



Request for Information

For Selection of solution provider for
New IT initiatives of

COASTAL LOCAL AREA BANK
Vijayawada | Andhra Pradesh

RFI No: CLAB_21-22_RFI01

Date of Issue: 4th October, 2021

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1 Basic Information

Description	Remarks
RFI reference no & date	CLAB_21-22_RFI01
RFI release date by Coastal Bank	04-Oct-2021
RFI submission date by Vendors	12-Oct-2021 by 5 pm
Contact details	<p>Suresh Agarwal Chief Technology officer cito@coastalareabank.com</p> <p>T Venkata Rangaiah AGM – IT tvr@coastalareabank.com</p>
Address of the bank	<p>Coastal Local Area Bank Ltd Corporate office #59-12-6, Grace Lane, Gantasalavari Street, Gayathri Nagar, Vijayawada – 520 008.</p>
Website	https://www.coastalareabank.com/



2 Introduction

2.1 About Coastal Bank

Coastal Bank is the first Local Area Bank licensed by Reserve Bank of India in 1999 and commenced its operations from 27th December 1999. The Bank is proud of celebrating its existence for more than two decades.

Coastal Bank is directly regulated by Reserve Bank of India. The Bank is subjected to regulatory supervision and control. The Bank complies with all supervisory advices/guidance.

With strong footing established in the current 5 districts, bank is well poised to expand its reach. Bank has plans to grow the business mix from the current Rs.1154 Crores (as on 31-Mar-2021) to an aggressive ten-fold figure in the next five years if full commercial license is obtained, else to at least double the numbers by 2025. To achieve this target the bank's processes and IT landscape should also be enhanced, keep pace with the growth vision, moving to more digitized processes, handling large volumes of clients with a linear expansion in staffing and lower operational costs.

The current data of the bank is provided below:

Particulars	Current data
No of Branches	50
Total Customer base	369000
Total Deposit accounts	310800
Deposit volume	INR 600+ crores
No of Loans & Advances	60835
Loans & Advances volume	INR 500+ crores
Total no of Employees	328
ATMs	45
Average transaction per day per ATM	160
Rupay Debit card	35000

Strengths of the bank

- Started as a local area bank and now expanded to 5 districts in the state of Andhra Pradesh (Krishna, Guntur, West Godavari, East Godavari and Visakhapatnam).
- Strong franchise in rural and semi urban areas of coastal districts of Andhra Pradesh.
- Strong focus on loans to agriculture, micro & small enterprises and women borrowers. 75% advances to priority sector and 58% of borrowers are women.
- Excellent customer service with local flavor with digital banking services like mobile banking, RuPay cards, ATM / CDMs.
- Professional management, under the guidance of well experience board.
- Well regulated by Reserve bank of India, ring-fencing bank management from ownership.
- Strong, safe, sound , secure and liquid.



2.2 RFI Overview

This Request for Information document (RFI) is issued solely for the purpose of enabling Coastal Bank to invite the vendors for the Request for Proposal (RFP) stage for supplying the required application software as described in **Section 3. Scope of work** below. This RFI document is neither an offer letter nor a legal contract, but an invitation to express the interest in participating in bank's RFP process. There is no contract obligation on behalf of Coastal Bank whatsoever shall arise from the RFI process. The bank may modify any / all the terms of this RFI document and shall be entitled to invite RFP from the eligible bidders.

3 Scope of work

Coastal bank is currently using a Core Banking system (CBS) implemented under the ASP model. It covers the provision and management of CBS application and branch server. CBS covers the modules like CASA management, Deposit management, Funds transfer, Loan management & Accounting.

Considering the volumes and the growth, Coastal bank has identified few areas of digital transformation and the automation process. Bank is looking out for a Cloud based hosted model to transform their current process to next-gen digital process.

The new IT initiative should leverage the raise of digital transactions, increased complexity of data and digital content, greater focus on the customer, greater opens to multi-tenancy environments and blurring silos within the bank.

The Broad Scope of work for the solution includes but not restricted to the following:

3.1 Liability and Loan origination process & Digital makeover

Coastal bank is looking for workflow based robust original platform to support their customer onboarding and credit analysis process. The workflow framework should be capable of handling multiple product lines with business rules inherited in it. It should be a user-driven dynamic workflow to create new process on the fly and modify existing process without any dependency on the product vendor.

The origination platform is expected to support initiating both Asset and Liability products of Coastal bank. The tablet and mobile banking layer should be built for the field officers of the bank. It should support the multiple product lines like Gold loans, Personal loans, JLG loans, Corporate loans, Mortgages, etc. Broadly, the origination platform should have these capabilities:

- Customer onboarding
- eKYC, videoKYC, e-verifications
- Credit bureau check



- Deposit / Loan simulations (from CBS)
- Signature scanning
- Documents imaging and storing
- Loan application processing
- Financial statement upload
- Financial analysis and Financial ratios
- Collateral details
- Existing customer credentials
- Credit analysis & Scoring
- Automatic limit calculation
- CAM generation & underwriting
- Various levels of authorization
- Setting up Liability central processing (LCPC)

The origination system should be supported by Tablet banking & Mobile banking layers meant for the Field officers and Relationship managers. It should provide unified environment across the system and the channel. The tablet / mobile version should also be capable of,

- Interfacing with Biometric scanning, credit bureau, QR code scanning and e-signature
- Customer photograph, document scanning and upload
- Geo tagging
- Application scanning, inbuilt OCR scan is preferred
- Instant repayment calculator from the base system
- Underwriting and authorization
- Seamless flow of data from Origination system

3.2 Customer digital banking Channel

With a customer base of 370k, Coastal bank is looking in to Net banking portal and Mobile banking to cater to the needs of Account management and deposit management.

Ideally the internet banking and the mobile version should go hand-in hand with uniform customer experience in terms of single-sign on, GUI, features and the processing. The solution should support single configuration for desktop, mobile and support Android, IOS.

Both net banking and mobile banking should provide the following features from the retail segment perspective as a digital layer for the existing CBS.

- **Profile details:** Address change, Password management, OTP management
- **Account related:** Account summary, Mini statement, Full statement downloadable in HTML or Excel format
- **Deposit:** Deposit opening, FD enquiry, TDS enquiry, Form 15H/G, Interest statement download
- **Cheque related:** Cheque book request, Cheque status enquiry, Cheque hold
- **Fund transfer** – within accounts, beneficiary inclusion, same bank transfer, external bank transfer, utility payment transfer – Interface through NEFT, RTGS, IMPS



- **Integration:** Real time integration with CBS platform
- **Loans:** Loan summary, Repayment schedule / payments view, Loan repayment through own bank or external account.

3.3 Human Resource Management System

Coastal bank is looking out for a full-fledged HRMS that manages the employee master, attendance management and the payroll. It will be integrated with CBS and the proposed Origination platform.

- Employee master, Hierarchy setup, Salary structure and holiday management
- Recruitment process
- Employee management – Attendance, Leave, expenses, resignation, appraisals, etc
- Payroll management along with statutory requirements
- Employee KRA, Incentives calculation and management

3.4 Data analytic tool for MIS reports

Coastal bank is looking out for an advance Data warehouse / data analytics platform.

- Sourcing of data from all source systems, both existing and new systems, including mobile, net banking portals, HRMS staff performance data, origination platform and core banking. Seamless integration with the base systems.
- Normalization of the sourced data for various reporting purposes.
- Providing an analytics platform for creating various reports, scheduled/adhoc.
- Reports could be for regulatory reporting, legal, financial, daily CIBIL reporting, MIS for branches and Management, sales/marketing, performance reports etc.,
- Management reporting with real-time interactive dashboards.
- Personalized view of data for each group

4 RFI response

4.1 General

- Bidders are required to direct all the responses related to this RFI, through the nominated Point of Contact persons mentioned below. No oral or telephonic enquiry or clarifications would be entertained.

Contact Person	Mr Suresh Agarwal	T Venkata Rangaiah
Designation	Chief Technology Officer	AGM(IT),
Email ID	cito@coastalareabank.com	tvr@coastalareabank.com

- The solution should be a hosted model in the cloud either as SaaS/PaaS or ASP model.



- c. The bidder can respond to this RFI for a single solution or multiple solutions. Each solution should be proposed separately in one technical and commercial response document.
- d. Coastal bank may, in its absolute discretion, seek additional information or material from any bidder after the RFI closes and all such information and material provided will be taken to form part of that bidder's response.
- e. Bidders should provide details of their contact person, telephone, fax, email and full address(s) to ensure that replies to RFI could be conveyed promptly.
- f. RFI Response should be received by Coastal bank only through the email mentioned above not later than the time and mail mentioned in 'Basic Information' section of this document. Responses received after the due date / time for submission of bid would be considered late and shall not be accepted.
- g. Any form of canvassing/ lobbying/ influence/ query regarding short listing, status etc. will result in disqualification of the bid.
- h. The bidder should respond the RFI, submitting Technical and Commercial proposals as separately.

4.2 Technical Proposal

The bidder should submit the Technical proposal including the following aspects:

- a. Full list of the software / hardware that is part of the solution with breakdown details – List of software that is supplied by the bidder in scope of the proposal, List of software to be included or which are mandatory for normal operation of the solution are not the bidder's immediate property. The architecture of the product software, interfacing capability to be explained.
- b. Completed worksheet describing functional and technical requirements of solution offered as per **Section 3. Scope of work.**
 - Liability and Loan origination process & Digital makeover
 - Customer digital banking channel
 - Human Resource management system
 - Data analytic tool for MIS reports

The functional and technical requirements can be defined for each offering separately in single response document.
- c. Details as per Annexure 1 – Bidder details & Annexure 2 – Details of the major customers.
- d. Proposed implementation methodology and deliverables at each stage.
- e. List of assumption made during the completion of proposal and functional specification.



- f. Description of software implementation methodology and project management tool to be adopted during the implementation phase.
- g. List of customers who have purchased and implemented the software being offered as part of the solution during last three years, including brief description of success stories. Please mention the customers who are available for reference visit, and indicating those which may be visited without the vendor's participation.
- h. Bidder should clearly mention the hardware sizing required for each product to be hosted in the cloud. Proposal should have details of Web server, Apps server, DB server and storage requirements along with details on server model, RAM, HDD, cluster for all the environments including DRS. Bidder should also mention assumptions, if any, on the hardware sizing.

4.3 Commercial proposal

The bidder should submit the Commercial proposal including the following aspects:

- a. Bidder must provide commercial proposal in a single separate document quoting the price in INR including the GST and other taxes for each modules separately.
 - Liability and Loan origination process & Digital makeover
 - Customer digital banking channel
 - Human Resource management system
 - Data analytic tool for MIS reports
- b. Prices quoted by the bidder shall be fixed throughout their performance of the contract and shall not be subjected to any changes.
- c. Bidder must specify separately the software licence cost including expiry period, implementation cost, cost of third-party tools, support or warranty cost and annual maintenance cost for each product. Implementation cost should be inclusive of entire implementation lifecycle inclusive of data migration, training, UAT, integration with existing CBS, integration with other internal and external systems, etc
- d. Bidder should provide the total cost to the bank under ASP model for a required period. The pricing pattern can differ from one software solution to another.
- e. The bidder is requested to submit the person-month rate card for change management / post production support as part of the commercial bid for the change request process.
- f. The bidder will also be responsible for Cloud Service Provisioning Requirements, Data Management, Operational Management, Cloud Network Requirement, Cloud data centre specifications, Cloud Storage Service Requirements, Application Hosting Security, Cloud Hosting Security, Application Performance Monitoring (APM), Backup Services, Database Support Service and Helpdesk Support from Cloud Service Provider Managed Services.
- g. All the commercials and prices can be expressed in INR only.



5 Bidder eligibility criteria

This Request for Information and invitation of Bids is open to all bidders having presence in India provided they fulfil the minimum qualification criteria as mentioned below:

- a. The Company bidding for this RFI shall be a registered company in India under the Companies Act 1956. It should be a profit making company for atleast last two financial years. The company should have registered office and corporate office in India.
- b. The company shall have the experience of satisfactory operations of the required software in India for last three consecutive years. The company should have been in existence for at least 3 years as on March 31, 2021 in India.
- c. The product software proposed must have been implemented atleast in two Banks or recognized Financial Institution in India.
- d. The bids can be submitted either singly or in consortium. The Bidder / Lead Bidder or the Consortium partner as System Integrator (SI partner) should have been incorporated under Companies Act, 1956 and subsequent amendments thereto or substitutions thereof. Bidder / one of them should be ordinarily in the business of implementing software solutions. Bidder / One of them should also be ordinarily be in the business of cloud hosting.
- e. The Bidder should deliver and implement software which is a product licensed by them or should undertake the responsibility to deliver and implement as a system integrator for which a suitable letter from the company holding the license to the product would be necessary.
- f. Bidder should not have been blacklisted by any Government / Government agency / Banks or Financial Institutions in India in the past.

Only those who fulfil all the eligibility criteria as mentioned above would be short listed for further evaluation. Bids shall be furnished along with compliance to minimum eligibility and should contain detailed response to each of the above eligibility criteria along with documentary proofs as specified above.

6 Terms and conditions

- a. The Bidder shall bear all the costs associated with the preparation and submission of its bid. Coastal Bank will no case be responsible or liable for these costs, regardless of the conduct or outcome of the RFI process.



- b. Those bidders satisfying the eligibility criteria and technical requirements as determined by the Bank and accepting the terms and conditions of this document shall only be short-listed for RFP stage. Subsequent to the Bid evaluation, the bidders may be asked to make a presentation before the evaluation committee of the Bank.
- c. Coastal bank reserves the right to reject any or all the bids and the bank's decision would be final in this regard.
- d. Responses must be received by the Bank not later than the specified date and time. Any response received by the Bank after the deadline for submission will be summarily rejected.
- e. This RFI document is the property of Coastal Bank and this cannot be copied or used in any other manner except for the purpose of responding to this expression of interest notice or without written permission from the Bank. All the documents submitted along with bids shall also become the property of the Bank and retained by the Bank unless otherwise specifically mentioned.



ANNEXURE 1 – Bidder profile

Description	Details
Name of the bidder	
Bidder contact details and address for correspondence	
Organizational structure	
Main software product of the bidder	
Brand Name of the software product (s) the bidder is proposing along with the time period the bidder is engaged in implementing the respective solution (month & year)	
Turnover and Net profit of the organisation of consortium partner over the past 3 years as per the audited statement	
Total number of employees of the organization in India, out of which how many employees are working for the respective software proposed	
How many subject matter experts working on the respective software proposed	
Major support centre in India for the respective software proposed	



ANNEXURE 2 – Details of the major customer

Description	Details
Total no of customers in India and outside India for the respective software proposed	
Maximum no of users of the respective software proposed	
Top 5 customers who are using the respective software proposed along with duration of project timelines, live date	

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