



Date: 05.11.2008

Subject: PROJECT AICNET - II : TENDER FOR ENGAGEMENT OF ImV -
PRE-BID MEETING - I

Venue: SCOPE MINAR, LAXMI NAGAR, NEW DELHI

Schedule: Start: 11:30 hrs Stop: 16:00 hrs Total : 04:30 hrs

Attendees:

- ▶ AIC
Mr. P. C. James, General Manager
Mr. Avinanda Ghosh, Chief Manager,
Mr. Vishal Gulati, AO,
Mr. Sudhir Dogra, AO,
Ms. Swati Sharma, AO

- ▶ IT TECHNICAL ADVISOR
Dr. Dhruv Nath, Professor, MDI, Gurgaon

- ▶ IS CONSULTANT (M/S WIPRO LIMITED)
Mr. Pankaj Khurana,
Mr. Nikhil Srivastava,

- ▶ IT FIRMS
Tata Consultancy Limited,
IBM,
Satyam,
Infosys,
3i Infotech,
HCL Technologies,
Siemens,
CMC Limited,
NIIT Technologies,
i-Bilt Technologies,
Newgen Software,
Oracle India,
SAS,
Terradata,
Sun Microsystems,
CISCO,
Novell,
HCL Infosystems,
Bharti Airtel,
Sify,
ESRI India,
Spanco,
Deloitte



GENERAL OBSERVATIONS AND QUERY-RESPONSES

Eligibility Criteria:

Eligibility criteria are fixed and sacrosanct.

Timelines:

Timeline boundaries are sacrosanct and non-negotiable. However, timelines for individual applications are indicative and may be re-positioned with mutual consent.

"Go - Live" Date:

"Go - Live" date in respect of each Application at each location has been defined in the Tender document (page 41) as "implementation" upto Documentation and Application Training. Mere UAT is not sufficient for "Go - Live".

Sizing indicators:

AIC's present business is primarily yield and/or weather based group insurance. Currently, approximately 2 crore farmers are covered under 3 lakh policies. Post AICNET, business volumes are expected to grow many fold, indicatives for which have been given in the Tender document (page 88, section 5.6).

The existing database of AIC belongs broadly to the following categories:

- Crop Yield Data - 5,000 blocks/tehsils; 5 crops per block per season; 2 seasons per year; 25 years.
- Weather Data - 5 parameters per location; on a daily basis; 365 days a year; 30 years actual data; simulated to 100 years.
- Underwriting Data - 10,000 Nodal Banks; 5 crops per block per season; 2 seasons per year; 20 years.
- Claim Payout Data - 10,000 Nodal Banks, 5 crops per block per season; 2 seasons per year; 20 years.

Many of the initiatives outlined in AICNET are path-breaking, and therefore for the vendors it is much more than a delivery; it would be a learning experience. We have crystallized our view of the future to the extent possible, but we will pick-up learnings as we go along. AIC would therefore appreciate the experience that the ImV may bring into this assignment.

Data migration:

Most functional data is available in soft form. Data migration (including transformation and standardization) will be required and also data cleaning to some extent by the ImV.



Data Warehouse/Data Marts:

The Data Warehouse/Data Marts as necessary have to be designed and implemented fully by the ImV. This would include all data transformation, migration, cleansing, standardization, creation and maintenance of appropriate metadata etc. as specified in the Tender document. The system should enable all possible OLAP queries based on the available data in AICNET. Of these, OLAP queries specified by the AIC must be developed and implemented as “pre-defined queries” by the ImV. The ImV should also train the management to formulate additional OLAP queries.

All functionalities of the “Product Development & evaluation” module has to be implemented by the ImV. Apart from this, the further applicability of Data Mining in AICNET has to be studied by the ImV.

Specificity of Design, Technology & Architecture:

Choices of Design, Technology & Architecture have been left open-ended to enable AICNET to get the best options with competitive edge.

Languages:

“Multilingual” encompasses the following 12 languages - Hindi, English, Assamese, Bengali, Gujarati, Kannada, Malayalam, Marathi, Oriya, Tamil, Telugu, and Urdu.

The language indicatives for various interfaces are as follows:

(a) Portal

NUMERALS		Roman Only
TEXT	Static Content	Hindi, English
	Document Management (Storage, Search)	Hindi, English
	External user Forms, Report formats etc. (except data)	Multilingual (12)
	Data Entry, Storage, Display	English
	Queries & Responses	English

(b) Call Center - Multilingual (12 Languages)

(c) SMS - English

Additional Functional Requirements:

For functionalities like -

- GLM-based Multivariate Risk Analysis (including Geospatial map),
- Interactive Loss Triangle Models for broad consumption,
- Analytic Models for repeatability within familiar user interfaces (MS Office),



- Highly Visual Link Analysis Identifying Organized Claim Fraud,
- "What-if" Predictive Analytics in a User Intuitive Interface,
- Predictive Analytics for Operational & Organizational Efficiency analysis,
- Ratemaking Solution to support different methods of loss development analysis – based on paid claims, incurred claims, including/excluding catastrophe claims, loss adjustment expenses and adjustments for tail factors,
- Ratemaking Solution to have ability to distinguish between outliers and influential observations,
- Ratemaking Solution to have ability to support other relativity models to determine pure premium/technical price – one way analysis, Neural networks, regression models, decision trees, generalized additive models,
- Ratemaking Solution to support modeling impact of price revision on customer behavior – new business acquisition, renewal and cross/up-sell,
- Ratemaking Solution to support offsetting of parameters to comply with regulatory/business constraints e.g. no claim bonus - fix values of one or more rating factors and allow other parameter values to change,
- Instant Messaging,
- Standard out-of-the-box Reports,
- Automatic creation/updation of navigation menus in the portal to enable users to add or remove or reorder pages,
- Web analytics to track user behavior on the website,
- Users accessing mails on handheld devices,

The Tender document has detailed the minimum functional requirements. Features beyond this minimum, which would add value are therefore welcome. AIC appreciates that the tendering process is a fine balance between value addition and cost elements. Therefore this would be a call for the bidders to take. However, any such additional feature if offered must be highlighted in the technical bid and the ImV would be bound by their submission (offer).

Draft Contract Agreement:

The Draft Contract Agreement in the Tender document is only an initial drafting, and is presently being vetted and firmed up. Final version of the Draft Contract Agreement will be put up on our website in due course.
