

## **ECGC Limited**

### **Tender for Designing Enterprise Risk Management Framework and Consulting Services**

#### **Addendum & Corrigendum / Reply to queries**

#### **Reply to Queries**

1. Query – Change in Eligibility criteria, Point no. 2 - Request you to rephrase this as 'The Applicant should have minimum turnover of `Rs. 25 Crores per annum` in each of the past three financial years. It should have made profits in any 2 (two) of the past 3 (three) financial years. Past financial years are the complete financial years prior to the date of RFP.'

Reply - The Eligibility criteria will be according to the published tender with no change in the criteria.

2. Query – Change in Eligibility criteria, Point no. 10- The bidder must have at least 5 professionals as its employees with the certifications like CERA / CRM / PRM / FRM / RIMS Fellow/ NIBM/ IIBF/ ICAI/ GARP or any other internationally recognized certificate in ERM or Risk Management\* out of which at least 1 employee should be in the engagement team working on the assignment for ECGC.

Reply - The Eligibility criteria will be according to the published tender with no change in the criteria.

3. Query - Point 32: Scope of work, Module- 2B, Point v- Default Risk management. Please clarify on this point whether this also pertains to policy and process or the framework?

Reply – It pertains to both.

4. Query- Point 32: Scope of work, Module- 2E, Point i- Design an enterprise-wide and functional area level wise stress testing framework in line with global best practices and Regulatory guidelines. Clarification required on the levels of functional area, is this expected?

Reply- It should address the concerns at all levels of functional areas.

5. Query - Point 32: Scope of work, Module- 2E, Point ii- Develop a prototype functional area level wise stress testing tool using the available data which should also be used to engage with the Senior Management team, businesses and Risk team to socialize the results and impact. Please clarify on whether this pertains to excel or software tool?

Reply– Excel.

6. *Query - Point 32: Scope of work, Module- 2H, Point iv- Define the steps needed to industrialize the RAPM tool including data requirements and integration into systems and other tools, build vs. buy option and timelines and processes.*

*We understand the Vendor needs to industrialize the RAPM tool however; we are not sure about the second part- build v/s buy option, timeliness & processes. Please clarify.*

Reply – The tools are to be developed in Excel.

7. *Query - Point 32: Scope of work, Module- 2H, Point v- Support in implementation of IT platform to industrialize the RAPM tool, along with economic capital/ regulatory capital model.*

Reply – Full implementation.

8. *Query - Will the RFP response be evaluated by ECGC on their own or through the help of an appointed consultant?*

Reply – RFP Response will be evaluated by ECGC's internal Tender evaluation committee.

9. *Query - Does the company use rating models currently?*

Reply – Yes, Currently the company has deployed its own models in the underwriting stage.

10. *Query - Does the company archive historical data related to rating archives, Recovery data etc.?*

Reply – Yes.

11. *Query - What are the current risk management IT solutions used by the company?*

Reply– Excel.

12. *Query - Does the company have any statistical software license?*

Reply– Excel.

13. *Query - Does the company have any existing Risk dashboards and/or MIS reporting systems?*

Reply– Excel.

14. Query - During designing of the enterprise wide stress testing framework, do we have to benchmark with RBI stress testing guidelines?

Reply – Considering the unique nature of the Export Credit insurance business, the stress testing framework suitable for this sector would derive elements from both RBI and IRDAI guidelines.

### **Addendum & Corrigendum**

As per Clause 35 of the tender published tender document, the payment milestone is as follows:

#### **35. Payment Milestones**

*Payment will be released according to deliverables mentioned in the table below:*

<b>S.No.</b>	<b>Deliverables</b>	<b>Payment as per Commercial Bid</b>
1.	Completion of Phase 1	10% of cost
2.	Completion of Phase 2	20 % of cost
3.	Completion of Phase 3	50 % of cost
4.	Completion of Phase 4	20 % of cost

It is decided to change the payment milestones. The revised payment milestones are as under:

<b>S.No.</b>	<b>Deliverables</b>	<b>Payment as per Commercial Bid</b>
1.	Completion of Phase 1	10% of cost
2.	Completion of Phase 2	35 % of cost
3.	Completion of Phase 3	35 % of cost
4.	Completion of Phase 4	20 % of cost

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