

Pre-Bid Queries raised by proposed Bidders in response of RFP No. RM/1699/2010-11 dated 10/01/2011 for Implementation of Credit Risk & Operational Risk Management Systems for Advanced Approaches under BASEL-II

Pre-Bid meeting : 31/01/2011 11.30 AM

Last Date of submission of Bid response:04.03/2011 4 PM

S No	RFP Clause Reference No	RFP page No	Key Requirement of RFP	Vendor Query	Bank Response
1	Clause 4.1.1	8	Data Requirements: sourcing the required data from CBS system / any other system for estimation	What are the other systems from where sourcing data has to happen ? Please clarify.	Domestic: Finacle, Rating S/w Treasury: Kastle Overseas: Singapore- Midas 4.01 of Misys. Hongkong - Java based using IBM websphere, MS SQL server etc.
2	Clause 4.1.5	9	Validation of ICAAP policy/ ICAAP document (qualitative and quantitative aspects) of the Bank and suggest modifications/ improvements and provide econometric models for aggregation of capital under Pillar II risks as per the RBI guidelines.	Please elaborate on the scope of work for ICCAP. From this RFP point, we understand that only consultancy needed for ICAAP	Scope is clear. No change in the RFP clause
3	Clause 4.1.6	9	Migration to advanced approaches for credit risk - Provide support for applying to RBI till obtention of accreditation for migration to IRB approaches for credit risk	Please clarify on the bank's requirement. Is it expected that the Bidder should support the bank for RBI accreditation for adv approaches for credit risk.	Yes, the bidder should support the bank for RBI accreditation for advanced approaches for credit risk
4	Clause 4.1.10	9	Vendor to provide readily available industry level data/library relating to risk components namely PD, EAD, LGD and maturity for use by the bank at macro and granular level including peer group comparison and periodic updates of the same.	Please clarify on the exact requirement. As the bidder is expected to provide periodic updates also on the same.	Scope is clear. Periodic updates at Monthly/ Quaterly intervals are required.

S No	RFP Clause Reference No	RFP page No	Key Requirement of RFP	Vendor Query	Bank Response
5	Schedule Of Implementation Clause 40	30	implementation of 6 months	Implementation timeline of 6 months is too short for implementation of Credit Risk, Market Risk. Suggested timeline 10-12 months, based on our experience.	Clause 40, page 30 stands modified as under: 40. SCHEDULE OF IMPLEMENTATION The Bidder should complete the implementation including Supply, Customization, and Deployment of proposed Credit and Operational Risk Management solution within nine months from the date of award of contract. The implementation shall comprise of system configuration, customisation, pilot implementation, system roll out and UAT. The period of warranty will start from the date of signing off the UAT.
6	Training Clause 54	33	Training Infrastructure will be provided by the bank	We presume that the training is in Kolkata. Please clarify.	Venue of the training is likely to be in Kolkata. However Bank reserves the right to change the venue, if required.
7	Training Clause 54	33	Self e-learning kit of the solution to be provided by the successful bidder	Soft copy of the solution manual shall be made available. Please confirm.	Self e-learning kit of the solution may contain user manuals, power point presentations or any interactive mode of learning which may help the user to grasp the concept easily.
8	Annexure V	64	DC/DR site	We are assuming that DC - DC of UCO Bank at Bangalore, DR - DR of UCO at Kolkata. Please clarify.	Bank's DC site is at Bangalore and DR site is at Kolkata
9	Clause 6.2	13	Last 30% of the payment for Hardware, Operating System and RDBMS is made at the end of each year of warranty	Since, the hardware and software is already accepted by the Client, the bidder requests the entire payment to be made by acceptance without any holdback	No Change in the RFP Clause
10	Clause 6.3	13	Last 30% of the payment for Solution is made at the end of each year of warranty	Since, the solution will be fully accepted and operational, the bidder requests the entire payment to be made by acceptance without any holdback	No Change in the RFP Clause
11	Clause 8.12	15	Risk Purchase	Bidder requests the clause to be deleted	No Change in the RFP Clause

S No	RFP Clause Reference No	RFP page No	Key Requirement of RFP	Vendor Query	Bank Response
12	Clause 9.2	16	If any of the peripherals, components etc. are not available or difficult to procure or if the procurement is likely to be delayed, the replacement shall be carried out with equipment of equivalent capacity or higher capacity at no charges to The Bank, during the currency of warranty period and AMC.	Bidder requests the deletion of the word replacement during AMC phase	No Change in the RFP Clause
13	Clause 10.2	16	In the event of failure of maintaining the uptime SLA (based on the report mentioned under point no. 10.1 above) liquidated damages of ₹20,000/- per hour would be levied	Bidder requests Bank to cap the liquidated damages to quarterly value of invoicing	No Change in the RFP Clause
14	Clause 21 (vii)	24	Prices payable to the successful bidder as stated in the Contract shall be firm and not subject to adjustment during performance of the Contract, irrespective of reasons whatsoever, including exchange rate fluctuations, changes in taxes, duties, levies, charges etc	Bidder requests changes in taxes, duties, levies, charges etc to be borne by the Bank on actual basis	No Change in the RFP Clause
15	Clause 23	25	Notwithstanding The Bank's right to cancel the order, liquidated damages at 1% (One percent) of the contract price per week will be charged for every week's delay in the specified delivery schedule subject to a maximum of 10% of the value of the order value. The Bank reserves its right to recover these amounts by any mode such as adjusting from any payments to be made by The Bank to the Bidder. Liquidated damages will be calculated on per week basis.	Bidder Requests the Bank to cap the liquidated damages to 10% of the implementation value of the project as liquidated damages is only applicable during implementation phase	No Change in the RFP Clause
16	Clause 28	26	Penalty	Bidder requests the clause to be deleted	No Change in the RFP Clause

S No	RFP Clause Reference No	RFP page No	Key Requirement of RFP	Vendor Query	Bank Response
17	Clause 3.4	6	Solution capability for compliance with RBI Guidelines on AMA which are expected shortly	Proposed Bidder states that it proposes to implement a Credit Risk and Operational Risk Management System which will include the software of a reputed third party Credit Risk and Operational Risk Management software vendor.	No change in RFP Clause
18	Clause 4.1.9	9	Scalability to take care of changes brought in by BASEL guideline/regulato	The Credit Risk and Operational Risk software of the OEM third party vendor will comply with the applicable laws and RBI guidelines as of the date of submission of the proposal. Further, the updated/patches offered / released by the said OEM third party software vendor as a part of its standard release for compliance with the changes in the applicable laws, RBI guidelines will also be provided by the Proposed Bidder to the Customer free of any cost. Any other change required in the solution/ OEM software will be as per timelines and prices which will be agreed by the Proposed Bidder and the Customer.	
19	Clause 4.2.10	10	Scalability		
20	Clause 8	14	Warranty		
21	Clause 8.13	16		Further, the guaranties, warranties and related AMC support, representations, indemnities and updates/patches that are offered by the OEM software vendor will be provided by the Proposed Bidder to the Customer.	
22	Clause 8.12	15	Remedial action by Bank	Proposed Bidder suggests that a cure period be given vide written notice to the Bidder before the Bank proceeds to take remedial steps	No Change in the RFP Clause
23	Clause 10.2	16	Penalty of Rs. 20,000/- per hour	Proposed Bidder states that there is no cap on the aggregate penalty that can be imposed on the Bidder. The Proposed Bidder suggests that Bank clarify and state a reasonable cap on the aggregate of all penalties that may be imposed on the Bidder.	The overall cumulative total penalty under this assignment shall not exceed 100% of the order value.
24	Clause 10.3	17	Recovery of Liquidated Damages (LDs) from payments relating to this contract or otherwise	Proposed Bidder requests for a clarification that recovery of LDs be restricted only to payments under this contract.	LDs will be restricted only to payments under this contract.

S No	RFP Clause Reference No	RFP page No	Key Requirement of RFP	Vendor Query	Bank Response
25	Clause 12	17	EMD forfeiture for failure to sign the contract in the form and manner to the satisfaction of the Bank	Bidder understands that in Clause 21(ii) the Customer has stated that it may negotiate certain terms and conditions prior to contract execution. Proposed Bidder requests for a clarification that inability of either the parties to reach a mutual consensus or inability of either party to get internal management approval on the key terms and conditions will not be a ground for forfeiture of the EMD.	If certain terms & conditions were not covered in the RFP documents then Bank may negotiate those terms and conditions with the successful bidder before signing the contract.
26	Clause 13	18	PBG to be valid for 3 months beyond the validity of the contract	Proposed Bidder requests for a clarification that the PBG will be valid till the period of the contract.	Bidder to submit a PBG of 10% of the project cost, which should be valid for 60 months from the date of UAT sign off with a further claim period of 3 months. However if PBG falls due on non completion of the project, it will be the responsibility of the selected bidder to further extend the PBG to cover the contract period (UAT signoff date + 5 year).
27	Clause 19	23	Termination by Customer at sole discretion by giving 2 months notice without assigning any reason	Proposed Bidder requests for deletion of this clause. If deletion is not possible, Proposed Bidder requests for a clarification that (i) a bigger notice period of termination of 6 months be provided; and (ii) Customer will pay the bidder for all products, services delivered till the effective date of termination of the contract and any termination charges/expenses borne by bidder.	Modified clause may be read as: The contract period for providing proposed Credit and Operational risk management solution will be for a period of Five Years from the date of signing off the UAT. The selected Bidder need to execute a Service Level Agreement (SLA) with the Bank covering all terms and conditions of this RFP. SLA will cover performance and availability of the solution. The performance of the selected Bidder shall be reviewed every quarter and the Bank reserves the right to terminate the contract at its sole discretion by giving three month's notice without assigning any reasons. Any offer falling short of the contract validity period is liable for rejection.

S No	RFP Clause Reference No	RFP page No	Key Requirement of RFP	Vendor Query	Bank Response
28	Clause 20 & 21(v)	23-24	Order Cancellation / Termination Failure to abide by Agreement / Contract	Bidder requests that cancellation / termination right should be available to the bidder too. Thus, Proposed Bidder requests for Clause 20 to be worded as follows- "A party may terminate the agreement: (i) for cause upon notice if the other party commits a material breach of its obligations and fails to remedy such breach within thirty(30) days of receipt of a written notice from the other party which specifies the nature of the material breach; or (ii) without cause immediately if the other party goes into liquidation." Bidder requests for deletion of Cl.20.7.	No Change in the RFP Clause
29	Clause 22	25	Consequences of termination	Proposed Bidder requests for a clarification that transition services will be provided as per Transition Plan, timelines and transition charges mutually agreed by the parties.	No Change in the RFP Clause
30	Clause 26	26	Insurance	Proposed Bidder requests for deletion of insurance requirements. It requests that the bidders be required to bear risks of damage/loss of their products till their delivery to Customer premise. Upon delivery, each party will bear risk and responsibility for loss or damage to the product caused by their employees or any other party under their control/supervision.	No Change in the RFP Clause
31	Clause 27	26	Audit by third party	Proposed Bidder requests for a clarification that (i) audit will be carried out by an independent third party auditor; (ii) audit will not occur more than once in a year and upon prior notice to bidder; and (iii) the impact of audit report on deliverables and timelines will be mutually discussed and agreed by the parties.	Bank at its discretion may carry out audit from in-house or third party auditors as per the requirement. Such audits will be informed to the selected bidder in advance by giving prior notice. Discrepancies, if any, observed in the audit report must be rectified by the selected bidder at no extra cost to the Bank.
32	Clause 28	26-27	Penalties	Penalties are imposed on – (i) not meeting pre-defined SLAs; and (ii) are a 'pre-defined estimation of losses' in monetary terms. Cl. 28 does not identify the exact amount of penalty. Hence, Proposed Bidder requests for deletion of this Cl. 28.	As penalty is based on the cost incurred by the Bank or loss suffered by the Bank, the same shall get quantified only on happening of the event. Hence no change in the RFP clause.

S No	RFP Clause Reference No	RFP page No	Key Requirement of RFP	Vendor Query	Bank Response
33	Clause 29	28	Suspension pending arbitration	Proposed Bidder requests for a clarification that Customer will not suspend or delay payments for all services provided pending any dispute between the parties and shall continue to make al payments as per the payment schedules agreed by the parties.	No Change in the RFP Clause
34	Clause 36	29	Confidentiality	Proposed Bidder requests for a clarification that the confidentiality obligation will be mutual with respect to each other's confidential documents/information.	Confidentiality obligation will be mutual with respect to each other's confidential documents/information.
35	Annexure-I	35	Tender offer forwarding letter	Bidder requests for modification of the second para as follows (change is underlined): <i>"In the event of acceptance of our Technical as well as Commercial Bids by The Bank we undertake to Implement Credit Risk and Operational Risk Management Systems for Advanced Approaches under BASEL-II <u>as per the mutually agreed contract</u>"</i> .	No Change in the RFP Clause
36	Annexure –VII	73	Bank Guarantee	Proposed Bidder requests for modification of Cl. 2.1 as follows (change is underlined): <i>"If the Bidder, having been notified of the acceptance of its proposal by The Bank during the period of the validity of the proposal fails or refuses to enter into the contract in accordance with the <u>mutually agreed terms of the RFP</u> .</i>	No Change in the RFP Clause
37	Annexure VIII B	74	Undertaking	Proposed Bidder requests for modification of this declarations as follows (modification is underlined): <i>"We hereby declare that no inquiries or investigations have been threatened, commenced or pending against us or any other member of the consortium by any statutory or regulatory or investigative agencies or lending institutions <u>which will materially affect our performance of this contract</u> "</i>	No Change in the RFP Clause

S No	RFP Clause Reference No	RFP page No	Key Requirement of RFP	Vendor Query	Bank Response
38	Clause 25 - DISASTER RECOVERY MECHANISM	26	The proposed system must be capable of and compatible for Disaster Recovery Implementation. The successful bidder should describe the provisions for disaster recovery and show that the proposed solution facilitates disaster recovery. The bidder needs to submit the technical architecture relating to data replication between primary and secondary site. The Recovery Time Objective (RTO) and Recovery Point Objective (RPO) for the proposed solution should be 90 minute and 30 minute respectively.	Please clarify whether database should have built-in DR solution to replicate the changes happening in the database to DR Site with an option to run real-time reports from DR Sites without stopping the recovery mechanism.	RFP clause is clear. The selected bidder should implement the DR Site as mentioned in clause 25 of RFP
39	Clause 10 - MAINTENANCE STANDARD DURING WARRANTY & POST WARRANTY MAINTENANCE	16	10.1. The selected bidder should ensure 99.00% uptime	Please clarify whether the database should have native, active-active clustering with objectives of scalability and availability. Does this mean that the solution should provide single image database concurrently accessed by multiple database servers, without repartitioning or changes to the database objects or 3rd party transaction routing mechanisms. Please clarify whether the offered database should be available and supporting multiple operating systems like Linux, Unix, and Windows.	Bidder has to propose the architecture and maintain required uptime and performance criteria mentioned in our RFP. Bidder has to provide the database as per the requirements of quoted solution.
40	Clause FUNCTIONAL REQUIREMENTS FOR INTERNAL RATING SYSTEM Annexure – III A	39	1.7 The system should have an audit trail of the changes/modification made at various levels and should be able to capture the comments entered by each level/department.	Please clarify whether a centralized audit data store is required to ensure non-tampering of audit information thus securing audit data. If yes would you like to use it for detailed insight (who did, what, to which data and when) ?	Scope is clear. No change in the RFP clause
41	Clause (FUNCTIONAL REQUIREMENTS FOR INTERNAL RATING SYSTEM) 3 Retail Models	41	6. The system should be able to capture/receive the required data (Data entry, File uploads, direct transfers, batch processes, etc) from various source systems like Core Banking Solutions, Internal Rating models and capital calculations (for all asset classes) as per RBI Guidelines.	Please clarify if the integration is required at database level between the databases in real time.	Database may be updated periodically from CBS at the end of the day.

S No	RFP Clause Reference No	RFP page No	Key Requirement of RFP	Vendor Query	Bank Response
42	25. DISASTER RECOVERY MECHANISM	26	The proposed system must be capable of and compatible for Disaster Recovery Implementation. The successful bidder should describe the provisions for disaster recovery and show that the proposed solution facilitates disaster recovery. The bidder needs to submit the technical architecture relating to data replication between primary and secondary site. The Recovery Time Objective (RTO) and Recovery Point Objective (RPO) for the proposed solution should be 90 minute and 30 minute respectively.	Please clarify whether database should have built-in DR solution to replicate the changes happening in the database to DR Site with an option to run real-time reports from DR Sites without stopping the recovery mechanism.	The selected bidder should implement the DR Site as mentioned in clause 25 of RFP
43	10. MAINTENANCE STANDARD DURING WARRANTY & POST WARRANTY MAINTENANCE	16	10.1. The selected bidder should ensure 99.00% uptime	Please clarify whether the database should have native, active-active clustering with objectives of scalability and availability. Does this mean that the solution should provide single image database concurrently accessed by multiple database servers, without repartitioning or changes to the database objects or 3rd party transaction routing mechanisms. Please clarify whether the offered database should be available and supporting multiple operating systems like Linux, Unix, and Windows.	Bidder has to propose the architecture and maintain required uptime and performance criteria mentioned in our RFP. Bidder has to provide the database as per the requirements of quoted solution.
44	FUNCTIONAL REQUIREMENTS FOR INTERNAL RATING SYSTEM Annexure – III A	39	1.7 The system should have an audit trail of the changes/ modification made at various levels and should be able to capture the comments entered by each level/department.	Please clarify whether a centralized audit data store is required to ensure non-tampering of audit information thus securing audit data. If yes would you like to use it for detailed insight (who did, what, to which data and when)?	Centralized audit data store is required for detailed insight.
45	(FUNCTIONAL REQUIREMENTS FOR INTERNAL RATING SYSTEM) 3 Retail Models	41	6. The system should be able to capture/receive the required data (Data entry, File uploads, direct transfers, batch processes, etc) from various source systems like Core Banking Solutions, Internal Rating models and capital calculations (for all asset classes) as per RBI Guidelines.	Please clarify if the integration is required at database level between the databases in real time.	Database may be updated periodically from CBS at the end of the day.
46	Section 4.1	7	Credit rating system	What is the current system used for rating corporate customers and retail borrowers? Bank is requested to provide more details about the existing system.	At present Bank has got 15 obligor rating models for rating of all accounts with exposure (FB+NFB) more than Rs. 25 lacs . LAPS is used for select Retail products.

S No	RFP Clause Reference No	RFP page No	Key Requirement of RFP	Vendor Query	Bank Response
47	Para 3, Para 4, Sec 4.1.6	9 & 11	Training	Bank is requested to provide details of duration of the workshop and location	Venue of the training is likely to be in Kolkata. However Bank reserves the right to change the venue, if required. For duration of training please refer clause 54 of RFP
48	Para 2, Sec 4.2.1	10	Risk and control self assessment (RCSA)	Please provide the details of business lines and geographic locations where the rollout of RCSA is to be done to be provided	Across all business lines at all geographic locations within the country.
49	para 1, Sec 4.2.3	11	Automate loss data capture	Is historic data for capture of loss events available with the bank? Please confirm.	Historic loss data is available for the last 5 years in manual format (Excel sheet)
50	Section 54	33	Training	Which are the locations where the trainings will be conducted?. We assume that the cost of the trainings (boarding, lodging, transportation etc) will be provided by the bank. Please confirm.	Venue of the training is likely to be in Kolkata. However Bank reserves the right to change the venue, if required. Bank will not provide any boarding, lodging, transportation etc charges to the bidder.
51	Annexure III C, Point 19	55	The system should be capable of supporting different RCSA methodologies	Can Bank provide Details of other different RCSA Methodologies as solutions are typically designed for Standard Framework?	Shall be discussed with the selected bidder.
52	Annexure III C Point 24	55	The system should have a methodology to classify losses as per Basel loss events, classification logic should be customizable.	Will the bank provide the classification logic for losses Or the bidder will suggest and justify the same?	Bank will provide the classification logic for losses.
53	Annexure III C Point 57	58	The system should allow the user to fit various severity distributions, including normal, log normal, pareto, weibull, beta, gamma, inverse Gaussian, extreme value theory and other advanced statistical distributions. The system should be able to provide graphical outputs for the fitted distribution.	Will the bank instruct the necessary algorithm required or the bidder will suggest and justify the same?	Selected bidder to provide the algorithm and justify the same.
54	Annexure III C Point 54	58	System should be able to compute gross income for different business lines as per Basel / RBI guidelines by interacting with data warehouse or other source systems.	Will the vendor develop any interface to DWH or source systems?	Selected bidder has to develop all required interfaces in coordination with source system vendor
55	Annexure III C Point 54	58	--do--	We assume the Bank to prepare the financial statements anyway. Instead of reinventing the entire process of calculating the income from GL levels, wouldn't it be appropriate to take the details following financial statement preparation?	System should be able to compute gross income for different business lines as per Basel/RBI guidelines and aggregate total should tally with the figures reported in financial statements.

S No	RFP Clause Reference No	RFP page No	Key Requirement of RFP	Vendor Query	Bank Response
56	Annexure III C Point 60	58	System should have capability to integrate all the data elements viz. external loss data, internal loss data, scenario data, business environment and internal control factors and generate capital numbers.	Will the bank provide the necessary algorithm for data pooling required or the bidder will suggest and justify the same?	Selected bidder to provide the algorithm and justify the same.
57	Annexure III C Point 96	61	System should aggregate the RCSA scores of risk events to arrive at a Bank wide RCSA profile	Who will provide the RCSA Score Consolidation Logic? Bank or the consultant?	Selected bidder has to provide the logic subject to the acceptance by the Bank,
58	Annexure III C Point 108	62	To supply and install and implement all the hardware, O/S software, Application software and all other required software and successfully run the ORMS. (If any other Hardware/Software which is essential to run application and not quoted will be supplied and installed at free of cost to the bank.)	Can bank give an estimate of number of MIS reports expected and provide a descriptive name list?	MIS requirements have been defined in the RFP document at appropriate places.
59	Annexure III C Point 109	62	Security and password management.	Does the bank have an LDAP/Active Directory? Can the bank share standards for Logging & password Management?	Bidder to provide the end-to-end solution. Standards for logging & password Management will be shared with the selected bidder.
60	Annexure III C Point 111	62	Any other requirements as per RBI, Basel documents and best practices.	Can bank be more specific on "other requirements" as that will impact the effort estimation? Or shall this be covered as non-binding?	No change in the RFP clause
61	General	General		Bank is requested to confirm that the Operational Infrastructure to be provided by Bank (premises/ workstations (with systems)/ internet, telephone etc.)?	Bank will provide only the rack space for placing the rack and mounting the equipments in the DC and DR Site of the proposed solution.
62	General	General		Bank is requested to confirm that the Consumables would be provided by bank (stationery, back up tapes, printer cartridges etc.)?	No. Consumables required for taking backup during the warranty period need to be assessed and to be provided by the bidder and may be quoted under 'Any Other' head of Annexure-V and Annexure-VI.
63	General	General		Does the Bank need any consultancy during the solution implementation? If so, bank has to provide the modules (in detail) on which it needs the consultancy.	RFP is for end-to-end implementation of solution
64	para 3, section 4.1	7	Implementation of credit risk management systems	What is the total number of users who will look into credit risk capital calculation reports?	3 - 5 users
65	para 3, section 4.1	7	Implementation of credit risk management systems	What is the total Number of Accounts/ Instruments for the Bank?	Corporate A/cs - approx 3000 Retail A/cs - approx 13 lacs

S No	RFP Clause Reference No	RFP page No	Key Requirement of RFP	Vendor Query	Bank Response
66	para 3, section 4.1	7	Implementation of credit risk management systems	What are the total Number of Unique customers?	Corporate borrowers - Approx 1500 Retail borrowers - approx 13 lacs
67	para 3, section 4.1	7	Implementation of credit risk management systems	What is the number of years of historical data that needs to be loaded for Credit risk modeling?	As per BASEL/RBI guidelines (5/7 years)
68	para 3, section 4.1	7	Implementation of credit risk management systems	What is the frequency of running the credit risk capital calculations?	As per RBI norms (presently quarterly)
69	point 3 section 4.1	8	Implementation of credit risk management systems	Does the bank have minimum required years of data for calculating PD/LGD values? If not, then what is the alternative?	5 year PD data is available for existing rating models
70	Section 4.2, Para No. One	10	4.2 Implementation of operational risk management system	What is the number of total users for operational risk management system?	Approximately 10 users
71	Section 4.2, Para No. One	10	4.2 Implementation of operational risk management system	What is the number of concurrent sessions for operational risk management system?	
72	Section 4.2, Para No. One	10	4.2 Implementation of operational risk management system	What is the estimated rate of growth in number of users for operational risk management system?	10% p.a.
73	Section 4.2, Para No. One	10	4.2 Implementation of operational risk management system	Will your workload peak over a particular period of time (e.g., end of a quarter, end of the calendar year, etc)?	There may be slight increase towards the end of quarter
74	Section 4.2, Para No. One	10	4.2 Implementation of operational risk management system	Please share the workflow for RCSA (Risk & Control - identification, testing & assessment), KRI, Loss Data and corrective action planning	As given in the RFP, further details will be discussed with the selected bidder.
75	Section 4.2.1, Para No. Second	10	4.2.1 Risk and control self assessment (RCSA)	Please elaborate about the structure of RCSA entity i.e. the level at which bank wants to carry on the RCSA? For eg. It may be a combination of 3 dimensions like Business Line - Location - Process.	To be implemented Bank wide as given in the RFP
76	Section 4.2.1, Para No. Second	10	4.2.1 Risk and control self assessment (RCSA)	How deep/wide are the dimensional hierarchies? Will you use a lot of constraints for restricting valid choices of nodes from the dimensional hierarchies?	Shall be discussed with the selected bidder.
77	Section 4.2.3, Para No. First	11	4.2.3. Automate loss data capture	Is Historical Loss Data Available? If Yes, what is the number of loss events in the current loss database?	Historic loss data of last 5 years is available. Details will be shared with the selected bidder.
78	Section 4	7	General Query	Can you please share number of HO / Central Departments?	Presently approx 20

S No	RFP Clause Reference No	RFP page No	Key Requirement of RFP	Vendor Query	Bank Response
79	Section 4	7	General Query	How many Concurrent sessions are expected for Operation Risk / Credit Risk / Market Risk?	Operational Risk: HO level - approx 2, FGM/ZO level - 5 Branch level - approx 100 Credit Risk: HO level - approx 10, FGM/ZO level - 20, Branch level - approx 300
80	Section 4	7	General Query	What is the expected Year-on-Year growth in concurrent user sessions?	10% p.a.
81	Section 4	7	General Query	What is the Current data size (for Risk Management Solution)?	Presently, Risk Management Solution is not automated and being maintained manually. Total No. of a/cs to be captured in the proposed solution is approx.181 lacs.
82	Section 4	7	General Query	What is the expected Year-on-Year data growth?	The transaction volume and accounts are expected to grow @ 15% per annum
83	Section 4	7	General Query	Are Credit Risk and Operational Risk Management Systems accessible over Internet?	No
84	Section 4	7	General Query	Will Credit Risk and Operational Risk Management Systems accessible to non-bank employee?	Generally not, but auditors etc may be given inquiry option.
85	Section 4	7	General Query	Can existing infrastructure setup at DC/DR site such as SAN, Tape Backup, Layer3 Switch, Layer 2 Switch, lease line modems and lease lines will be available for this solution?	No
86	Section 4	7	General Query	What is total daily incremental data for Operational Risk / Credit Risk and Market Risk?	Please refer to SI No. 82
87	Section 4	7	General Query	What is Operational support requirement? Is it during bank working hours or 24x7?	During the Bank working hours
88	Section 4	7	General Query	Please provide Bank's DC site address	Bank's DC site is at Banglore
89	Section 4	7	General Query	Please provide Bank's DR site address	Bank's DR site is at Kolkata
90	Clause 6, 7	13-14	PAYMENT TERMS, Payment Authority	Bank is requested to add clause specifying All invoices and bills for the Application Software will be raised by Bidder as per the Payment Terms and will become due for payment within 30 days of presentation.. All payments due for more than 30 days will attract an interest at the rate of 2 percent per month on the invoice amount.	No Change in the RFP Clause

S No	RFP Clause Reference No	RFP page No	Key Requirement of RFP	Vendor Query	Bank Response
91	Clause 8, 8.14	14-15	8. WARRANTY, 8.14. The offer must include comprehensive on-site warranty of three-years from the date of installation, commissioning and UAT of the equipments including the replacement of spare parts for any reason	Bank is requested to add Standard Exception in Warranty Clause	No Change in the RFP Clause
92	Clause 8.8	15	The selected Bidder should guarantee that the equipments, including all components, delivered to The Bank are brand new.	The term "GUARANTEE" must be replaced with the term "WARANTEE" in this entire RFP. Please modify the clause	In the said context, 'guarantee' implies 'assurance' . In case of equipments are not brand new, bidder to replace them with the brand new equipments.
93	Clause 8.17	16	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.	Please note that warranty shall NOT apply if there is any (i) combination, operation, or use of some or all of the deliverables or any modification thereof furnished hereunder with information, software, specifications, instructions, data, or materials not approved by Bidder and operation of the deliverables on incompatible hardware not recommended by Bidder;	No Change in the RFP Clause
94	Clause 10.1	16	The selected bidder should ensure 99.00% uptime calculated on quarterly basis forover telephone/ SMS or by e-mail/fax.	Bank is requested to add the standard downtime exceptions while calculating the required up time of 99.00%.	Factors excluded for calculation of downtime will be captured in the SLA.
95	Clause 10.2, 10.30	16	In the event of failure of maintaining the uptime SLA (based on the report mentioned under point no. 10.1 above) liquidated damages of `20,000/- per hour would be levied. 2. Bank may recover such amount of liquidated damages from any payment being released to the Bidder, irrespective of the fact whether such payment is relating to this contract or otherwise.	Liquidated Damages imposed shall be to extent of 0.5% of the value of the delayed /defaulted goods or services to the maximum extent of 5% value of the delayed/defaulted goods or services or Rs 1000 per week. The Liquidated damages shall be levied only if the delay or default or failure is solely and entirely attributable to the Bidder and not due to the acts or omissions of Bank.	No Change in the RFP Clause
96	Clause 20	23	ORDER CANCELLATION (TERMINATION)	Bank shall exercise this cancellation right after giving at least 15 days written prior notice to the bidder, provided the bidder does not rectify the breach/ default during such notice period. 2.Similarly the bidder shall also have a right of cancellation, in event of breach of any terms and conditions of this Contract by the Bank , by giving 15 written prior notice to the Bank, provided the Bank does not rectify the breach/ default during such notice period	No Change in the RFP Clause

S No	RFP Clause Reference No	RFP page No	Key Requirement of RFP	Vendor Query	Bank Response
97	Clause 20.6	23	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.	The Bank may proceed to procure same or similar product as may be necessary at the bidder's risk and expense however such cost shall not exceed 10% of the value of undelivered products and services.	No Change in the RFP Clause
98	Clause 23	25	LIQUIDATED DAMAGES	Liquidated Damages imposed shall be to extent of 0.5% of the value of the delayed /defaulted goods or services to the maximum extent of 5% value of the delayed/defaulted goods or services . The Liquidated damages shall be levied only if the delay or default or failure is solely and entirely attributable to the Bidder and not due to the acts or omissions of Bank.	No Change in the RFP Clause
99	Clause 24	25	ACCEPTANCE TESTS	Bank is requested to add detailed clause on Acceptance Criteria also need to add a clause to the effect that If written feedback on the application software is not received within 2 weeks of its delivery or if Bank starts using the software in live environment for commercial purposes before issuance of Acceptance Certificate it shall be deemed accepted by Bank.	No Change in the RFP Clause
100	Clause 27 and 57	26 & 32	AUDIT BY THIRDPARTY and Inspection and quality Tests	If Inspection/Audit is carried out in the bidders Office it shall be subject to following the Confidentiality and Secrecy requirements of the Bidder facilities.	Confidentiality obligation will be mutual with respect to each other's confidential documents/information.
101	Clause 28	26	28. PENALTY	The overall cumulative total penalty under this assignment shall not exceed 1% of the Contract value and shall be levied only if the delay or default is solely and entirely attributable to the Bidder.	The overall cumulative total penalty under this assignment shall not exceed 100% of the order value.
102	Clause 34	28	PUBLICITY	This Clause must be made mutual	No Change in the RFP Clause
103	Clause 36	29	CONFIDENTIALITY	Confidentiality Clause must be made mutual and is appearing without standard exceptions need to add the standard exceptions and tenure of confidentiality obligations.	Confidentiality obligation will be mutual with respect to each other's confidential documents/information.
104	Clause 50	32	Execution of Non Disclosure Agreement, The successful bidder should execute Non-disclosure Agreement (NDA) within one month from the date of acceptance of Letter of Appointment.	NDA must be mutual and must be signed under mutually acceptable terms and conditions	NDA format will be shared with the selected bidder

S No	RFP Clause Reference No	RFP page No	Key Requirement of RFP	Vendor Query	Bank Response
105	Clause 51	32	Patent Rights	Bank is requested to add the standard IPR Indemnity Exceptions.	No Change in the RFP Clause
106	General	General	Need to add Clause on-LIMITATION OF LIABILITY	Bank is requested to have a detailed Clause for limitation limiting direct Liability of either party equal to the resultant contract value and exclusion of all Indirect, consequential, special, punitive liabilities	The overall cumulative total penalty under this assignment shall not exceed 100% of the order value.
107	General	General	Other clause required	Bank is requested to add the following Clause	
				1.Non Employment	No Change in the RFP
				2.Intellectual Property Rights	No Change in the RFP
				3.General Indemnity	No Change in the RFP
				4.Reimbursement of Tax/Levy	No Change in the RFP
				5.Waiver	No Change in the RFP
				6.Severability	No Change in the RFP
				7.Assignment.	No Change in the RFP
				8.Non Exclusivity	No Change in the RFP
				9.Independant Relationship	No Change in the RFP
				10.Modification	No Change in the RFP
				11.Entire Understanding	No Change in the RFP
12.Survival.	No Change in the RFP				
108	Clause B	65	Required Hardware	Please confirm the DC and the DR site	DC site is at Bangalore and DR site is at Kolkata
109	Clause B	65	Required Hardware	Do we have to give separate Web Server and App Server of this can be consolidated on a single server	Bidder to provide separate Web Server and App Server
110	Clause B	65	Required Hardware	UAT and Training will be hosted on the same server?	Yes
111	Clause B	65	Required Hardware	Why is a 3 tier architecture required for the UAT environment?	No Change in the RFP Clause
112	Clause B	65	Required Hardware	Is there any legacy data that needs to be migrated to the storage system. If yes, please provide the usable data size and clarify this data is for how many years?	Legacy data of approximately 100 MB size needs to be migrated
113	Clause B	65	Required Hardware	What is the estimated data size expected to be generated annually?	Please refer to SI No. 81 & 82
114	Clause B	65	Required Hardware	What is the estimated data size for 6 years and 7 years?	Please refer to SI No. 81 & 82

S No	RFP Clause Reference No	RFP page No	Key Requirement of RFP	Vendor Query	Bank Response
115	Clause B	65	Required Hardware	We would recommend that the previous 6 years data that is to be kept online, be stored on low cost SATA disks for a better ROI/TCO. Please confirm if this is acceptable to the bank.	Bidder to ensure required uptime and performance criteria mentioned in our RFP.
116	Clause B	65	Required Hardware	We would recommend the use of SAS disks for the current year online data. Please confirm if this is acceptable to the bank?	Bidder to ensure required uptime and performance criteria mentioned in our RFP.
117	Clause B	65	Required Hardware	We would request the bank to standardize a minimum amount of cache on the storage controller and specify that dual controllers are required on the disk storage	Bidder to ensure required uptime and performance criteria mentioned in our RFP.
118	Clause B	65	Required Hardware	to meet an uptime requirement of 99% as per the RFP, we would need to provide a High Availability (clustering software) at the server level and would request the bank to standardize the same. This can be achieved with either an N+N or N+1 High availability architecture	Bidder to ensure required uptime and performance criteria mentioned in our RFP.
119	Clause B	65	Required Hardware	Please clarify whether a 99% uptime is also required at the DR site. If yes, please confirm that the servers need to be clustered at the DR site as well	Proposed solution to meet required RTO and RPO criteria mentioned in the point 25 of our RFP.
120	Clause B	65	Required Hardware	Does the bank require an archival software/solution for archiving the data prior to 7 years or does it mean that this data would be simply backed up on a tape and removed from the disk storage - and would be restored when required?	Bidder to provide archival software/solution for archiving the data prior to 7 years

S No	RFP Clause Reference No	RFP page No	Key Requirement of RFP	Vendor Query	Bank Response
121	Clause B	65	Required Hardware	do we have to propose an automated tape backup solution (using backup software) for the 7 years online data as well? If yes, a. what will be the frequency of this back up (daily incremental, weekly full back up/monthly/quarterly/yearly) b. what is the desired back up window? C. can we take an offline back up (shut down the database in the night) or do we have to propose an online backup only? d. tape cartridges for taking such back will be provided by the bank or the bidder has to factor for the same? If yes, how many?	Bidder to provide an automated tape backup solution for the 7 year online data as well. a. Frequency for the incremental backup should be daily with full backup on weekly basis. b. Backup is required to be taken every day at the time of end of day process. c. Bidder can provide either online backup or offline backup based on the database offered by them. d. Number of cartridges required for taking backup during the warranty period need to be assessed and to be provided by the bidder and may be quoted under 'Any Other' head of Annexure-V and Annexure-VI.
122	point 3.2	3	Eligibility Criteria	We request bank to put eligibility criteria for lead bidder that , Lead bidder should have implemented proposed solution in atleast 2 Commercial banks in india	No Change in the RFP Clause
123	point 3.6	3	Eligibility Criteria	We request bank to put eligibility criteria for lead bidder that , Lead bidder should have implemented proposed solution in atleast 2 Commercial banks in india for opration risk	No Change in the RFP Clause
124	Para No. Third, Section 4.1	7	Implementation of credit risk management systems	Total number of users who will look into credit risk capital calculation reports	3 - 5 users
125	Para No. Third, Section 4.1	7	Implementation of credit risk management systems	Total Number of Accounts/ Instruments for the Bank?	Corporate A/cs - approx 3000 Retail A/cs - approx 13 lacs
126	Para No. Third, Section 4.1	7	Implementation of credit risk management systems	Total Number of Unique customers?	Corporate borrowers - Approx 1500 Retail - approx 13 lacs
127	Para No. Third, Section 4.1	7	Implementation of credit risk management systems	Number of years of Historical data to be loaded for Credit risk modeling?	5 year PD data is available for existing rating models
128	Para No. Third, Section 4.1	7	Implementation of credit risk management systems	Frequency of running the credit risk capital calculations	As per RBI norms (presently quartely)
129	Para No. One, Section 4.2	10	Implementation of operational risk management system	Number of total users for operational risk management system	To be used bank-wide
130	Para No. One, Section 4.2	10	Implementation of operational risk management system	Number of concurrent sessions for operational risk management system	HO level - approx 2, FGM/ZO level - 5 Branch level - approx 100
131	Para No. One, Section 4.2	10	Implementation of operational risk management system	What is the estimated user growth rate for operational risk management system?	10% p.a.

S No	RFP Clause Reference No	RFP page No	Key Requirement of RFP	Vendor Query	Bank Response
132	Para No. One, Section 4.2	10	Implementation of operational risk management system	Will your workload peak over a particular period of time (e.g., end of a quarter, end of the calendar year, etc)?	There may be slight increase towards the end of quarter
133	Para No. One, Section 4.2	10	Implementation of operational risk management system	Please share the workflow for RCSA (Risk & Control - identification, testing & assessment), KRI, Loss Data and corrective action planning	As given in the RFP.
134	Para No. Second, Section 4.2.1	10	Risk and control self assessment (RCSA)	Please elaborate about the structure of RCSA entity i.e. the level at which bank want's to carry on the RCSA? For eg. It may be a combination of 3 dimensions like Business Line - Location - Process.	To be implemented Bank wide as given in the RFP
135	Para No. Second, Section 4.2.1	10	Risk and control self assessment (RCSA)	How deep/wide are the dimensional hierarchies. Will you use a lot of constraints for restricting valid choices of nodes from the dimensional hierarchies?	Shall be discussed with the selected bidder.
136	Para No. First, Section 4.2.3	11	Automate loss data capture	Is Historical Loss Data Available ? If Yes, no. of loss events in the current loss database?	Historical loss data for the last 5 years is available. Details will be shared with the selected bidder.
137	Section -3	6	Eligibility Criteria for the Bidder / Para 3.4 / Point-3 " The Vendor should have provided external loss data repository.....	<p>1) We request the Bank to clarify on the need for this criterion in the light of the following factors:</p> <p>a. The external loss data provided should be relevant for Indian conditions. As the Bank is aware, the data pool consortium, CORDEX, is under way in India at the initiative of the Indian Banks Association (IBA) for building loss data. CORDEX is credible and more suited for Indian conditions inasmuch as it receives data from banks with the well-defined attributes.</p> <p>b. There are credibility issues in external loss data provided by third party agencies (other than CORDEX) like</p> <p>1. banks' reluctance to furnish loss data to outsiders;</p> <p>2. data-providers' reliance on news clippings as a source for collecting reported losses</p> <p>3. boundary issues in loss classification (like credit / market / operational risk etc.),</p> <p>4. the unsuitability to local conditions,</p>	One of the key elements in AMA model shall be relevant external loss data. Bidder should be able to make the data available, scale it to the Indian conditions as well as to our bank's requirements.

S No	RFP Clause Reference No	RFP page No	Key Requirement of RFP	Vendor Query	Bank Response
				5. banks' dilemma in relying on incomplete, unreliable data and on the subjectivity of data-providers 6. etc.,	
				2) Would the Bank be willing to change the said criterion to "the use of external loss data from CORDEX (the data pool consortium set up at the initiative of the Indian Banks' Association) as a more credible source suited for Indian conditions?"	
			Hardware Sizing	1. Periodicity of capital computation	As per RBI norms (presently quarterly)
				2. Number of loan Customers with the break-up of Retail, SME & Corporate	Corporate borrowers - Approx 1500 Retail - approx 13 lacs
				3. Expected annual increase in the number of loan customers (Retail, SME & Corporate separately)	5-10% p.a.
				4. Number of outstanding FACILITIES with the break-up of Retail, SME & Corporate	Corporate A/cs - approx 3000 Retail A/cs - approx 13 lacs
				5. Expected annual increase in outstanding FACILITIES (with the break-up of Retail, SME & Corporate)	5-10% p.a.
				6. Average number of collaterals per customer	minimum 1
				7. Number of rating models (both obligor & facility rating models) with the break-up of Retail / SME / Corporate	At present Bank has got 15 obligor rating models for rating of all accounts with exposure (FB+NFB) more than Rs. 25 lacs . LAPS is used for select Retail products.
				8. Average number of variables in each rating model	Approximately 300
				9. Number of Users with direct access to the following:	
				(a) the credit rating system;	HO level - approx 10, FGM/ZO level - approx 50, Branch level - all branches, presently approx 2200, may increase to approx 3000 by March 2013
			(b) the Basel II capital calculation	3 - 5 users	
			(c) for reporting purposes	3 - 5 users	
			10. Number of Concurrent Users accessing:		

S No	RFP Clause Reference No	RFP page No	Key Requirement of RFP	Vendor Query	Bank Response
138			Hardware Sizing	(i) the credit rating system;	Credit Risk: HO level - approx 10, FGM/ZO level - 20 Branch level - approx 300
				(ii) the Basel II capital calculation	2 users
				(iii) for reporting purposes	HO/FGM/ZO level - approx 50
				Operational Risk	
				11. Number of Locations	HO/FGM/ZO level - approx 100 Branch level - all branches, presently approx 2200, may increase to approx 3000 by March 2013
				12. Expected number of units per location	To be implemented Bank-wide. Bidder is to design the RCSA processes, KRIs alongwith other details as given in RFP
				13. Number of Processes per unit-location	
				14. Number of Risks per process	
				15. Number of Controls per process-risk	
				16. (a) Would evidence / document be attached?	
				(b) If Yes, the average size of the evidence / document	
				17. Number of Loss data entries per day	
				18. Number of KRIs per unit-location, unit	
				19. Growth per annum (%) in the number of records in	
				· Processes,	
				· Risks,	
				· Controls,	
				· Loss and	
				· KRIs	
20. Average number of Issues captured per day					
21. Total number of <u>Users</u> for each of the functionalities (RCSA / KRI / Internal Incident)					
22. Total number of <u>Concurrent Users</u> for each of the functionalities (RCSA / KRI / Internal Incident)					
Total Number of Users with direct access to reporting					
139	Section-3, Para 3.3 and 3.4	6	Eligibility Criteria for the Bidder	The criteria for Credit and Operational Risk solution should be relaxed to "should have been implemented or under implementation at atleast two public or private sector banks in India	No change in RFP clause

S No	RFP Clause Reference No	RFP page No	Key Requirement of RFP	Vendor Query	Bank Response
140	Para 4.1.5	9	Internal Capital Adequacy Assessment Process (ICAAP), " Validation of ICAAP Policy..... Under pillar II risks as per RBI guidelines	Given the focus of the RFP on credit and operational risks under advanced approaches and given the wider coverage of ICAAP, we request the Bank to elaborate on the scope of ICAAP	As given in the RFP
141	Annexure III-A	39	Internal rating System/ S.No. 1-" The Bidder has the ability to customize and enhance the existing rating model of the bank	Please let us know the following:	
				· Number of existing credit rating models / scorecards under each segment, namely, Retail, SME and Corporate.	At present Bank has got 15 obligor rating models for rating of all accounts with exposure (FB+NFB) more than Rs. 25 lacs . LAPS is used for select Retail products.
				· Existing workflow	Data is entered in the rating software from the financial statements/loan process note
				Do they capture both obligor and facility ratings?	Only Obligor rating
142	Annexure III-A	39	Internal rating System/ S.No. 2-Non retail Rating models: The Bidder has the ability to provide rating models	As per Serial No.1, the Bank is said to have credit rating models in place whereas Serial No.2 requires the bidder to provide rating models. Please clarify	Details already in RFP. Bidder is required to customize and enhance the existing obligor Rating models, design facility rating models, in line with BASEL-II/RBI requirements - for all asset classes.
143	Annexure III-B	42	Capital computation System / S.No. 2-" The Solution should support.... Multiple jurisdictions	Does the Bank have presence outside India?	Yes
				We request the Bank to let us know the following:	
				1.Risk category	Low
				2. Name of Countries (i.e Overseas branches and overseas banking subsidiaries) to be covered-	Nil
				3 Approach to be followed (For CR whether STD or IMM ?) (For OR whether BIA or Std or AMA)	
				Credit Risk	NA
Operational Risk	NA				
144	Annexure-III B	46	Capital computation System / S.No. 51, 52. 53 & 54 – all related to Securitisation	(a) Does the Bank have an exposure to securitisation?	No
				If so, what is the role of the Bank (whether originator / sponsor / investor)?	NA

S No	RFP Clause Reference No	RFP page No	Key Requirement of RFP	Vendor Query	Bank Response
145	Annexure-III B	50	Capital computation System / S.No. 66– report "Capital Charge Credit Risk (Regulatory and economic)"	The Bank's RFP is for implementation of advanced approaches for credit risk under Basel-II / RBI guidelines (wherever applicable), <u>which are regulatory</u> . So we request the Bank to clarify on the need for capital charge for economic capital. As we understand, the Bank means it to be regulatory capital as per Basel II / RBI. Please clarify	Bank wants regulatory as well as economic capital computation. No change in the RFP clause
146	Annexure-III C	54	Operational Risk Management System / S.No. 19 -The system Should be capable of supporting different RCSA methodologies	We request the Bank to elaborate on the methodologies.	Bidder to suggest methodologies which shall be mutualised with the selected bidder.
147	Annexure-III C	58	Operational Risk Management System / S.No. 54 - System should be able to compute gross income for different business lines	Does the Bank have business logic along with mapping to compute gross income across business lines?	Business logic is available as per RBI guidelines, not yet mapped in the system
				Does the Bank need capital calculation as per the Standardised Approach (TSA) for Operational Risk?	Both for TSA as well as AMA
148	Reference – Section 3.4, Page 6	1		In light of the data consortium being set up by the IBA, is the Bank interested in India specific loss database or is the Bank willing to invest in a global database, which may not find acceptance with RBI, pending any guidance on this matter from RBI. Most Banks that have opted for implementation of Operational Risk Management system are not certain of the RBI's stance on a loss data repository of global events. Hence they have all requested for integration with CORDEX rather than a loss data repository. In light of this we would request the Bank to remove eligibility criteria 3.4 (3).	One of the key elements in AMA model shall be relevant external loss data. Bidder should be able to make the data available, scale it to the Indian conditions as well as to our bank's requirements.

S No	RFP Clause Reference No	RFP page No	Key Requirement of RFP	Vendor Query	Bank Response
	Reference – Section 6, Page 13	2		The payment terms indicated by the Bank are significantly back ended. We would request the Bank to review these terms, especially the Hardware, OS and RDBMS payment terms as these components have to be procured through third parties that expect front ended payments.	No Change in the RFP Clause
149	Clause 10.2 related to liquidated damages for failure to meet SLA.	3		The liquidated damages claim should be attributable to the bidder's actions and there should be a maximum cap on the damages to be paid.	The overall cumulative total penalty under this assignment shall not exceed 100% of the order value.
150		4		Do the OS, RDBMS and Hardware providers also need to provide the letter as per the format in Annexure IV on Page 63?	It is required from RDBMS and Hardware providers
151		5		Is the Bank open to any brand of hardware, Tape libraries, Firewall, Modem, routers & switches? Please clarify preferences for the same, if any.	Bank is open to all brands. However bidder to maintain the required uptime and performance criteria.
		6		Does the bank have an enterprise wide Database (Oracle and SQL Server) and Windows OS license which can be leveraged for the implementation of the Operational and Credit Risk Management software? Please share which enterprise wide Database license is already available with the Bank.	Bidder to provide necessary RDBMS with required number of licences

S No	RFP Clause Reference No	RFP page No	Key Requirement of RFP	Vendor Query	Bank Response
152		7		<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 Operational and Credit Risk Management software.</p> <ul style="list-style-type: none"> - Existing Backup solution used by the Bank. - Existing SAN infrastructure - Existing Network Monitoring System - Existing patch management/application solution used by the Bank - Existing replication tool - Existing Firewall, Routers & Switches - Existing leased line connectivity between the production and DR. 	Bidder to provide all necessary Software, Hardware, RDBMS and Networking equipments and existing infrastructure of the Bank will not be made available for the proposed solution. Bank will only provide the necessary rack space for placing the rack and mounting the equipments in the DC & DR sites of the proposed solution.
		8		DR Site location	Bank's DC site is at Bangalore and DR site is at Kolkata
153		9		Is SAN storage mandatory or we can propose NAS or local server storage?	Bidder has to propose the architecture and maintain required uptime and performance criteria mentioned in our RFP.
154		10		In our experience, we have observed that some Banks use a scaled down hardware configuration for Disaster Recovery as compared to the Production Environment. Please clarify if the disaster recovery environment has to be same as the Production Environment.	DR site infrastructure should be identical to DC site
155		11		Is the Bank open to any OS and RDBMS? Please clarify preferences for the OS & RDBMS, if any.	Bank is open to all brands. However bidder to maintain the required uptime and performance criteria.
		12		Does the bank require redundancy of Firewall, Routers and Switches?	Bidder has to propose the architecture and maintain required uptime and performance criteria mentioned in our RFP.
				Sizing inputs for Operational Risk System	
				Number of Locations and expected annual growth	Bank-wide
				Expected number of function per branch	Shall be discussed with the selected bidder.
				Processes per unit-location	Shall be discussed with the selected bidder.

S No	RFP Clause Reference No	RFP page No	Key Requirement of RFP	Vendor Query	Bank Response
156		13		Risks per process	Shall be discussed with the selected bidder.
				Controls per process-risk	Shall be discussed with the selected bidder.
				Would evidences be attached? If Yes, the average size of an evidence	Shall be discussed with the selected bidder.
				Loss data entries per day	Shall be discussed with the selected bidder.
				KRI's per unit-location, unit, Global	Shall be discussed with the selected bidder.
				Total number of users and expected annual growth	Operational Risk: HO/FGM/ZO level - approx 100, Branch level - All branches, presently approx 2200 may increase to approx 3000 by March 2013. Expected annual growth - 10%
				No of concurrent users	HO level - approx 2, FGM/ZO level - 5 Branch level - approx 100
157		14		Sizing Inputs for Capital Computation System	
				Computation Frequency? Monthly/Quarterly	As per RBI norms (presently quartely)
				Number of Retail Contracts	approx 13 lacs
				Number of Corporate Contracts	Approx 3000
				Number of outstanding facilities (Retail)	approx 13 lacs
				Number of outstanding facilities (Corporate)	Approx 3000
				Expected yearly increase in Retail Contracts	Approx 10%
				Expected yearly increase in Corporate Contracts	Approx 10%
				Expected yearly increase in outstanding facilities (Retail)	Approx 10%
				Expected yearly increase in outstanding facilities (Corporate)	Approx 10%
Average number of securities per account	minimum 1				
No of users and expected annual growth	Approx 10%				

S No	RFP Clause Reference No	RFP page No	Key Requirement of RFP	Vendor Query	Bank Response
158		15		Sizing Inputs for Internal Rating system - Corporate	
				Average number of Corporate assessments per year	Approx 3000
				Number of facilities (Corporate)	Approx 3000
				Levels of assessment	At Branch level/ZO level/HO level
				Total number of users (Corporate assessment)	HO level - approx 10, FGM/ZO level - approx 50, Branch level - all branches, presently approx 2200, may increase to approx 3000 by March 2013
				Number of branches	Approx 2200
				Industry assessments per year	Presently 74
				Expected increase in users per year (%) of Corporate Assessments	Approx 10%
				Expected growth per year (%) of Corporate	Approx 10%
				159	
No of retail products	Approx 20				
Expected yearly increase	10-20%				
No of existing accounts	Approx 13 lacs				
Expected yearly increase	Approx 10%				
No of users	HO level - approx 10, FGM/ZO level - approx 50, Branch level - all branches, presently approx 2200, may increase to approx 3000 by March 2013				
Expected yearly increase	Approx 10%				
No of concurrent users	HO level - approx 10,FGM/ZO level - approx 20, Branch level - approx 300				
Expected yearly increase	Approx 10%				
No. Level(s) of assessment/approval (How many levels of checkers and maker combined)	Maker & Checker at Branch level, ZO level & HO level				
Maximum limit of retail application file size (Large file size will impact the storage size and bandwidth utilization, hence a maximum size restriction is necessary)	Can not be ascertained as of now				
Will the file uploaded / stored uniquely for maker and checker (Y/N)?	Yes				
160					

S No	RFP Clause Reference No	RFP page No	Key Requirement of RFP	Vendor Query	Bank Response
161				Whether Integrated solution for Pillar I (Advanced Approach/Standardised Approach) & Pillar II (IRRBB,Liquidity Risk,Stress testing & Concentrated Risk etc.) be considered for evaluation, if the implementation in two PSU banks has been carried out module wise and not in totality	No change in RFP clause
162				Whether the Straight Through Processing for CBS to Basel II solution without manual intervention will be preferred to another solution that requires substantial data preparation activity	Straight through processing from CBS to Basel II solution without manual intervention is required.
163				For computing Counterparty Credit Risk for OTC derivatives an integration of the Bank's Market Risk Module/database will have to be carried out with the proposed application. In that case whether an application that supports even Market Risk Capital Charge (all approaches including ALM) in addition to Credit & Operational Risk Capital Charge will be preferred over stand alone system for Credit Risk & Operational Risk.	The RFP is only for Credit Risk and Operational Risk.
164				Whether an application that supports both Standardised and Advanced approaches for Credit & Operational Risk will be preferred over an application that is exclusively meant for advanced approaches.	
165				Disaster Recovery Site will be at Kolkata or outside Kolkata ?	Bank's DR site will be at Kolkata
166	Section-3, Para 3.5	6	Eligibility Criteria for the Bidder	Average revenue of the bid consortium is Rs. 50 Cr. - Can it be reduced to Rs.20 Cr	No change in the RFP clause.
167	Section-3, Para 3.3(1)	6	Eligibility Criteria for the Bidder	Two Public Sector Banks- whether Bank is asking for Credit Rating Solution or Credit Risk Management System ?	No change in the RFP clause.

Bank has modified Annexure VI Table-1, Table-2 & Table-3 to be read as Commercial Bid. The Bidder has to submit the price in the modified Commercial Bid which is enclosed herewith.

The **last date of submission of Bid document for Implementation of Credit & Operational Risk Management Systems for** Advanced Approaches under Basel-II which was originally 16/02/2011 is hereby **extended up to 04/03/2011 at 4.00 PM**

All other terms & conditions of the RFP No. RM/1699/2010-11 dated 10/01/2011 will remain unchanged.