



UCO BANK
Department of Information Technology

Request for Proposal (RFP) for Selection of Consultant for Digital Transformation of the Bank

RFP Ref No: UCO/DIT/3160/2021-22 Date: 12.11.2021

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's Response
1	10	Part 1, Clause 3, S No. 10	Eligibility Criteria: Bidder should have an experience of at least 1 assignment in last 5 years in the nature of transformation at a Public Sector Bank / Private Sector Bank having minimum 1000 Branches in India with business of more than Rs 2,00,000 Crore as on RFP issuance date.	We have signed confidentiality agreements with our clients that limit our ability to disclose their names & the contracts / work orders with them. While we shall be happy to disclose the same where we are legally permitted to, we request you to accept CA certificate with name of our client, the nature of services we performed for them, the duration of the project and a tentative contract value duly attested by CA.	Bidder has to submit required documents as per eligibility criteria mentioned in the RFP. All the documents must contain the requisite details so that Bank may verify its content in context of the requirement of this RFP
2	26	Part III, Clause 2, Experience Criteria	Experience – Evaluation Parameters a, b, c	We have signed confidentiality agreements with our clients that limit our ability to disclose their names & the contracts / work orders with them. While we shall be happy to disclose the same where we are legally permitted to, we request you to accept CA certificate with name of our client, the nature of services we performed for them, the duration of the	Bidder has to submit required documents as per eligibility criteria mentioned in the RFP. All the documents must contain the requisite details so that Bank may verify its content in context of the requirement of this RFP

				project and a tentative contract value duly attested by CA.	
3	26	Part III, Clause 2, Experience Criteria	Experience – Evaluation Parameters a, b, c	<p>Evaluation Criteria:</p> <p>We request the committee to consider ongoing digitization projects at PSBs as part of the evaluation criteria</p>	The implementation experience is of completed Projects. However, completed journeys/ phases in the ongoing project will also be given weightage.
4	65	Annexure – B C. Proposed Service details in brief	<p>C. Proposed Service details in brief</p> <p><input type="checkbox"/> Description of service :</p> <p><input type="checkbox"/> Details of similar service provided to banks in India specifying the number of Banks and branches</p> <p>o In PSU banks</p> <p>o In non-PSU banks</p> <p>Details of Experience in implementation of similar orders</p> <p>Sl. No. , Name of Organisation</p> <p>Description of application,</p> <p>Period during which installed (last 5 Years) From To,</p> <p>Enclose copies of Purchase Orders as references.</p>	<p>Proposed Service Details</p> <p>We have signed confidentiality agreements with our clients that limit our ability to disclose their names & the contracts / work orders with them. While we shall be happy to disclose the same where we are legally permitted to, we request you to accept CA certificate with name of our client, the nature of services we performed for them, the duration of the project and a tentative contract value duly attested by CA.</p>	<p>Bidder has to submit required documents as per eligibility criteria mentioned in the RFP.</p> <p>All the documents must contain the requisite details so that Bank may verify its content in context of the requirement of this RFP</p>
5	26	Part –III : Bid Opening and Evaluation Criteria, Clause No. 2	<p>Technical Evaluation Criteria:</p> <p>Experience – a)</p> <p>Should have prior experience in performing consultancy services in the nature of project related to Digital Banking Product / Digital</p>	<p>Most RFPs for digital transformation have been released in the calendar year 2021. Hence we request the Bank that the criteria be revised to a duration of 6 months as on date of bid submission and not 30.09.2021 as the bid is being submitted in December. Due to this criteria, many of our digital transformation credentials are being ruled out</p>	Please refer corrigendum

			Lending Eco system in Public Sector Banks / Private Sector Banks / BFSI in the last 10 years as on 30.09.2021 for a minimum duration of 12 months	whereas lower scope credentials of just doing banking products and digital lending are being considered.	
6	27	Part –III : Bid Opening and Evaluation Criteria, Clause No. 2	<p>Technical Evaluation Criteria: Experience – b)</p> <p>Should have prior experience in at least 6 out of 9 modules mentioned under scope of work this RFP of at least six months in Public Sector Banks / Private Sector Banks/NBFC in the last five years.</p> <ul style="list-style-type: none"> • 15 marks- if the criteria are met for 5 or more Public Sector Banks / Private Sector Banks / NBFC • 10 marks - if the criteria is met for 3 or more Public Sector Banks / Private Sector Banks / NBFC • 5 marks - if the criteria is met for less than 3 Public Sector Banks / Private Sector Banks / NBFC 	Request the Bank to kindly clarify if we have to submit credentials of 5 banks each having minimum 6 out of 9 modules OR 5 banks covering minimum 6 out of 9 modules with one bank experience of at least 1 of the 6 modules	<p>Please refer corrigendum.</p> <p>The credential for required nos. of module are from each bank.</p>
7	26	Part –III : Bid Opening and Evaluation Criteria	Technical Evaluation Criteria: Experience	<p>The overall experience has a maximum score of 40 marks, but only 5 marks are for digital transformation whereas 35 marks are reserved for specific miniature scope areas such as Digital Lending, Digital Banking Product, specific modules, etc. We suggest the Bank to revise the criteria such that all 40 marks should be for digital transformation.</p> <p>We draw your attention to the consultancy services procurement manual issues by</p>	<p>Clause stands as per RFP</p> <p>Marks allotted for Serial (a) and (b) aggregates to 35. Both these sub-parts are directly covering the Scope of Work of the RFP.</p>

				Ministry of Finance which states that eligibility and technical criteria should be in line with the scope of work of the RFP	
8	27	Part –III : Bid Opening and Evaluation Criteria	Technical Evaluation Criteria: Suitability of Key Resources Experience of Key resources (Project Head and Team Manager proposed to be deployed in the project)	For a successful Digital Transformation of the Bank, it is imperative that not only are the Key Resources well-qualified, but also all the resources that will be deployed for this initiative. We request the Bank to evaluate the profiles of all resources, instead of only key resources.	Please refer corrigendum
9	27	Part –III : Bid Opening and Evaluation Criteria	Technical Evaluation Criteria: Suitability of Key Resources Experience of Key resources (Project Head and Team Manager proposed to be deployed in the project)	We request the Bank to specify minimum 15 resources onsite and evaluate the profiles of these resources. This will ensure that the Bank is ensured of a quality and timely delivery of the Digital Transformation initiative.	Please refer corrigendum
10	29	Part –III : Bid Opening and Evaluation Criteria, Clause No. 3	Commercial Evaluation: The evaluation will be a techno-commercial evaluation and for this purpose, the Technical evaluation will have 80% weightage and Commercial evaluation will have 20% weightage. These weightages shall be taken into consideration for arriving at the Successful Bidder.	यूको बैंक UCO BANK We request the Bank to revise the techno-commercial evaluation with the Technical evaluation will have 70% weightage and Commercial evaluation will have 30% weightage. This will ensure that the Bank receives not just a quality bid, but also a competitive, which is beneficial to the Bank	Clause stands as per RFP
11	32	Part-IV: Scope of Work	List of modules: Selection of Consultant for Digital Transformation, Sr. No. 9 Profitability and Operating Cost optimization for the Bank	We request the Bank to delete serial 9 of scope as it is not just limited to digital, but it is bank-wide	Please refer corrigendum

12	40	Part V, Clause No. 2	Contract Period: Contract period with the Consultant for digital transformation of Bank kept initially for 12 months which may further be extended for tenure of 6 months each time a maximum of 3 times (total duration capped at 2.5 years)	UCO Bank has published a detailed and comprehensive RFP, in line with its vision of becoming a Digital Bank of the future. For the comprehensive scope of the RFP, we request the Bank to revise the contract period to 36 months, instead of 6 month revisions over the 12 month period. We request the Bank to also amend the TCO of the Commercial Bid from 1 year to 3 years.	Clause stands as per RFP
13	97	Annexure-Q – Commercial Bid		We request the Bank to change the TCO to 3 years instead of 1 year	Clause stands as per RFP
14	General		Sub-contracting	We request the Bank to not allow sub-contracting at any stage, as it will not be a fair evaluation against Bidders who have all the qualified resources in-house to deliver this program. We request the Bank to specifically publish a No Sub-Contracting clause in this regard to enable a fair and equitable evaluation of all Bidders.	RFP Clause is self-explanatory.
15	Part – III : Bid Opening and Evaluation Criteria	General		We request the Bank that post evaluation of technical bid and shortlisting of bidders for commercial evaluation, the Bank should announce detailed technical scores for each bidder at individual criteria levels before commercial bid opening and not just announce total technical score.	It is to be informed that final Score Card, post presentation; will be shared with the respective bidder and as a token of acceptance of their score; signature of the bidder representative shall be obtained. Notwithstanding to anything; Bank reserves the right of evaluation of the bids submitted by the bidder.
16	9-10	1	Bidder should be a limited company (Public/Private) registered in India under the Companies Act, 1956/2013 for the	McKinsey & Company Inc. is a foreign Company as per companies act. However, McKinsey & Company India LLP is a limited liability partnership firm registered under LLP	Please refer corrigendum

			last 3 years as on RFP issuance date. Companies registered as MSME Entrepreneur & still categorized as MSME as on RFP issuance date. Bidder/Partner/Investor must adhere cross border sharing/FDI/FEMA and other regulatory guidelines of Govt of India. The bidder should not be a subsidiary of a foreign company.	act (registered/formed under Partnership Act, 1932). Can you consider us given we are LLP registered under LLP act which has foreign companies as the partner ?	
17	56	Part V, Clause 28	In the event that the termination of the Contract is due to the expiry of the term of the Contract, a decision not to grant any (further) extension by UCO Bank, the bidder herein shall be obliged to provide all such assistance to the next successor bidder or any other person as may be required and as UCO Bank may specify including training, where the successor(s) is a representative/personnel of UCO Bank to enable the successor to adequately provide the Service(s) hereunder, even where such assistance is required to be rendered for a reasonable period that may extend beyond the term/earlier termination hereof.	We suggest to include – In the event of termination of the contract due to the expiry of the term of the contract, both the parties will mutually agree on the commercial impact and any additional fees payable to the service provider for the termination assistance sought.	Clause stands as per RFP.
18	10	PART I - 3 SI No - 5	Bidder should have an experience of at least 1 assignment in last 5 years in the nature of transformation at a Public Sector Bank / Private Sector Bank	Digital transformation programs are multi year program and Banks have started their digital transformation journeys in last 2 years, we request that the clause be expanded to include on-going engagements also	Clause stands as per RFP

			having minimum 1000 Branches in India with business of more than Rs 2,00,000 Crore as on RFP issuance date.		
19	26	PART III - 2 SI No - a)	Should have prior experience in performing consultancy services in the nature of project related to Digital Banking Product/Digital Lending Eco system in Public Sector Banks/Private Sector Banks/BFSI in the last 10 years as on 30.09.2021 for a minimum duration of 12 months.	Request bank to clarify definition of Digital Banking Product. We would request bank to include below areas as Digital Banking Product: 1. Digital Liabilities Product - CASA 2. Digital Lending platform - Retail, Agri SME 3. Digital Platform Customer Experience 4. Digital Payment Further, request bank to clarify whether it should be ongoing or completed assignment in last 10 years	Please refer corrigendum
20	27	PART III - 2 SI No - b)	Should have prior experience in at least 6 out of 9 modules mentioned under scope of work this RFP of at least six months in Public Sector Banks / Private Sector Banks/NBFC in the last five years.	Need clarity on this clause - 6 out of 9 modules mentioned under scope will restrict the competitive spirit of bidding process. We would request bank to modify the clause as below: Should have prior experience in 1 or more module out of 9 modules mentioned under scope of work this RFP of at least six months in Public Sector Banks / Private Sector Banks/NBFC in the last five years.	Please refer corrigendum
21	27	PART III - 2 SI. No - c)	Should have prior experience in driving digital transformation at BFSI	Request Bank to clarify definition of Digital Transformation. We would request bank to include below definition of Digital Transformation: Digital Transformation includes any of the below:- Omni-channel Customer Experience Digital Lending Digital Liabilities Full-fledged Digital Banking	Scope of Work is self-explanatory.

				Products Digital financial superstore / market place Advanced Analytics and Data platform Artificial Intelligence(AI) / Machine Learning (ML)/ Robotic Process Automation (RPA) / Distributed Ledger Technology (DLT) / Cloud Native Platform Customer Relationship Management (CRM)	
22	27	PART III - 2 SI No - Suitability of Key resources	Experience of Key resources (Project Head and Team Manager proposed to be deployed in the project)	Request bank to add- self declaration letter from bidders for this criteria as documentary evidence	It is clarified that bidder has to submit CV/Bio Data and relevant certificate of resources.
23	33	Module 1 - Digital lending (Sr no #5)	Design Pre-approved Models based on Customer behaviour and analytics. Digital Score cards for screening at own channels/ third party sourcing journeys in line with Risk Management Policy of the Bank and Regulator. Design of Product Notes for Digital Lending journeys for each phase.	Is bank currently using any pre-approved loan models ? If yes, which for all loan products ? Which other products (not covered by existing models) bank wants to target via pre-approved loan models ?	It is clarified that study of current system and procedures and further gap analysis is responsibility of successful bidder.
24	33	Module 1 - Digital lending (Sr no #5)	Design Pre-approved Models based on Customer behaviour and analytics. Digital Score cards for screening at own channels/ third party sourcing journeys in line with Risk Management Policy of the Bank and Regulator. Design of Product Notes for Digital Lending journeys for each phase.	Which other products (not covered by existing models) bank wants to target via pre-approved loan models?	It is clarified that study of current system and procedures and further gap analysis is responsibility of successful bidder.
25	33	Module 1 - Digital lending (Sr no #5)	Design Pre-approved Models based on Customer behaviour and analytics. Digital Score cards for	Can the bank provide further details on acquisition & loan performance data available (how many years of data and	It is clarified that study of current system and procedures and further gap analysis is responsibility of

			screening at own channels/ third party sourcing journeys in line with Risk Management Policy of the Bank and Regulator.	broad set of parameters available) with the Bank for retail, agri and MSME portfolios which can be utilized for model development?	successful bidder.
26	33	Module 1 - Digital lending (Sr no #5)	Design Pre-approved Models based on Customer behaviour and analytics. Digital Score cards for screening at own channels/ third party sourcing journeys in line with Risk Management Policy of the Bank and Regulator.	What all credit scoring models are currently used by UCO Bank for Retail, MSME and Agriculture for credit screening & assessment? Do these existing models / scorecards use any of the digitally verified data sources and to what extent?	It is clarified that study of current system and procedures and further gap analysis is responsibility of successful bidder.
27	33	Module 1 - Digital lending (Sr no #5)	Design Pre-approved Models based on Customer behaviour and analytics. Digital Score cards for screening at own channels/ third party sourcing journeys in line with Risk Management Policy of the Bank and Regulator.	Is consultant expected to perform validation & review of existing models (their construct) and fine-tune them to meet digitalization journey requirements?	RFP Clause is self-explanatory
28	33	Module 1 - Digital lending (Sr no #13)	Define the metrics to be tracked and setup the governance mechanism. To monitor the adoption, issues faced and carry out course correction.	Kindly elaborate in what areas is governance mechanism expected here?	Governance mechanism covers but not limited to entire scope of implementation of the project including post implementation successful run.
29	34	Module 1 - Liability Products & Adoption of Digital Channels (Sr no #2.b)	Identify products/processes available in the bank which have the potential to be digitized. Further, identify new products which bank can introduce on digital platform.	Is the bank intending to include Cross sell products too in the Scope of work? kindly clarify	RFP clause is self-explanatory.

30	43	4	Bank will release the payment of the agreed cost of the project to the selected Bidder after deduction of applicable taxes at source, for which contract will be executed by the Bank with the selected Bidder. The payments will be scheduled in stages on completion of the various major activities and as per the progress of the project, as given below.	The Payment structure is very complex, the Consultant has to raise $9 \times 5 = 45$ Invoice during 1 year making it 4 Invoices every month. We suggest to pay every alternate month on Pro-rata basis.	Clause stands as per RFP
31	97	Annexure Q	Detail cost plan	We want to highlight that many of the activities are dependent activities and breaking them in such small groups will be difficult. Request to take consolidate cost and then pay on pro-rata basis	Clause stands as per RFP

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Amendments, Addendums and Corrigendum's

Part-I

3. Eligibility Criteria

Sl. No	Existing clause	Modified clause
1	Bidder should be a limited company (Public/Private) registered in India under the Companies Act, 1956/2013 for the last 3 years as on RFP issuance date. Companies registered as MSME Entrepreneur & still categorized as MSME as on RFP issuance date. Bidder/Partner/Investor must adhere cross border sharing/FDI/FEMA and other regulatory guidelines of Govt of India. The bidder should not be a subsidiary of a foreign company.	Bidder should be a limited company (Public/Private) / Partnership firm/LLP registered in India under the Companies Act, 1956/2013/ Partnership Act 1932/2008 for the last 3 years as on RFP issuance date. Companies registered as MSME Entrepreneur & still categorized as MSME as on RFP issuance date. Bidder/Partner/Investor must adhere cross border sharing/FDI/FEMA and other regulatory guidelines of Govt of India.

Part-III

2. technical Evaluation

Criteria	Existing clause	Modified clause
<u>Experience</u>	<u>(a)</u> Should have prior experience in performing consultancy services in the nature of project related to Digital Banking Product / Digital Lending Eco system in Public Sector Banks / Private Sector	Should have prior experience in performing consultancy services in the nature of project related to Digital Banking Product / Digital Lending Eco system in Public Sector Banks /

	Banks / BFSI in the last 10 years as on 30.09.2021 for a minimum duration of 12 months.	Private Sector Banks / BFSI in the last 5 years as on 30.09.2021 for a minimum duration of 6 months.
<u>Experience</u>	<u>(b)</u> Should have prior experience in at least 6 out of 9 modules mentioned under scope of work this RFP of at least six months in Public Sector Banks /Private Sector Banks/NBFC in the last five years.	Should have prior experience in at least 4 out of 9 modules mentioned under scope of work this RFP of at least six months in Public Sector Banks/Private Sector Banks/NBFC in the last five years.
<u>Suitability of Key Resources</u>	Experience of Key resources (Project Head and Team Manager proposed to be deployed in the project)	Experience of all resources (i.e. Project Head and Team Manager , Senior Resource, Junior Resource etc. proposed to be deployed in the project)

Part-IV: Scope of Work (Module Wise Details)

Module: 9 -- Profitability and Operating Cost optimization for the Bank

Existing clause	Modified clause
<ol style="list-style-type: none"> 1. To study the cost incurred and revenue generated for each process, product, and initiatives of Bank. 2. To design the model for optimisation of operating cost and enhance the profitability of products, business verticals etc. covering the following areas, but not limited to: <ul style="list-style-type: none"> <input type="checkbox"/> Cost of funds <input type="checkbox"/> Fund distribution and infrastructure costs <input type="checkbox"/> Staff costs <input type="checkbox"/> Risk Management and Compliance Costs <input type="checkbox"/> Marketing Expenses <input type="checkbox"/> Product Management Costs <input type="checkbox"/> IT operations and maintenance costs 3. To identify opportunities for reduction in cost and Turnaround Time (TAT) through digitisation. 	<p>A. Design of the Expense Optimization and Profitability Tracking Framework for the bank and a well-defined dashboard and scorecard for the bank to measure progress; understand gaps at branches, business unit, product and portfolio levels and also for reporting the same to the Top Management. The consultant is expected to assist the Bank in the design and implementation which would involve the following:</p> <ol style="list-style-type: none"> 1. Design of the Expense Optimization and profitability tracking framework, 2. Identification of data sources and using the same for costing and profitability calculations in the tool/ solution 3. Configuring the chosen tools/ solution and conducting the User Acceptance Testing (UAT) 4. Delivering the reports as desired by the Business/ Functional Heads and management Team

	<p>B. Identification of cost-reduction initiatives along with relevant stakeholders across different areas such as –</p> <ol style="list-style-type: none"> 1. Reduction in spend on major cost heads like rent and leases, owned facilities, utilities and phones, lighting & electricity rationalization 2. Network optimization - Rationalization or relocation of un-profitable branches and ATMs 3. New working models such as working from home 4. Savings in major Bidder costs and IT – network lease lines, DR, DC, etc. 5. Re-deployment of staff into new productive, business generating areas <p>C. Drive and monitor value from implementation of cost reduction initiatives</p>
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Date- 09.12.2021
Place-Kolkata