



**UCO BANK**  
Department of Information Technology

**Request for Proposal (RFP) For RFP for End to End Solution for Implementation of Credit Risk, Operational Risk, Asset Liability Management and ICAAP solution in accordance with International Best Practices and Guidelines of RBI/BCBS on Basel II and Basel III )**

**RFP REF NO:UCO/DIT/137/2016-17 Date: 30/04/2016Pre-Bid Responses/ Clarifications to Queries raised by the Bidder(s), Amendments, Addendums andCorrigendum's**

SL. No.	Pg No / Clause No	Terms& Conditionsasper RFP	Queries/Suggestions by the Bidder (s)	Bidder's Name	Bank's Response (s)
1	Page 10/3.1 No	The Bidder/OSD must have implemented or in the process of implementation a Credit Risk and Operational Risk Management Solutions including Asset Liability Management and ICAAP in a Bank operating in jurisdictions where Advanced Approaches (IRB/ AMA) have been approved by the regulator for the Bank from whom credential is provided.	We request the Bank to allow Bidder / OSD / OEM references	L & T Infotech Limited	It is clarified that this point of eligibility is for the Bidder or the Original Software Developer.  Since OEM is a term related to hardware manufacturer, their experience cannot be considered in this context

2	Page No- 29/7.1	Payment Terms	<p>We request the Bank to make the payments against Hardware, DB, Environmental Software and Application Software licenses 100% against submission of Bank Guarantees for the same amount.</p> <p>This is primarily because Bidders have to make payments to OEM in advance and delayed payments from the Bank will affect the cash flow of the Bidder and ultimately increase the price due to financing. We request the Bank to release payments against submission of Bank Guarantees</p>	L & T Infotech Limited	The payment terms has been modified. Please see the revised payment terms as annexure A
---	--------------------	---------------	--	------------------------	---

3	Page No- 27/5.8		<p>Number of Customer</p> <p>Number of Accounts. Split of Exposures on the following types:</p> <p>Loans, Credit facilities, Bonds, Equities, Derivatives, Trade Receivables, CASA</p> <p>Recurring / Fixed Deposits,</p> <p><b>Number</b> of Credit Risk Mitigants</p> <p>Number of Models: PD, LGD, EAD</p> <p>Total <b>Credit</b> Risk Data size in GB</p> <p>Total ALM Data size in GB.</p>	SAS	<p>At present</p> <p>Number of Customer: 2.80 crore</p> <p>Number of accounts : 3.70 Crores</p> <p>Loan : 1019746</p> <p>CC : 765977</p> <p>Others: 18000</p> <p>Casa: 27168813</p> <p>Term Deposit: 4658103</p> <p>RD : 239209</p> <p>RDUSS : 503717</p> <p>Credit size (Loan Size): 5 GB</p> <p>ALM Size (DEPOSIT SIZE): 40 GB</p> <p>We have also at present Bonds, Debenture, Equities, Trade Receivables, IRS. FRA etc and any other business may also be there in future as per RBI Guidelines.</p> <p><b>Number</b> of Credit Risk Mitigants- As per RBI Guideline</p> <p>Number of Models: PD, LGD, EAD- There is no model at present. To be discussed and finalized with the selected bidder.</p>
---	--------------------	--	---	-----	--

4	Page No-10, Point No-9	The proposed Credit risk, Operational risk solution, Asset Liability Management solution and ICAAP should be positioned in the leader's quadrant of Chartis research report/Gartner's magic quadrant.	Gartner Magic Quadrant may not cover ALM and ICAAP as separate areas. You may look at Chartis top 5 in their report.	SAS	The eligibility criteria is revised as " The proposed Credit risk, Operational risk solution should be positioned in the leader's quadrant of Chartis research report/Gartner's magic quadrant."
5	Page No-27/5.8	The servers in DC & DR should be in Active – Passive HA mode.	We suggest you to look at non HA mode with cold DR to optimize costs	SAS	The servers in DC & DR should be in Active – Passive mode. High Availability is not required at DC/DR
6	Page No-27/5.8	Credit Risk 500 users and ALM 50 users with 40% concurrency	The number of users and concurrency suggested looks to be on higher side compared to various other banks in India where our solution runs. Though we do provide enterprise wide licenses but this number may lead to excess hardware.	SAS	<ul style="list-style-type: none"> <li>➤ CR Risk: 100</li> <li>➤ OP Risk: Enterprise-wide</li> <li>➤ ALM: 25</li> </ul>
7		Operational Risk - Sizing Considerations	Number of Users Concurrent Users% Yearly Growth Rate% Estimated Number of Incidents Any need to migrate historical incidents Frequency of Assessments Number of Risks Included per Assessments	SAS	<ul style="list-style-type: none"> <li>➤ Number of Users for Operational Risk : Enterprise-wide</li> </ul> Rest to be discussed with selected bidders.

8	Page No-8/3	The Bidder, OEM&OSD should have made Net Profit during the last three financial years	Request Bank to modify it to "The Bidder, OEM & OSD should have made Net Profit in any two financial years out of last three financial years" The average annual turnover / revenue of OEM should be greater than INR 100 Crores in IT (information technology) products, services during the past 3 financial years (2014-15, 2013-14, 2012-13) for their India Operations.	KPMG	As per Terms of RFP .
9	Page No-12/4.1	Model Development: Develop PD, LGD, EAD models for retail and non-retail portfolios. The retail portfolio should be segregated in homogeneous retail pools based on various retail portfolios. The model development methodology for PD, LGD, EAD and pooling would be provided by the Bank which needs to be implemented in the CRMS solution.	How many PD, LGD, EAD models for retail and non-retail portfolios needs to be hosted in the CRMS solution	KPMG	This would be discussed with the successful bidder. The PD, LGD& EAD models to be developed for all the credit portfolios of the bank.
10	Page N-15/4.2.2	Provide methodology/guidelines/attributes for identification of KRI in all business products and processes.	Does bank expects bidder to identify KRI . We understand bank will have list of Kis identified.	KPMG	The Bank does not require assistance in identification of KRIs. Bank has its own list of KRIs.

11	Page No-16/4.3	The system should have a Pillar-II module which supports ICAAP analysis of all material Pillar-II risks of the Bank and do capital computation, for risks like concentration risk (branch wise, Zone wise, state wise, industry/ sector wise, product wise, vertical wise rating-grade wise, interest rate wise, group-wise, borrower-wise etc.), reputation risk, strategic risk, compliance risk, underestimation of risk under standardized approach, model risk, liquidity risk, interest rate risk, forex risk etc. as per relevant RBI/ Basel	Bank to provide methodology and approach for all material risks identified. Please confirm	KPMG	It is clarified that Bank has an ICAAP Policy where it has material risks identified. Bank also reports impact of material risks through ICAAP document. Bidder to implement this. The methodology for material risk assessment/measurement is part of the bank's ICAAP framework. However, any risk identified by the Regulator in future or as per Basel Guidelines to be part of the solution at no additional cost to the Bank.
----	----------------	---	--	------	---

12	Page No-9	Addition for bidder capabilities	Request bank to incorporate additional criteria for Bidder Capabilities: The Bidder / OSD must have implemented or in the process of implementation integrated stress testing framework and budgeting / capital planning as a part of ICAAP in a Bank operating in jurisdictions where Advanced Approaches (IRB / AMA) have been approved by the regulator for the Bank from whom credential is provided. (All credentials need not be for the same bank).	KPMG	Query not admissible. No change in RFP
13	Page No-27/5.8	No. of Credit risk users-500	Number of credit risk users specified are huge. Please help to clarify user roles. Bank to provide customer, account and daily transaction volume details for hardware sizing.	KPMG	CR Risk: 100
14	Page No-29/7.1	Implementation Cost - Successful completion of the customization, Data Migration & UAT sign off and Go Live - 50%, One year after Go-Live at Last Location - 40%, On RBI Approval for Adv. Approach - 10%	Request Bank to change payment milestone to Implementation Cost - FSD sign off - 40% Successful completion of the customization, Data Migration & UAT sign off - 40% and Go Live - 10%, One year after Go-Live at Last Location - 10%	KPMG	The payment terms has been modified. Please see the revised payment terms

15	Page No10/3	Additional Note for Bidder	The Bidder and its declared consortium should ensure OEM participation during the project implementation and produce teaming agreement with OEM with the scope of work agreed between Bidder and OEM.	KPMG	The query is not admissible. Please be guided by RFP clauses.
16	Page No-53/11.3	After award of the contract, if the selected Bidder does not perform satisfactorily or delays execution of the contract, The Bank reserves the right to get the balance contract executed by another party of its choice by giving one month's notice for the same. In this event, the selected Bidder is bound to make good the additional expenditure, which The Bank may have to incur in executing the balance contract. This	Bidder should be given an opportunity to make good the situation, for that Bank should allow to have one month as 'cure period' which is expected to be allocated prior to start of 'termination notice period'.	KPMG	RFP Clause stands.
17	Page No-56/11.8	The Bank, by written notice of 90 days sent to the Bidder, may terminate the Contract, in whole or in part, at any time at its convenience without assigning any reason and without any cost or compensation therefor. The notice of termination shall specify that termination is for the Bank's convenience, the extent to which performance of work under the	This clause is suggested to be removed. Unless there is an explicit reason for termination this will not be accepted. If this clause is mandatory from the Bank side then a reciprocated clause from Bidder's side should also be introduced which will ensure the protection of bidder's interest.	KPMG	RFP Clause stands.
18	Page No-12/4.1	The system should have scalability to take care of any changes brought in by BASEL guidelines/Regulator during the contract period at no additional cost to the Bank.	Request bank to modify it to: "The system should have capability to take care of any changes brought in by Basel guidelines/RBI during the contract period at no additional cost to the Bank"	KPMG	RFP Clause stands.



19	Page No-10/Point No-10	<p>Eligibility Criteria: The Bidder/OSD must have implemented or in the process of implementation a Credit Risk and Operational Risk Management Solutions including Asset Liability Management and ICAAP in a Bank operating in jurisdictions where Advanced Approaches (IRB/ AMA) have been approved by the regulator for the Bank from whom credential is provided. (All credentials need not be for the same bank).</p> <p>Documentary Evidence to be submitted to the bank: Purchase Order along with Credential letter on bank's letter head/ Completion certificates/UAT sign-off certificates, containing scope of work, timelines and OSD partners for the project.</p> <p>Joint undertaking (Annexure XXIII) between Bidder and OSD to be signed and submitted by the bidder at the time of bid submission to implement and maintain the solution successfully in</p>	<p>Bank is requested to consider the 2nd section of Documentary Evidence which is related to Joint Undertaking (Annexure XXIII). This will clearly restricts large player to have participated for the bid, since the legal of both the entities will not allow to go ahead for such joint undertaking.</p> <p>An alternative and better solution to overcome the challenge can be exercised in the following way: "Purchase Order along with Credential letter on bank's letter head/ Completion certificates/UAT sign-off certificates, containing scope of work, timelines and OSD partners for the project." "Teaming agreement with agreed RACI matrix between Bidder and OSD to be signed and submitted by the bidder at the time of contract signing outlining the complete scope of the RFP, for the contracted period of 5 years."</p>	KPMG	RFP Clause stands.
----	------------------------	--	---	------	--------------------

20	Page No-49/10.3.5.5	<p>Evaluation Criteria: Implementation Approach The Bidder would be required to present following for each of the implementation requirements specified in the RFP</p> <ol style="list-style-type: none"> <li>Approach for implementation in the proposed solution</li> <li>Assumptions made</li> <li>Estimated efforts for implementation of each requirement</li> <li>Bidder's experience of solving implementation challenges (especially in Indian PSU environments)</li> <li>Proposed project plan and approach taken to address implementation challenges</li> </ol> <p>Basis of Evaluation: 1. Responses to implementation requirements section on the RFP response Vendor presentation (The presentation should be made by the proposed engagement team, as mentioned in the RFP response) Sub Scores: As per bank's evaluation Max Total Score: 200</p>	It is observed there is a discrepancy between the scoring sheet of CR, OR and ALM. In ALM sheet Sl. No. 5 - Implementation Approach is missing at page no. 49. This point has a score of 200. However the same point & related score is depicted there in Summary score at page no. 41.	KPMG	It is hereby clarified that Scoring for Implementation Approach with Max score of 200 is applicable for ALM also.
----	---------------------	--	---	------	---

21	Page No-41-50	<p>Implementation Approach</p> <p>The Bidder would be required to present following for each of the implementation requirements specified in the RFP</p> <p>a. Approach for implementation in the proposed solution</p> <p>b. Assumptions made</p> <p>c. Estimated efforts for implementation of each requirement</p> <p>d. Bidder's experience of solving implementation challenges (especially in Indian PSU environments)</p> <p>e. Proposed project plan and approach taken to address implementation challenges</p>	<p>Bank is requested to change the clause in the following way (inclusion of words written in blue):-</p> <p>Implementation Approach</p> <p>The Bidder would be required to present following for each of the implementation requirements specified in the RFP</p> <p>a. Approach for implementation in the proposed solution</p> <p>b. Assumptions made</p> <p>c. Estimated efforts for implementation of each requirement</p> <p>d. Bidder's experience of solving implementation challenges (especially in Indian PSU environments) / Bidder's functional expertise</p> <p>e. Proposed project plan and approach taken to address implementation challenges</p>	KPMG	RFP Clause stands.
22		<p>Project Presentation</p> <p>a. Experience of credit risk Standardized / IRB system implementation</p> <p>b. Awareness of public sector bank Risk infrastructure</p> <p>c. Number of years of relevant experience</p>	<p>Bank is requested to change the clause in the following way (inclusion of words written in blue):-</p> <p>Project Presentation</p> <p>a. Experience of credit risk Standardized / IRB system implementation / functional domain</p> <p>b. Awareness of public sector bank Risk infrastructure</p> <p>c. Number of years of relevant experience</p>	KPMG	RFP Clause stands.

23		Reference site visit	Reference site should be meant as reference site of 'Bidder / OSD'. Bank is requested to consider the same.	KPMG	RFP clause is self exclamatory.
24	Page No-6/2.1	This RFP is intended to invite Technical and Commercial Bids from eligible bidders to provide end-to-end solution for implementation of Standardized Approaches as well as Advanced Approaches of Pillar I Risk of Basel II/III (Credit Risk and Operational Risk system) and implementation of Pillar II Risk (Asset Liability Management and ICAAP) and Pillar III reporting's.	Pillar I also considers market risk, apart from credit and operational risk. However, we do not see any explicit mention of market risk in the RFP. Do confirm if market risk is within the scope of this RFP	PWC	It is clarified that Market Risk is not within the scope of this RFP
25	Page No-7/2.4	The Bank has fully implemented the Core Banking Solution (CBS) with Finacle Version 7.0.25 of M/s Infosys Ltd (likely to be upgraded to higher version in the near future)	We would request you to specify the different internal system upgrades that are planned during the duration of the project as this will impact the form and flow of data which will in turn influence the project plan.	PWC	It is clarified that As on date, only the CBS- Finacle version. Upgradation is planned.
26	Page N013/4.1	Early warning signals: The system should capture different early warning signals as per the latest RBI Circular (DBOD.BC.No.97/21.04.132/2013-14 dated 26th Feb, 2014 and BP.BC.No.98/21.04.132/2013-14 dated 26th Feb, 2014) and any subsequent RBI circulars released.	We would request you to specify till what date RBI circulars related to EWS would be considered in scope.	PWC	Cut-off date can be taken as contract signing date.

27		We would request you to specify till what date RBI circulars related to EWS would be considered in scope.	Are the regulatory returns in scope limited to Basel related reporting or is the scope include other regulatory reports? In case additional reports are added to the scope, we would suggest considering a defined count of such reports that are to be considered as within scope and not require a change request. Do confirm if you are ok with this approach, and if so, what the defined count would be.	PWC	Other than the reporting related to Basel requirements, it should cover the reports for internal reporting and also other Regulatory reports. At least 60 other internal reports for Bank's analysis. This would be discussed and finalized with the selected bidder.
28		The system should have scalability to take care of any changes brought in by BASEL guidelines/Regulator during the contract period at no additional cost to the Bank.	We would request more specificity in what type and how many changes are to be considered in scope and what changes would be considered as a change request.	PWC	RFP Clause stands.
29	Page No-20/5	Perform version migrations and updates during the period of the contract at no extra cost to the Bank.	We would request you to specify a count of version migrations and updates that should be considered in scope, beyond which additional costs would be incurred.	PWC	Please refer to our reply at point no. 25.
30		Facility management will be done at DC/DR site and any other locations identified by the Bank, as required.	We would request you to specify what locations are to be considered in scope so as to aid in estimating the effort required	PWC	Presently Facility management is to be given in Kolkata. Any change of location will be informed to the selected bidder well in advance.

31	Page No-29/7.1	Payment Terms	<p>The payment terms for the Credit Risk and Operational risk solutions are skewed towards the post implementation phases with additional dependency on external approval as well, which would not be in line with the efforts for the same.</p> <p>We would suggest a milestone based payment terms table (assess, design, test, implement, operate) with no reliance on external approvals. Further, we would suggest a monthly payment structure for the post implementation warranty support phase. We request you to consider the same.</p>	PWC	The payment terms has been modified. Please see the revised payment terms
32	Page No-54/11.3	<p>After award of the contract, if the selected Bidder does not perform satisfactorily or delays execution of the contract, The Bank reserves the right to get the balance contract executed by another party of its choice by giving one month's notice for the same. In this event, the selected Bidder is bound to make good the additional expenditure, which The Bank may have to incur in executing the balance contract. This clause is applicable, if for any reason, the contract is cancelled.</p>	<p>The current clause places unlimited liability on the Bidder. We request you to reconsider the clause after specifying a limit on the liability that the Bidder would take on.</p>	PWC	<p>Please refer 11.14 in Page 62 where it is mentioned that " The total liability of the selected Bidder under the contract will not exceed the total cost of the project."</p>

33	Page No-6/2	<p>Having presence in Singapore and Hong Kong</p> <p>Maintenance of related hardware at Primary and Disaster Recovery data centers of the Bank for a period of 5 Years, post go-live at last location</p>	<p>Please clarify if scope of this RFP is only India banking operations of Bank or it includes consolidation of HK, Singapore data to generate Indian reports or is Singapore and HK reports also in scope</p> <p>Point 8 on 152 indicates HK Jurisdiction calculation and reports are also in scope. Please clarify</p> <p>Please clarify that if for any reason go-live at last location extends beyond schedule stipulated in RFP, will the project duration still be 5 years from actual go-live at last location or will the support phase get reduced.</p>	HPE	<p>It includes consolidation of Global data to generate Indian reports —Presently we have 4 overseas branches at Hong Kong and Singapore.</p> <p>The contract period is as per terms of RFP.</p>
34	Page no-8/3.3	Bidder should have average revenues in excess of INR 100 Cr and above	<p>With a view to ensuring bids from reputed bidders with sound financials, we suggest to amend this clause as 'Bidder should have average revenues in excess of INR 500 Cr and above</p>	HPE	RFP Clause stands.

35	Page No-9,10/3	Purchase Order along with Credential letter on bank's letter head/ Completion certificates/UAT sign-off certificates, containing scope of work, timelines and OSD partners for the project	We request Bank to consider PO/credential letters/Sign-off certificates as they were issued by clients at material point in times. These letters typically contain brief detail of solution, time of issue of such certificates. Getting everything as asked in this point in a fresh letter may be difficult.	HPE	RFP Clause stands.
36	Page no-10/3	proposed Credit risk, Operational risk solution, Asset Liability Management solution and ICAAP should be positioned in the leader's quadrant of Chartis research report/Gartner's magic quadrant	Chartis RiskTech100 contains only CR, OR, ALM and not ICAAP specifically. Also, as Chatis Risk Teck100 provides rankings, would top 5 rankings be considered for this eligibility	HPE	Checking only for CR, OR and ALM. ICAAP can be merged with CR for this purpose. Either of Gartner/Chartis presence would satisfy this clause
37		ICAAP	ICAAP, which is basically an aggregation of assessment of various risk types, at times is not mentioned as a separate scope item in PO/credential letters though the functionality would have been implemented as part of total solution. We, therefore request to consider credential letters mentioning CR, OR, ALM.	HPE	It is clarified that in the credential letter, it would be mentioned by the concerned bank that the bidder has implemented Credit Ris, Operational Risk, ALM & ICAAP.
38	Page no-11/3	All the personnel deployed by the Bidder for performing various functions in the project including but not limited to Customization, Implementation, Facilities Management, Helpdesk, etc. will have to be the employees / should be on the payroll of either the Bidder or OSD	With a view to providing best solution using best skill set, domain knowledge, we request Bank to allow engaging partner resources also as required	HPE	RFP Clause stands.



39	Page no-11/4	system should be capable of and would be required to generate information / reports / statements required as a part of Risk Based supervision (RBS)	RBS calls for data and reporting requirements over and above those related to CR, OR, ALM. Please validate our understanding that scope of this RFP is only to making available data elements required out of CR-OR-ALM solution which can be used to generate RBS reports. Solution proposed would not be expected to aggregate RBS required data from other sources and generate reports	HPE	It is clarified that RBS reports should be generated in RBI supplied format in the areas of Credit Risk, Operational Risk, including ALM and ICAAP.
40	Page no-12/4	scope of implementation for Standardized (Revised Standardised Approach) and Advanced approaches to cover Domestic banking and overseas banking operations of the Bank	Please clarify if scope is to implement only Revised Std. approach and advanced approach of CR and OR and if wherever Std. approach is mentioned in RFP, it means Revised Std. approach only	HPE	Standardized as well as Revised Standardized approach plus Advanced Approaches including future revision, if any, by the Regulator.
41	Page no-12/4.1	To review and enhance the existing Credit Risk Management Framework	Please clarify if any risk management consulting is also expected. RFP mentions about an external consultant having been appointed. Is bidder to this RFP also expected to provide risk consulting or only work with Bank and external consultant on implementation	HPE	Bank has framework and methodology documents which will be given to bidder to implement

42		perform data cleansing	Data cleansing is better done at source system end. Risk solution may do data transformations required for and possible at risk solution end	HPE	Bidder to do data mapping and cleansing of all required data points for implementing solution as per RFP. Data gap analysis done by the Bank would be provided to the successful bidder.
43	Page no-13/4.1	EWS	Please clarify if EWS requirements are only to classify SMAs in EoD batch mode and that a full-fledged EWS capability needing real time alert etc. is not needed. Sec 6 on 150-151 indicates that unstructured data capture and real time alert generation is also expected. If so, EWS scope itself would be a full-fledged project.	HPE	As per terms of RFP. There are detailed requirements relating to EWS which are provided in the RFP.
44		vendor is to provide support for applying to RBI till accreditation for migrating to advanced approach is obtained from RBI	Please validate our understanding that SI scope is only to assist in giving data as asked by RBI and till end of project duration of 5 years only	HPE	RFP Clause stands. Till approval is received from RBI.
45	Page no-17/4.4	Liquidity Risk, Liquidity Stress Testing	Please validate our understanding that liquidity risk management is also in scope	HPE	As per terms of RFP
46	Page no-18/4.6	Put in place a system for a scientific transfer-pricing model	Please clarify if a transfer pricing module is also expected. Typically transfer pricing capability is available through separate module	HPE	As per terms of RFP

47	Page no-19/4.6	Put in place a system for accessing Risk Adjusted Return on Capital (RAROC for pricing of loans	RAROC needs net profit and capital as inputs. While net profit should typically come from a profitability solution, capital as calculated by solution in present scope can be made available. Our understanding is that RAROC calculation will take place in separate system meant for that	HPE	RAROC is to be computed in the proposed system. Please refer CR requirements of RFP
48	Page No-19/5	During the warranty period the Bidder should provide technical support towards upgradation of software and hardware in line with the changes required by the Perform version migrations and updates during the period of the contract at no extra cost	While SW upgrades are typically provided as per ATS payment, implementation thereof will have to be looked into for possible change request for timeline/cost	HPE	It is clarified that upgradation of software and hardware including implementation shall be carried out by the vendor at no additional cost to the Bank during the warranty and ATS period.
49		Bank reserves the right to change the location of DC and DR as per the Business requirement of the Bank during the contract period with prior intimation to the selected Vendor	Change in DC/DR location will need sizeable work and will have to be looked at for possible change request	HPE	No change in RFP
50	Page no-20/5	Facility management will be done at DC/DR site and any other locations identified by the Bank	Please clarify which other location is FM services required and what duration	HPE	It is clarified that RFP Clause stands.
51	Page No-22/5.3	Data migration	Please clarify how many years and size of data is expected to be migrated	HPE	Please refer to RFP Document.

52	Page No-23/5.4	Integration with other source system—Finacle, ITMS, LAPS and any other systems	Please clarify which systems is proposed risk mgmt solution expected to integrate with for data	HPE	The referred RFP clause is self- explanatory
53	Page No-25/5.5	Training schedule	Training requirements seem to be a little on higher side. Can we please consider core team trainings 6 days on each area and end user training 4 days on each	HPE	No change in RFP
54		Bidder will be required to provide training at 8 to 10 locations of the Bank spread across the country	Please indicate locations where training is expected to be provided	HPE	It is clarified that these 8 to 10 locations are the staff training colleges/Zonal/circle offices of the Bank located in the metros
55	Page No-27/5.8	Named users	We request Bank to consider to reduce no. of named users on credit risk mgmt as 20 and ALM as 8 towards cost optimization while fulfilling business requirements. These will be application users while reports can be accessed by other users	HPE	<ul style="list-style-type: none"> <li>➤ CR Risk: 100</li> <li>➤ OP Risk: Enterprise-wide</li> <li>➤ ALM: 25</li> </ul>
56	Page No-31/7.3.1	selected bidder should provide three years comprehensive onsite Warranty	Warranty/AMC/ATS can be provided as per OEM policies only	HPE	The RFP clause stands
57	Page N-35/8.3	till successful completion of the project and RBI provides approval to the Bank to migrate to advanced approaches	For a fixed price bid, time and scope need to be fixed. We request Bank to amend this clause as '....ending at the finish of 5 years from go-live of last location'	HPE	RFP Clause stands. Till approval is received from RBI.

58	Page No-40/10.3.3	proposed solution offered should have at least 75% of the requirement as Standard product. The remaining shall be customised within 90 days from signing of Master Contract at no extra cost to the Bank	Customisation will be done as per agreed schedule	HPE	No change in RFP
59	Page No-45/10.3.5.5	Bidder Exp. - Client credential letter stating the status of implementation	Foreign banks typically donot give reference letters due to certain provisions in contract etc. We request to please accept self-declaration by bidder for implementation in foreign bank	HPE	No change in RFP
60	Page No-78, Ann-V	Bill of Material - implementation cost	What input is expected in 'Make / Model / Part no. / Version for implementation cost	HPE	No need to give any 'Make / Model / Part no. / Version for implementation cost in BOM
61	Page No-81, Ann-V	RDBMS	Please indicate if any specific data base is preferred for this solution	HPE	The Bidder to propose the RDBMS which will meet the SLA terms. The Bidder may also refer to clause no. 11.44 of RFP.
62	Page No-92, Ann-VI	Cost of Facility Management will be paid quarterly in arrears	We request to please change it as payment monthly in arrear	HPE	No change in RFP

63	Page No-141/4.1	system should be able to capture necessary information like interest income, interest expense, provisions, capital, operating expense to compute RAROC	RAROC, SVA calculations should better be done at separate Finance/Profitability solution meant for that purpose. Solution to be proposed can provide capital figures for CR and OR for consumption of RAROC solution. If at all Bank feels RAROC should be calculated in solution to be proposed, all component data will be made available by Bank and proposed solution will only be needed to calculate RAROC as defined by Bank. Also, only RAROC will be calculated by proposed system, anything else related to risk based pricing will be done by Bank separately.	HPE	Please refer CR requirements in RFP
64	Page No-146/1.1	software should be interfaced with the CBS (Bancs)	Please validate that CBS interface will have to be developed with Finacle	HPE	Please read the requirement as "software should be interfaced with the CBS (Finacle)" including its future version.
65	Page No-146/1.3	system need to extract the required data for one overseas branch in Hong Kong	Please clarify that if overseas data is in scope, only HK data needs to be taken	HPE	Overseas i.e., Global data is in scope. At present Bank has its presence in Hong Kong and Singapore.
66	Page No-147/1.4	System should have the capability of interfacing with the proposed market risk solution presently in use	Please let know which marker risk management solution and treasury solution is required to be interfaced with and what is the scope of interface	HPE	Intellect ITMS is required to be interfaced with. The scope of interface is mentioned in RFP for implementation requirements.

67	Page No-147-148/2.1-2.6	Model development	Please validate if total 53 models are to be developed	HPE	As per the requirement given in RFP.
68	Page No-156/6.1	system should provide all necessary regulatory reports pertaining to Banks as required by the Reserve Bank of India and/or as requested by the Bank	Please clarify how many reports and dashboards are expected to be developed	HPE	As per the requirement given in RFP.
69	Page No-157/6.15	XBRL format	Please validate our understanding that only XBRL capability in tool is expected, no mapping with taxonomies etc. in scope	HPE	XBRL data format, as per the taxonomies published by RBI/Regulatory Authorities, should be supported for generation of reports.
70	Page No-158/8.01	Online processing and real time processing	Please clarify what is the different expectations out of these 2 capabilities	HPE	The user is required to input data in online processing and input is continuously automatically sourced in
71	Page No-176/Ann-C(1.1)	system should interface with all operational systems	Interfaces will be developed with sources identified to meet ALM requirements only	HPE	Interfacing requirements are given separately for all modules in the RFP and is not restricted for ALM alone
72	Page No-210/1.7	For overseas branch, system should generate following reports	Please validate that only HongKong data will be used to generate reports mentioned in this section using India template and calculation logics. No overseas calculation logic, template to be built	HPE	Overseas i.e., Global data is in scope. At present Bank has its presence in Hong Kong and Singapore.
73	Page No-216/8.3	Any other regulatory/statutory ALM reports in the prescribed formats	Please clarify how many total reports to be generated for ALM, LRM, CR, OR, ICAAP	HPE	As per the requirement given in RFP.

74	Page No- 29/7.1	Hardware & OS	Request 100% payment to be made on delivery as SI has to pay 100% upfront to OEM	HPE	The payment terms has been modified. Please see the revised payment terms
75		RDBMS & Environmental Software License		HPE	
76		Operational Risk and Credit Risk Management License		HPE	
77		ALM and ICAAP License		HPE	
78		Implementation Cost	<p>We propose module wise payment of implementation cost to help SI manage its cash flows. Based on discussion with Bank, we can deliver ALM in 9 months, LRM in 12 months, Operation risk in 12 months, Credit risk in 16 months and ICAAP in 18 months. Considering industry norms, we request below payment terms on implementation cost module-wise:</p> <ul style="list-style-type: none"> <li>- Mobilization fees at the start of the project: 25%</li> <li>- SRS sign off: 25%</li> <li>- Installation of Hardware &amp; OS: 20%</li> <li>- UAT sign off: 20%</li> <li>- On Go-live: 10%</li> </ul> <p>SI payment should not be linked to RBI approval as SI would be developing solution as per requirement given by Bank and Bank would be taking up approval with RBI</p>	HPE	The payment terms has been modified. Please see the revised payment terms
79	Page No- 30/7.1	AMC/ ATS/ FM	We request to make AMC/ATS to be paid yearly in advance in alignment with OEMs policies. Cost of FM may be please paid monthly in arrears	HPE	No change in RFP



80	Page No-30/7.1	Bank will release payment within 30 working days from the date of receipt of invoice.	We request to please change as 'Bank will release payment within 30 working days from the invoice date'	HPE	No change in RFP
81	Page No-35/8.3	Bank shall invoke the performance guarantee in case the selected Bidder fails to discharge their contractual obligations during the period or Bank incurs any loss due to Bidder's negligence in carrying out the project implementation as per the agreed terms & conditions	Bank may invoke the PBG only on occurrence of material breach and after failure of bidder to cure the defect within 30 days cure period.	HPE	No change in RFP
82	Page No-37/9.2	The short listed Bidder has to keep the finalized price valid for the entire contracted period. There should not be any escalation due to fluctuation in foreign currency or change in duty structure or for any other reasons. However, impact of fall in prices, taxes, duties or any other external factors like downward movement of foreign exchange rates etc. would be passed on to the Bank suo- moto.	The short listed Bidder has to keep the finalized price valid for the entire contracted period. The bid price excluding the tax amount will not change during the term of the contract. No increase or decrease in prices due to foreign exchange fluctuations, etc. (EXCEPT change in taxes) shall be passed to bank and will be borne by the bidder.	HPE	As per Terms of RFP.
83	Page No-53/11.2	The short listed Bidder has to keep the finalized price valid for the entire contracted period. There should not be any escalation due to fluctuation in foreign currency or change in duty structure or for any other reasons. However, impact of fall in prices, taxes, duties or any other external factors like downward movement of foreign exchange rates etc. would be passed on to the Bank suo- moto.	The short listed Bidder has to keep the finalized price valid for the entire contracted period. The bid price excluding the tax amount will not change during the term of the contract. No increase or decrease in prices due to foreign exchange fluctuations, etc. (EXCEPT change in taxes) shall be passed to bank and will be borne by the bidder.	HPE	As per Terms of RFP.

84		The Bidder will pass on to the Bank, the benefit of discounts if any announced in respect of the cost of the items for which orders have been placed during that period.	We submit as 'Prices during the contract duration shall remain fixed. The bid price excluding the tax amount will not change during the term of the contract. No increase or decrease in prices due to foreign exchange fluctuations, etc. (EXCEPT change in taxes) shall be passed to bank and will be borne by the bidder.'	HPE	No change in RFP
85	Page No-54/11.3.7	After award of the contract, if the selected Bidder does not perform satisfactorily or delays execution of the contract, The Bank reserves the right to get the balance contract executed by another party of its choice by giving one month's notice for the same. In this event, the selected Bidder is bound to make good the additional expenditure, which The Bank may have to incur in executing the balance contract. This clause is applicable, if for any reason, the contract is cancelled.	We submit that the bidder should be provided with a reasonable cure period of not less than 30 days prior to invoking this provision. We submit that the right of re-procurement mentioned herein should be applicable only if the bidder fails to remedy the breach within the cure period of 30 days and the procurement costs should be limited to 10% of the incremental costs of the goods/service, which the Bidder has failed to deliver.	HPE	No change in RFP

86	Page N0/5411.4	In the event, the Bank terminates the Contract in whole or in part, the Bank may procure, upon such terms and in such manner as it deems appropriate, Goods or Services similar to those undelivered, and the Successful Bidder shall be liable to the Bank for any excess costs for such similar Goods or Services.	We submit that the bidder should be provided with a reasonable cure period of not less than 30 days prior to invoking this provision. We submit that the right of re-procurement mentioned herein should be applicable only if the bidder fails to remedy the breach within the cure period of 30 days and the procurement costs should be limited to 10% of the incremental costs of the goods/service, which the Bidder has failed to deliver.	HPE	No change in RFP
87	Page No- 56/11.8	Termination for convenience The Bank, by written notice of 90 days sent to the Bidder, may terminate the Contract, in whole or in part, at any time at its convenience without assigning any reason and without any cost or compensation therefor. The notice of termination shall specify that termination is for the Bank's convenience, the extent to which performance of work under the Contract is terminated and the date upon which such termination becomes effective.	Request deletion. Contract can be terminated only in case of material breach and after providing bidder the cure period of 90 days.	HPE	No change in RFP

88	Page No-93/Ann-VI	<p>ANNEXURE-VI: Commercial Bid</p> <p>All the prices should be quoted in INR. Taxes shall be quoted separately. All taxes (VAT/CST, Service Tax &amp; Octroi/entry tax (if any)) will be paid/reimbursed by the Bank on actual on production of the original invoice/receipt. The vendor should pass on to the Bank all fiscal benefits arising out of reductions in Government levies viz. Sales tax, excise duty, custom duty, etc.</p> <p>However, the impact of fall in prices, taxes, duties or any other external factors like downward movement of foreign exchange rates etc. would be passed on to the Bank suo moto. Further the bidder shall pass on to the Bank all fiscal benefits arising out of reductions in Government levies viz. Sales tax, excise duty, custom duty.</p>	<p>This clause is contradictory to Clause 7.4 PRICE COMPOSITION which states that bid should be exclusive of only applicable (in India) Sales Tax/VAT, Service Tax and Octroi / Entry Tax / GST/CESS equivalent local authority cess, which shall be paid / reimbursed on actual basis on production of bills. Please clarify whether the taxes have to be quoted or not.</p> <p>Also, please note that any change in tax or tax structure will be on bank's account.</p> <p>The bid price excluding the tax amount will not change during the term of the contract. No increase or decrease in prices due to foreign exchange fluctuations, etc. (EXCEPT change in taxes) shall be passed to bank and will be borne by the bidder.</p>	HPE	Taxes shall be quoted separately as per format given in Commercial Bid.
89	Page No-22/5.2.5	The Bidder shall provide for all subsequent changes to reports as suggested by the statutory and regulatory bodies from time to time immediately to the Bank at no additional cost to the Bank throughout the period of the contract.	We submit that any changes required post signing of requirement document should be subject to mutual agreement and be carried as per the change request process.	HPE	No change in RFP

90	Page No-31/7.3.1	<p>Warranty :</p> <p>The selected bidder should provide three years comprehensive onsite Warranty for proposed Credit Risk, Operational Risk, ALM &amp; ICAAP Solutions, including hardware, software and associated services. The period of warranty will start from the date of go live at the last location.</p> <p>(Warranty should not become void if Bank buys any other supplemental hardware from a third party and install it with these equipments. However, the warranty will not apply to such hardware items installed.)</p>	We submit that the warranties as provided by the applicable OEMs/licensors will be passed on to the Bank	HPE	No change in RFP
----	------------------	---	--	-----	------------------

91	Page No-35/8.2	<p>The Earnest Money Deposit may be forfeited under the following circumstances:</p> <p>c. In case of the successful Bidder, if the Bidder fails:</p> <p>To sign the contract in the form and manner to the satisfaction of THE BANK.</p> <p>To furnish performance Bank Guarantee in the form and manner to the satisfaction of THE BANK within the stipulated time frame.</p> <p>Performance Bank Guarantee Bank shall invoke the performance guarantee in case the selected Bidder fails to discharge their contractual obligations during the period or Bank incurs any loss due to Bidder's negligence in carrying out the project implementation as per the agreed terms &amp; conditions.</p>	<p>We submit that there should be a provision for adequate cure period prior to invoking the EMD/bid security. We submit that "to sign the contract" referenced herein should be changed to "to sign mutually agreed contract"</p>	HPE	No change in RFP
92	Page No-35/8.3	<p>Performance Bank Guarantee Bank shall invoke the performance guarantee in case the selected Bidder fails to discharge their contractual obligations during the period or Bank incurs any loss due to Bidder's negligence in carrying out the project implementation as per the agreed terms &amp; conditions.</p>	<p>We submit that performance guarantee should be invoked only in cases of material breaches of the contract and there should be a provision for reasonable cure period of not less than 30 days prior to invoking the performance guarantee.</p>	HPE	No change in RFP

93	Page No-52/11.2	Signing of Master Contract	Bidder submits that the contract to be signed between the Bank and the Bidder should be a mutually acceptable agreement, incorporating the terms of Bidder's proposal. We submit that any termination of the contract will be subject to the termination provision as may be agreed in the contract.	HPE	No change in RFP
94		<p>Failure to Abide by the Agreement / Contract</p> <p>The conditions stipulated in the Agreement/Contract shall be strictly adhered to and any breach/ violation thereof will entail termination of the Contract without prejudice to the other rights of the Bank including recovery of penalties as specified in this RFP or Agreement/ Contract.</p> <p>The Bidder will pass on to the Bank, the benefit of discounts if any announced in respect of the cost of the items for which orders have been placed during that period.</p>	We submit that any changes in the prices/payment will be carried out as per the change request process.	HPE	No change in RFP

95	Page No-53/11.3	<p>Order Cancellation (Termination)</p> <p>the Bank reserves the right to terminate the contract at its sole discretion by giving three months' notice without assigning any reasons and without any cost or compensation therefor.</p>	<p>We submit that order cancellation/termination should be invoked for serious and material breaches and not for minor breaches/delays. We also submit that a cure period is provided prior to invocation of termination/order cancellation. Hence we propose replacement of these clauses with the following: "A party may cancel/terminate the contract if the other party commits a material breach of the contract and fails to cure the same within 90 days of receipt of a written notice for cure."</p>	HPE	No change in RFP
----	-----------------	---	--	-----	------------------



96	Page No-54/11.3	<p>6) In case the selected Bidder fails to deliver the quantity/quality as stipulated in the delivery schedule, The Bank reserves the right to procure the same or similar product from alternate sources at the risk, cost and responsibility of the selected Bidder.</p> <p>In the event, the Bank terminates the Contract in whole or in part, the Bank may procure, upon such terms and in such manner as it deems appropriate, Goods or Services similar to those undelivered, and the Successful Bidder shall be liable to the Bank for any excess costs for such similar Goods or Services. However, the Successful Bidder shall continue performance of the Contract to the part not terminated by the Bank.</p>	<p>We submit that these provisions requiring bidder to bear the re-procurement costs should be applicable only after the contract is terminated for bidder's default, and bidder's liability in such cases should be limited to incremental costs of procurement not exceeding 10% of the price of the original services/products.</p>	HPE	No change in RFP
----	-----------------	--	--	-----	------------------

97	Page N0-55/11.6	<p>Consequences of Termination</p> <p>LIQUIDATED DAMAGES</p> <p>Notwithstanding The Bank's right to cancel the order, liquidated damages at 0.5% (Half percent) of the contract price per week will be charged for every week's delay in the specified delivery schedule. The Liquidated Damages including Service Level Penalties would be subject to a maximum of 10% of the total project cost. The Bank reserves its right to recover these amounts by any mode including adjusting from any payments to be made by the Bank to the Bidder.</p>	<p>We submit that the amount of liquidated damages should be changed to 0.5% of the value of the delayed deliverables per each week of delay, subject to maximum of 5% of the value of such delayed deliverables.</p> <p>We also submit that the contract should be terminated only after the amount of liquidated damages reaches its maximum extent.</p>	HPE	No change in RFP
----	-----------------	---	--	-----	------------------

98	Page No-62/11.14	<p>Indemnity</p> <p>The Bidder agrees to indemnify and keep indemnified the Bank against all losses, damages, costs, charges and expenses incurred or suffered by the Bank due to or on account of any breach of the terms and conditions contained in this RFP.</p> <p>The Bidder agrees to indemnify and keep indemnified Bank at all times against all claims, demands, actions, costs, expenses (including legal expenses), loss or reputation and suits which may arise or be brought against the Bank, by third parties on account of negligence or failure to fulfill obligations by the selected bidder. All indemnities shall survive notwithstanding expiry or termination of Contract and Bidder shall continue to be liable under the indemnities.</p>	<p>We submit that most of the events/circumstances requiring indemnity mentioned herein constitute general contractual breaches, which can be addressed through general contractual principles of compensation rather than indemnity. We request that the indemnity should be restricted only to third party claims pertaining to IPR Infringement, bodily injury and death and damage to tangible property, and the provision should be made mutual.</p>	HPE	No change in RFP
----	------------------	--	---	-----	------------------

99	Limitation of Liability (New clause)	<p>We propose that the below provision on limitation of liability should be included in the contract:</p> <p>"Limitation of liability:</p> <p>In no event will either Party be liable for any indirect, incidental, special or consequential costs or damages; downtime costs; lost business, revenues, goodwill or profits; failure to realize expected savings; loss or unavailability of or damage to data or software restoration, even if such Party has been advised of the possibility of such damages.</p> <p>Bidder's aggregate liability for its obligations under this contract regardless of the form or nature of the action giving rise to such liability (whether in contract, tort or otherwise), shall be at actual and limited to the total contract value.</p> <p>Bidder will not be liable for any breach, which is caused by or otherwise attributable to any act or omission on part of Bank or third parties authorized by Bank, or on account of any force majeure event. In such event where Bank fails to perform its obligations, Bidder shall be (i) relieved from its own performance obligations, (ii) reimbursed for any costs incurred; and (iii) paid for additional service performed due to Bidder's failures or delays."</p>	HPE	No change in RFP
----	--------------------------------------	--	-----	------------------

100	Page NO-63/11.19	<p>Penalty If any act or failure by the Bidder under the agreement results in failure or inoperability of systems and if The Bank has to take corrective actions to ensure functionality of its property, The Bank reserves the right to impose penalty, which may be equal to the cost it incurs or the loss it suffers for such failures.</p> <p>Bank may impose penalty to the extent of damage to its any equipment, if the damage was due to the actions directly attributable to the staff of Bidder.</p> <p>The Bank shall implement all penalty clauses after giving due notice to the Bidder.</p> <p>If the Bidder fails to complete the due performance of the contract in accordance with the specification and conditions of the offer document, The Bank reserves the right either to cancel the order or to recover a suitable amount as deemed reasonable as Penalty and / or Liquidated Damage for non-performance.</p>	<p>We submit that since there are penalties for SLA breaches, these provisions stipulating for penalties equal to loss/amount deemed reasonable by Bank, should be deleted.</p>	HPE	No change in RFP
101	Page NO-68/11.37	INTELLECTUAL PROPERTY RIGHTS	We submit that the following provision should be included in the contract:	HPE	No change in RFP

102	Page NO-69/11.43	OWNERSHIP AND RETENTION OF DOCUMENTS	<p>"Each party shall retain ownership of its pre-existing Intellectual Property Rights ("Pre-existing IPR") and any improvements, up-gradations, enhancements, modifications and enhancements to and derivative works thereto;</p> <ul style="list-style-type: none"> <li>• Bidder shall retain ownership of all IPR in the deliverables, materials and reports developed by the Bidder during the course of the Agreement and remain therefore able to re-use any copyrightable or patentable elements of the deliverables, materials and reports in any of its future engagements.</li> </ul> <p>IPR ownership in any third party products provided by Bidder, and all improvements, up-gradations, enhancements, modifications and enhancements to and derivative works from such third party products shall remain with the respective third party. Nothing in this Agreement transfer any ownership or title in or to any Bidder or third party IPR.</p> <p>Bank shall use the products in accordance with the license terms and restrictions specified by the OEM to be applicable for the use of such products. Bank shall grant to the Bidder, at sole cost and expense of Bank, necessary rights and license to any intellectual property that is necessary for the Bidder and its designees to perform the services."</p>	HPE	No change in RFP
RFP Ref No. UCO/DIT/137/2016-17 dated 30.04.2016					Page 38 of 57

103	Page No-69/11.44	Source Code	We submit that the requirement of escrow of the source code should be deleted. It is clarified that the Bank's use of the software will be governed by the rights and restrictions stipulated by the respective software licensors.	HPE	No change in RFP
104	Page No-20/14	The hardware at DC & DR must be in active passive cluster with external SAN storage and support RAID 0 to 5 with no single point of failure.	The Bank wants High Availability for Servers( Active- Passive) at both DC & DRC. Please confirm	HPE	High availability is not required in DC/DR
105	Page No-20/15	15. Supply and install necessary hardware, database, operating system, and IT infrastructure necessary for the proposed solutions including DR site of equal capacity as live including data replication requirements (at the end of day along with data replication solution and a required test server at DC only).	Please confirm whether the Data replication between DC & DR needs to be done at End of Day only.	HPE	The servers in DC & DR should be in Active – Passive mode. High Availability is not required at DC/DR
106	Page No-30/7.1	Note: For Hardware and Third Party software licenses (OS & RDBMS etc.), warranty will start after successful installation and Acceptance Test. The Bidder may supply the production and DR hardware including OS/RDBMS at a later stage when actually required as per implementation plan (to be specified). For Application Software Licenses (Credit, Operational Risk Management, ALM & ICAAP Solution), warranty shall start from the date of GO LIVE of last location. AMC & ATS will be payable only after the end of three years.	Warranty can be provided as per respective OEM policy only. AMC/ATS is typically charged by OEMs from project start/after year 1 and we request Bank to agree to pay AMC/ATS as per OEM policy	HPE	No change in RFP

107	Page No-5711.10	System should be sized adequately to ensure maintenance of historical data and in pursuant with purging policy. The data will be retained for a period of 7 years online, beginning from the previous 6 years and ending with the current year. All the data previous to the 7 years will be archived and will be retained offline.	Is there any existing historical data the bank will like to retain. If yes please confirm the Storage space that needs to be factored for existing data at DC & DRC & RAID Level	HPE	Historical Data of 7 years needs to be migrated
108	Page No-27 and 62	RPO & RTO Requirement	In Page 27 , The RPO & RTO asked is 12 hours and 30 minutes respectively whereas in Page 62 the RTO & RPO asked is 90 & 30 mins . Please confirm the RPO & RTO requirement	HPE	RFP Clause stands
109		Onsite resource deployment	Please confirm the coverage , working hours for which Bank wants the bidder to deploy onsite resources.	HPE	The business hours are 8 AM to 8 PM on any calendar day the Bank's branch is operational. The Facility Manager however recognizes the fact that the branches will require to work beyond the business hours on need basis.



110			We understand that Bank will consider that in case of separation of business, bidder can utilize the credentials and track record of its predecessor to fulfil the evaluation criteria (eligibility/pre-qual and technical evaluation criteria), including for no. of years of operations.	HPE	Please refer to point no. 1 in Eligibility criterion of RFP where this point is clearly discussed.
111	Page No-8	<p>The Bidder should have average revenues in excess of INR 100 Cr and above in last three financial years. i.e. 2014-15, 2013-14, 2012-13</p> <p>-The Bidder, OEM&amp;OSD should have made Net Profit during the last three financial years.</p> <p>- The Bidder should either be a LLP/PSU/PSE/Registered Partnership Firm or a Limited Company under Indian Laws with an established set up with support of adequate staff and with an office in India and should be in existence in India for minimum 5 years as on 31.03.2016.</p> <p>(In case of mergers/ acquisitions / restructuring or name change, the date of establishment of earlier/Original firm would be taken into consideration.)</p>	We understand that Bank will consider that in case of separation of business, bidder can utilize the credentials and track record of its predecessor to fulfil the evaluation criteria (eligibility/pre-qual and technical evaluation criteria), including for no. of years of operations	HPE	RFP Clause stands

112	Page No-8/3	The bidder should have capability to review the existing risk management framework of the bank (including the prevailing policies, structure, process etc), design and implement Basel II and Basel III compliant Risk Management Systems (Including modifications to existing risk management framework for Credit and Operational Risk)	Is Risk Consulting also in scope for this RFP? Please clarify.	Intellect Design	Bank will provide frameworks and methodologies of all criteria in the RFP, which the vendor is to implement. Vendor has to do a data mapping for the data points required.
-----	-------------	---	--	------------------	--

113	Page NO-9,10	<p>Proposed credit risk solution must have been implemented or in the process of implementation in at least 1 scheduled commercial bank in India or a Bank abroad where Advanced approach have been adopted by the regulator for the Bank, for implementation of Standardized as well as Advanced approaches (only standardized approach would not be eligible) as on RFP submission date.</p> <p>Proposed operational risk solution must have been implemented or in the process of implementation in at least 1 scheduled commercial bank in India or a Bank Abroad where Advanced approach have been adopted by the regulator for the Bank, for implementation of BIA/TSA as well as Advanced (AMA) approaches (only BIA/TSA approach would not be eligible) as on RFP submission date. The Bidder/OSD must have implemented or in the process of implementation a Credit Risk and Operational Risk Management Solutions including Asset Liability Management and ICAAP in a Bank operating in jurisdictions where Advanced Approaches (IRB/ AMA) have been approved by the regulator for the Bank from whom credential is provided. (All credentials need not be for the same bank).</p>	<p>In Credit Risk there has been no directive from RBI for Advanced IRB approach. Also, among the banks in India which have migrated to Foundation IRB approach, Bank of Baroda is using solutions implemented by CRISIL Risk Solutions.</p> <p>In Operational Risk, no bank has received approval from RBI to migrate to AMA approach. Of the banks that have applied for an approval, HDFC bank uses operational risk solution implemented by CRISIL Risk Solutions.</p> <p>It is our understanding that none of the credentials from Indian banks would be acceptable as per the above clause. Thus would the bank be satisfied with credentials from clients who have applied for higher approaches and are using the OEM's solutions?</p>	Intellect Design	RFP Clause stands
-----	--------------	--	--	------------------	-------------------

114	Page No-10/8	Proposed Asset Liability Management and ICAAP should have implemented or in the process of implementation in 1 scheduled commercial bank in India or a Bank Abroad where Advanced approach have been adopted by the regulator for the Bank, as on RFP submission date.	Please clarify which advanced approaches are meant by the Bank for ICAAP.	Intellect Design	Credit & Operational Risk should be based on Advanced Approach, which needs to be incorporated in ICAAP.
115	Page No-10/9	The proposed Credit risk, Operational risk solution, Asset Liability Management solution and ICAAP should be positioned in the leader's quadrant of Chartis research report/Gartner's magic quadrant.	Gartner is a research and advisory firm and the reports published by Gartner are mere opinions. Being pure opinions, these have invited criticism for lack of disclosure on the vendor's component scores and lack of transparency in Gartner methodology. The legitimacy of these reports has been challenged by various federal suits in the past, (such as Case of ZL technologies in May 29, 2009). Hence such reports (opinions) cannot form a part of eligibility criteria which are private independent companies and are not regulatory/statutory bodies. We request the Bank to remove this criteria of Gartner and similar reports from the evaluation for transparency, and insist on client mandates/agreements for proof of capability.	Intellect Design	As per terms of RFP.
116	Page No-12	The solution provided by the bidder should be scalable to incorporate Subsidiaries, RRBs etc.	Kindly list the number of subsidiaries.	Intellect Design	At present Bank is the sponsor Bank to two RRBs.

117	Page No-8/2	The Bidder, OEM & OSD should have made Net Profit during the last three financial years.	Request bank to change the criteria to "The Bidder must have positive net worth during the last 3 financial years"	Intellect Design	RFP Clause stands
118	Page No-5	Submission Date: 28.05.2016 3: 00 pm	Request bank to extend the submission date to mid/end of June, 2016	Intellect Design	Extension has been considered upto 31.07.2016 till 3.00 PM.
119		Submission Date: 07.05.2016	Request bank to have one more date post pre-bid meeting as there might be clarifications required at a later stage too or give us one week time till 15th May to submit pre-bid queries.	Intellect Design	All queries received till the date of pre bid meeting was considered by the Bank
120	Page No-7/2.4	The Bank has fully implemented the Core Banking Solution (CBS) with Finacle Version 7.0.25 of M/s Infosys Ltd (likely to be upgraded to higher version in the near future) in more than 3000 branches across India spread over all the states and Union Territories The bank also has an in-house credit rating system for Corporate borrowers and a Loan origination system (LAPS from M/s Sysarc) for Retail borrowers.	Will the upgrade of source systems have implications on interfacing?  What is the unique identifier value used commonly in both the systems for a borrower?	Intellect Design	Bidder to analyze such issues in upgradation of systems

121	Page No-12/4.1	Model Development: Develop PD, LGD, EAD models for retail and non-retail portfolios. The retail portfolio should be segregated in homogeneous retail pools based on various retail portfolios. The model development methodology for PD, LGD, EAD and pooling would be provided by the Bank which needs to be implemented in the CRMS solution.	Point 10 in Section 4.1 mentions 'Vendor to provide model documentation, detailing of statistical/mathematical models used, theory, assumptions, empirical data used to estimate the model and the circumstances under which model will not work along with out of time and out of sample performance test'. Points 4 and 10 of section 4.1 are in contradiction. We would like to understand that while the vendor provides documentation, theory, empirical data etc. for model validation, would the documentation for model development be provided by the	Intellect Design	This would be discussed with the successful bidder. The PD, LGD& EAD models to be developed for all the credit portfolios of the bank.
122	Page No-13/4.1	The Bank expects the system to consider internal transactional data, internal customer information and external data (news, industry information) including consortium data (CORDEX) to generate the EWS.	Does the Bank have an application/tool at present which captures external data?	Intellect Design	At present no such application/ tools are available with the Bank
123		Various triggers for non-retail portfolios to be provided and predictive models for retail portfolios to be built	What is the exposure cut-off value for retail and non retail portfolio applicable for early warning signals?	Intellect Design	As per RBI Guidelines. (Exposures cut off value of Rs. 5 crore).
124	Page No-19/5	Directly interact with concerned application vendors for integration of IRMS with Bank's CBS System and other running applications.	Does the bank want operational risk management system to be interfaced with any system? Please specify the name of the system(s) and provide details on what information is expected to flow into ORMS from the other system(s).	Intellect Design	Selected bidder is to do a data mapping of required data points with bank's source system.

125	Page No-27/5.8	The servers in DC & DR should be in Active – Passive HA mode. Storage and tape-backup should be provided. Solution architecture using open systems like x86 based servers will be preferred over proprietary systems. Applications must be platform independent, i.e., be able to run on Windows or Linux OS, Database-agnostic applications is preferred. (Please refer the table given in the RFP)	<p>Sizing Inputs for Operational Risk Management System</p> <ul style="list-style-type: none"> <li>• Number of organizations structure</li> <li>• Number of Locations</li> <li>• Number of function per branch</li> <li>• Processes per unit-location</li> <li>• Risks per process</li> <li>• Controls per process-risk</li> <li>• Would evidences be attached. If Yes, please indicate the average size of an evidence</li> <li>• Loss data entries per day</li> <li>• KRIs</li> <li>• Risk factor mapped to each KRIs</li> <li>• Growth per annum (%)</li> </ul>	Intellect Design	The RFP clause is self-explanatory. However, High Availability is not required at DC/DR
126		The servers in DC & DR should be in Active – Passive HA mode. Storage and tape-backup should be provided. Solution architecture using open systems like x86 based servers will be preferred over proprietary systems. Applications must be platform independent, i.e., be able to run on Windows or Linux OS, Database-agnostic applications is preferred. (Please refer the table given in the RFP)	Please provide clarity on the estimated number of users, both currently as well as envisaged in the future.	Intellect Design	The user requirement given in clause 5.8 is during the contract period.
127	Page No-161/1.0.1	To interface with core banking system(BanCS)/Exim bill or any other third party System.	<p>Please share following details for interfacing:</p> <ul style="list-style-type: none"> <li>• Number of systems to be interfaced</li> <li>• Mode of interface</li> <li>• Data volumes</li> </ul>	Intellect Design	Please refer clause 5.4 in Page 23 of RFP. Data volume is given for a similar query above.

128	Page No-162/2.0.7	Vendor should assist in identification of the accounts from source system to arrive at Gross Income for various business lines to estimate capital requirements under TSA	Does the Bank require assistance in classification of Gross revenue for various Basel Business Line for capital calculation under TSA?	Intellect Design	The Bank requires assistance in identification and mapping of accounts to be considered while calculating Gross Income (As per RBI and Basel definition).
129	Page No-164/3.0.27	The system should be able to generate test plan based upon timelines in action points.	Please give an example for the test plan based upon timelines in action points.	Intellect Design	System should be able to send the assessment Form to the assessee automatically on a pre-defined date i.e. System sending the assessment form on the 1 <sup>st</sup> Monday of each quarter.
130	Page No-164/3.0.31	Vendor should extend assistance in customizing various reports and MIS.	Does the Bank have licenses for any BI Tool ? If yes, which tool?	Intellect Design	This RFP is for end to end solution implementation. Existing infrastructure/license cannot be leveraged.
131	Page No-165/4.0.6	Vendor should assist in upload /download of data to /from Cordex system (IBA Loss data consortium)	Does the Bank have licenses for any ETL Tool ? If yes, which tool?	Intellect Design	This RFP is for end to end solution implementation. Existing infrastructure/license cannot be leveraged.
132	Page No-166/5.0.13	Vendor should accordingly identify data source, data format and data transforming logic for KRI and thresholds from various systems for automation of KRI	Please specify the names of the systems from which KRI data should flow in the ORMS.	Intellect Design	The Bank does not require assistance in identification of KRIs. Bank has its own list of KRIs.



133	Page No-170/1.03	Should allow administrators to view logs from the application it self via unified logging mechanism.	Please explain the requirement of unified logging mechanism.	Intellect Design	The ULM should be part of logging infrastructure as it helps to collect more logs faster, more reliably and scalably. The same is required for in-depth information for debugging, and communicate with system administrators when a problem is encountered
134	Page No-171/1.09	The system should be able to provide following alerts as per the determined triggers in all its modules:Email/SMS interface,Task List.	Is the SMS interface compulsory or optional? Please explain the requirement of task list.	Intellect Design	All the functional, technical and implementation requirements as given in Annexure A, B & C are mandatory.
135	Page No-172/1.08	System should support KRI dials for the dashboard reporting.	Does the Bank have licenses for any BI Tool ? If yes, which tool?	Intellect Design	This RFP is for end to end solution implementation. Existing infrastructure/license cannot be leveraged.
136	Page No-174/3.0.6	Migration existing RCSA Reports to the system.	What is the data volume for this exercise?	Intellect Design	The volume will be discussed with the selected bidder.
137	Page No-174/4.0.4	Developing interface with data source.	Please share following details for interfacing: <ul style="list-style-type: none"> <li>• Number of systems to be interfaced</li> <li>• Mode of interface</li> <li>• Data volumes</li> </ul>	Intellect Design	Please refer clause 5.4 in Page 23 of RFP. Data volume is given for a similar query above.

138	Page No-174/4.0.5	Vendor should assist in extracting past historical source data for KRIs, carry out the required analysis and suggest thresholds.	What is the data volume for this exercise?	Intellect Design	To be discussed with selected bidders.
139		Please provide inputs for hardware sizing estimation.	Sizing Questionnaire for Operational Risk Management Solution Details of organizational structure Number of Locations Number of function per branch Processes per unit-location Risks per process Controls per process-risk Loss data entries per day KRIs Risk factor mapped to each KRIs	Intellect Design	Answers for such queries may be inferred from the RFP itself. The more specific replies would be provided to the selected bidder.
140			Sizing Questionnaire for Early Warning System Total Number of borrowers Number of Accounts per borrower Total number of users No of concurrent users No of Source systems to interface Expected increase in users per year (%) Expected borrowers growth per year (%)	Intellect Design	At present, Approximately- > Total No of Borrowers (Customers): 1580730 > Total No of Borrowal A/cs: 1790025 > Total No of Retail Customers: 1579529 > No of Corporate Customer: 1070 Other details to be provided to the selected Bidders.

141			<p>Sizing Questionnaire for Credit Risk Management Solution</p> <p>Computation frequency (Daily, Weekly, Monthly)</p> <p>Number of Retail Contracts</p> <p>Number of Corporate Contracts</p> <p>Number of outstanding facilities (Retail)</p> <p>Number of outstanding facilities (Corporate)</p> <p>Expected yearly increase in Retail Contracts</p> <p>Expected yearly increase in Corporate Contracts</p> <p>Expected yearly increase in outstanding facilities (Retail)</p> <p>Expected yearly increase in outstanding facilities (Corporate)</p> <p>Average number of securities per account</p> <p>Total number of users</p> <p>No of concurrent users</p>	Intellect Design	<p>&gt;Total No of Retail Customers: 1579529</p> <p>&gt; No of Corporate Customer: 1070</p> <p>&gt; No of Retail Facilities: 1788139</p> <p>&gt; No of Corporate Facilities: 1886</p> <p>Other details to be provided to the selected Bidders.</p>
-----	--	--	--	------------------	--

142	General Technical Questions	<p>Can the vendor propose open-source tools? For eg, Tomcat or JBoss for application server.</p> <p>Does the bank require physical separation of Web Server, Application Server &amp; Database Server? Or can all the three environments be combined?</p> <p>Is the Bank open to any platform/Operating System? Please clarify preferences for the OS if any.</p> <p>Does the Bank require DR HW config to be 100% of Production or a scaled down version (50%)?</p> <p>Does the Bank have an enterprise wide Database (Oracle) arrangement which can be leveraged on?</p> <p>Please mention the kind of Oracle License the Bank has. This will enable us to suggest additional licenses in case of shortfall.</p> <p>Does the Bank have existing infrastructure for the components mentioned below? Please clarify if one or more of the existing components can be leveraged for the implementation of the software.</p> <ul style="list-style-type: none"> <li>• Existing SAN infrastructure</li> <li>• Existing Network &amp; Security Components (eg. Switches, Routers etc)</li> </ul> <p>Can the bidder leverage on the existing licenses owned by the Bank for various software's such as Operating System and Oracle Database?</p>	Intellect Design	In Please refer to the terms and conditions given in the RFP.
-----	-----------------------------	---	------------------	---

143	Page No-176	The system should interface with all operational systems currently being used by the Bank, to extract transaction data from each source system in	Please provide list of the systems currently being used by the bank	Intellect Design	Please refer clause 5.4 in Page 23 of RFP
144	Page No-179	Hybrid / user defined amortization	Please explain Hybrid / user defined cash flows amortization	Intellect Design	These are products having non-standard cash flow features (e.g. irregular payments) or having a combination of cash flow features (e.g. <del>part amortizing and part</del>
145	Page No-181	Custom Expression	Please elaborate	Intellect Design	These refer to any additional bucketing rules for any ALM line item and to be discussed in BRD phase with selected vendor
146		The system should allow the user to drill down from liquidity profile to the desired granularity (i.e. portfolio level, account level, position level, instrument level, product level, asset class level etc.)			Drill down facility to the most granular level to be provided
147		The system should be capable of generating the structural liquidity profile in multiple formats given by the Bank in multiple currencies			Multiple format means different bucket width. Rest of the requirement is self-explanatory. RFP requirement to be <del>complied with</del>

148		The system should be capable of aggregating the structural liquidity profiles into one consolidated profile based on user preferences			Refers to flexibility of consolidation of SLS across currencies as per user requirement (i.e. by product/ALM line item, currency, etc.). RFP requirement to be complied with.
149	Page No-182	The system should facilitate distribution of line items based on the product's underlying	Please elaborate	Intellect Design	This requirement refers to system capability of supporting distribution of cash flows/bucketing based on products underlying features (e.g. call/put feature)
150		Custom Expression		Intellect Design	Refers to any other specific requirement and will be discussed during BRD phase with selected vendor
151	Page No-186	Custom expressions	Please elaborate	Intellect Design	Refers to any other specific requirement and will be discussed during BRD phase with selected vendor
152	Page No-187,189	Custom expressions	Please elaborate	Intellect Design	Refers to any other specific requirement and will be discussed during BRD phase with selected vendor

153	Page No-190	Any other level, based on custom rules	Please elaborate	Intellect Design	Refers to any other specific requirement and will be discussed during BRD phase with selected vendor
154	Page No-192	Any other level, based on custom rules  Any other user defined category	Please define what categories  Please list all ST Scenarios currently being used for our reference	Intellect Design	Refers to any other specific requirement and will be discussed during BRD phase with selected vendor
155	Page NO-195	Please list all Stress Test Scenarios currently being used for our reference	Please list all ST Scenarios currently being used for our reference	Intellect Design	Scenarios to be shared during Business Requirement Documentation phase with selected vendors.
156	Page No-196	System should compute the Liquidity Buffer  System should compute Survival Horizon Period	Please elaborate	Intellect Design	Liquidity buffer- refers to available sources of liquidity and cost/loss based on borrowing/haircut rate Survival horizon- period for which stress testing is to be conducted. Refers to period during which the Bank can sustain stress.
157	Page No-197	System should be able to perform stress levels under 'reverse stress testing'	Please provide examples / scenarios	Intellect Design	Scenarios to be shared during Business Requirement Documentation phase with selected vendors.

158	Page No-203/10.8	Other regulators	RBI Supported. Pls share details of other regulator	Intellect Design	Final List to be discussed during Business Requirement Documentation phase.
159	Page No-204/10.9	The system should be flexible to accommodate changes in formats of regulatory/ MIS reports	What changes in the format are required	Intellect Design	Bidder shall consider this requirement as given in RFP while submitting their BID.
160	Page No-205	The system should have a flat file import and export functionality to import and export transaction data and static data in various formats, including but not limited to:	Please share other formats	Intellect Design	The required formats have been listed in section 12 and in other section of RFP.



## Annexure A

Project Milestones	Hardware & OS	RDBMS & Environmental Software License	Operational Risk and Credit Risk Management License		ALM and ICAAP License	Implementation Cost
Delivery and installation of hardware & other infrastructure components as per the actual supply (after due inspection)	50%	<u>80%</u>	20% on delivery of license <b>AND on</b> submission of Bank Guarantee for equivalent amount of BG for the duration of the contract.		50%	
Successful completion of the customization, Data Migration & UAT sign off and Go Live	<u>40%</u>	<u>20%</u>	Stand. Approach	Adv. Approach	<u>40%</u>	50%
			10%	50%		
One year after Go-Live at Last Location	<u>10%</u>				<u>10%</u>	<u>40%</u>
On RBI Approval for Adv. Approach			<u>20%</u>			<u>10%</u>
<b>Total</b>	100%	100%	100%			100%