Expression of Interest for Consultancy for

Digital Transformation

Project Digital Transformation

- **Expression of Interest (EOI) is invited from bidders who provide**
  - **Strategy Consulting Services, to develop a Strategy Roadmap for Digital Transformation of LIC of India in line with its Business Strategy.**
- The Scope of work to be carried out in accordance with the specifications in a detailed Request for Proposal (RFP) document which will be brought out by the LIC shortly.

Overview & Objective

- Evaluate LIC's current IT setup vis-a-vis best practices in BFSI & Insurance sector in India and globally.
- Articulate a strategy roadmap for Business led Digital Transformation with suggestions for best tools and process.
- Road Map drawn to be implemented as per the definite timelines through continued consultancy at each point of time and milestone.
- Drawn strategy to be in line with LIC's Business Strategy with focus on transforming our existing Branch operations and customer journey through digital transformation.
- LIC intends to develop clearly outlined strategy it would follow over next 5 years. The strategy must also cover implications of such Digital initiatives over next 10 years at sufficiently granular level. The developed strategy should be in sync with our Business Strategy & the Equity story

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Activity Schedule

1.	**EOI Reference and Date of release of EOI**	**LIC/CO/IT-BPR/NP/DT/2021-22/EOI/1 dated 20.12.2021** **EOI for Consultancy for Digital Transformation**
2.	**Last date for sending pre-bid queries before pre-bid meeting**	**23rd Dec 2021 (Thursday)**
3.	**Bid Processing Fee**	**INR 10,000 (Rupees Ten thousand only) in the form of a Demand Draft drawn on Nationalized/ Scheduled bank in favour of LIC of India payable at Mumbai.**
4.	**Pre-bid meeting date, time and venue**	**24th Dec 2021 (Friday)11:30 am** **LIC of India, Central Office, IT Department, JeevanSevaAnnexe3rd.Floor Meeting Room, S.V.Road, Santacruz (West), Mumbai – 400054.**
5.	**Address for receipt/ submission of bids**	**The Executive Director (IT/BPR), LIC of India, Central Office, IT Department, Jeevan Seva Annexe 2nd Floor, S.V.Road, Santacruz (West), Mumbai – 400054.**
6.	**Last date and time for submission of bids**	**17th Jan 2022(Monday) 3:00 pm**
7.	**Eligibility and Technical bid opening date, time and venue**	**17th Jan 2022 (Monday)3:30 pm** **Venue: LIC of India, Central Office, IT Department, Jeevan SevaAnnexe 2nd Floor, S.V.Road, Santacruz (West), Mumbai – 400054.**
8.	**Contact email id**	**digitrans.bid@licindia.com**

General Instructions

- **Pre-Contract Integrity Pact**

  This EOI is issued on the condition that only those bidders who submit a signed Pre-Contract Integrity Pact with LIC, on a stamp paper of Rs. 500, would be eligible to participate in bidding. “Pre Contract Integrity Pact” format is given in Annexure XIII.

- **Issue of Corrigendum**

  The corrigendum (if any) and clarifications to the queries from all Bidders will be posted on LIC‘s website https://www.licindia.in/Bottom-Links/Tenders.aspx.

  Bid Processing Fee

  Bid Price (non-refundable) of Rs.10,000/- (Rupees Ten thousand only) in the form of a Demand Draft drawn on Nationalized/ Scheduled bank in favour of LIC of India payable at Mumbai, along with the bid.

- **Earnest Money Deposit**

- **EMD of Rs. 5,00,000/- (Rs. Five Lakhs Only)** to be submitted in the form of unconditional and irrevocable Bank Guarantee, payable at Mumbai, which should be executed by a Nationalized/ Scheduled bank as per the format given in Annexure IV

- **Non-Disclosure Agreement (NDA)**

  a duly notarized Non-Disclosure agreement on a stamp paper of Rs.500 (Rupees five hundred only) or of an appropriate value applicable in the relevant state/ Union Territory as per the format given in Annexure XI

Eligibility &Technical Criteria Evaluation

- **Stage I - Eligibility Criteria Evaluation**: Ability to meet Minimum Eligibility Criteria Evaluation and provide the requisite proofs, wherever required as per Annexure II
- **Stage II -Technical Criteria Evaluation**: Ability to meet detailed Technical Evaluation Criteria covering the following points on which technical proposal to be submitted as per Annexure VII
- Prior experience of the bidder in undertaking projects of similar nature and age of the Bidding firm.
- Resource pool of Professionals and Professional qualifications and experience of the key staff in the payroll of the consultant proposed/ identified for this assignment.
- Methodology/Approach proposed for accomplishing the proposed projects/assignments/work.
- Activities/tasks, project planning, resource planning, effort estimate etc.
- **Score of a minimum 70 percent of the total marks in the Technical Criteria Evaluation is must.**

➢ **Stages of technical evaluation**

1. Paper evaluation based on response & feedback & experience sharing of the clients where similar projects are implemented by the bidder in recent past.
2. Arriving at the final score on technical proposal after Presentation

Technical Presentation

- LIC may require the Bidders to make presentations regarding technical criteria of the proposed solution which will be a part of bid submission. This process will also enable LIC to clarify issues that may be identified from the Bidders' response to the EOI.
- LIC may schedule the presentations and intimate bidders of time & location.
- Failure of a bidder to complete a scheduled presentation may result in the rejection of that Bidder's proposal.

➢Technical Negotiations

- Technical Negotiations will include a discussion of the Technical Proposal, the proposed technical approach and methodology, work plan, organization and staffing, and any suggestions made by the Bidder to improve the Terms of EOI.
- However, LIC retains the right to lower the Score from a minimum 70 percent of total marks in Technical Criteria Evaluation so that at least 3 bidders are eligible

Minimum Eligibility Criteria

Sl No	Criteria	Documents to be submitted
1	The Bidder should be as on the date of submission of this bid, a company registered or Incorporate in India, registered under the Company's Act 1956. With minimum 5 years in business of providing consultancy services in India.	Bidder should submit Company Profile as per Annexure II Copy of Certificate of Incorporation issued by Registrar of Companies, with full address of the Registered Office of the entity
2	The bidder should be registered for Goods and Services Tax.	Copy of GSTIN Certificate
3	The bidder should have valid PAN.	Copy of PAN Card
4	The Bidder should have earned minimum Strategy Consultancy average revenue of Rs. 100 crores in the last three financial years, namely 2020-21, 2019-20, 2018-2019	Certificate in original from the Company CFO/CS/CA and copies of audited balance sheet and profit and loss statement showing consultancy revenue, Annual turnover and Profit before tax for the last three financial years
5	The bidder should have registered an annual turnover of at least Rs.300 crores in each of the three financial years namely 2020-21, 2019-20 and 2018-19	
6	The bidder should have made profit before tax in the last three financial years namely 2020-21, 2019-20 and 2018-19	

Minimum Eligibility Criteria

7	Bidder should have directly provided management strategy consulting services to Indian or global Bank/Insurance companies on projects covering the following topics: Operational Excellence, Customer experience improvement through Digital Transformation and Analytics Strategy The assignments must fulfill the below minimum criteria: Consulting Bidder should have executed at least 3 such projects in the last 5 financial years -Date of Contract/PO of the Project must be. on or after 1-1-2017 -Projects that are ongoing as well as completed are eligible -Each project must be INR 5 crore or greater (if Indian project) or USD 1M (for global projects) or equivalent or greater at the time of award of contract in fees payable to the Bidder, -Each project with a minimum duration of 24 weeks (6 months) -At least one of the projects should be from India and atleast one should be for Life Insurance company. Excludes audit, taxation, transaction advisory, IT support, services, systems integration projects - Bidder must have successfully completed a consulting assignment in Bank/Insurance minimum 1 assignment of INR 10 crore or greater (if Indian project) or USD 2M or greater (for global projects)	Documentary Proof to be submitted as per Annexure VI A and VI B

Minimum Eligibility Criteria

8	**The bidder should not have exhibited a record of poor performance such as abandoning works, not properly completing the contractual obligations, inordinately delaying completion or financial failures, etc. in any project in LIC**	**Self-declaration / Undertaking by the bidder on their letter head by the Company Secretary/CFO**
9	**The bidder should not have been debarred from participating in bids by LIC or any other PSU/BFSI/Govt. for breach of ethical conduct or fraudulent practices within last 2 years from the date of release of this EOI.**	**Self-declaration / Undertaking by the bidder on their letter head by the Company Secretary/CFO**
10	**The bidder should submit an Authorization for the signatory nominated for signing of all the documents submitted in this EOI.**	**Power of Attorney or the copy of Board resolution by the Company's Board/ Managing Director appointing the authorized signatory.**
11	**Land Border (Restriction on Procurement due to National Security) Whether the bidder is from a country which shares a land border with India.**	**Declaration as per Annexure X**

Minimum Eligibility Criteria

12	Status of pending litigation, if any, by the bidder or against the bidder, indicating the up to date, correct and current status of the case	Certificate from the Company Secretary/CFO, stating only the current status of the pending litigations, if any and not the details of the case/s. In case, there is no pending litigation, a certificate with NIL status should be submitted.
13	The consulting firm or its subsidiaries if selected will not be eligible to participate in any tender in connection with the implementation or System Integration or Hardware or Software Solution, implementation services or providing facility management services as an outcome of scope of this EOI.	Self-declaration / Undertaking by the bidder on their letter head by the Company Secretary/CFO
14	The bidder or its subsidiaries should not be engaged with LIC as a System Integrator for Software/Hardware/Solution Providers/Facility Management Services as on the date of the EOI.	Self-declaration / Undertaking by the bidder on their letter head by the Company Secretary/CFO
15	Bidder should have well established office in Mumbai with sufficient number of qualified professionals in Mumbai and minimum 75 professional in India	Self-declaration / Undertaking by the bidder on their letter head by the Company Secretary/CFO

Technical Criteria

Sr No	Role	Experience or Educational Qualification/certification	Experience	Maximum Marks
1a	N.A	Specific Indian experience of the Consultant (as a firm) relevant to scope of the EOI	Consulting Agency Bidder should have directly provided management strategy consulting services to <u>Indian Bank / Insurance companies</u> on projects covering the following topics: Operational Excellence, Customer experience improvement through Digital Transformation and Analytics Strategy The assignments must fulfill the below minimum criteria: Note: -Project showcased in Minimum Eligibility Qualification criteria can be repeated -Date of contract/PO must be within last 5 years from the issue date of this EOI i.e not earlier to 01.01.2017 -Both ongoing as well as completed projects -Each project must be INR 5 crores or greater in fees payable to the -Consulting Agency Bidder at the time of award of contract with minimum duration of 24 weeks (6 months) -Excludes audit, taxation, transaction advisory, IT support, services, systems integration projects -The bidder must provide details of the projects (as much as possible) for the evaluation committee to ascertain relevance. <u>Marking criteria:</u> 5 marks per project for projects of minimum 5 crores and 7 marks each for projects of Minimum 10 Crores; each project to be graded basis the description provided by the Consultant and basis its relevance to the scope outlined in this EOI	25

Technical Criteria

1 b		Specific <u>global experience</u> of the Consultant (as a firm) relevant to scope of the EOI	Consulting Agency Bidder should have directly provided management consulting services to <u>global Life Insurance companies</u> on projects covering one or more of the following topics: Operational Excellence, Customer experience improvement through Digital Transformation and Analytics Strategy Note: -Project showcased in Minimum Qualification criteria can be repeated -Date of contract/PO must be within last 5 years from the issue date of this EOI i.e not earlier to 01.01.2017 -Both ongoing as well as completed projects -Each project must be USD 1M or equivalent or greater in fees payable to the Consulting Agency --Bidder at the time of award of contract with minimum duration of 24 weeks (6 months) -Excludes audit, taxation, transaction advisory, IT support, services, systems integration projects -The bidder must provide details of the projects (as much as possible) for the evaluation committee to ascertain relevance. Marking criteria: -marks per project; each project to be graded basis the description provided by the Consultant and basis its relevance to the scope outlined in this EOI Project of value IM upto 4.99M->5 marks Project of value 5M and greater->10 marks Maximum 15 marks	15

Technical Criteria

Demonstration of Understanding of scope of work in this EOI, Proposed methodology, approach and implementation plan	**Evaluation will be based on the quality of the submission and the presentation to LIC leadership. The bidder must demonstrate the following:** **-Understanding of the context, Indian and Global insurance market in which LIC operates, its achievements till date, its growth aspirations for the next decade and key challenges from a business, regulatory, competition standpoint.(10 marks)** **-Understanding of how a technology transformation can enable LIC's journey over the next decade, the priority technology transformation areas for LIC leading to org growth ,business growth and maximum value to customer(10 marks)** **-Understanding of technology-led innovation in Indian & global insurance companies and key lessons for LIC (10 marks)** **-Comprehensiveness, practicality and relevance of the execution approach and methodology for the current assignment addressing each scope element in this EOI; consultant should showcase sample deliverables to illustrate the approach and methodology including adoption till last mile.** **Additional proposal to augment the Scope of Work as detailed in Scope of Work.** **(10 marks)** **Maximum 40 marks**	**40**

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Technical Criteria

3	Evaluation of Resource Strength and competency			
3a	Team of Specialist and professionals on bidder's payroll	Total number of professional in India in excess of minimum criteria of 75 Professionals	2 mark for every additional professionals.	20 marks
3b	Number of Specialised Resource on payroll in India	Should hold required qualification from Grade 1 Institutes in India and abroad, must have sufficient experience in their area of specialization.	Project Director-2 marks for each Professional—Max 10 marks Project Manager-2 marks for each Professional—max 10 marks Subject Matter Experts (IT/Digital Architect expert, Analytics & Data Architect expert, , IT Security & Audit Expert, Infrastructure expert)---2 Marks for each Professional—max 20 marks Subject Matter expert- Global Insurance technology expert, Insurance Business Process expert—2 marks for each professional, max 20 marks	60 marks

Technical Criteria

4	Year of Experience in Consultancy Services	1 mark for each completed year of existence	20
5	Average Turn Over in last 3 years in providing Consultancy Services	Average 100 Crore-10 Marks Average 100 to 200 Crores-15 Marks Greater than 200 crores—20 marks	20
		TOTAL	200 marks

Note: Each professional should have minimum 8-10 years' experience in consultancy services and minimum 4-5 years of expertise in their respective fields and necessarily in Digital Transformation in Indian/Global Life insurance Industry. The professionals should hold required Management and Technical degree from Grade I Indian and Global institutes.

Documents Required for the Bid Submission

Eligibility and Technical Bid

S.No.	Documents
1.	Annexure I – Covering letter
2.	Annexure II – Minimum Eligibility Criteria & Bidder's Details & supporting Documents
3	Annexure III – Pre –Bid queries template
4.	Annexure IV – Bank Guarantee format
5.	Annexure V - Self Declaration
6.	Annexure VI A – Project Citation Details
7.	Annexure VI B – Project Experience Details
8	Annexure VII– Technical Evaluation Proposal
9.	Annexure VIII – Proposed Approach & Methodology
10	Annexure IX- Format for Deviation/Suggestions Scope
11.	Annexure X – Land Border Declaration
12.	Annexure XI- Non-Disclosure Agreement
13.	Annexure XII- Bid Securing Declaration
14	Annexure XIII –Pre Contract Integrity pact

Other Conditions

- During evaluation of bids, if any deviation is observed, LIC may call for clarifications on its bid from bidders.
- LIC may decide to accept any deviation at its discretion.
- If any compliance or clarification sought by LIC is not submitted within 7 business days of being called for, the bids are liable to be rejected.
- Bids shall remain valid for six months from the last date of bid submission as prescribed by LIC
- Bidders qualified will be intimated by LIC regarding the short-listing for further tendering process. The decision made by LIC shall be final and binding on all.
- Within 5 days (exclusive of holidays) of receipt of the Short listing Order, the Bidder shall sign copy of the Order and Expression of Interest document along with its amendments and return it to LIC as a token of having accepted terms and conditions of the Order.
- LIC, at its own discretion, may float either an open RFP or LTE (among technically qualified bidders of this EOI) based on total number of technically qualified bidders.

Background

Life Insurance Corporation of India (LIC) is a major public sector enterprise and the largest insurer in India and is engaged in the business of life insurance. Currently, LIC has the following structure:

- **Central Office at Mumbai**
- **Eight Zonal offices at Bhopal, Chennai, Delhi, Hyderabad, Kanpur, Kolkata, Mumbai, Patna**
- **113 Divisional offices under the eight Zonal Offices**
- **2048 Branch Offices + more than 1400 satellite offices - spread across the length and breadth of India**
- **72 Pension & Group Schemes Units**

- **LIC already has significant tech capability with an in-house team of more than 350 professionals across 6 centers.**
- **The Core Insurance software developed in house is LIC e-FEAP -operations, HR and admin operations across its offices like Branches, Divisions and Zonal Offices.**
- **LIC has also recently undertaken a technology transformation – a software and hardware overhaul of this eFeap Next system**
- **140 mini data centres now consolidated into 4 at colocations.**

Background

Multiple other digital initiatives besides our in house developed core Insurance package have been undertaken by LIC over the years as:

- **Sales team enabled with mobility suite: ANANDA app for agents for smooth on boarding of customer**
- **Seamless digital issuance journey, online sale of policies.**
- **Customer Portal - Online premium payments & other services for last 15 years**
- **Digital channel for renewal premium: >70% collections done digitally**
- **LIC customer app with >30 lac regular users**
- **Digitization of millions of customer records through Enterprise Document management System.**
- **Agents App and Merchant Portal for premium collection by agents**
- **Applications for Bancassurance, D2C Digital Marketing, Other channels**
- **A Central Data warehouse is in operation for last more than 15 years s**
- **LIC has a fully computerized and networked environment connecting all our offices across the country.**
- **All offices of LIC are networked using leased lines, MPLS, VPNoBB, VSAT, WiMax, etc. with appropriate bandwidth**

However, to prepare for the future and become a tech driven Life Insurer, LIC plans to undertake the next wave of technology transformation immediately to get ahead of the curve line with the business strategy identified for the next 5 years

Scope of Work

This is only an outline of the Scope and a detailed scope shall be drawn while issuing LTE/open RFP based on the bidder's approach towards the Digital Consultancy Services

- Thorough strategic assessment needs to be undertaken at the beginning of the transformation program to build a final, prioritized set of initiatives for execution at both organic and inorganic levels.

- Understand the current state of digital frameworks, journeys, capabilities & tech and data architecture and benchmark to best in class digital practices observed in the industry (against at scale players and innovative insurtechs), reimagining all journeys

Scope of Work ..

Phase I –The consultant is expected to do gap analysis and articulate an inorganic as well as organic technology strategy in line with Business Strategy to deliver a step change in LIC's technology capabilities and to address today's pain points. The strategy will include detailed procurement plans of recommended Technology Partners, Solutions and Infrastructure.

➢ **The technology strategy will be developed with the following goals in mind.**

- **Key technology shifts** to move to a tech driven insurer
- **Technology Infrastructure & architecture to support** more efficient / digitized processes ,better integration with partners / FinTechs/Insuretech
- **Front end and core technology system changes**
- **Design thinking led approach** to transforming business processes
- **Build effective practices** in Data Governance, Data Management and Data Architecture,
- **Build a world-class Analytics capability**
- **New talent, Capability building & operating model towards a world-class Technology organization**
- **Last mile adoption**
- **Integrated roadmap** that brings together the various technology, digital, data and analytics capabilities

Scope of Work ..

The technology strategy will have two components.

- **Component 1: Inorganic technology strategy (Digital LIC) .**
  - **Building Next Gen Digital business model for LIC**
  - **Identify forward-looking “business use cases”**
  - **Digitalization of Customer Journey, Insurance Advisor journey , Analytics enablement of the Insurance Advisor journeys**
- **Component2:**

  The Organic technology (existing eFeap-Next Core Application system, other non-core and Digital Applications currently operational in LIC) modernization strategy will involve 4 tasks. The bidder will draw insights from the business strategy and translate that into tech implications.
  - **Task 1: Business pain points diagnostic**
  - **Task 2: The bidder will develop the target tech architecture and tech modernization initiatives.**
  - **Task 3: Design the target tech organization and operating model**
  - **Task 4: Develop the transformation roadmap, journey redesign and procurement plan (applicable to Organic & Inorganic both)**

Scope of Work ..

- **Phase 2: Implementation support -Technology modernization strategy**
- **RFP evaluation, Solution and Vendor/Fintech/Insuretech selection,validate Detailed Journey Redesign/Tech Architecture etc**
- **Implementation Approach and Supervision**
  - **program/project management office**
  - **value assurance methodology**
  - **drive adoption** of critical changes

Thank You