



UCO BANK

Department of Information Technology

Request for Proposal (RFP) for “Procurement of HSM (Hardware Encryption) device for green pin generation through Mobile Banking, e-Banking & Bank’s website (Re-tendering)”

RFP Ref No: DIT/BPR&BTD/OA/2446/2020-21 Date: 07.12.2020

Pre-Bid Responses/ Clarifications to Queries raised by the Bidder(s), Amendments, Addendums and Corrigendum’s

Sl. No	Page. No.	Clause No	Clause as per RFP	Description of Query/ Clarification sought by Bidder	Bank Response
1	89	Annexure – R : Techno- Functional Compliance	Point no. 3 Speed: minimum 60 TPS (Transactions per second) Irrespective of internal system configuration of HSM, throughput output to application is 60 TPS.	<p>1. Points of Clarifications: As per the requirement of point no.3, its mentioned as 60 TPS. Ideally a single HSM can be used for multiple payment application and hence a higher TPS is required.</p> <p>Remarks/Suggestions (If Any): To support the PIN generation / verification for Bank’s card-encryption & decryption process, it is highly advisable to use a HSM which supports a higher PIN translation, e.g. 4000 TPS and above.</p> <p>2. To support the PIN generation / verification for Bank’s card-encryption & decryption process, it is highly advisable to use a HSM</p>	<p>Clause Stands as per RFP.</p> <p>It is clarified that, minimum 60 transactions per second required irrespective of internal HSM processing. For Green PIN, the customer request should be processed at 60 TPS i.e. Bank need 60 PIN generation per second as output.</p>

				<p>which supports a higher PIN translation, e.g. 4000 TPS and above.</p> <p>3. In payment world, 60 TPS means, 60 PIN Translations per second. So in Green PIN implementation you might not get same 60 TPS as Green PIN implementation involves other operations on HSM like offset generation, PIN encryption, PIN translation. Hence, bank should be looking for the HSM TPS which is uniform across all the operations. Hence, change this clause to "60 Operations/Functions per sec".</p>	
2	89	Annexure – R : Techno- Functional Compliance	<p>Point no. 10</p> <p>The relevant security settings in the firmware should have PCI compliant values</p>	<p>In order to support a true multi-tenant environment, HSM support a dedicated/unique configuration for each tenant/domain.</p>	<p>It is clarified that, as the HSM is going to be used for ATM PIN generation using various applications such as m-banking, e-banking, IVR, UCO Bank's Website, UPI and UCO Bank Branches, PCI Compliance is must.</p>
3	89	Annexure – R : Techno- Functional Compliance	<p>Management facilities</p> <p>Point no. 13</p> <p>Should have GUI/CLI available with 2 factor Authentication using USB Tokens / Smart Cards</p>	<p>The HSM should support True Remote Management and Remote Key Loading from Multiple locations.</p> <ul style="list-style-type: none"> - Transactional Model or Simultaneous - Key custodian geographically dispersed <p>Considering the current pandemic situation across the globe, the utmost requirement is to have the HSM support true remote management.</p>	<p>Clause Stands as per RFP.</p>
4	89	Annexure – R : Techno- Functional Compliance	<p>General Aspects:</p> <p>Point no. 4</p> <p>The proposed HSM should have minimum dual power source input, dual TCP/IP interface and dual connectivity support.</p>	<p>1. The HSM should support 4 ethernet ports for Network High availability in bonding so that in case of any network port failure, the operations can failover without disrupting the functionality.</p> <p>2. As per the best practices, HSM should be managed via a dedicated management port rather than using the operational</p>	<p>Clause Stands as per RFP.</p> <p>However, it is clarified that, RFP Clause is the minimum requirement. Any additional feature can be accepted.</p>

				ethernet ports. This feature helps to manage the HSM without effecting HSM live operations. Hence, request you to add or modify this clause to "HSM should have dedicated management Ethernet port."	
5	35	<p>Part – V</p> <p>12. Terms of Payment</p>	<p>The payment will be released to the vendor as per the following payment schedule:</p> <p>For Hardware (HSM)</p> <p>a. 70% of the Hardware Cost will be paid on the delivery of Hardware (HSM)</p> <p>b. 20% of the Hardware Cost will be paid after the successful installation of the HSM.</p> <p>c. 10% of the Hardware Cost will be paid after the 3 months of the Go-Live.</p> <p>For AMC (Annual Maintenance Contract)</p> <p>The payment towards the AMC charges for the maintenance of the HSM Devices will be paid on quarterly basis in arrears. Payment will be released within 30 days of the receipt of correct invoices along with the necessary documents / certificates duly signed by the authorised Bank officials.</p> <p>In case of delayed delivery or incorrect delivery or partial delivery, then date of receipt of the correct and final component shall be treated as delivery date for penalty and other calculation</p> <p>Other terms and conditions:</p> <ol style="list-style-type: none"> 1. No advance payment will be made. 2. Payments will be made on quarterly arrear basis. 3. The financial bid submitted by the vendor must be in conformity with the payment terms proposed by the Bank. Any deviation from the proposed payment terms would not be accepted. 4. Bidder has to show the bifurcation/details of GST (CGST/SGST/IGST) in every invoice. 	<p>1. We request to modify this clause to:</p> <p>For Hardware (HSM)</p> <ol style="list-style-type: none"> a. 70% of the Hardware Cost will be paid on the delivery of Hardware (HSM) b. 30% of the Hardware Cost will be paid after the successful installation of the HSM. <p>2. Requesting Bank to Kindly amend the payment terms as follows:</p> <ol style="list-style-type: none"> a. 75% of the Hardware Cost will be paid on the delivery of Hardware (HSM) b. 20% of the Hardware Cost will be paid after the successful installation of the HSM. c. 5% of the Hardware Cost will be paid after the 3 months of the Go-Live. <p>(i) For Balance 10% payment after 3 months of Go-live - please confirm that this payment can be released after installation also subject to bidder gives additional BG of 10% payment valid for 3 months.</p> <p>(ii) AMC Payments: 50% of AMC payments will be released in advance every year & Balance 50% will be released quarterly arrear basis.</p> <p>For HSM, OEM renews for a year only with 100% advance payment. Without renewing AMC with OEM, Bank cannot get support /patches upgrade, if any. Hence by paying 50% yearly advance, Bank can ensure getting OEM support & for any lapses from bidder in attending call, penalty can be adjusted quarterly from Balance 50% payment. This will ensure better support.</p>	Clause Stands as per RFP.

			5. Payment will be released within 30 days from the date of the receipt of the invoice.	3. Request to revise the payment terms to half yearly advance for AMC. Also, please provide clarity on certificate to be produced. We will submit the service report duly accepted by Authorized bank person.	
6	9-10 & 86	Part - I 3. Eligibility Criteria: & Annexure –P : Eligibility Compliance	<p>Point No.8 Criteria: The bidder/OEM should be having/ establish support offices/ Support Centres / Support Locations with necessary support infrastructure for maintenance of HSM in India preferably at Bank's DC Site Bengaluru and DR site Kolkata.</p> <p>In case bidder does not have offices / Support Centres / Support Locations in the above-preferred locations, in order to maintain the stipulated uptime of the device, bidder has to ensure onsite rectification of problem in the HSM devices. In this regard, bidder has to submit a self-declaration.</p> <p>Documents Required: The detailed list of the service centers with the contact details & complaint lodging process to be submitted by the Bidder as per the Annexure – W.</p>	<p>We all know that support is a very important function and it is not always possible to start a support centre just for supporting a particular project.</p> <p>So we would request Bank to change the clause and make it mandatory for the Bidder to have a 24*7 support centre in India.</p>	Clause Stands as per RFP.
7	89	Annexure – R : Techno-Functional Compliance	<p>General Aspects: Point no. 15 Utilization statistics - Health check diagnostic and error logs</p>	HSM should have maximum 60W power consumption as Each watt of power a device requires increases your data center energy and cooling costs. So heaving this feature, undoubtedly will assist in driving down your data center electricity bill and contribute to your company reaching its "green goals". Hence, request you to add or modify this clause to "HSM should have Maximum 60W power consumption"	Clause Stands as per RFP.
8	90	Annexure – R :	Key Features	Since this HSM will be used for Green PIN. So it is	Clause Stands as per RFP.

		Techno-Functional Compliance		very important to have it integrated with Green PIN application provider without any additional cost. Hence, request bank to consider the following Key feature: "The proposed HSM should already be integrated with Green PIN application of Bank"	Please refer to Scope of Work Point nos. 4, 11 & 14 .
9	32	Part – V 6. Delivery	<p>The HSM device should be delivered at both sites within 4 weeks and 2 weeks for Installation from date of issuance of Purchase Order.</p> <p>The delivery location is as stated below:</p> <p>(i) UCO Bank, Head Office-II, Department of Information Technology, 4th Floor, 3 & 4 DD Block, Sector-1, Salt Lake, Kolkata-700064</p> <p>(ii) UCO Bank, UCO Bank, Data Centre, C/o Tata Communication, NO-2, KEB Layout, Geddhalli, Sanjay Nagar, Bangalore-560094</p>	<p>Request Bank to kindly extend the delivery timelines as mentioned below. The HSM device should be delivered at both sites within 6-8 weeks from the date of issuance of Purchase Order</p> <p>Remarks: Since HSM is imported & hence 4 weeks delivery is not at all possible. Pandemic situation is adding to delay with all uncertainties which is beyond anyone's control. So , requesting Bank to consider for 8 weeks delivery timeline</p>	Please refer to the Corrigendum.
10	38-39	Part – V 17. Penalty	<p>The Bank shall have the right to impose penalty on vendor as under:</p> <p>1. In case of late delivery of equipment by the vendor, 1 % per week of the value of undelivered portion of the purchase order after 3 weeks from the date of order, subject to maximum of 10% of the undelivered portion of the equipment.</p> <p>2. In case of any problem in the HSMs, it should be rectified in maximum 2 working days. Failure to do so will attract penalty @1% of AMC charges per hour subject to maximum of 25% of AMC charges will be recovered from the vendor.</p> <p>3. During warranty period failure to do so will attract penalty @ 1% of the purchase rate of the items per week subject to maximum 10%. This penalty amount may be discounted for any of the future payments to the bidders or from the EMD kept as performance bank guarantee with the</p>	<p>1. Request to Bank to revise the penalty @0.5% of HSM AMC charges per day beyond 2 days subject to maximum of 10% of AMC charges for impacted HSM only.</p> <p>Remarks: 1% per Hour penalty with capping at 25% is too strict.</p> <p>Suggestion: If requirement is so critical, alternatively, Bank can go for HA mode HSM with Qty 2 at each site and if both HSM fails then stringent penalty can be levied to Bidder.</p> <p>2. Request to revise the penalty @1% of HSM AMC charges per every 8 hours subject to maximum of 5% of AMC charges for impacted HSM only.</p>	Clause Stands as per RFP.

			<p>bank.</p> <p>4. The purchaser is entitled to deduct the penalty from the purchase price or any other amount, which is due to supplier from this contract, or any other contract or by invoking the Bank Guarantee.</p>		
11	39	<p>Part – V</p> <p>18. Liquidated Damage</p>	<p>The Bank will impose liquidated damages i.e. 1% of the undelivered items/call agent (monthly cost) assigned particular project cost per week or part thereof, for delay in not adhering to the time schedule for commitment under each contract. If the selected Bidder fails to complete the due performance of the contract in accordance to the specification and conditions agreed during the final contract negotiation, the Bank reserves the right either to cancel the contract or to accept performance already by the Bank as Liquidated Damage for non-performance. Both the above Liquidated Damages are independent of each other and are applicable separately and concurrently. Overall cap for penalties under this clause will be 10% of the contract value of the respective assignment. LD is not applicable for reasons attributable to the Bank and Force Majeure. However, it is the responsibility of the bidder to prove that the delay is attributed to the Bank and Force Majeure. The bidder shall submit the proof authenticated by the bidder and Bank official that the delay is attributed to the Bank and Force Majeure along with the bills requesting payment.</p>	<p>1. Request to change Liquidated Damage@0.5% per week per device wise with capping at 10%. Remarks: If DC HSM delivered & installed and are in use by Bank , then LD should not be applicable on Total project</p> <p>2. Request you to revise the cap for penalties under this clause to 5% of contract value, since 10% value is high</p>	<p>Clause Stands as per RFP.</p>
12		<p>Additional Point</p>		<p>OEM presence in India. OEM should have presence since last 5 years in India</p> <p>Remarks:</p>	<p>Clause Stands as per RFP.</p>

				Long term of OEM will guarantee business continuation	
13	20-21	Part –II Invitation for Bids and Instructions to bidders 34. Submission of Offer –Three Bid System	The entire RFP, Pre-bid responses along with all the Addendum and Corrigendum should be stamped & signed by the authorized signatory of the participating bidder and to be submitted to the Bank with all other documents as part of the Eligibility bid.	In lieu of COVID19 pandemic, please allow bid response submission ONLINE	Clause Stands as per RFP.
14	28	Part –IV Scope of Work	Point no.3 The main purpose of HSM will be Green PIN generation for UCO Debit card- Encryption & Decryption process along with key management. If deployed HSM becomes faulty/ malfunctions, it would be the responsibility of the selected bidder to get it repaired or replaced at the earliest (Max. within 3 days).	Request to extend max. Within 7 working days	Clause Stands as per RFP.
15	28	Part –IV Scope of Work	Point no.4 Bidder has to implement & integrate HSM device for the purpose of ATM PIN generation with ATM Switch of M/s. Euronet. Application level changes for Green PIN generation will be taken by the concerned application vendor. However, if any issue / customization required at HSM will be taken care by the selected bidder. If in future, Bank migrated to any new ATM Switch, selected bidder has to configure integration without any additional cost to the Bank.	The integration of HSM with ATM switch comes under the scope of Application Vendor. The HSM vendor scope is to supply, install and commission the HSM in-line with application vendor requirement (M/s. Euronet). Any help to application vendor related for HSM console and host command will be extended by HSM Vendor	It is clarified that, for integration of ATM switch & various applications (such as m-banking, e-banking, IVR, UCO Bank's Website, UPI and UCO Bank Branches) with HSM, the required changes in HSM devices should be done by HSM vendor.
16	29	Part –IV Scope of Work	Point no.11 It should support integration with multiple client structure such as m-banking, e-banking, IVR, UCO Bank's Website, UPI and UCO Bank Branches & it is not chargeable.	In-case if there is an application customization change which will lead for license requirement on the HSM, then it will be chargeable	Clause Stands as per RFP.
17	29	Part –IV	Point no.13	In-case if there is an application customization	Clause Stands as per RFP.

		Scope of Work	It is the responsibility of the Bidder to change / upgrade / customize its infrastructure / solution for ensuring the compliance to statutory, regulatory guidelines from RBI, TRAI, IRDA, IBA, MASTER CARD and VISA etc. at no extra cost to the Bank.	change which will lead for license requirement on the HSM, then it will be chargeable	
18	29	Part – IV Scope of Work	Point no.14 Selected bidder has to support the vendors of multiple application software such as m-banking, e-banking, IVR, UCO Bank's Website, UPI and UCO Bank Branches during integration of HSM device without any additional cost to the Bank.	Bid is only for Green PIN and any other integration will be charged as per the requirement during that time	Clause Stands as per RFP. It is clarified that, at present HSM devices are used for integration between ATM switch and various applications such as m-banking, e-banking, IVR, UCO Bank's Website, UPI and UCO Bank Branches. However, in future any additional features may come.
19	32	Part - V 5. Annual Maintenance Contract	The vendor should also quote separately for AMC at site for the 4th & 5th years for HSMs from the date of expiry of warranty. The AMC rate should not be more than 8%. For Hardware Security Module, Vendor should undertake to provide maintenance support at agreed rates and arrange for spare parts for a minimum period of 5 years (3 Years Warranty + 2 Years AMC). Comprehensive Annual Maintenance Contract has to be entered separately with the bank, for this purpose. The bidder shall provide support services for 24x7 hrs with 24 hrs response time and also have to execute Master AMC Agreement with the Bank without any exception. In case of replacement of any part of the equipment, the same shall be done at the earliest (Max. within 7 days).	Request to grant the AMC rate to 18 to 20%. Also, please share the SLA and Master AMC Agreement for clarity	Clause Stands as per RFP.

Corrigendum

Sl. No.	Existing Clauses	Modified Clauses
1	<p>Part – V</p> <p>6. Delivery</p> <p>The HSM device should be delivered at both sites within 4 weeks and 2 weeks for Installation from date of issuance of Purchase Order.</p> <p>The delivery location is as stated below:</p> <p>(i) UCO Bank, Head Office-II, Department of Information Technology, 4th Floor, 3 & 4 DD Block, Sector-1, Salt Lake, Kolkata-700064</p> <p>(ii) UCO Bank, Data Centre, C/o Tata Communication, NO-2, KEB Layout, Geddhalli, Sanjay Nagar, Bangalore-560094</p>	<p>Part – V</p> <p>6. Delivery</p> <p>The HSM device should be delivered at both sites within 6 weeks and should be installed within 1 week after delivery from date of issuance of Purchase Order.</p> <p>The delivery location is as stated below:</p> <p>(i) UCO Bank, Head Office-II, Department of Information Technology, 4th Floor, 3 & 4 DD Block, Sector-1, Salt Lake, Kolkata-700064</p> <p>(ii) UCO Bank, Data Centre, C/o Tata Communication, NO-2, KEB Layout, Geddhalli, Sanjay Nagar, Bangalore-560094</p>

Note:

All other terms and conditions, clauses of the subject RFP remain unchanged. The reply to pre-bid queries responses / clarifications / corrigendum / addendum & changes in the RFP clause mentioned herein above will be part & parcel of the RFP.

Place: Kolkata

Date: 19/12/2020

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