

**Government of India
Ministry of Communications & IT
Department of Posts
Financial Services Division
Dak Bhawan, Sansad Marg, New Delhi- 110001**

Request for Proposal (RFP)

FOR

**STUDY TO DESIGN A ROADMAP FOR ESTABLISHING
POST BANK OF INDIA (PBI)**

OF

DEPARTMENT OF POSTS

TABLE OF CONTENTS

Description	Page No.
Disclaimer	3
Schedule for Submission of RFP	4
Notice Inviting RFP	5
Definitions	6
Section I	
Introduction & Objective	7
Scope of Work	8
Time Schedule for Partnership	8
Conflict of Interest	9
Confidentiality	9
Pre-qualification Criteria	9
Amendment of RFP Document	9
Clarifications to RFP	10
Criteria for Evaluation	10
Validity of RFP	11
EMD	11
Security Deposit	12
Section II	
Annexure I: Format for Submission of RFP	13
Annexure II: Format for commercials	14

DISCLAIMER

This request for RFP is not an offer by the Department of Posts, India, but an invitation to receive responses from eligible interested study and research institutions for partnering with Department of Posts to carry out a study to design a roadmap for establishing Post Bank of India (PBI).

No contractual obligation whatsoever shall arise from the RFP process unless and until a formal contract is signed and executed between Department of Posts, India and the bidder(s) concerned.

Department of Posts, India reserves the right not to proceed with the project.

Schedule for Submission of RFP

Event	Date
Availability of RFP Document at DoP Website	Up to 20 th March, 2010 1100 hours
Last date and time for submission of completed RFP document	25 th March, 2010 1500 hours
Opening of RFP	26 th March, 2010 1600 hours

The RFP document can be downloaded from the website: <http://www.indiapost.gov.in>. Alternatively, the document can also be obtained in person from **Assistant Director General (Banking Services)** Department of Posts Room No. 322, Dak Bhawan, Sansad Marg, New Delhi- 110001 on any working day between 1100 to 1600 hours up to 20th March, 2010.

The completed application (response document), containing two hard copies (printed, signed and bound copies) and one soft copy (on a non-rewriteable CD - An MS Word document (compatible with MS Word 97 / 2000) or an Adobe Acrobat PDF (compatible with Adobe Acrobat Reader 3.0 or higher)) of the RFP, should be submitted in a sealed cover super scribed with the title "Expression of Interest to carry out a study to design a roadmap for establishing Post Bank of India (PBI) ", before the last date and time at the following address:

Mr. Dinesh Kumar Sharma
Assistant Director General
(Banking Services)
Department of Posts
Room No. 322, Dak Bhawan,
Sansad Marg, New Delhi- 110001
Telephone 011-23096102

Late Applications: Any application received after the last date and time for submission for the same, i.e., 25th March, 2010, up to 1500 hours, shall not be accepted. Applications received after the last date shall be summarily rejected and returned unopened.

NOTICE INVITING RFP

**Government of India
Ministry of Communications & IT
Department of Posts
Financial Services Division
Dak Bhawan, Sansad Marg, New Delhi- 110001**

No. 113-27/2005-FS Vol. II

Dated: 11th March, 2010

**Request for Proposal to
Carry out a study to design a roadmap for establishing Post Bank of India
(PBI)**

Department of Posts, India invites applications for **Request for Proposal (RFP)** from experienced and reputed study and research institutions for partnering with Department of Posts, India to carry out a study to design a roadmap for establishing Post Bank of India (PBI).

Detailed terms and conditions are prescribed in the RFP document, which can be downloaded from the website: <http://www.indiapost.gov.in>. Alternatively, the document can also be obtained in person from Director (Financial Services), Room No. 332, Dak Bhawan, Sansad Marg, New Delhi- 110001 on any working day between 1100 to 1600 hours up to Up to 20th March, 2010.

The last date for submission of completed application, in a sealed cover super scribed "Request for Proposal to carry out a study to design a roadmap for establishing Post Bank of India (PBI). ", is 25th March, 2010 up to 1500 hours (IST). Applications would be opened on the same day at 1600 hours (IST) in the presence of available applicants or their representatives. The applications will be evaluated in accordance with the pre-qualification and evaluation criteria to shortlist applicants as prescribed in the RFP document.

**Assistant Director General
(Banking Services)**
Department of Posts
Room No. 322, Dak Bhawan,
Sansad Marg, New Delhi- 110001
Telephone 011-23096102

DEFINITIONS

“Applicant” means a reputed Indian/foreign study and research institutions having requisite experience in banking and finance who has applied for the RFP for partnering with Department of Posts, India to carry out a study to design a roadmap for establishing Post Bank of India (PBI). .

“Application” means the RFP submitted by an Applicant in the prescribed format.

“DoP” or **“India Post”** means Department of Posts, Government of India.

“RFP” means Request for Proposal.

SECTION I

Request for Proposal to Carry out a study to design a roadmap for establishing Post Bank of India (PBI)

1. INTRODUCTION & OBJECTIVE:

The proposal to set up the Post Bank of India (PBI) is under consideration in the Department. However, at present it is at conceptual stage. The aim of setting up PBI is to provide full banking services primarily to the rural poor who still do not have the privilege of modern banking facilities and still have to depend on the informal sector for their credit requirements.

1.1 BRIEF BACKGROUND:

Reasons such as more than 100 years of experience in handling POSB work, huge mobilization in savings schemes, large POSB customer base, nearly 40% manpower engaged in POSB work, change in macro-economic situation, trust the Department enjoys and the need to make Post Office network relevant to society in the changing scenario had led to carryout the study by the Departmental Committees for the creation of PBI. A Post Bank of India Committee chaired by the then Member (O&M) Dr. U. Srinivasa Raghavan was constituted in 2005, which submitted its detailed report visualizing PBI as a subsidiary commercial bank of Department of Posts that would provide customer friendly products and services and fill the gaps in POSB product portfolio including facility to avail loans, flexible accounts, etc. which is not available in POSB. Subsequently, another Committee headed by Ms. Yesodhara Menon, the then CPMG, Andhra Pradesh Circle formed in December 2006 to study the feasibility report submitted by the first Committee and look into other factors linked to creation of PBI. The Menon Committee submitted its report in March 2007 with the conclusion that PBI has to be established. It has suggested Phase-wise Approach having three phases from learning/growing phases to full-fledged bank phase. These reports are quite elaborative and look deep into the possibilities of setting up a Post Bank. However, still there are many issues such as Post Office Small Savings Schemes & Post Bank together or otherwise, provision of seed money for PBI, organizational structure of PBI, PBI relationship with Post Office, etc. which need to be addressed for establishing a Post Bank. Hence, it is of utmost importance that a professionally designed roadmap is prepared addressing all these issues including other aspects as well. Keeping this in view, it has been considered to engage a reputed professional institute to carry out a study for preparing a roadmap to create PBI.

2. SCOPE OF WORK:

2.1 The institution will be required to take the responsibility in respect of the following:

- To design a roadmap for India Post to set up a Post Bank.
- To discuss with other Post Bank's the best way forward for India Post Bank.
- To study the relevant case studies and provide appropriate models for India Post in the areas of objectives, organization structure, ownership pattern and relationship with the post offices.
- To suggest suitable operational guidelines in this regard.
- To suggest a model and roadmap for the transition phase and the sources of capitalization of the proposed Post Bank of India.
- To define the Terms of Reference for a Detailed Project Report for India Post Bank.

2.2 The institute may be required to employ suitable Methodology to carry out the proposed study, which may involve the following steps:

- Visit to select Post-banks along with officials of India Post for a study of their structures, systems and practices.
- Interact with India Post officials and Government of India officials.
- Workshop with select subject experts, policy makers and officials both in India and abroad.
- Prepare draft roadmap.
- Present draft roadmap to India Post and seek feedback.
- Prepare the final roadmap.

3. TIME SCHEDULE FOR THE PARTNERSHIP:

It is envisaged that the preparatory developments and arrangements related to all the aspects of the study including travel to foreign post banks for consultation should be completed within a period of 120 days.

Sl.No.	Description of Deliverables	Completion Target in Days
1.	<ul style="list-style-type: none">• Workshop with select subject experts, policy makers and officials in India including sectoral study.	30 days
2.	<ul style="list-style-type: none">• Visit to select Post-banks along with officials of India Post for a study of their structures, systems and practices.	60 days
3.	<ul style="list-style-type: none">• Prepare draft roadmap.	80 days
4.	<ul style="list-style-type: none">• Present draft roadmap to India Post and seek feedback including a workshop.	100 days
5.	<ul style="list-style-type: none">• Submission of final report	120 days

3.1 ESTIMATED COST OF THE STUDY PROJECT:

The estimated cost of the project to study the roadmap for establishing Post Bank of India is tentatively expected to be less than Rs. 50 lakh.

4. CONFLICT OF INTEREST:

The selected applicants shall not engage in activities that conflict with the interest of the DoP under the contract and nor would they engage in any assignment that would be in conflict of interest with their current obligations to the same or other clients. The selected applicants that have a business or family relationship with such members of DoP staff who are directly or indirectly involved in the project will not be awarded the contract.

5. CONFIDENTIALITY:

Information relating to the examination, clarification and comparison of the EOI shall not be disclosed to any persons not officially concerned with such process until the process is over. Undue use of confidential information related to the process by any firm may result in rejection of its RFP application.

6. PRE-QUALIFICATION CRITERIA:

6.1 General Criteria

- a) The RFP response and all associated correspondence shall be written in English and shall conform to prescribed formats.
- b) RFP response received by facsimile shall be treated as defective, invalid and rejected. Only detailed and complete EOI received prior to the closing time and date of the proposals shall be taken as valid.
- c) Two hard copies and one soft copy (on a non-rewriteable CD) of the RFP response prepared in accordance with the procedures enumerated in the RFP document should be submitted in a sealed envelope to the Department of Posts no later than the date and time laid down herein.
- d) All documents submitted by the applicant should be signed on each page by an authorized signatory.

6.2 Special Criterion

The institutions, which do not have any past experience in bank study, shall be summarily disqualified.

7. AMENDMENT OF RFP DOCUMENT:

At any time prior to the deadline for submission of Applications, DoP either on its own or on request of the Applicants may amend the RFP Document by issuing addenda. To give the Applicants reasonable time to take an addendum into account in preparing their Applications, DoP may, at its discretion, extend the deadline for the submission of Applications.

8. CLARIFICATIONS TO RFP:

The bidders may seek clarifications in writing regarding the RFP document within one week of issue of RFP. DoP shall respond in writing to any such request for the clarifications and all such clarifications shall be posted on India Post website (www.indiapost.gov.in).

9. CRITERIA FOR EVALUATION:

For the sake of clarity and standardization and to ensure completion of documentation, we request institutions to respond in the following format. Thus, the RFP responses will be evaluated on the basis of the criteria indicated in the format:

The following criteria would be followed for evaluation of technical proposals:

Serial No.	Criteria	Weightage
Section 1:	Brief history of the study/ research institution	3%
Section 2:	Section 2: Administrative support system and financial strength of the institution	10%
Section 3:	Section 3: Description of key personnel and consultancy infrastructure of the institution	20%
Section 4:	Section 4: Details of consultancy projects undertaken in last 10 years in India, especially with Govt. of India departments and commercial banks.	5%
Section 5:	Section 5: Details of consultancy projects undertaken in last 10 years globally	3%
Section 6:	Section 6: Details of consultancy projects undertaken with respects to banking system in India and abroad.	4%
Section 7:	Section 7: Details of previous experience / projects undertaken with Indiapost.	4%
Section 8:	Section 8: Study and research methodology to be adopted for the study of Post Bank of India.	15%
Section 9:	Section 9: Service Level Agreement (SLA)/ Certifications acquired. Awards/ Honours received nationally and internationally.	4%
Section 10:	Section 10: Any additional Information which may be relevant.	2%
Section 11:	Section 11: Commercial: detailed break up of the expenditure proposed to be incurred on the study.	30%

All applicants obtaining more than 50% score on the basis of evaluation will be shortlisted for commercial bid.

11. Validity of RFP:

The RFP response submitted by the applicants shall remain valid for a period of 90 (ninety) days after the date of RFP response opening prescribed in this document. A RFP response valid for shorter period may be rejected as non-responsive. India Post may solicit applicants' consent to an extension of RFP response validity.

12. Earnest Money Deposit (EMD and Security Deposit:

12.1 Earnest Money Deposit

(a) An EMD of Rs. 50,000 (Rs. Fifty thousand only), in the form of a Demand Draft drawn in favour of Director General, Department of Posts, Government of India and payable at New Delhi must be submitted along with the Proposal.

(b) Proposals not accompanied by EMD shall be rejected as non-responsive.

(c) No interest shall be payable by the Employer for the sum deposited as EMD.

(d) The EMD of the unsuccessful bidders would be returned back within one month of signing of the contract.

(e) No bank guarantee will be accepted in lieu of the EMD.

12.2 Forfeiture of EMD

The EMD shall be forfeited by the Employer in the following events:

(a) If the proposal is withdrawn during the validity period or any extension agreed by the Consultant thereof.

(b) If the proposal is varied or modified in a manner not acceptable to the Employer after opening of proposal during the validity period or any extension thereof.

(c) If the consultant tries to influence the evaluation process.

(d) If the First ranked consultant withdraws his proposal during negotiations (failure to arrive at a consensus by both the parties shall not be construed as withdrawal of proposal by the consultant).

12.3 Security Deposit:

The selected consultant shall be required to furnish a Security Deposit of Rupees 5, 00,000 (Rupees Five Lakh only) in the form of an unconditional and irrevocable bank guarantee from a scheduled commercial bank in India in favour of Director General, Department of Posts, Government of India for the period of contract with 90 days claim period. The bank guarantee must be submitted after award of contract but before signing of consultancy contract. The successful bidder has to renew the bank guarantee on same terms and conditions for the period up to contract including extension period, if any. Security Deposit would be returned only after successful completion of tasks assigned to them and only after adjusting/recovering any dues recoverable/payable from/by the Consultant on any account under the contract. On submission of Security Deposit and after signing of the contract, bank guarantee submitted towards EMD would be returned in original.

SECTION II

ANNEXURE - I

FORMAT FOR SUBMISSION OF RFP response.

Notice No. No. 95-9(Banking)/2001-SB Vol. II Dated- 5th March, 2010

**Project Title: Request for Proposal to
Carry out a study to design a roadmap for establishing Post Bank of India
(PBI)**

Format for Overview of the institution

Institutions are required to submit the following information:

1. Name of the study/ research institute
2. Brief history of the institute
3. The ownership structure of the institute-Govt./Aided/NGO/Pvt. Etc.
4. Number of affiliated institutions
5. Number of years in study/ research
6. Date of commencement of consultancy globally
7. Date of commencement of consultancy in India
8. Approximate date of start of study, its broad timelines and roadmap.
9. Key persons/ faculty details
10. Total Number of branches/ infrastructure including details of employees
11. Institution hierarchy/organizational structure
12. Details of all partners/sub-contractors to be included in this project, which will be involved in implementation
13. Details of the Quality Certification that may be in place (e.g. ISO certification etc.) with the institute.
14. Introduction of the person who will be responsible for the relationship with DOP team.
15. Institution's head office contact person (including designation) and address (including phone, fax number and email)
16. Local representative contact person (including designation) and address (including phone, fax number and email)
17. Please provide the following statistical information about the processing volumes handled by the company –

ANNEXURE - II

COMMERCIALS:

The institute should mention detailed activity wise break up of the expenditure proposed to be incurred on the study (including details of all taxes to be paid):

Sl. No.	Particulars of Activity	Amount (in Rs. Lakhs)
1.	Professional Fee	
2.	Travel (for consultation with other Post Banks and India Post)	
3.	International Workshop on India Post Bank	
3.	Research and Secretarial Staff	
4.	Printing, Stationery, Communications, etc	
	Total (Including tax)	