the time line after receiving LOI to complete formalities to obtain the Ccertificate of Registration	Timelines are indicated in the call for application.
27.				Account Opening through RP	How would account for a	Please refer to page 9 of Annexure 1. Requirements are mentioned in section 1.1.3.1.1 Supporting

Sr. No.	Call for Application section No.	Call for Application Page no	Description as in call for Application	Query / clarification sought	Suggestion / Remarks if any	WDRA Response
					client without Aadhaar be opened	documents required for KYD process.
28.				Participant may provide statement of accounts including transaction statement and holding statements to the clients through SMS if opted by Client	In this case, should a link to the repository be provided through SMS	Yes, this can be an optional feature
NSDL Queries						
1.	2.6.2	37	Indicative Solution Architecture of the Repository Ecosystem	There is direct connectivity shown with other repositories in addition to message switch. What type of data exchange is expected between two repositories on one to one basis?		Whether there will be a switch or not will be dependent on number of repositories being granted licenses. If there are 2 repositories, it can mutually decide the methodology to operationalize inter-repository transfers. However, it is also possible to exchange inter-repository transfer instructions through a message switch which the repositories among themselves can identify a neutral entity to manage it or if there is no consensus, WDRA may decide a suitable alternative. Standardised Message formats for different transactions will be finalised in consultation with market participants and published by WDRA.

Sr. No.	Call for Application section No.	Call for Application Page no	Description as in call for Application	Query / clarification sought	Suggestion / Remarks if any	WDRA Response
2.	3.2	47	System must provide an option for adding additional functional modules without any degradation in performance.	How many additional functions are envisaged and what is No of Transactions / Hour for additional Modules?	Any addition would require redefining the performance measurement criteria.	The idea is that the proposed system should be flexible to add more features and functions. All functions that are necessary at present have been included in the call for application. Additional functional modules that may be required will be notified along with the performance criteria.
3.	3.3	48	System must provide 99.9% uptime for users (i.e. overall application availability of 99.9% encompassing network and compute hardware, as well as system, middleware and application software; this allows unplanned downtime of up to 9 hours per year.	In section 3.5 (SLA), the availability requirement is mentioned to be 99.5% whereas in sec 2.7 it is mentioned to be 99% to 99.9%. Please clarify the exact requirement.	It is suggested to keep availability requirement to 99.5% during online Window on business days.	System must provide 99.9% uptime for users (i.e. overall application availability of 99.9% encompassing network and compute hardware, as well as system, middleware and application software; this allows unplanned downtime of up to 9 hours per year. However, during initial stages, uptime of at least 99.5% will be accepted. However, system should not have an outage of more than 60 mins at a stretch in online window.
4.	3.3	48	System should not have outage of more than 60 mins at a stretch in online window.	What is the definition of Online Window?		Online window is business hours of repository.
5.	3.5	49	SLA Requirements given for each SLA parameter	There are 4 slabs given for SLA measurement for each parameter. What is the significance of the same?		There are 3 slabs defined to identify response times expected for 85%, 90% and 95% of users 85% of the users are expected to get response times better than 90% of the users and 90% of the

Sr. No.	Call for Application section No.	Call for Application Page no	Description as in call for Application	Query / clarification sought	Suggestion / Remarks if any	WDRA Response
						users are expected to get response times better than 95% of the users. Percentile based response times are used to define response times in large transactional systems.
6.	3.5	49	Failure to comply to the performance requirements may attract fine as may be decided by WDRA	Penalties are not clearly mentioned.	Please provide at least indicative nos. Also there should be some cap defined on the penalties.	Authority shall publish the penalties as and when required.
7.	3.5	49	Availability of Repository System	How the availability of Repository System will be measured as it would be comprising of multiple components and modules?	It is proposed to identify critical functions and measure the uptime of the same.	Availability will be measured for the entire system.
8.	3.5	49	Availability of Repository System	What would be the window for the measurement?	SLA should be measured only during the business hours on business day	Window of measurement will include everything except planned downtime.
9.	3.5	49	While availability measurements shall be in force on quarterly basis from the commencement of operations the provisions related to fines with respect to availability shall come into force only after 3 months of operations.	A period of minimum 6 months required to stabilise the system initially. It is requested to increase this period from 3 to 6 months.		All SLAs will be applicable 6 months after the commencement of operations.

Sr. No.	Call for Application section No.	Call for Application Page no	Description as in call for Application	Query / clarification sought	Suggestion / Remarks if any	WDRA Response
10.	3.5	51	Compliance with data and information security standards such as ISO 27001 at the data centre.	What is the timeline for ISO 27001 certification?	It is proposed to give a period of 15-18 months for ISO 27001 certification.	ISO 27001 certification should be completed within 12 months of starting operations
11.	General	General	There is no mention of expected volume on the system on yearly basis.		It is requested to provide some indicative nos for database sizing purpose.	Response provided above.
12.	4.2.1	53	Copy of ISO 27001 and ISO 23001 certifications	There is no certification available for ISO 23001. Is it required for Business Continuity Management? If yes, then certification is available under ISO 22301.		Response provided above.
NCDEX Queries						
1.	4.2.1	52	The entity which proposes to act as a Repository shall have a net-worth of not less than rupees fifty crore as on the date specified by the Authority.	What are the components of net worth? As per clause 12 (1) of **Guidelines on Repositories and Creation and Management of Electronic Negotiable Warehouse Receipts**, the Repository shall have and maintain a net worth of not less		"Net-worth" means aggregate of value of the paid-up equity capital and free reserves (excluding reserves created out of revaluation) and reduced by the aggregate value of accumulated losses and deferred expenditure not written off (including miscellaneous expenses not written off) as per the audited balance sheet.

Sr. No.	Call for Application section No.	Call for Application Page no	Description as in call for Application	Query / clarification sought	Suggestion / Remarks if any	WDRA Response
				than **Rupees twenty five crore, at all times.** Therefore at the time of commencement of Repository, can the net worth be Rs. Twenty five crore as stated above and gradually increased to Rs. Fifty crore?		All the entities that will set up the repository must have a net worth of Rs. 50 crore at the time of commencement. Further, on an ongoing basis, the net worth should at least be Rs.25 crore.
2.	4.2.1	52	The applicant shall be an entity providing one or more services related to financial markets to public at large which is regulated by any one of the regulatory agencies as may be specified by WDRA from time to time, which at present shall include RBI, SEBI, PFRDA and IRDA.	What if an existing entity that is a subsidiary of a regulated entity and is running products that closely resembles some of the services of repository and is willing to submit to the proposed regulations. If a sponsor is a group of entities, is it necessary that all the entities should be regulated entity?		Yes, it is required that all entities should be regulated entities. In other words, all sponsors should be regulated entities.
3.	1.8.1	19	Company formation (Public Limited Company) – 16-01-2017	Does it have to be a new entity? Time given to bring in new shareholder/s is too short.	Sufficient time frame to be provided to bring in new shareholders	i)Choice is to form a new company or have it as a SBU. ii)It is expected that the applicants will take all necessary actions promptly to achieve the timelines.

Sr. No.	Call for Application section No.	Call for Application Page no	Description as in call for Application	Query / clarification sought	Suggestion / Remarks if any	WDRA Response
						However, if there are any delays, it must be brought to the attention of WDRA well in time and necessary approvals are taken so as to not upset the overall timelines prescribed. iii)It was mentioned that due to regulatory and board approval processes, it may take some time to get the other shareholders on board. It is clarified that the applicant should indicate the proposed shareholding pattern in the application form and satisfy the actual shareholding pattern and names of other qualifying shareholders before the issue of Letter of Intent by WDRA.
4.	4.2.1	53	If one of the sponsors is an exchange, such exchange shall not hold or propose to hold more than fifty one percent of the paid up equity share capital of the company that will set up the Repository and shall reduce the same to twenty four percent within a period of ten years from the date of grant of Certificate of Registration.	There is a provision in the guidelines of increasing this to 74% with prior approval of authority. Eligibility of NeML to partner with NCDEX? And if so, would their share have to be with the 74% max allowed for the Exchange or can it be over and above the same.	This is in the WDRA Guidelines governing Repositories	As a rule, if an exchange proposes to set up the repository, it can hold only upto 51%. However, if it wishes to increase the holding to 74%, it must seek an approval of WDRA, by giving justifications for holding 74%. If NeML is going to set up the repository, NCDEX could be the sponsor and NCDEX must meet the shareholding guidelines as prescribed and follow the procedure mentioned in (iii) to

Sr. No.	Call for Application section No.	Call for Application Page no	Description as in call for Application	Query / clarification sought	Suggestion / Remarks if any	WDRA Response
						query under sl no.3 above. Also, NeML must set this up as a SBU if it is engaged in other activities. It is also necessary that in the application, details of existing business of NEML is clearly mentioned.
5.	5.2.	65	Certification from statutory auditors	**Form J** Clarification required with respect to statutory auditor on following a) Business – Whether certification required for sponsor's existing business or for Repository? b) Markets covered – What does this refer to? c) Investor base in each market - What does this refer to? **Form L** a) Annual Turnover - Whether revenue from operations or total income including other income? **Form M**		A) Existing business. B) Different markets like capital markets, insurance, banking etc., C) In reference to B above. Operational income only. Response provided above. Preference capital and Settlement guarantee fund should not to be considered.

Sr. No.	Call for Application section No.	Call for Application Page no	Description as in call for Application	Query / clarification sought	Suggestion / Remarks if any	WDRA Response
				a) What are the components of net worth for sponsor entity b) Whether the net worth will include preference capital, Settlement Guarantee Fund		
6.	Definitions	8	"sponsor" means an entity or group of entities that declare themselves as sponsor(s) for setting up a Repository in a sole or joint manner. Where there are more than one sponsors, one among them to be the lead sponsor who will make the application for issue of Certificate of Registration.	In case of any joint application, will the joint applicant be also required to submit all documents / certificates required from sponsor entity?		Yes, all applicants must provide all documents as required.
7.	Definitions – Core Services (iii)	7	"core services of a repository" means all of the following - III. enabling the delivery of goods in part or full, underlying the electronic Negotiable Warehouse Receipts, through the warehousemen;	Can this be elaborated – what liability is with Repository with "enabling the delivery of goods"		Repository will not be liable for bad deliveries. However, repository will be liable for delays associated with it in the delivery process.
8.				Will capital contribution in kind be considered like software etc.		If the company issues or proposes to issue shares against software, it can be considered as capital

Sr. No.	Call for Application section No.	Call for Application Page no	Description as in call for Application	Query / clarification sought	Suggestion / Remarks if any	WDRA Response
						contribution, provided all necessary information are submitted to WDRA for a review.
9.	1.1.2.1. Scope of work	Scope of work pg no 4	On boarding of RPs through scan & upload of supporting docs. RPs to apply through a digital signature certificate.	Digitally signed Account Statement and Non individual account opening through digital signature is good to have feature, can be introduced subsequently but in the initial stages RPs can submit copies of documents & online entry of such details will be made by the Repository. Also client account statement can be made available in their login.		• As far as onboarding of RPs is concerned, RPs have to submit all documents and information using the DSC to the Repository. • As far as non-individual entity, it should also use its DSC at the time of opening an account. • As far as statement of account is concerned, it can be provided through a log-in and if the RP decides to provide it by email, it shall do so only by signing the statement with DSC. If there is any difficulty in providing statements by email with DSC, it can be introduced at a later stage and till such time, physical statements should be sent
10.	1.1.3. Scope of work	Scope of work pg no 7	Account opening through RP.	Again Biometric based Aadhar verification at the time of Deposit and Account opening or OTP based authentication is good to have & can be introduced subsequently.		These are minimum requirements. Applicants can come up with better specifications.

Sr. No.	Call for Application section No.	Call for Application Page no	Description as in call for Application	Query / clarification sought	Suggestion / Remarks if any	WDRA Response
11.	1.1.4.1. Scope of work	Scope of work pg no 11	Creation of eNWR by initiating request through RP	What value addition will the RP make in deposit process? Will it help in ensuring that goods are actually deposited?	WSPs task of OTP or Aadhar based verification at the time of deposit seems cumbersome & impractical	Both options of creating eNWR should be provided. Verification process mentioned is minimum and must be followed.
12.	1.1.14.1. Scope of work	Scope of work pg no 52	WSP needs to submit security deposit to WDRA in order to start warehouse business	What about the Exchange approved warehouses and SEBI warehouse norms?	It be costly for the WSPs to keep deposits with WDRA & Exchanges both?	Repository has nothing to do with it as this is related to WSP.
13.	1.3Functional requirements for the e-auction platform	Scope of work Pg64.	The system will validate the authenticity of eNWR by connecting with repository on which the eNWR is stored and the bank which has marked the lien on the eNWR. (Connectivity of repository and e-auction platform is required)	Connectivity requirements should not be mandated.	Repository should make a provision for auctioning confiscated stock, and Repository should have the discretion to operationalise	• It is not possible for Repository to decide whether it is confiscated stock or not. It is for the bank to notify that it has taken possession of the goods and wants to e-auction. • Repository doesn't have the discretion to operationalize it. It is one of the functions that must exist at the time of repository going live. • Integration between repository and e-auction platform is required to enable seamless online transfer of the auction information (transferee & settlement details)
14.	1.1.5 Printing of eNWR	Scope of work Pg23.	After WSP has approved creation of eNWR in the repository system and the repository has duly record	Why this is required?	Physical copies should be avoided as the entire details w.r.t	Physical print has to be provided to depositor/holder by the warehouse as proof of deposit. There should be sufficient information to state

Warehousing Development and Regulatory Authority (WDRA) - Call for Application for grant of Certificate of Registration to Repository

Sr. No.	Call for Application section No.	Call for Application Page no	Description as in call for Application	Query / clarification sought	Suggestion / Remarks if any	WDRA Response
			the same on its records, WSP shall generate a physical print of the eNWR and provide it to depositor as a proof of deposit of goods in warehouse.		eNWR would be available in client login.	that this is not actual NWR but only a proof of eNWR stored in the repository system