National Bank for Financing Infrastructure and Development (NaBFID)

CORRIGENDUM - 2

REQUEST

FOR

PROCUREMENT AND MANAGEMENT OF CLOUD-BASED INTEGRATED TREASURY AND ASSET LIABILITY MANAGEMENT SYSTEM

Ref: NaBFID/01RFP/08.06.2022 dated 08th June 2022

1. Schedule of Events, SL no 6 Last date and time for Bid submission indicated on the page 2 of the RFP is modified as under:

Original	Modified
Up to 3:00 PM on 30th June 2022	Up to 3:00 PM on 7th July 2022

The Last date and time of Bid submission has been extended up to 7th July 2022.

2. Schedule of Events, SL no 8 Date and time of opening of Technical Bids indicated on the page 3 of the RFP is modified as under:

Original	Modified
4:30 PM on 30th June 2022 at following address: 7th Floor, Conference Room, SIDBI Building, Swavalamban Bhavan, C-11, G-Block, Bandra-Kurla Complex, Bandra (East), Mumbai – 400051 Authorized representatives of Bidders may be present during opening of the Technical Bids. However, Technical Bids would be opened even in the absence of any or all of the Bidder representatives.	4:30 PM on 7th July 2022 at following address: 7th Floor, Conference Room, SIDBI Building, Swavalamban Bhavan, C-11, G-Block, Bandra-Kurla Complex, Bandra (East), Mumbai – 400051 Authorized representatives of Bidders may be present during opening of the Technical Bids. However, Technical Bids would be opened even in the absence of any or all of the Bidder representatives.

The Date and time of opening of Technical Bids has been extended up to 4.30 PM 7th July 2022.

3. Service providers obligations point 36 (vi) in page no 29 is modified as under:

Original	Modified
Without NaBFID's prior written permission, Service Provider shall not store or share NaBFID's materials including Confidential Information outside the geographical boundary of India or in/with a public cloud.	Without NaBFID's prior written permission, Service Provider shall not store or share NaBFID's materials including Confidential Information outside the geographical boundary of India.

4. Appendix B, Bidder Eligibility Criteria SL no 1 indicated on the page 50 of the RFP is modified as under:

Original	
Eligibility Criteria	Documents to be submitted
The Bidder must be an Indian Company/ LLP /Partnership firm registered under the applicable Act in India	Certificate of Incorporation issued by Registrar of Companies and full address of the registered office along with Memorandum & Articles of Association/ Partnership Deed.

Modified	
Eligibility Criteria	Documents to be submitted
The bidder must be a Government Organization / PSU / PSE / partnership firm / LLP or limited company.	Certificate of Incorporation issued by competent authority and full address of the registered office along with Memorandum & Articles of Association/ Partnership Deed.

5. Appendix B, Bidder Eligibility Criteria SL no 4 indicated on the page 50 of the RFP is modified as under:

Original	Modified
The Bidder should be a profitable organization on the basis of profit before tax (PBT) for at least 02 (two) out of the last 03 (three) financial years mentioned in para 2 above.	The Bidder should be a profitable organization on the basis of profit before tax (PBT) for at least 02 (two) out of the last 03 (three) financial years mentioned in SL no 3 above.

6. The flowing additional Functional criteria in Annexure 2 Page no 70 is to be added to cover the functional requirements of ALM system

S.No.	Functional Requirements	Priority	Bidder meets requirements		
			Pre-configured	Customization	Third-party service
17	**Asset Liability Management System**				
17.1	Capability to provide liquidity gap reports (Structural Gap Report) Short Term Dynamic Gap Reports and interest rate gap/sensitive reports	1			
17.2	Capability to calculate LCR and NSFR	2			
17.3	Capability to aggregate data from all systems like Treasury, CBS, Finance for preparation of the liquidity Statements	1			
17.4	Ability to conduct liquidity stress tests/ scenario testing of projected inflows and outflows. Outflows to include devolutions due to contingent liabilities. Stress scenarios to be applied on static liquidity gap positions.	1			
17.5	Ability to calculate concentration risk of liabilities = (High value customer term deposits/ bonds to Total Assets) and (Top 20 bond/ term deposit holders to Total Assets). High value customer deposits are defined as term deposit of value greater than or equal to Rs. 10.0 million.	1			
17.6	Ability to calculate liquid assets as defined by the Bank comprising cash, current account balances with banks, units of Mutual Funds, call/ notice/ term money lending upto 30 days, unavailed refinance from RBI, money market instruments, corporate bonds rated AA & above.	1			

The modified Annexure 2 is appended below.

Functional requirement evaluation:

- The bidder is required to answer with Yes/No against each requirement.
- The scoring for the functional requirement will be done in the following way:
  - For each functionality the bidders will be given a score of 3 (Pre-configured), 2 (Customization), 1 (Third-party service), or 0 (not available)
  - The total scores for the bidders will be calculated by adding the scores for each functionality
  - The percentage scores will be calculated by dividing the bidders' scores from the maximum possible score
  - The percentage score will be multiplied by 20 to give a score out of 20 in the technical evaluation

S.No.	Functional Requirements	Priority	Bidder meets requirements		
			Pre-configured	Customization	Third-party service
1	**Asset class exhaustiveness**				
1.1	The ability to support asset classes such as mutual funds, bonds, money markets, fixed incomes, Venture Capital Funds / Alternative Investment Funds, and cash equivalents, etc.	1			
1.2	The ability to support asset classes such as forex, equities, derivatives including Credit derivatives like CDS CDOs, etc.	2			
2	**Full Trade Lifecycle Support**				
2.1	Pre- and post-trade functions across all asset-classes	1			
2.2	Control of Trade	1			
2.3	MTM calculation for all asset classes and open positions as per RBI/FIMMDA/FEDAI valuations	1			
2.4	Functionality for valuation of Corporate Bonds including and Bond with Options as per FIMMDA guidelines.	1			
2.5	Profit and Loss (P&L) And Cash Management	1			
2.6	General Accounting Capabilities	1			
2.7	Check Short-Selling.	2			
2.8	Cater to Any of The Product in The Financial Market and Capable of Catering to New Products as And When Allowed by Regulators	2			
3	**Derivative Products**				
3.1	The system must be able to price and capture all types of derivative products including but not limited to Options, Interest rate swaps (IRS) Credit Default swaps (CDS) Structured products.	2			
3.2	The system must be able to do valuation/ MTM calculations and Collateral management under CSA for all derivatives products including but not limited to Options, Interest rate swaps (IRS) Credit Default swaps (CDS) Structured products.	2			

3.3	Margin Calculations and Dispute Redressal Mechanism (Dispute Redressal Mechanism Is for The Differences in Margin Calls for Credit Support Annex (CSA)	2			
3.4	The system should have the flexibility to record the Arrangements with Interbank Counterparties and Central Clearing counterparties for accounting of the collaterals which The Collateral Module Is Expected to Generate Based On MTM	2			
3.5	The system can pass necessary accounting entries, generate cash flows and payment messages for all derivative products including but not limited to Options, Interest rate swaps (IRS) Credit Default swaps (CDS) Structured products.	2			
3.6	The system can calculate all risk limits for derivative products including NOOP, PV01/DV1 VAR, option greeks, etc.	2			
3.7	The solution must be highly customizable for configuration and addition of any new derivative products including but not limited to Options, Interest rate swaps (IRS) Credit Default swaps (CDS) Structured products.	2			
3.8	P/L of derivative position (Calculation based on trade date rather than settlement date)	2			
4	**Integrated workflow capabilities**				
4.1	Integration and Synchronization with External Systems, Third-Party Execution Platforms or Service Providers (e.g.: for trade booking with DS-OM, TREPS, Reuters dealing system, Bloomberg dealing system, etc.)	1			
5	**Reporting**				
5.1	Support for both Internal and External (Regulatory) Reporting Capabilities Involving BI	1			
5.2	Real Time Data Aggregation	1			
5.3	Real Time Noop (Net Overnight Open Position), AGL (Aggregate Gap Limit) & IGL (Individual Gap Limit) calculations	1			
5.4	MIS Support for Report Generation	1			
5.5	Transaction Level Reporting. Etc. Preferably Out-Of-The-Box I.E. Without Using Any Third-Party Services/Applications.	1			
5.6	System Should Be Capable of Designing and Generating Ad-Hoc Reports/ User Defined Reports By NaBFID Officials Through A User-Friendly Interface/ Mis Module.	2			
5.7	System should be capable of generating reports in case month-end or quarter-end falls on Sundays or pre declared public holidays	1			
6	**Portfolio/Positioning Management**				
6.1	Ability to Offer Functions and Features for Better Portfolio and Positioning Management Such as Real-Time Monitoring, Trading Activities, Dashboards, etc.	1			
7	**New Asset Addition**				
7.1	Ability to Introduce A New Asset and Address Its Need of Configuration	2			
8	**Regulatory compliance**				
8.1	The system must be highly flexible and configurable for introducing new products processes and solutions as per emerging market trends and regulatory requirements.	1			

8.2	The system must be IGAAP compliant with support for configuration of multiple accounting and classifications based on regulatory requirements, generation of reports based on these accounting subsets, and classifications in the same primary system.	1			
9	**Process, settlement, and clearing**				
9.1	Handle Connections with Different Settlement/Clearing Systems	1			
9.2	Generation of Deal Confirmation Messages and SWIFT Messages.	1			
9.3	STP For Inward Swift Message Processing and Outward Swift Message Generation.	1			
9.4	SWIFT Message Generation Module Containing Complete Message Format Generation for All Type of Messages (Not Only Treasury Messages).	1			
9.5	Accounting entries must be posted on a real time basis to NaBFID's systems and before the corresponding SWIFT messages are generated.	2			
10	**Audit Trail and reports**				
10.1	Audit Trail Reports and Record Post Audit Data.	1			
10.2	Ability for generations of application-level logs for security	1			
11	**Integration with NaBFID systems**				
11.1	Regulatory database (like PAN etc) for validation purposes e.g., CBS, EXIM BILLS, Payment Gateways, SWIFT Gateways, etc.	1			
11.2	Support for auto reconciliation of data with NaBFID's other systems like CBS, Trade Module, Swift, and Payment Gateways, and notifications for any exceptions/mismatches	2			
12	**Forex Merchant**				
12.1	Facilitate merchant trades done through Forex enabled branches by providing Forex Rates	2			
12.2	Reporting of Forex Transactions to Dealing Room for Cover	2			
12.3	Limit management of bookings done directly with Treasury by customers	2			
12.4	Entire life-cycle management of forward contracts, PCFC, Bills etc.	2			
12.5	Other forex merchant products and to improve Treasury Business using asset-wise / customer-wise automatic margin additions etc.	2			
12.6	Maintenance of customers at NaBFID (CIF) level with seamless integration with NaBFIDs CBS and Trade Finance Modules for real time data analysis	2			
12.7	Solution must be highly customizable for configuration and addition of new products and rules	2			
12.8	All retail and trade transactions are expected to be covered	2			
13	**Risk Management including Market Risk**				
13.1	Real-Time Risk Assessment Capabilities	1			
13.2	Capabilities to Monitor Various Treasury/ Risk Management Limits as Per NaBFID's Limit Management Framework (capabilities to assess, compute the impact of interest rates, macroeconomic variables on NaBFID's portfolio, Counterparty Limits, PV01 Limits etc)	1			
13.3	Stress-Testing Tools	1			

13.4	Capabilities of deal-level Var generation, Var And Enterprise Var (Evar), Stress Var Etc.	1			
13.5	System Should Be Having Capabilities to Compute Var/ Expected Shortfall by Monte Carlo Simulation	1			
13.6	Back-testing with clean Back-testing and Dirty Back-testing Capabilities	1			
13.7	Forward Guidance Along with Limit Management.	2			
13.8	Performance Analysis Capabilities (Sharpe ratio, Information Ratio, Sortino Ratio, Jensen Alpha, Treynor measure)	1			
13.9	Portfolio optimization (through (i) Efficient frontier portfolio (ii) Minimum variance portfolio (iii) Optimal portfolio & other methods)	1			
13.10	What-if & Regression analysis	1			
13.11	Model validation module	1			
13.12	Capabilities for computation of RAROC	1			
13.13	Maximization of Economic Value Addition (EVA) and RAROC with allocated and consumed capital	1			
13.14	Analytical capabilities pertaining to Capital Planning	2			
13.15	Financial Planning capabilities	2			
13.16	Risk Budgeting and Performance Measurement System	2			
13.17	Capability to Capture riskiness through Greeks, SA-CCR, CVA & DVA, FRTB…	1			
13.18	Beta of the equity portfolio	2			
13.19	Liquidity Risk management (Gap Statements, Liquidity forecasting and expected shortfall)	1			
13.20	Rate Scan for all products	1			
13.21	Hedge effectiveness module	1			
13.22	Multi-currency IRRBB models	2			
13.23	Reverse Stress testing models (qualitative and quantitative) for Market Risk	1			
13.24	Framework for computation of market illiquidity for the securities, derivatives, and forex positions	2			
13.25	Capital Computation as per both Basel II & III	1			
14	**Nostro Reconciliation**				
14.1	Nostro Reconciliation module with an automated, real-time multi-way, multi-transaction model that helps to monitor and manage transactions with swift, RTGS, NEFT, and other payment gateways	1			
14.2	Mirror transactions module with the capability to account for incoming swift messages and generate swift messages for queries etc. is expected.	1			
15	**Record retention**				
15.1	System should be capable enough to store the records as per NaBFID's policy of record retention at present 10 years.	1			
15.2	Functionality to purge Matured deals and retrieve conveniently.	1			
15.3	Archived schema for matured and purged data.	1			
16	**Miscellaneous**				
16.1	Integration capabilities with NaBFID's Single Sign On/ADS for authentication	2			
16.2	Availability of downloadable manuals for internal distribution amongst end users.	1			
17	**Asset Liability Management System**				
17.1	Capability to provide liquidity gap reports (Structural Gap Report) Short Term Dynamic Gap Reports and interest rate gap/sensitive reports	1			

17.2	Capability to calculate LCR and NSFR	2			
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17.6	Ability to calculate liquid assets as defined by the Bank comprising cash, current account balances with banks, units of Mutual Funds, call/ notice/ term money lending upto 30 days, unavailed refinance from RBI, money market instruments, corporate bonds rated AA & above.	1			

Note: Please note that the "2" features shall be without any additional cost, as and when required by the Bank.