

**REQUEST FOR PROPOSAL**  
**TO**  
**SETUP, MANAGE AND OPERATE**  
**MERCHANT ACQUIRING BUSINESS**  
**for**  
**STATE BANK GROUP**

**Ref No: SBI/GITC/MAB IT OPS/2016-17/343**

**The Deputy General Manager,**  
**Merchant Acquiring Business IT Ops**  
**State Bank of India, GITC,**  
**D222/2, First Floor, Omsagar complex**  
**Nerul MIDC**  
**Navi Mumbai-400706**

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## **BID DETAILS**

1	Date of commencement of Bidding Process (Posting of Tender Document on Web Site / Publication of Tender)	Date: 08-02-2017 Time:10:00 hrs
2	Last date and time for receipt of written queries for clarification from Bidders	Date: 15-02-2017 Time: 19:00 hrs
3	Pre-Bid Meeting	Date: 18-02-2017 Time: 16:00 hrs
4	Last Date and Time for Bid Submission	Date: 01-03-2017 Time: 15:00 hrs
5	Date and Time of Technical Bid Opening	Date: 03-03-2017 Time:15:00 hrs Representatives of Bidder may be present during opening of Technical Bid. However Technical Bids would be opened even in the absence of any or all of the Bidders representatives
6	Place of opening of Bids	MAB IT Ops Department, D222/2, Omsagar Complex Nerul MIDC, Navi Mumbai-400706
7	Address for communication ( Bank )	1. Name: Mr Kanchan Baran Chakraborty 2. Designation: Deputy General Manager 3. Contact Number:022-39218388 4. Email: <a href="mailto:dgm.mabops@sbi.co.in">dgm.mabops@sbi.co.in</a> 5. Add: as at Sr No 6
8	Cost of RFP	Rs. Ten Thousand only in the form of Demand Draft in favour of State Bank of India payable at Mumbai The cost of RFP is non-refundable.
9	Earnest Money Deposit	Rs. 10,00,000.00 (Rs Ten Lakhs only) in the form of Demand Draft in favour of State Bank of India payable at Mumbai. EMD should be enclosed with Technical Bid.
10	Bidder Contact Details	Bidder to Provide following information: 1.Name of the Company 2.Contact Person 3.Mailing address with Pin Code 4.Telephone number and Fax Number 5. Mobile Number 6. e-mail
11	Date of Commercial Bid Opening	On a subsequent date which will be communicated to such Bidders who qualify in the Technical Bid. Representatives of Bidder may be present during opening of <u>Indicative Commercial Bid</u> . However Bids would be opened even in the absence of any or all of

		the Bidder's representatives.
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## **1. Overview**

State Bank of India is India's largest Bank with a network of over 17000 branches and five associate Banks having over 5500 branches spread across India. Bank also has presence in 32 countries across the globe. The Bank offers wide range of products and services to both Corporate and Retails Customers. The Bank also has one of the largest networks of 55000+ ATMsspread across geographical locations. Bank also provides services to its customers through alternate channels such as Internet Banking, Debit Cards, Mobile Banking, PoS terminals etc.

To expand further reach, Bank is also forging ahead with cutting edge technologies and innovative new Banking models.

## **2. Purpose**

The Bank is already engaged in MAB activities and as per recent information published by RBI, is the top acquirer in terms of terminals deployment. Further, Bank may build complete in-house processing capabilities in coming future of its own or in association with other Corporate identity or under any other model or arrangement. It may, therefore be expected that duration of the assignment may be five years. The technology service provider(s) would need to migrate all merchant accounts set up from existing TSP to its system. The Service provider will have to migrate all merchant accounts from its system to the Bank's platform if and when Bank decides and commissions its own switch and Acquiring Platform or the body under any other model as stated in this document..

The Bank has already deployed over 3,85,000 terminals as at the end of Dec 2016 and intends to deploy another One million terminals in next 18 months. It may, however, be noted that this estimate has been made on the basis of market feedback and Bank does not assume any obligation for the number of PoS terminals to be deployed or merchants to be boarded.

This RFP document is to elicit responses from the vendors who are interested, eligible and own necessary infrastructure and capability to offer the services

## **3. Invitation**

The Bidders desirous of taking up the project for supply of above solution for SBI, its Associate Banks, subsidiaries and Regional Rural Banks sponsored by State Bank Group are invited to submit their technical and commercial proposal in response to this RFP. The criteria and the actual process of evaluation of the responses to this RFP and subsequent selection of the successful Bidder will be entirely at Bank's discretion. This RFP seeks proposal from Bidders who have the necessary experience, capability & expertise to provide SBI End to End solutions for adhering to Bank's requirement outlined in this RFP.

This RFP is not an offer by State Bank of India, but an invitation to receive responses from the Bidders. No contractual obligation whatsoever shall arise from the RFP process *unless a Purchase order has been issued* by duly authorized officer(s) of the Bank with the selected Bidder.

### Schedule of responses

We detail below the various aspects of Merchant Acquiring Business and expect detailed response against each such item with relevant case studies wherever applicable. The respondents are welcome to suggest any other working model, should they desire so, with their reasoned recommendations, in addition to what has been stated below.

No.	Parameter
<b>A. Company's Overview</b>	
1	Describe the size and scope of your organization/consortium member, if any, (global, regional, national acquiring and processing businesses, ATMs, e-commerce payment gateway, card processing etc.). Provide details of key personnel of the Company with their contact details.
2	Provide information on your organisation's/consortium member, if any, ownership structure, board and financials (revenue / growth / etc.) for the last three years. Please attach copies of documents to support the information, wherever required.
3	Describe any significant developments in your organization /consortium member, if any, during the last three years, such as changes in ownership, personnel reorganization, acquisitions and demergers etc. How these developments are likely to impact the future business operations?
4	Provide an annual breakdown of your acquiring (merchant acquiring and internet acquiring separately) and processing businesses by regions (particularly Europe, Asia, and US) in addition to that in India, in terms of: Volume of Business, client wise, Percentage Year over Year Growth and Market Share.
5	Please explain how long your organization /consortium is in the processing of merchant acquiring business. Provide details of your existing clients, number of terminals managed, average transaction volume (area wise) and future plans in merchant acquiring business.
6	Provide details of regulatory non-compliance or other violations in this line of activity by your organisation/associate/JV in any country where you are operating on your own or through associate or JV. Please also provide details/nature of fine and /or penalty imposed, if any, on your Company/any members of Consortium.

<b>B. Transaction processing capabilities</b>	
1	Describe in detail the capabilities in terms of in-house competencies for Product development, Transaction processing & routing, Merchant Management application, Terminal application, Fraud monitoring, Risk assessment & management, Anti-money laundering, settlement, , reconciliation and Dispute Resolution functionalities in MAB, etc..
2	Describe your Organisation's core competencies, target markets and physical location, in terms of processing technology platforms for MAB and how SBI can leverage on such ability.
3	<p>Detail your organisation's capabilities in payment acquiring, routing and processing and how these services are delivered – describe these by different geographical regions, i.e. particularly for Europe, Asia and US with specific reference to several variants of cards in terms of type, category and usage.</p> <p>What other cards and non-card payment processing capabilities are available with your organisation?</p>
4	Explain in detail the processing systems proposed in card acquiring that supports multi-territory and multi-currency functionalities. Please indicate whether they are regulatory and standards compliant.
5	Describe the various components of technology proposed to be used together with indication of items that have to be procured from third parties. Also explain the flexibilities of the system from customizing the solution to varied business conditions perspective.
6	Describe the vendor / partner / dot-com relationships that are critical components of operations service delivery. State their name and function.
7	Do you currently partner with other financial services institutions to provide processing and settlement capabilities via your network? If so, provide complete details thereof with specific reference to any restrictive/exclusive arrangement agreed.
8	Explain your mechanism to product development, technical integration, testing, roll out, performance monitoring and review processes
9	Explain your ability to create infrastructure in new environment to ensure smooth operations of business.
10	Describe any third party certifications, audits or attestations (e.g., EMV, PCI certification, ISO certification for Data Security etc.) of your operations infrastructure and provide details of all significant findings in brief.

11	Provide complete details of your Processing Platform(s) which is to be offered to SBI in terms of Hardware, Software and Operating systems, encryption, key management, security and firewall management etc.
12	Who developed the above Processing Platform and when it was last updated? Whether your Company owns the Platform or is a licensee, if so who is the licensor?
13	Describe how your application has been designed to integrate expeditiously with business partner systems, while retaining performance efficiency, robustness, besides being scalable and functionality versatile to accommodate increasing volumes and changes in strategy and products. Please define the broad architecture, process flow proposed and available support structure for maintaining the system.
14	Describe the capabilities in terms of ability to provide sophisticated Management Information; i.e. how will it be ensured that the venture/company has access to the right tools and capabilities to enable Bank to make ongoing business decisions for the acquiring business. Describe in detail, the tools which are proposed to be used.
15	There would be a need for hosting the differential pricing structure in processing competencies. The mechanism of recovering MDR and other charges from merchants on an ongoing basis in an automated environment may be described.
16	Explain the policy of settlement cycle with merchants and desirability of having customised settlement cycles with different merchants.
17	Describe the operational, control and exception reports that would be required by SBI. Elaborate on mechanism proposed to be followed to generate such reports. Explain the procedure of providing such reports to the concerned and utilization thereof for business developments.
18	Explain back-ups and disaster recovery set-ups to ensure continuity of service in the event of system breakdown, hardware crash, software failure, natural calamities, force majeure or any other un-foreseen circumstances. Give details like minimum TAT, whether active – active setup can be implemented.
19	Describe the technical details of the Switch like the number of cores, TPS that can be handled, scalability, name and version of the Switch applications.
20	Describe the capabilities to process refunds or recoveries from terminal holders. Refunds can be at a future date like ones in Railway ticket booking, Airline ticket booking wherein the refunds can be after a considerable gap of time.
<b>C. Terminal Deployment and Management</b>	



1	Advise your approach to terminal deployment, merchant training, maintenance, servicing, support and merchant help desk facility etc. to be extended at different locations. Which operating model you propose to adopt for extending such services.
2	Propose a policy to be adopted for stocking the terminals at one or more locations to ensure prompt deployment and attendance to customer complaints etc.
3	Describe in detail the process of downloading merchant application on the terminal at the time of installation and up-gradation thereof with latest version as and when required
4	Describe what centralized terminal tracking mechanism would be deployed with a view to constantly monitor position of each terminal deployed by the Bank and ensure its activation and availability in a proactive manner to guard against merchant using the terminal of competitor.
<b>D. Merchant On-boarding</b>	
1	Explain the process of setting up the merchant once the information is received by the service provider to activate the Merchant with Turn Around Time (TAT) at each process. Advise when would the merchant be live and able to accept card payments? Comment in the back drop of your past experience.
2	Please describe the customer recruitment and customer service workflows in detail (i.e. application, issue resolution, escalation, last minute change orders, etc.) and which sectors cities / regions it is proposed to focus on and prioritise.
3	Detail the overall approach to be taken for training in terms of merchant set up and management. Explain in detail the complaint redressal mechanism to meet in varied situations.
<b>E. Risk Management</b>	
1	Detail the process to assess merchant risk at the point of recruitment. What information would typically be required from SBI?
2	How risks at a transaction level across internet, POS and at a merchant level will be managed?
3	Please provide details of chargeback management and online reporting / management information.
4	Describe fraud and security management policy in vogue.
5	Describe the methods that would be utilized to segregate SBI's data from other institutions' data if and when outside processing capabilities are used.
6	Describe the capability to implement a systematic change in terminal application remotely.

7	Whether Risk monitoring is in house or outsourced?
8	Define default Risk parameters
<b>F. Migration Management</b>	
1	Advise your experience of migrating the boarded merchant accounts from an existing technology platform to a new platform. The details of major migration projects with no. of merchant accounts, time involved, transactions processed and volumes generated etc. may be provided.
2	Recommend the process of migration of accounts that should be proactively adopted to ensure smooth transition from existing platform to your own platform. Migration can also occur from your Platform to Bank's own infrastructure in case Bank decides to go for its own infrastructure or in collaboration with any other body / organization.
3	Describe the process of new key injunction of the new software (terminal) application in the existing POS terminals being deployed by the service provider.

#### **4.RFP Terminology**

Definitions – Throughout this RFP, unless inconsistent with the subject matter or context:

4.1 Bidder/Service Provider/System Integrator– An eligible entity/firm submitting a Proposal/Bid in response to this RFP

4.2 Supplier/Contractor/Vendor – Selected Bidder/System Integrator under this RFP.

4.3 Proposal/Bid – the Bidder's written reply or submission in response to this RFP

4.4 RFP – the request for proposal (this document) in its entirety, inclusive of any Addenda that may be issued by the Bank.

4.5 Solution/Services/Work/System – “Solution” or “Services” or “Work” or “System” or “IT System” means all services, scope of work and deliverables to be provided by a Bidder as described in the RFP and include services ancillary to the development of the solution, such as installation, commissioning, integration with existing systems, provision of technical assistance, training, certifications, auditing and other obligation of the Supplier covered under the RFP.

4.6 ITB – mean Instructions to The Bidder.

4.7 Project Cost - Project cost would be initial cost/onetime cost/ fees / development Cost/installation cost/ commissioning cost/ integration cost with existing systems/customization cost/ training cost/technical assistance / migration from one platform to other etc.

#### 4.9 Abbreviations used in this document are as under

1	MAB	Merchant Acquiring Business
2	RFP	Request for Proposal
3	EMD	Earnest Money Deposit
4	EDC	Electronic Data Capture
5	PoS	Point of Sale
6	PSTN	Public Switched Telephone Network
7	GPRS	General Packet Radio Service
8	mPoS	Mobile Point of Sale
9	mVisa	Mobile Visa
10	Bidder / Bidder	Who purchases this tender document and submits response to it
11	Successful Bidder	Means the Bidder who is found to be the lowest Bidder subject to compliance of all Terms and Conditions of the RFP etc
12	Service Provider	Respondent to the RFP document, also abbreviated as Bidder
13	Bank	Bank means State Bank of India, its subsidiaries and Associate Banks
14	Card Schemes	VISA, Mastercard, Rupay, AMEX or any other such agency
15	AMEX	American Express
16	NPCI	National Payments Corporation of India
17	EMV	Europay, Mastercard and Visa
18	TLE	Terminal Line Encryption
19	UKPT	Unique key per transaction
20	DUKPT	Derived unique key per transaction
21	PCI-DSS	Payment card industry data security standards
22	PA-DSS	Payment application-data security standards
23	NEFT	National electronic funds transfer
24	RTGS	Real time gross settlement
25	ECS	Electronic clearing system
26	DCC	Dynamic currency conversion
27	DRP	Disaster recovery plan
28	BCP	Business continuity plan
29	OEM	Original Equipment manufacturer
30	BIN	Bank identification number
31	BG	Bank guarantee
32	MIP/VAP/NFS/	Master Interface point / VISA access point/ National Financial switch/
33	NFC	Near Field communication
34	ETC	Electronic toll collection
35	On-Us transaction	Transaction by SB group card on SB group machine

36	Off-Us transaction	Other Bank card (other than SB group) on State Bank terminal
37	Card schemes or simply schemes	VISA, Mastercard, Rupay, AMEX etc
38	NAC	Network Access connectors
39	ECR	Electronic Cash register
40	TSP	Technical Service Provider
41	TPS	Transaction processing per second
42	BBPS	Bharat Bill Payment System

## **5. Eligibility Criteria**

i. Bid is open to all Bidders who fulfil the eligibility criteria. In case the Bidder does not fulfil some criteria (which are not Mandatory) as on date of RFP, please specify timelines by which they will be in place but not later than three months from the date of award. The Bidder has to submit the details of eligibility criteria as per **Annexure – B.**

ii. The Bidder should also submit PRE-CONTRACT INTEGRITY PACT along with technical bid as prescribed by the Govt. of India (Annexure- K) duly signed and by the Bidder on each page and by two witnesses. The agreement should be stamped as applicable in the State where it is executed. Bid submitted without PRE-CONTRACT INTEGRITY PACT shall not be considered.

## **6. Scope**

1. The Bank is already into MAB activities through TSPs.

### **i) Responsibilities of SBI**

- a) The identification / selection of merchants
- b) The Merchant sign up
- c) The marketing staff will transmit the merchant information through a mutually agreed mode to enable the service provider to set up the merchant in its system on agreed terms.
- d) The POS terminals would be procured by the Bank.
- e) The insurance of POS Terminals will be arranged by the Bank.
- f) Connectivity and back up connectivity between SBI Switch and service provider will be arranged by SBI.
- g) The acquiring BINs from Visa MasterCard , AMEX, Rupay etc. will be obtained by SBI
- h) Certification of service provider switch by Card schemes etc. will be arranged by SBI at the cost of Service Provider

- i) The service provider will be responsible for staging, settlement, reconciliation and related activities. The settlement between Bank and Visa/MasterCard/AMEX/Rupay etc. will be done directly in accounts of SBI.
- j) The connectivity medium (PSTN or GPRS) from terminal to Vendor's switch would be arranged by Merchant or Bank, as the case may be.
- k) Cost of certification of terminals will be borne by SBI

## ii) **Responsibilities of service providers**

- a) Set up / Manage / Upgrade, maintenance, customization and periodical up-gradation of Merchant Management Software
- b) Development, maintenance, customization and periodical up-gradation of terminal application software
- c) Hosting of MMS in its hardware in a secured environment. If it is outsourced, the security and data integrity to be ensured and it would be the responsibility of vendor
- d) Development of Interface between POS terminals and service provider through established network
- e) Certification of acquiring host by Schemes **MasterCard, Visa, Rupay, AMEX** , BBPS, other schemes etc. Bank will assist but at no cost to Bank
- f) VAP/MIP/NFS/BBPS and AMEX link hosting, handling, periodical up-gradation as per rules revised by MasterCard and Visa etc. periodically and ensuring meticulous compliance of the prescribed rules from time to time.
- g) Periodical certification of the hardware, software and application as is considered necessary
- h) Set up of Merchants, POS terminals, commercial terms, commercial arrangement etc. in merchant management Software as per instructions from Bank
- i) Terminal installation, activation and Management
- j) Merchant training on an ongoing basis
- k) Terminal repairs and maintenance. Since most of the terminals are likely to be within warranty period or AMC, no reimbursement will be payable by Bank other than transportation charges. However, if any part(s) of the terminal is replaced or repaired which are not covered under warranty, the same will be reimbursed by the Bank. However, Vendor will have to share the details of such repairs, replacements so as to enable the Bank to recover the same from the terminal holder. At times, it can happen that cost of repair or replacement of the part might exceed total cost of the terminal or might be very near to it, in such cases, we expect Vendor to inform and take necessary instructions from the Bank
- l) Merchant help desk support 24x7 with provision for upward scalability in case of increase in volumes.
- m) Supply of consumables to merchants. Consumables will be arranged by the Bank and delivered to Vendor's warehouses as per request of the Vendor.

- n) Activation of POS Terminals, tracking performance, follow up and feedback
- o) Arrangement of Network Access Connectors (NACs).
- p) Ensure adequacy of Bandwidth and provision for appropriate scalability of switching services
- q) Back-end transaction processing viz., capturing of transaction from POS terminals, routing it to issuer through VAP/MIP/ any other interface etc., obtaining response from issuer and transmitting back the response to the merchant.
- r) Maintaining record of all successful and unsuccessful transactions logs in a secured environment and sharing the same with Bank on a daily basis. Service provider will retain the records for a period of 4 years. Purging of the data needs to be witnessed by the Bank. Service provider will share soft copies on a media as decided by Bank before purging.
- s) The service provider should have the capability to support Dynamic Currency conversion, EMI, mVisa, Buddy and other payment options which may come in use in future at no extra cost to Bank
- t) Processing settlement files from MasterCard/Visa/AMEX/ Rupay etc. with the transaction record and service charges applicable with respective entity
- u) Reconciliation of settlements including charge-backs, re-presentments, pre-arbitrations and arbitrations etc. as per laid down rules for the purpose.
- v) Customer service, dispute management, grievance redressal and escalation
- w) All business operations viz., data entry, statement printing, dispatch of periodical transaction statement to merchants, response to merchant enquiry will be done by the service provider
- x) Provide daily Merchant wise report to SBI to enable them to afford credit to the respective merchants as per agreed terms and formats. They should have the capability to perform refund transactions as well as recover amounts (charges, rentals etc) as per Bank's instructions.
- y) Providing other periodical MIS report such as weekly, fortnightly, monthly, quarterly, half yearly and yearly report to SBI on the prescribed format as required by them from time to time. To quote a few examples of MIS, daily installations / de-installation done, pending installations / de-installation, problematic installations / de-installation, failed transaction report, settlement reports, open and closed complaints etc. This list is illustrative and not exhaustive.
- z) Daily reporting to the Bank on system performance with reasons wherever deficiency has been observed.
- aa) Providing periodical MIS, exception reports, suspicious transactions to the Bank, liaison with Card schemes, card issuers both Domestic as well as International for resolution of disputes both online along with good-faith manner for loss minimization of Bank.
- bb) Filtering the transactions through risk analysis and fraud monitoring tools in online and off line environment, setting up of Risk parameters as per Industry standards and periodic review of the same as per Bank's requirement.

- cc) Backend arrangements for recovery of disputes from future payments of Merchants.
- dd) Perform critical and time bound tasks of Proactive Risk management such as partial or complete de-activation and de-boarding of Merchants immediately on receipt of such instructions from Bank.
- ee) Periodical review and feedback which may help the Bank in taking a business decision
- ff) The service provider is expected to bring in the necessary expertise both in terms of technology and processing capabilities for the successful operations of the business.
- gg) Migration of all merchant accounts from existing TSPs to their own set up.
- hh) Migration of all Merchants accounts to Bank's own setup if and as and when Bank commissions its own infrastructure or in collaboration with another entity.
- ii) Online portal for all merchants to track and view their transactions online.
- jj) Capability to generate Service tax, FIRC certificates etc on a monthly or at a frequency decided by Bank.
- kk) Interaction with SBI's own online application format for requests for on boarding and modifications, sharing response files and transaction files for uploading at SBI end.
- ll) Compliance to all regulatory and Scheme guidelines
- mm) Adequate and tested Disaster Recovery and Business Continuity Plan
- nn) Permission to Bank to conduct Audit of data, books (relating to SBI), IT infrastructure etc. These Audit can be by External agencies or Bank's agencies.
- oo) All regulatory requirements by Central Regulators, Card schemes to be full filled including the latest being Mastercard 2 Series and Aadhar based Biometric acceptance.
- pp) Ensure that individuals with necessary expertise are hired / recruited with proper back ground checks and police verification.
- qq) Has a code of conduct in line with IBA's / SBI's code of conduct.
- rr) Vendor will conduct police verifications for all appointments after the date of this agreement.
- ss) Neither employees of Vendor or its partner nor employees of the Bank will seek employment in each other's organization during the currency of this agreement.
- tt) Neither vendor nor its employees, agents, representatives, sub-contractors shall hold out or represent as agents of SBI.
- uu) None of the employees, representatives or agents of the Vendor shall be entitled to claim permanent absorption or any other claim or benefit against SBI.

- vv) Before engaging sub-contractor, Vendor shall carry out due diligence process on sub-contracting/sub-contractor to the satisfaction of SBI and SBI should have access to such records. Such sub-vendors will have to be mandatorily registered with card schemes by the Vendor under no cost to Bank.
- ww) In the event sub-contracting, Vendor shall ensure that suitable documents including confidentiality agreement are obtained from the sub-contractor and Vendor shall ensure that the secrecy and faith of SBI's data/processes is maintained.
- xx) Vendor hereby agrees and declares that it shall be the sole responsibility of the Vendor to comply with the provisions of all the applicable laws, concerning or in relation to rendering of services by Service Provider as envisaged under this Agreement.
- yy) Vendor shall be solely liable & responsible for compliance of applicable Labour Laws in respect of its employees, agents, representatives and sub-contractors and in particular Laws relating to terminal benefits such as Pension, Gratuity, Provident Fund, Bonus or other benefits to which they may be entitled and the Laws relating to Contract Labour, Minimum Wages etc., and SBI shall have no liability in these regards. Further, Service Provider would indemnify/make good for the losses to SBI for non-compliance or any claims against SBI arising out of any non-compliance as above.
- zz) The Vendor agree that SBI shall have the right, but without any obligation to monitor and assess the Services to enable SBI to take necessary corrective measures, provided any such monitoring shall not amount to supervision of any of the jobs of vendor or the employees of vendor.
- aaa) Bank should have the right to conduct surprise check of vendor's activities in respect of the services.
- bbb) Vendor agrees that SBI shall have the right to disclose the details of this Agreement and the details of Services covered herein to the Reserve Bank of India and Indian Banks Association or as required by Law of the land.
- ccc) Vendor agrees to allow the Reserve Bank of India or persons authorized by it to access the documents, records of transactions and other necessary information stored or processed by Vendor in respect of this Agreement or the Services.
- ddd) Vendor agrees to preserve the documents and data in respect of the Services for such period in accordance with the legal/regulatory obligations of Bank in this regard.
- eee) Vendor agrees that the Complaints/feedback, if any received from the customers of Bank in respect of the Services by Vendor shall be recorded and Bank/Reserve Bank of India shall have access to such records and redressal of customer complaints by Vendor.
- fff) The Bidder should comply with Bank's Information Security policy in key concern areas relevant to the RFP. Some of the key areas are as under:
- Responsibilities for data and application privacy and confidentiality.
  - Responsibilities on system and software access control and administration



- Custodial responsibilities for data, software, hardware and other assets of the Bank managed by or assigned to the Vendor
- Physical security of the facilities
- Incident response and reporting procedures
- Data Encryption / Protection requirement of the Bank

Security requirement of the Bank will be shared with the successful Bidder.

## **7.Disclaimer**

The information contained in this Request for Proposal (RFP) document or information provided subsequently to Bidder(s) or applicants whether verbally or in documentary form/email by or on behalf of State Bank of India (Bank), is subject to the terms and conditions set out in this RFP document and all other terms and conditions subject to which such information is provided.

This RFP is neither an agreement nor an offer and is only an invitation by the Bank to the interested parties for submission of bids. The purpose of this RFP is to provide the Bidder(s) with information to assist the formulation of their proposals. This RFP does not claim to contain all the information each Bidder may require. Each Bidder should conduct its own investigations and analysis and should check the accuracy, reliability and completeness of the information in this RFP and where necessary obtain independent advices/clarifications. Bank may in its absolute discretion, but without being under any obligation to do so, update, amend or supplement the information in this RFP. No contractual obligation whatsoever shall arise from the RFP process *unless a Purchase order has been issued* by duly authorized officers of the Bank with the selected Bidder.

The Bank, its employees and advisors make no representation or warranty and shall have no liability to any person, including any Applicant or Bidder under any law, statute, rules or regulations or tort, principles of restitution or unjust enrichment or otherwise for any loss, damages, cost or expense which may arise from or be incurred or suffered on account of anything contained in this RFP or otherwise, including the accuracy, adequacy, correctness, completeness or reliability of the RFP and any assessment, assumption, statement or information contained therein or deemed to form part of this RFP or arising in any way for participation in this Bid Stage.

The Bank also accepts no liability of any nature whether resulting from negligence or otherwise, howsoever caused arising from reliance of any Bidder upon the statements contained in this RFP.

The issue of this RFP does not imply that the Bank is bound to select a Bidder(s) or to appoint the Selected Bidder(s) or Concessionaire, as the case may be, for the Project and the Bank reserves the right to reject all or any of the Bidders or Bids without assigning any reason whatsoever.

The Bidder shall bear all its costs associated with or relating to the preparation and submission of its Bid including but not limited to preparation, copying, postage, delivery fees, expenses associated with any demonstrations or presentations which may be required by the Bank or any other costs incurred in connection with or relating to its Bid. All such costs and expenses will remain with the Bidder and the Bank shall not be liable in any manner whatsoever for the same or for any other costs or other expenses incurred by a Bidder in preparation or submission of the Bid, regardless of the conduct or outcome of the Bidding Process.

#### **8. Earnest Money Deposit (EMD)**

The EMD of Rs.10,00,000.00 ( Rs. Ten Lakhs Only) may be in the form of a Demand Draft or Pay Order or Bank Guarantee [on the lines of **Annexure-I**], issued by a Scheduled Commercial Bank in India, other than State Bank of India, drawn in favour of State Bank of India, Merchant Acquiring Business, payable at Mumbai. In case, SBI is the sole Banker for the Bidder, a Letter of Comfort from SBI would be acceptable. EMD may be forfeited in the event of withdrawal of bid during the period of bid validity or if successful Bidder fails to sign the contract in accordance with the terms & conditions and other requirements specified in RFP or any act of Bidder not in line with contract obligations.

EMD (Demand Draft) should be kept in the envelope containing technical Bid. Any bid not accompanied with the requisite EMD shall be treated as non-responsive and is liable to be rejected.

The EMD of the unsuccessful Bidders will be returned as early as possible. Successful Bidder's EMD will be returned upon the Bidder signing the contract and submitting the required Performance Bank Guarantee.

No interest is payable on the amount of EMD.

If EMD is forfeited for any reasons, the concerned Bidder may be debarred from participating in the RFPs floated by the Bank/this department, in future, as per sole discretion of the Bank.

#### **9. Performance Bank Guarantee (BG)**

The selected Bidder would be required to submit a performance Bank Guarantee to the Bank for an amount of **Rs One Crore only**. The Bank guarantee will be valid throughout the period of contract / engagement period. In case Bidder is not able to submit BG for the entire period of contract, it will be Bidder's responsibility to get the same renewed well before expiry at no cost to Bank. In case Bank Guarantee is not renewed well before the expiry, Bank will have the right to put on hold payments for all bills.

The Bank guarantee should be issued by any scheduled commercial Bank, other than SBI or its Associate Banks. A format for BG is attached as per Annexure H.

The Performance Bank Guarantee is required to protect the interest of Bank against the risk of non-performance of the successful Bidder in respect of successful implementation of the project which may warrant the invoking of Bank Guarantee (BG), also if any act of the Service Provider results in imposition of Liquidated Damages then the Bank reserves the right to invoke the submitted Performance Bank Guarantee.

## **10. Bidding Document**

10.1 Cost of Bidding: The Bidder shall bear all costs associated with the preparation and submission of its bid including cost of presentation(s), etc. Bank will not be responsible or liable for these costs, regardless of the conduct or outcome of the bidding process.

### **10.2 Content of Bidding Document**

10.2.1 The bidding document provides overview of the requirements, bidding procedures and contract terms. It includes Introduction, Instructions to Bidder, Terms & Conditions of Contract, Functional Requirement Specifications (FRS), Eligibility Criteria, Technical Bid and Financial Bid. The Bidder must conduct its own investigation and analysis regarding any information contained in this RFP document, its meaning and impact of that information.

10.2.2 The Bidder is expected to examine all instructions, statements, terms and specifications in the bidding document. Failure to furnish all information required by the bidding documents or submission of bid not responsive to the bidding documents in every respect will be at the Bidder's risk and may result in rejection of its bid. While SBI has made considerable effort to ensure that accurate information is contained in this RFP and is supplied solely as guidelines for Bidders. Furthermore, during the RFP process, SBI has disclosed or will disclose in the RFP and corrigendum/addenda, available information relevant to the Scope of Work to the extent, detail, and accuracy allowed by prevailing circumstances. Nothing in this RFP or any addenda is intended to relieve Bidders from forming their own opinions and conclusions in respect of the matters addresses in this RFP or any addenda.

### **10.3 Clarifications& Amendments**

10.3.1 If deemed necessary the Bank may seek clarifications on any aspect from the Bidder. However that would not entitle the Bidder to change or cause any change in the substances of the bid already submitted or the price quoted. The Bidder may be asked to give presentation for the purpose of clarification of the bid.

10.3.2 The Bidder requiring any clarification of the bidding documents should submit written queries on or before 15-02-2017 at following address:

The Deputy General Manager,  
State Bank of India,  
MAB IT Ops  
D222/2, First floor, Omsagar complex  
Nerul MIDC, Navi Mumbai-400706, Maharashtra

10.3.3 At any time prior to the deadline for submission of bids, SBI may modify the bidding document by amendment.

10.3.4 Any clarification issued by SBI will be in the form of an addendum/corrigendum and will be available in SBI's website- <https://www.sbi.co.in>, <https://www.stateBankofindia.com>. The amendment will be binding on all Bidders. SBI, at its discretion may extend the deadline for submission of bids in order to allow prospective Bidders a reasonable time to take the amendment into account.

## **11. Bidding Process**

11.1 The bids shall be submitted in two separate sealed envelopes, one containing Technical Bid and other Indicative Commercial Bid, both to be submitted together in one envelope. All details with the relevant information / documents / acceptance of all terms and conditions strictly as described in this RFP will have to be submitted. In the first stage, only TECHNICAL BID will be opened and evaluated. Bidders satisfying eligibility criteria and agree to comply with all terms and conditions specified in this document will be evaluated for technical specifications. Those bids that have complied to Technical bids shall be qualified for commercial bid opening and further RFP process.

11.2 The Bidder should be willing to participate in the online reverse auction to be conducted by Bank's authorized service provider on behalf of the Bank. Eligible Bidders will be trained by Bank's authorized service provider for this purpose. Bidders should also be willing to abide by the e-business rules for reverse auction framed by the Bank / Authorised service provider. The details of e-business rules, processes and procedures will be provided to the short-listed Bidders.

## **12. Preparation and Submission of Bids**

12.1 The bids prepared by the Bidder and all correspondence and documents relating to bids exchanged by the Bidder and purchaser must be written in English.

12.2 Vendor must provide individual and factual replies to specific questions asked in the RFP.

12.3 Technical bid should comprise of one hard copy and one soft copy (Word format). Hard copy of technical bid should be a complete document and placed in a sealed envelope super-scribed as “TECHNICAL BID”. The soft copy of the technical bid should be submitted on a CD sealed in an envelope marked as “SOFT COPY OF TECHNICAL BID”. These two sealed envelopes should be placed in a single sealed envelope super scribed as “Technical bid for “Setting up, Managing Merchant Acquiring Business for State Bank Group”

The technical bid should consist of the following:

- i. Earnest Money Deposit as specified in this document
- ii. A letter on Bidder’s letterhead mentioning
  - a) Details of EMD submitted, technical competence and experience of the Bidder
  - b) Certifying that the period of the validity of the bid is 180 days from the target date of submission of bid
  - c) Confirming that the Bidder has quoted for all the items/services mentioned in the bid in their commercial bid
  - d) Supporting documents in respect of Eligibility Criteria as mentioned in **Annexure B.**
- iii. Bidders information as per **Annexure D** on Bidder’s letter head
- iv. Audited balance sheets and profit and loss account statement for last 3 years
- v. A copy of board resolution or power of attorney showing that the signatory has been duly authorized to sign the tender document.
- vi. Bidder should provide detail explanation of functioning of Software / Hardware / Network / Database / Middleware / Third Party software etc

12.4 Bidder should submit indicative commercial bid as per **Annexure F** of the bid document. Indicative Commercial bid should comprise of one hard copy and one soft copy (Word/Excel format). Hard copy of commercial bid should be a complete document and placed in a sealed envelope super-scribed as “INDICATIVE COMMERCIAL BID”. The soft copy of the commercial bid should be submitted on a CD sealed in an envelope marked as “SOFT COPY OF INDICATIVE COMMERCIAL BID”. These two sealed envelopes should be placed in a single sealed envelope super scribed as “Indicative Commercial bid for “Setting up, Managing Merchant Acquiring Business for State Bank of India”

12.5 The bids should be submitted in 2 separate envelopes one for Technical Bid (super scribed as “Technical bid for “Setting up, Managing Merchant Acquiring

Business for State Bank of India”) and other for Commercial Bid (super scribed as “Indicative Commercial bid” for “Setting up, Managing Merchant Acquiring Business for State Bank of India”)

#### 12.6 Bid Prices

The prices should be specified only in “Indicative Commercial Bid” and must not be specified at any other place in the bid document.

#### 12.7 Revealing of Prices

The rates and/or prices in any form or for any reasons should not be disclosed in the technical or other parts of the bid except in the commercial bid, failure to do so make the bid liable to be rejected. Before opening of commercial bid, if price revision is envisaged by the Bank, revised commercial bid may be required to be submitted in a separate sealed envelope.

#### 12.8 Pre-Bid Meeting

SBI may, at its sole discretion, organise a pre-bid meeting as referred, to resolve any queries, Bidder may have. Any further information will be provided to all Bidders either through e mail ids or on SBI website as corrigendum.

#### 12.9 Validity of Bids

Bid shall remain valid for 180 days from date of submission mentioned at Bid Details. A bid valid for shorter period is liable to be rejected. The Bidder may require to give Consent for the extension of the period of validity of the bid beyond initial 180 days, if so desired by the Bank in writing or by fax. Refusal to grant such consent would result in rejection of bid without forfeiture of the EMD. However any extension of validity of bids will not entitle the Bidder to revise/modify the bid document.

#### 12.10 Bid Integrity

Wilful misrepresentation of any fact within the Bid will lead to the cancellation of the contract without prejudice to other actions that Bank may take. All the submission, including any accompanying documents, will become property of SBI. The Bidders shall be deemed to license, and grant all rights to SBI, to reproduce the whole or any portion of their solution for the purpose of evaluation, to disclose the contents of submission to other Bidders and to disclose and/or use the contents of submission as the basis for RFP process.

#### 12.11 Format and Signing of Bid

12.11.1 The Bidder should prepare submission as per minimum eligibility criteria, Technical Bid, Indicative Commercial Bid and other requested information.

12.11.2 All pages of the Bid document should be serially numbered and shall be signed by the authorized person(s) only. The person(s) signing the bid shall sign all pages of the bid and rubber stamp should be affixed on each page except for an un-amended printed literature. The Bidder should submit a copy of board resolution or power of attorney showing that the signatory has been duly authorized to sign the tender document.

12.11.3 Any interlineations, erasures or overwriting shall be valid only if the person(s) signing the bid sign(s) them.

12.11.4 In case of any discrepancies between hard and soft copy, the hard copy will be consider as base document.

12.11.5 Bid should be typed and submitted on A4 size paper *[font times new roman 12]*, spirally bound securely and in serial order. Bidders responding to this RFP shall submit covering letter included with the bid and compliance certification statement required for submission of a proposal.

#### 12.12 Last date of receipt of bids

The bid should be addressed to and up to the time and date mentioned at bid details:

##### Address

The Deputy General Manager,  
State Bank of India, MAB IT Ops,  
D 222/2, First floor, Omsagar Complex,  
Nerul MIDC, Navi Mumbai-400706,  
Maharashtra

In the event of the target date for the receipt of bids being declared as holiday for the Bank, the bids will be received till the target time on the next working day. The Bank may at its discretion extend the bid submission date. The modified target date & time will be notified on the web site of the Bank.

#### 12.13 Bid Currency

Prices shall be expressed in Indian National Rupees only.

#### 12.14 Late Submission of bids

Any bid received by the Bank after target date and time prescribed at Bid details will be rejected and /or returned unopened to the Bidder at his risk and responsibility.

#### 12.15 Modification and Withdrawal of Bids

No bid may be withdrawn in the interval between the deadline for submission of bids and the expiration of period of bid validity.

### 13. Opening and Evaluation of Bids

#### 13.1 Opening of Technical Bid

All the Bids will be opened at the date, time & locations mentioned under the clause Bid Details. The technical bids will be open in the presence of representatives of the Bidders who choose to attend.

#### 13.2 Evaluation Criteria

##### 1. Technical proposal evaluation Parameters

Sr	Parameter	Max Score	Marks allotted
1	Availability of Switching, related Hardware, software and technical expertise : <ul style="list-style-type: none"><li>• Own ( Primary as well as DR) :20</li><li>• Primary owned but DR outsourced :10</li><li>• Both outsourced : 0</li></ul>	20	
2	Experience in third party processing of Merchant Acquiring services (no. of years ) <ul style="list-style-type: none"><li>• 2 to 5 years : 5</li><li>• Over 5 years: 10</li></ul>	10	
3	Robustness and scalability of processing platform. Installed and utilized Capacity details should be provided. Terminals installed between : 100000 to 150000 : 5 Terminals installed above 150000: 10	10	
4	Number of PoS / EDC transactions processed per annum (last Financial year): <ul style="list-style-type: none"><li>• Over 2 crore : 10</li></ul>	10	



	<ul style="list-style-type: none"> <li>Between 50 lakhs and 2 crore: 5</li> <li>Less than 50 Lakhs - 3</li> </ul>		
5	Value added services: PC PoS Integration – 5 DCC – 5 Cash@PoS – 5 EMI – 5 mViSA – 5	25	
6	Call centre available with : <ul style="list-style-type: none"> <li>More than 10 employees – 8</li> <li>More than 5 but less than 10 employees – 5</li> <li>Less than 5 employees - 3</li> <li>Auto call log is also available - 2</li> </ul>	10	
7	Speed to market (Service provider's readiness to roll out the service). Complete process with time lines may be provided. <ul style="list-style-type: none"> <li>On award of tender: 10</li> <li>Upto three months: 5</li> <li>Over three months: 0</li> </ul>	10	
8	Range of services offered by the service providers <ul style="list-style-type: none"> <li>In addition to normal transactions , full marks if AMEX acquiring, mVISA, buddy, ETC, EMI option, refund: 10</li> <li>If above options within three months of award: 5</li> <li>Only normal transactions i.e VISA, Mastercard and Rupay: 0</li> </ul>	10	
9	Approach to terminal deployment, training, support and call centre facilities	10	
10	Business Continuity Plan and Disaster Recovery arrangements of service provider <ul style="list-style-type: none"> <li>If Yes – 10</li> <li>If No - 0</li> </ul>	10	
11	Suitability of Fraud Monitoring Tools and Risk management techniques proposed <ul style="list-style-type: none"> <li>If yes – 10</li> <li>If No but within three months of award – 5</li> <li>If No - 0</li> </ul>	10	
12	No of centres staffed by the vendor to support the merchant acquiring activities. <ul style="list-style-type: none"> <li>Upto 50 : 2</li> <li>Between 50 and 100: 3</li> <li>Over 100: 5</li> </ul>	5	
13	Suitability of Migration Mechanism from existing TSP and to Bank's own platform (in case Bank commissions its own infrastructure or any platform as per the desire of the Bank)	10	

14	Ability to interact and connect with other Aggregators like Pinelabs, Innoviti, Ezetapetc <ul style="list-style-type: none"> <li>• If all three – 10</li> <li>• If No but within three months – 5</li> <li>• If No - 0</li> </ul>	10	
15	Availability of Remote Terminal Management	10	
16	Availability of portal for merchants to view transactions, statements online. <ul style="list-style-type: none"> <li>• If yes – 5</li> <li>• If No - 0</li> </ul>	5	
17	Sharing of Service tax, FIRC certificates at monthly (or as decided by Bank): Yes: 5 No: 0	5	
18	Capability to migrate Merchants from existing platform to your own and vice versa: Over 20,000 terminals per month – 20 Between 10,000 to 20,000 terminals per month -15 Less than 10,000 terminals per month - 10	20	
	<b>Maximum marks</b>	<b>200</b>	
	<b>Overall Total marks by Technical Evaluation Committee for Presentation / Demonstration</b>	<b>50</b>	
	<b>Maximum Marks under:</b>	<b>250</b>	

Commercial bids of Bidders with score of 75% or less in technical evaluation will not be considered.

#### 13.2.1 Preliminary examination

The bids will be examined by the Bank to determine whether they are complete and whether required bid security has been furnished. A bid determined as not substantially responsive will be rejected. Bank may waive off any minor infirmity or non-conformity or irregularity in a bid(*i.e. technical bid or Price bid*), which does not constitute a material deviation, provided such a waiving does not prejudice or affect the relative ranking of any Bidder.

After opening of the technical bids and preliminary examinations, some or all of the Bidders may be asked to make presentation of the solution/services offered by them. Any effort on the part of Bidder to influence bid evaluation process or award of contract may result in the rejection of the bid.

#### 13.2.2 Technical Evaluation

Detailed technical evaluation will include, scrutiny of minimum eligibility criteria (as mentioned in **Annexure B**) and technical information submitted as per technical bid format (**Annexure C**), proposed software / service solution, system demonstration of proposed solution, reference calls and site visits. The Bidder may highlight the noteworthy / superior features of their solution. The Bidder will demonstrate/substantiate all claims made in the technical bid to the satisfaction of the Bank, the capability of the solution to support all the required functionalities at their cost in their lab / office / in any other organization where solution is in use.

The evaluation will also take into account:

- State of the art solution offered by the Bidder to any noticeable Bank in India. The Bidder should furnish the details when requested.
- Is the proposed hardware / Infrastructure capable of handling the projected volumes and offers a proven solution to meet the requirement
- Is the solution offered by the Bidder a complete system as a project and has not integrated any third party solution
- Since the development in IT in terms of hardware and software keep developing, will the Bidder keep its infrastructure up-dated.
- Capability of the proposed solution to meet future requirements not outlined in the RFP
- In house capability of software development
- Bidder support facilities: what and how the Bidder will support the terminal holders as well as Bank ( email, SMS, toll free numbers etc)

Bids meeting the eligibility criteria & having complied with the points of Technical Bid and attain minimum technical score shall be qualified for commercial bid opening & evaluation / Reverse Auction.

The Bidder should use its tools/utilities/simulators to demonstrate the features laid in the RFP / evaluation criteria

### 13.2.3 Commercial Evaluation

- i. The envelope containing the Commercial bids of only those Bidders, who are short-listed after technical evaluation, would be opened.
- ii. All the Bidders who qualify in the evaluation process shall have to participate in the online reverse auction to be conducted by Bank's authorized service provider on behalf of the Bank, details of which are given in Part II of this RFP document.
- iii. Shortlisted Bidders shall be willing to participate in the reverse auction process and must have a valid digital signature certificate. Such Bidders will be trained

by Bank's authorized service provider for this purpose. Bidders shall also be willing to abide by the e-business rules for reverse auction framed by the Bank / Authorised service provider. The details of e-business rules, processes and procedures will be provided to the short-listed Bidders.

- iv. The L1 Bidder will be selected on the basis of lowest quote in the Reverse auction. Reverse auction shall be conducted on Grand Total of column D of the indicated commercial bid – Annexure 'F'.
- v. L2 will be awarded 30% of the terminals provided L2 matches L1 in overall Grand Total and item wise cost in toto of the Annexure F by L1.
- vi. The successful Bidder is required to provide price confirmation and price breakup strictly on the lines of **Annexure-F** within 48 hours of conclusion of the Reverse Auction, failing which Bank may take appropriate action.
- vii. Errors, if any, in the price breakup format will be rectified as under:
  - (a) If there is a discrepancy in the unit price quoted in figures and words, the unit price in figures or in words, as the case may be, which corresponds to the total bid price for the bid shall be taken as correct.
  - (b) If the vendor has not worked out the total bid price or the total bid price does not correspond to the unit price quoted either in words or figures, the unit price quoted in words shall be taken as correct.
  - (c) The Bidder should quote for all the items/services desired in this RFP. In case, prices are not quoted by any Bidder for any specific product and / or service, for the purpose of evaluation, the highest of the prices quoted by other Bidders participating in the bidding process will be reckoned as the notional price for that service, for that Bidder. However, if selected, at the time of award of Contract, the lowest of the price(s) quoted by other Bidders (whose Price Bids are also opened) for that service will be reckoned. This shall be binding on all the Bidders. However, the Bank reserves the right to reject all such incomplete bids.

The envelope containing the Commercial offers of only those Bidders, who are short-listed after technical evaluation, would be opened. The format for quoting commercial bid set out in **Annexure F**. The commercial offer should consist of comprehensive Cost for required solution. Bidder must provide detailed cost breakdown, for each and every categories mentioned in the commercial bid.

#### 13.2.4 Final Evaluation

The Bank reserves the right to opt for manual negotiation or Reverse Auction in person or online. If Bank decides to go for online reverse auction, it will be conducted by the Bank or a company who have been authorized in this regard by the Bank. Reverse auction guidelines will be communicated to all short-listed Bidder(s).

#### **14. Award & Signing of contract**

Contract will be awarded between L1 and L2 Bidders in the ratio of 70:30 respectively which will be arrived at by allocation /distribution of installation of terminals. L1 is assured of 70% of projected installations. An offer will be given to L2 Bidder to match the price quoted by the L1 and in case, L2 refuses to accept the said offer, offer will be made to L3 and so on. However, if no other Bidder agrees to match the price quoted by L1, then the Bank reserves the right to award the contract completely to L1.

SBI will notify successful Bidder(s) in writing by letter in duplicate or fax that its bid has been accepted. The Selected Bidder has to return the duplicate copy to the Bank within **7 working days** **duly Accepted**, Stamped and Signed by Authorized Signatory in token of acceptance.

The successful Bidder shall be required to enter into a contract/SLA with the Bank, within **30** days of the award of the tender or within such extended period as may be decided by the Bank along with the letter of acceptance, NDA, BG and other terms and conditions as may be determined by the Bank to be necessary for the due performance of the work in accordance with the Bid and acceptance thereof.

Copy of board resolution or power of attorney showing that the signatory has been duly authorized to sign the acceptance letter, contract and NDA should be submitted.

#### **15. Subcontracting**

The service provider may procure the services of local vendors, with the explicit permission of the Bank, for terminal installation, merchant training, merchant help desk, terminal repair and servicing, supply of spares and consumables, terminal replacement and installation of terminal application software, should that be required by them. The service provider will be solely responsible for under or non-performance and deficiency of services of such third party vendor (s). No payment will be made by the Bank to the third party vendor (s) for their services. The service provider shall enter into agreement with such vendors and provide a copy of such agreement to the Bank. The agreement between service provider and local vendors should explicitly include a clause regarding confidentiality of data and other information related to business.

#### **16. Patent Rights**

For any licensed software used by the Vendor for performing services or developing software for the Bank, the Vendor should have right as well right to license for the outsourced services or third party software development. Any license or IPR violation on the part of Vendor / Subcontractor should not put the Bank at risk. The Bank reserves the right to audit the license usage of the Vendor.

The Vendor shall, at their own expenses, defend and indemnify the Bank against all third party claims or infringement of intellectual Property Right, including Patent, trademark, copyright, trade secret or industrial design rights arising from use of the products / services or any part thereof in India or abroad. In case of violation/infringement of patent/trademark/copyright/ trade secrete or industrial design, the Service Provider shall after due inspection and testing get the solution redesigned forSBI at no extra cost.

The supplier shall expeditiously extinguish any such claims and shall have full rights to defend itself there from. If the Bank is required to pay compensation to a third party resulting from such infringement, the supplier shall be fully responsible therefore, including all expenses and court and legal fees.

The Bank will give notice to the supplier of any such claim without delay, provide reasonable assistance to the Supplier in disposing of the claim, and shall at no time admit to any liability for or express any intent to settle the claim.

#### **17.Powers to Vary or Omit Work**

No alterations, amendments, omissions, additions, suspensions or variations of the work (hereinafter referred to as variation) under the contract shall be made by the successful Bidder except as directed in writing by Bank. The Bank shall have full powers, subject to the provision herein after contained, from time to time during the execution of the contract, by notice in writing to instruct the successful Bidder to make any variation without prejudice to the contract. The finally selected Bidders shall carry out such variation and be bound by the same conditions as far as applicable as though the said variations occurred in the contract documents. If any suggested variations would, in the opinion of the finally selected Bidders, if carried out, prevent him from fulfilling any of his obligations under the contract, he shall notify Bank thereof in writing with reasons for holding such opinion and Bank shall instruct the successful Bidder to make such other modified variation without prejudice to the contract. The finally selected Bidder(s) shall carry out such variation and be bound by the same conditions as far as applicable as though the said variations occurred in the contract documents. If Bank confirms his instructions, the successful Bidder's obligations shall be modified to such an extent as may be mutually agreed, if such variation is substantial and involves considerable extra cost. Any agreed difference in cost occasioned by such variation shall be added to or deducted from the contract price as the case may be.

In any case in which the successful Bidder has received instructions from Bank as to the requirement of carrying out the altered or additional substituted work which either then or later on, will in the opinion of the finally selected Bidders, involve a claim for additional payments, such additional payments shall be mutually agreed in line with the terms and conditions of the order.

If any change in the work is likely to result in reduction in cost, the parties shall agree in writing so as to the extent of change in contract price, before the finally selected Bidder(s) proceeds with the change. In all the above cases, in the event of a disagreement as to the reasonableness of the said sum, the decision of Bank shall prevail.

#### **18. No Waiver of Bank Rights or Successful Bidder's Liability**

Neither any payment sign-off by Bank, nor any payment by Bank for acceptance of the whole or any part of the work, nor any extension of time, nor any possession taken by Bank shall affect or prejudice the rights of Bank against the finally selected Bidders, or relieve the finally selected Bidders of his obligations for the due performance of the contract, or be interpreted as approval of the work done, or create liability in Bank to pay for alterations/ amendments/ variations, or discharge the liability of the successful Bidder for the payment of damages whether due, ascertained, or certified or not or any sum against the payment of which he is bound to indemnify Bank nor shall any such certificate nor the acceptance by him of any such paid on account or otherwise affect or prejudice the rights of the successful Bidder against Bank.

#### **19. Inspection, Quality Control and Audit**

19.1 The Selected Bidder(s) (Service Provider(s)) has to get itself annually audited by external empanelled Auditors appointed by the Bank/ inspecting official from the Reserve Bank of India or any regulatory authority, covering the risk parameters finalized by the Bank/ such auditors in the areas of products (IT hardware/ software) and Services etc, provided to the Bank and the Service Provider are required to submit such certification by such Auditors to the Bank. The Service Provider and or his / their outsourced agents / sub – contractors (if allowed by the Bank) shall facilitate the same. The Bank can make its expert assessment on the efficiency and effectiveness of the security, control, risk management, governance system and process created by the Service Provider. The Service Provider shall, whenever required by the Auditors, furnish all relevant information, records/data to them. All costs for audit, done by the Bank or it's nominees shall be borne by the Bank.

19.2 Where any deficiency has been observed during audit of the Service Provider on the risk parameters finalized by the Bank or in the certification submitted by the Auditors, the Service Provider shall correct/resolve the same at the earliest and shall provide all necessary documents related to resolution thereof and the auditor shall further certify in respect of resolution of the deficiencies. The resolution provided by the Service Provider shall require to be certified by the Auditors covering the respective risk parameters against which such deficiencies have been observed. Non-compliance may lead to penalty of 0.50% of the monthly bills till the time it is set right.

19.3 Service Provider shall, whenever required by the Bank, furnish all relevant information, records/data to such auditors and/or inspecting officials of the Bank/Reserve Bank of India and or any regulatory authority. The Bank reserves the right to call and/or retain for any relevant material information / reports including audit or review reports undertaken by the service provider (e.g., financial, internal control and security reviews) and findings made on Selected Bidder in conjunction with the services provided to the Bank.

19.4 The Bank may, at its discretion carry out on-site inspection by a team of Bank officials or demand a demonstration of the solution proposed on a representative model in Bidder's office or at Bank's premises as per specification provided by the Bank.

19.5 The Bank may, at its discretion inspect, test the products/solution after delivery of the same to the Bank and where necessary may reject the products/solution which does not meet the specification provided by the Bank. This shall in no way be limited or waived by reason of the products having previously being inspected, tested and passed by the Bank or its representative prior to the products shipment from the place of origin or prior to the installation and commissioning.

19.6 The Bank's at its discretion may carry out periodic inspection/quality checks on continual basis and where necessary may reject the products/solution which does not meet the specifications provided by the Bank.

## **20. Conflict of Interest:**

Bidder shall not have a conflict of interest (the "Conflict of Interest") that affects the Bidding Process. Any Bidder found to have a Conflict of Interest shall be disqualified. In the event of disqualification. The Bank shall be entitled to forfeit and appropriate the Bid Security and/or Performance Security (Performance Bank Guarantee), as the case may be, as mutually agreed upon genuine estimated loss and damage likely to be suffered and incurred by the Bank and not by way of penalty for, inter alia, the time, cost and effort of the Bank, including consideration of such Bidder's proposal (the "Damages"), without prejudice to any other right or remedy that may be available to the Bank under the Bidding Documents and/ or the Concession Agreement or otherwise. Without limiting the generality of the above, a Bidder shall be deemed to have a Conflict of Interest affecting the Bidding Process, if:

- (a) the Bidder, its Member or Associate (or any constituent thereof) and any other Bidder, its Member or any Associate thereof (or any constituent thereof) have common controlling shareholders or other ownership interest; provided that this disqualification shall not apply in cases where the direct or indirect shareholding of a Bidder, its Member or an Associate thereof (or any shareholder thereof having a shareholding of more than 5% (five per cent) of the paid up and subscribed share capital of such Bidder, Member or Associate, as the case may be) in the other Bidder, its Member or Associate, has less than 5% (five per cent) of the subscribed and paid up equity share capital thereof; provided further that



this disqualification shall not apply to any ownership by a Bank, insurance company, pension fund or a public financial institution referred to in section 4A of the Companies Act, 1956. For the purposes of this Clause, indirect shareholding held through one or more intermediate persons shall be computed as follows:

- (i) where any intermediary is controlled by a person through management control or otherwise, the entire shareholding held by such controlled intermediary in any other person (the "Subject Person") shall be taken into account for computing the shareholding of such controlling person in the Subject Person; and
- (ii) subject always to sub-clause (i) above, where a person does not exercise control over an intermediary, which has shareholding in the Subject Person, the computation of indirect shareholding of such person in the Subject Person shall be undertaken on a proportionate basis; provided, however, that no such shareholding shall be reckoned under this sub-clause if the shareholding of such person in the intermediary is less than 26% of the subscribed and paid up equity shareholding of such intermediary; or
- (b) a constituent of such Bidder is also a constituent of another Bidder; or
- (c) such Bidder, its Member or any Associate thereof receives or has received any direct or indirect subsidy, grant, concessional loan or subordinated debt from any other Bidder, its Member or Associate, or has provided any such subsidy, grant, concessional loan or subordinated debt to any other Bidder, its Member or any Associate thereof; or
- (d) such Bidder has the same legal representative for purposes of this Bid as any other Bidder; or
- (e) such Bidder, or any Associate thereof, has a relationship with another Bidder, or any Associate thereof, directly or through common third party/ parties, that puts either or both of them in a position to have access to each other's information about, or to influence the Bid of either or each other; or
- (f) such Bidder or any Associate thereof has participated as a consultant to the Bank in the preparation of any documents, design or technical specifications of the Project.

## **21. Fraud & Corrupt Practices:**

21.1 The Bidder and their respective officers, employees, agents and advisers shall observe the highest standard of ethics during the Bidding Process.

Notwithstanding anything to the contrary contained herein, the Bank shall reject an Application without being liable in any manner whatsoever to the Bidder if it determines that the Bidder has, directly or indirectly or through an agent, engaged in corrupt/fraudulent/coercive/undesirable or restrictive practices in the Bidding Process.

21.2 Without prejudice to the rights of the Bank under Clause 21.1 hereinabove, if a Bidder is found by the Bank to have directly or indirectly or through an agent,

engaged or indulged in any corrupt/fraudulent/coercive/undesirable or restrictive practices during the Bidding Process, such Bidder shall not be eligible to participate in any EOIRFP issued by the Bank during a period of 2 (two) years from the date if such Bidder is found by the Bank to have directly or indirectly or through an agent, engaged or indulged in any corrupt/ fraudulent/ coercive/ undesirable or restrictive practices, as the case may be.

21.3 For the purposes of this Clause, the following terms shall have the meaning hereinafter, respectively assigned to them:

- (a) **“corrupt practice”** means (i) the offering, giving, receiving, or soliciting, directly or indirectly, of anything of value to influence the actions of any person connected with the Bidding Process (for avoidance of doubt, offering of employment to or employing or engaging in any manner whatsoever, directly or indirectly, any official of the Bank who is or has been associated in any manner, directly or indirectly with the Bidding Process or the Letter of Authority or has dealt with matters concerning the Concession Agreement or arising there from, before or after the execution thereof, at any time prior to the expiry of one year from the date such official resigns or retires from or otherwise ceases to be in the service of the Bank, shall be deemed to constitute influencing the actions of a person connected with the Bidding Process); or (ii) engaging in any manner whatsoever, whether during the Bidding Process or after the issue of the Letter of Authority or after the execution of the Agreement, as the case may be, any person in respect of any matter relating to the Project or the Letter of Authority or the Agreement, who at any time has been or is a legal, financial or technical adviser of the Bank in relation to any matter concerning the Project;
- (b) **“Fraudulent practice”** means a misrepresentation or omission of facts or suppression of facts or disclosure of incomplete facts, in order to influence the Bidding Process ;
- (c) **“Coercive practice”** means impairing or harming or threatening to impair or harm, directly or indirectly, any person or property to influence any person’s participation or action in the Bidding Process;
- (d) **“Undesirable practice”** means (i) establishing contact with any person connected with or employed or engaged by the Bank with the objective of canvassing, lobbying or in any manner influencing or attempting to influence the Bidding Process; or (ii) having a Conflict of Interest; and
- (e) **“Restrictive practice”** means forming a cartel or arriving at any understanding or arrangement among Bidders with the objective of restricting or manipulating a full and fair competition in the Bidding Process.

## **22. Cancellation of Contract**

The Bank shall have the right to cancel the contract with the selected Bidder at any time during the contract period, by giving a written notice of at least 3 (three) months, for any valid reason, including but not limited to the following reasons:

- i) Laxity in following security standards laid down by the Bank
- ii) Excessive delay in execution of orders placed by the Bank
- iii) Discrepancies / deviations in the agreed processes and/or products
- iv) Violation of terms & conditions stipulated in this RFP
- (v) For convenience

## **23. Delays in the Vendor's performance in successful implementation of the Contract**

Delivery of the solution and performance of the services shall be made by the Vendor in accordance with the time schedule, technical specification, scope of the project and other terms & conditions as specified in the RFP/SLA/Contract. Any delay in performing the obligation /defect in performance by the supplier may result in imposition of liquidated damages, invocation of Performance Bank Guarantee and/or termination of contract.

## **24. Liquidated Damages**

If vendor fails to perform services within stipulated time schedule or any loss is suffered by the Bank due to acts attributable to the Service Provider, the Bank shall, without prejudice to its other remedies under the contract, deduct from the contract price, as liquidated damages, a sum equivalent to 1% of the total project cost for delay of each day or part thereof maximum up to 10% of total last month's payments. Once the maximum is reached, SBI may consider termination of Contract pursuant to the conditions of contract.

## **25. Termination for Default**

SBI may, without prejudice to any other remedy for breach of contract, by written notice of default sent to the Vendor, terminate the contract in whole or part: if the Vendor fails to deliver any or all of the services within the period(s) specified in the Contract, or within any extension thereof granted by the Bank pursuant to conditions of contract or if the Vendor fails to perform any other obligation(s) under the Contract.

In the event SBI terminates the Contract in whole or in part, SBI may procure, upon such terms and in such manner, as it deems appropriate, systems or services similar to those undelivered and the Vendor shall be liable to Bank for any excess costs for such similar systems or services. However, the vendor shall continue the performance of the contract to the extent not terminated.

## **26. Force Majeure**

Any failure or delay by Bidder or Bank in performance of its obligation, to the extent due to any failure or delay caused by fire, flood, earthquake or similar elements of nature, or acts of God, war, terrorism, riots, civil disorders, rebellions or revolutions, acts of government authorities or other events beyond the reasonable control of non-performing Party, is not a default or a ground for termination.

If Force Majeure situation arises the Vendor shall promptly notify Bank in writing of such conditions and the cause thereof. Unless otherwise agreed by SBI in writing, the Vendor shall continue to perform its obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the Force Majeure event.

## **27. Termination for Insolvency**

SBI may at any time terminate the Contract by giving written notice to the Vendor, if the vendor becomes Bankrupt or otherwise insolvent *any application for Bankruptcy, insolvency or winding up has been filed against it by any person..* In this event termination will be without compensation to the Vendor, provided that such termination will not prejudice or affect any right of action or remedy, which has occurred or will accrue thereafter to SBI.

## **28. Governing Law and Disputes (Applicable in case of successful Bidder only)**

All disputes or differences whatsoever arising between the parties out of or in connection with this contract or in discharge of any obligation arising out of the Contract (whether during the progress of work or after completion of such work and whether before or after the termination of this contract, abandonment or breach of this contract), shall be settled amicably. If however, the parties are not able to solve them amicably, either party (SBI or Vendor), give written notice to other party clearly setting out there in specific dispute(s) and/or difference(s) or shall be referred to a sole arbitrator mutually agreed upon, and the award made in pursuance thereof shall be binding on the parties. In the absence of consensus about the single arbitrator, the dispute may be referred to joint arbitrator; one to be nominated by each party and the said arbitrators shall nominate a presiding arbitrator, before commencing the arbitration proceedings. The arbitration shall be settled in accordance with the

applicable Indian Laws. Any appeal will be subject to the exclusive jurisdiction of courts at Mumbai.

The Vendor shall continue work under the Contract during the arbitration proceedings unless otherwise directed by the Bank or unless the matter is such that the work cannot possibly be continued until the decision of the arbitrator is obtained.

Arbitration proceeding shall be held at Mumbai, India, and the language of the arbitration proceedings and that of all documents and communications between the parties shall be in English.

### **29. Governing language**

The contract and all correspondence/ communications and other documents pertaining to the Contract, shall be written in English.

### **30. Governing Law**

The contract shall be interpreted in accordance with the laws of the Government of India.

### **31. Notices**

Any notice given by one party to the other pursuant to this contract shall be sent to other party in writing or by Fax and confirmed in writing to other Party's address. For the purpose of all notices, the following shall be the current address:

Deputy General Manager,  
State Bank of India, MAB IT Ops  
D222/2, First Floor, Omsagar Complex  
Nerul MIDC, Navi Mumbai-400706  
Maharashtra  
E mail: dgm.mabops@sbi.co.in

The notice shall be effective when delivered or on the notice's effective date whichever is later.

### **32. Taxes and Duties:**

- a. The Vendor shall be liable to pay all corporate taxes and income tax that shall be levied according to the laws and regulations applicable from time to time in India and the price bid by the Vendor shall include all such taxes in the contract price.

- b. Prices quoted should be exclusive of all Central / State Government taxes/duties and levies as also cost of incidental services such as transportation, road permits, insurance etc. The quoted prices and taxes/duties and statutory levies such as Service tax, VAT/ Sales tax, Excise duty, Octroi, etc. should be specified in the separate sheet (**Annexure- F**).
- c. Custom duty as also cost of incidental services such as transportation, road permits, insurance etc. in connection with delivery of products at site including any incidental services and commissioning, if any, which may be levied, shall be borne by the Vendor and the Bank shall not be liable for the same. Only specified taxes/ levies and duties in the **Annexure-F** will be payable by the Bank on actuals upon production of original receipt wherever required. If any specified taxes/ levies and duties in **Annexure-F** are replaced by the new legislation of Government, same shall be borne by the Bank. The Bank shall not be liable for payment of those Central / State Government taxes, levies, duties or any tax/ duties imposed by local bodies/ authorities, which are not specified by the Bidder in **Annexure-F**
- d. Prices payable to the Vendor as stated in the Contract shall be firm and not subject to adjustment during performance of the Contract, irrespective of reasons whatsoever, including exchange rate fluctuations, any upward revision in Custom duty. The Bidder will pass on to the Bank, all fiscal benefits arising out of reductions, if any, in Government levies viz. custom duty or the benefit of discounts if any announced in respect of the cost of the items for which orders have been placed during that period.
- e. Income / Corporate Taxes in India: The Bidder shall be liable to pay all corporate taxes and income tax that shall be levied according to the laws and regulations applicable from time to time in India and the price bid by the Bidder shall include all such taxes in the contract price.
- f. Tax deduction at Source: Wherever the laws and regulations require deduction of such taxes at the source of payment, the Bank shall effect such deductions from the payment due to the Bidder. The remittance of amounts so deducted and issuance of certificate for such deductions shall be made by the Bank as per the laws and regulations in force. Nothing in the Contract shall relieve the Bidder from his responsibility to pay any tax that may be levied in India on income and profits made by the Bidder in respect of this contract.
- g. All expenses, stamp duty and other charges/ expenses in connection with the execution of the Agreement as a result of this RFP process shall be borne by the Vendor.

### **33. Vendor's Obligation**

- 33.1 The vendor is obliged to act within its own authority and abide by directives issued by SBI from time to time and in the best interest of Bank and its customers
- 33.2 The Vendor is responsible for managing the activities of its personnel and will hold itself responsible for any misdemeanours on the part of its personnel.
- 33.3 The Vendor will treat as confidential all data and information about SBI, obtained in the process of executing its responsibilities, in strict confidence and will not reveal such information to any other party without prior written approval of SBI as explained under ' Non-Disclosure Agreement' in ***Annexure E*** of this document.
- 33.4 Have a model code of conduct in line with IBA's /SBI's code of conduct in addition to their own, if any.
- 33.5 Proper background and police verification for employee.
- 33.6 Access to information by the employees as per requirements and roles.
- 33.7 Ensure Security and integrity of data at all times.
- 33.8 Neither employees of the selected Partner or partners of the selected partner nor employees of the Bank will seek employment in each other's organisation during the currency of the engagement. This would not be applicable if an employee seeks employment through open offers and not specific.
- 33.9 Selected Bidder and their partners would be responsible for adhering to various rules / laws / directions of the Regulators, GOI and other statutory bodies like labour laws, provisions of the Companies act etc.

### **34. Services**

All professional services necessary to successfully implement the proposed solution will be part of the RFP. These services include, but are not limited to, Project Management, Training, Deployment methodologies etc.

The Bidder should submit as part of technical Bid an overview of Project Management approach of the proposed solution.

Bidder should ensure that vendor's key personnel with relevant skill are in place at their system. Qualification and experience of key Vendor personnel to be shared on half yearly basis.

Bidder should ensure the quality of methodologies for delivering the services and its adherence to quality standard.

### **35. Terms & Conditions**

- a) Language of Bid: All bids and supporting documentation shall be submitted in English.
- b) SBI reserves the right to accept or reject any or all Bids without assigning any reason thereof and Bank's decision in this regard will be treated as final. Bids may be

accepted or rejected in total or any part or items thereof. No contractual whatsoever shall arise from the RFP process unless and until a formal contract is signed and executed by duly authorized officials of the Bank and the Bidder. However, until a formal contract is prepared and executed, this offer together with Bank's written acceptance & notification of award shall constitute a binding contract with the vendor.

c) Any Bid not containing sufficient information, in view of SBI, to permit a thorough analysis may be rejected.

d) The Bank shall have the right to reject the bids not submitted in the prescribed format or incomplete in any manner.

e) State Bank of India is not responsible for non-receipt of bids within the specified date and time due to any reason including postal delays or holidays.

f) The Bank also reserves the right to alter/ modify any/ some/ all of the requirements, as it may deem necessary, and notify the same on its website [www.sbi.co.in](http://www.sbi.co.in) before the last date for submission of response under this RFP. The Bidders should be agreeable for the same.

g) Bids not conforming to the requirements of the RFP may not be considered by SBI. However, SBI reserves the right, at any time, to waive any of the requirements of the RFP, if in the sole discretion of SBI, the best interest of SBI be served by such waiver.

h) Bidders who do not meet the technical criteria stipulated by the Bank will not be considered for further evaluation.

i) SBI shall have the right to cancel the RFP process at any time prior to award of contract, without thereby incurring any liabilities to the affected Bidder(s). Reasons for cancellation, as determined by SBI in its sole discretion include but are not limited to, the following:

- (i) Services Contemplated are no longer required
- (ii) Scope of work were not adequately or clearly defined due to unforeseen circumstance and/or factors and/or new developments
- (iii) Proposed prices are unacceptable to the Work
- (iv) The Project is not in the best interest of SBI
- (v) Any other reason

j) Pre-bid meeting, if any, will be held to brief the intending Bidders about the requirements of the Bank and to furnish clarifications on any points / queries received from them. No separate communication will be sent for this meeting.

k) SBI reserves the right to verify the validity of bid information and to reject any bid where the contents appear to be incorrect, inaccurate or inappropriate at any time during the process of RFP or even after award of contract.

l) SBI reserves the right to re-negotiate the prices in the event of changes in the market conditions and/or technology etc



- m) Bank reserves the right to appoint a consultant at any stage during bidding process.
- n) If Bank decides to appoint a consultant, the Consultant will not be allowed to participate in the RFP
- o) During the term of agreement, Bidder will not hire or retain, either as an employee or consultant any employee of Bank. During the contract period, Bank will also not hire or retain, either as an employee or consultant, any employee of the Bidder.
- p) All pages of RFP should be stamped and signed by Authorized Signatory of the Bidder.
- q) Vendor is not authorized to sell any proprietary and Bank-specific customization of software to any other party for a predefined period of 2 years. After expiry of predefined period, if Vendor wishes to sell such customization to some other party, a written concurrence/permission from the Bank should be obtained]
- r) Vendor should carry out any change request necessitated by the Bank
- s) Bank may choose to take an undertaking from Vendor employees to maintain the confidentiality of the Bank's information/documents etc. Bank may seek details / confirmation on background verification of Vendor's employees worked/working on Bank's project as may have been undertaken / executed by the Vendor. Vendor should be agreeable for any such undertaking/verification.
- t) Bank reserves its right to award the Bid to more than one Vendor if deemed in the best interest of the Bank

### **36. Limitation of liability:**

- i. For breach of any obligation mentioned in this RFP, subject to obligations mentioned in this clause, in no event Service Provider shall be liable for damages to the Bank arising under or in connection with this agreement for an amount exceeding the total Cost of the Project. Service provider will ensure Bank's data confidentiality and shall be responsible for liability arising in case of breach of any kind of security and/or leakage of confidential customer/Bank's related information to the extent of loss so caused.
- ii. The limitations set forth herein shall not apply with respect to:
  - a) claims that are the subject of indemnification pursuant to IPR infringement,
  - b) damage(s) occasioned by the gross negligence, fraud or wilful misconduct of Service Provider,

- c) damage(s) occasioned by Service Provider for breach of Confidentiality Obligations,
  - d) When a dispute is settled by the Court of Law in India.
  - e) Loss occasioned by Non-compliance of Statutory or Regulatory Guidelines.
- 

## **Annexure A**

### **Bid Covering Letter: To be submitted by the Bidder along with Bid documents**

To,  
The Deputy General Manager,  
State Bank of India, MAB IT Ops,  
D 222/2, First floor, Omsagar Complex,  
Nerul MIDC, Navi Mumbai-400706  
Maharashtra

Sir,  
Our Bid for \_\_\_\_\_

We submit our Bid Document herewith. We understand that

1. You are not bound to accept the lowest or any bid received by you, and you may reject all or any bid without assigning any reason or giving any explanation whatsoever.
2. Bank may follow close or open bidding process as per requirement of the Bank.
3. If our Bid is accepted, we undertake to enter into and execute at our cost, when called upon by the purchaser to do so, a contract in the prescribed form.
4. If our Bid is accepted, we are to be jointly and severally responsible for the due performance of the contract
5. You may accept or entrust the entire work to one vendor or divide the work to more than one vendor without assigning any reason or giving any explanation whatsoever
6. Vendor means the Bidder who is decided and declared so after examination of commercial bids.

7. The name(s) of successful Bidder to whom the contract is finally awarded after the completion of commercial bid shall be displayed on the website of the Bank and/or communicated to successful Bidder(s).

8. The Commercial Bidding process will be through an e-procurement reverse auction process (or manual price negotiation). The reverse auction can be conducted in person or through online process. In case Bank opts for online reverse auction, it will be conducted by the Bank or a company who have been authorized in this regard by the Bank. The Bidders are required to possess a valid Digital Certificate for participating in the online process.

Yours faithfully,

For:

Signature:

Name:

## **Annexure B**

### **Eligibility Criteria**

Bidders meeting the following criteria are eligible to submit their Bids along with supporting documents. If the Bid is not accompanied by all the required documents supporting eligibility criteria, the same would be rejected:

Sr.No.	Eligibility Criteria	Documents to be submitted
1	The Bidder must be an firm/ company / organization registered under Companies Act in India	Copy of the Certificate of Incorporation issued by Registrar of Companies and full address of the registered office
2	The Bidder must have an average turnover of minimum Rs 25.00 crores during last 3 financial years (2013-14, 2014-15 and 2015-16)	Copy of the audited Balance Sheet
3	The Bidder should be profitable organization for last 3 financial years: 2013-14, 2014-15 and 2015-16	Copy of the audited balance sheet
4	Bidder should have experience of minimum 2 years in providing MAB services	Copy of the order and / or Certificate of completion of the work

5	Client references and contact details(email/landline/mobile) of customers for whom the Bidder has executed similar projects( Start and End Date of the Project to be mentioned) in the past	1. 2. 3.
6	Certification Requirements ( as per scope of the project )	Copy of the Valid Certificate(s) to be provided
7	DR Arrangement& support infrastructure	Document on DR arrangements/ support infrastructure to be provided
8	No Bidder solely or jointly to submit more than one Bid. <b>Joint Ventures with one or more Scheduled Bank as partner / stake holder(s) will not be considered eligible</b>	Self-certificate and documentary proofs by way of copies of COI, Annual accounts etc.
9	The Bidder should have been associated with MAB activities for at least one scheduled commercial Bank for over two years and total number (for all clients put together) of terminals managed by the Bidder should be in excess of 100000 (One lakh)	Letter from the concerned Bank for over two year's relationship. Self-certificate for number of machines deployed / managed for various clients(client's name optional subject to Non-Disclosure Agreement with them
10	Bidder's infrastructure should be compliant to RBI / card schemes regulations	Necessary documents like PCIDSS and certificates from card schemes
11	Owns the necessary technology Infrastructure covering following areas: <ul style="list-style-type: none"> <li>• Robust, scalable, user friendly and secured front end application( Merchant boarding, Terminal set up, Key injection, terminal deployment, merchant training, terminal repair, transaction processing and authorization, Risk assessment, fraud monitoring, helpdesk, online portal for merchants with viewing rights for their transactions etc)</li> <li>• Back end systems covering Merchant settlement, reconciliation, schemes compliances, chargebacks, presentments, re-presentments, arbitration, merchant billing, scheme fee management, merchant reporting, MIS etc</li> <li>• Integration of diverse channels</li> </ul>	Self-certification

	<p>(PoS, Biometric with Aadhar enablement, mVISA, NFC capabilities, ETC, payment through SBI Buddy, India QR, etc.</p> <ul style="list-style-type: none"> <li>• Value added services like DCC, Multi currency conversion, remittances, rewards etc</li> <li>• Scalability and redundancy provisioning</li> <li>• Security</li> <li>• Risk Management and fraud monitoring capabilities</li> </ul>	
12	Having adequate experience in use of Management tools for monitoring the terminal activity on an ongoing basis.	Self-certification
13	Possess capabilities of deploying PoS terminals of all variants such as NFC terminals, PSTN, GPRS, ECR, Biometric, capturing data ETC tags now, shortly other evolving similar terminals etc	Self-certification
14	Ability of migration of merchants from existing system to a new system.	Self-certification
15	Bidder must have necessary capability to act as Acquirer for AMEX, VISA, Mastercard, Rupay, Rupay related schemes and other schemes	Self-certification
16	Bidder should have necessary infrastructure to connect with aggregators like Pinelabs, Innoviti etc.	Self-certification
17	Bidder should not have been Black listed by any Bank or Agency in the last 5 years	Self-certification
18	There should not have been breaches in data in the past from Infrastructure / systems managed by the Bidder.	Self-certification
19	Details, if any, of past litigation, disputes raised by clients / card schemes / Statutory bodies or other Agencies	Self-certification
20	Deployments will PAN India including island states, union territories and cities	Self-certification

**In case, if some of the criteria's are not available as on date of RFP, please indicate the timelines by which they can be made available.**

Documentary evidence must be furnished against each of the above criteria along with an index. All documents must be signed by the authorized signatory of the Bidder.

Relevant portions, in the documents submitted in pursuance of eligibility criteria, should be highlighted.

Signature

Seal of Company

(Signature and seal of company to be put on both pages of Annexure B )

## **Annexure C**

### **Technical Bid**

Available fully as part of Solution	F
Will be provided as Customisation	C
Will be provided as Third party solution	T
Not Feasible	N

Note 1	Applicant need to give one of the above value in column F/C/T/N in the following table as regards to compliance
Note 2	Applicant to give supporting technical documents / presentations etc in support of the undernoted each of the Technical / Functional / Requirement of the Solution
Note 3	F/C/T/N: Any wrong reporting in the column F/C/T/N which subsequently is found to be false shall render the Applicant liable to be blacklisted for future participation in the RFPs/Tenders of the Bank and forfeiture of EMD
Note 5	Applicant to invariably mention the page number of RFP against each of the Technical / Functional specification with supporting document / presentation etc failing which, it will be at the discretion of the Bank to treat the same as Not Feasible
Note 6	Mandatory: means Requirement / Functionality should either be available as part of the solution(F)

Sr. No	Required Functionalities/ Features	Mandatory	F / C / T / N	Page No of RFP submitted
1	Availability of duly certified switch from all concerned (RBI, card schemes, PCI-DSS)	Mandatory		
2	Do you own the switch		Yes / No	
3	Capability and infrastructure for key injections in a secured environment	Mandatory		
4	Capability to process transactions by VISA, Mastercard and Rupay cards	Mandatory		
5	Capability to process AMEX transaction (any Bank as Acquirer and not AMEX proprietary model)			
6	Capability to accept loyalty, reward cards like Diners etc.			
7	Availability of Technical Team for operations of switch	Mandatory		
8	MMS module is available.	Mandatory		
9	Whether necessary team for developments of newer modules or applications is available			
10	Necessary infrastructure for staging of transactions as per timelines with card schemes is available	Mandatory		
11	Dedicated team for monitoring transactions and taking actions on such alerts from the Risk angle is available	Mandatory		
12	Necessary infrastructure and expertise for deploying all variants of PoS terminals and acceptance of payment applications like m-VISA, State Bank Buddy, ETC tags			
13	Whether physical isolation of Bank's data is available? If No, please explain in brief,			

	how do you ensure security and integrity of Bank's data			
14	Whether privileges and access control is available to various users depending upon their roles and requirements			
15	Requests from Bank for new installations, modifications to existing ones can be offline as well as online (through Bank's own application). Are you ready for both of them			
16	Whether dedicated helpdesk is available. Modes of receipt of complaints could be through toll free number, SMS, e mails etc.	Mandatory		
17	Availability of DCC and Multi currency capabilities acceptance			
18	Availability of EMI option			
19	Availability of team for Chargeback and related issues	Mandatory		
20	Whether DR setup is available	Mandatory		
21	Services of Third party Data centre are being used for hosting of servers / hardware. If Yes, pls specify the category of the DC where hosted.			
22	Readiness to provide special treatment (in terms of MDRs on certain categories of cards or Merchants , revenue sharing, surcharge etc) on instructions from Bank for certain categories of customers like CSD (Defence canteens) / Police canteens / government establishments / tie up with various companies / Railways. There can be models wherein revenue is shared with the terminal holders for certain categories of Merchants			
23	Capability of providing			



	Cash@PoS depending upon the category of the location( please refer RBI instructions in this regards wherein limits have been assigned depending on the Tier classification of the location)			
24	Capability for acceptance of payments through Aadhar enablement and Biometrics			
25	Whether you sublet various tasks to third parties			
26	Capability to provide web-based solution for complaint logging, MIS, transaction history			
27	Capability to migrate merchants from one Vendor to your system and vice versa			
28	Necessary capability and infrastructure is available for generating and sharing MIS with Bank as well as terminal holders			
29	Capability to customise MIS for selected merchants as per Bank's requirement			
30	Availability of necessary infrastructure to route On-Us transactions to Bank's own switch and capability to customize the switch for On-Us routing.	Mandatory		
31	Availability of centres PAN India staffed by the vendor to support the merchant acquiring activities.			
32	Ability to interact and connect with other Aggregators like Pinelabs, Innoviti, Ezetapetc			
33	Availability of Remote Terminal Management tool / application and its usage			
34	Sharing of Service tax, FIRC certificates at frequency as decided by Bank			
35	Capability to deduct TDS on			

	certain revenues which are shared with terminal holders			
36	Capability to provide analytics			
37	Capability to provide Dashboard for inventory management, Complaint Management, MIS			
38	Capability to migrate Merchants from existing set-up to own platform and vice versa			
39	Ability to process refunds / recoveries from Merchants. Such recoveries, refunds can be on the same day as of the transaction or can be at a later date.			

## **Annexure D**

### **Bidder Details**

#### Details of the Bidder

1. Name
2. Date of Incorporation and / or commencement of business
3. Certificate of incorporation
4. Brief description of the Bidder including details of its main line of business
5. Company website URL
6. Particulars of the Authorized Signatory of the Bidder
  - a. Name
  - b. Designation
  - c. Address
  - d. Phone Number (Landline)
  - e. Mobile Number
  - f. Fax Number
  - g. Email Address

Signature and Seal of Company

**Annexure E**

**NON-DISCLOSURE AGREEMENT**

THIS RECIPROCAL NON-DISCLOSURE AGREEMENT (the “Agreement”) is made at Mumbai between:

\_\_\_\_\_ constituted under the \_\_\_\_\_ Act,  
\_\_\_\_\_ having its Corporate Centre at \_\_\_\_\_  
\_\_\_\_\_ (hereinafter referred to as “Bank” which  
expression includes its successors and assigns) of the ONE PART;

And

\_\_\_\_\_ (hereinafter referred to as “\_\_\_\_\_”  
which expression shall unless repugnant to the subject or context thereof, shall mean  
and include its successors and permitted assigns) of the OTHER PART;

And Whereas

1. \_\_\_\_\_ is carrying on business of  
providing \_\_\_\_\_, has agreed to  
\_\_\_\_\_ for the Bank and other related tasks.

2. For purposes of advancing their business relationship, the parties would need to disclose certain valuable confidential information to each other. Therefore, in consideration of covenants and agreements contained herein for the mutual disclosure of confidential information to each other, and intending to be legally bound, the parties agree to terms and conditions as set out hereunder.

**NOW IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES AS UNDER**

**1. Confidential Information and Confidential Materials :**

(a) “Confidential Information” means non-public information that Disclosing Party designates as being confidential or which, under the circumstances surrounding disclosure ought to be treated as confidential. “Confidential Information” includes, without limitation, information relating to installed or purchased Disclosing Party software or hardware products, the information relating to general architecture of Disclosing Party’s network, information relating to nature and content of data stored within network or in any other storage media, Disclosing Party’s business policies, practices, methodology, policy design delivery, and information received from others that Disclosing Party is obligated to treat as confidential. Confidential Information disclosed to Receiving Party by any Disclosing Party Subsidiary and/ or agents is covered by this agreement

(b) Confidential Information shall not include any information that: (i) is or subsequently becomes publicly available without Receiving Party’s breach of any obligation owed to Disclosing party; (ii) becomes known to Receiving Party prior to Disclosing Party’s disclosure of such information to Receiving Party; (iii) became known to Receiving Party from a source other than Disclosing Party other than by the breach of an obligation of confidentiality owed to Disclosing Party; or (iv) is independently developed by Receiving Party.

(c) “Confidential Materials” shall mean all tangible materials containing Confidential Information, including without limitation written or printed documents and computer disks or tapes, whether machine or user readable.

**2. Restrictions**

(a) Each party shall treat as confidential the Contract and any and all information (“confidential information”) obtained from the other pursuant to the Contract and shall not divulge such information to any person (except to such party’s own employees and other persons and then only to those employees and persons who need to know the same) without the other party’s written consent provided that this clause shall not extend to information which was rightfully in the possession of such party prior to the commencement of the negotiations leading to the Contract, which is already public knowledge or becomes so at a future date (otherwise than as a result of a breach of this clause). Receiving Party will have executed or shall execute appropriate written

agreements with its employees and consultants specifically assigned and/or otherwise, sufficient to enable it to comply with all the provisions of this Agreement. If the Contractor shall appoint any Sub-Contractor then the Contractor may disclose confidential information to such Sub-Contractor subject to such Sub Contractor giving the Customer an undertaking in similar terms to the provisions of this clause.

(b) Receiving Party may disclose Confidential Information in accordance with judicial or other governmental order to the intended recipients (as detailed in this clause), provided Receiving Party shall give Disclosing Party reasonable notice prior to such disclosure and shall comply with any applicable protective order or equivalent. The intended recipients for this purpose are:

(1) the statutory auditors of the Customer and

(2) regulatory authorities regulating the affairs of the Customer and inspectors and supervisory bodies thereof

(c) The foregoing obligations as to confidentiality shall survive any termination of this Agreement

(d) Unless otherwise mentioned in this agreement, Confidential Information and Confidential Material may be disclosed, reproduced, summarized or distributed only in pursuance of Receiving Party's business relationship with Disclosing Party, and only as otherwise provided hereunder. Receiving Party agrees to segregate all such Confidential Material from the confidential material of others in order to prevent mixing.

(f) Receiving Party may not reverse engineer, decompile or disassemble any software disclosed to Receiving Party.

### 3. **Rights and Remedies**

(a) Receiving Party shall notify Disclosing Party immediately upon discovery of any unauthorized use or disclosure of Confidential Information and/ or Confidential Materials, or any other breach of this Agreement by Receiving Party, and will cooperate with Disclosing Party in every reasonable way to help Disclosing Party regain possession of the Confidential Information and/ or Confidential Materials and prevent its further unauthorized use.

(b) Receiving Party shall return all originals, copies, reproductions and summaries of Confidential Information or Confidential Materials at Disclosing Party's request, or at Disclosing Party's option, certify destruction of the same.

(c) Receiving Party acknowledges that monetary damages may not be the only and / or a sufficient remedy for unauthorized disclosure of Confidential Information and that disclosing party shall be entitled, without waiving any other rights or remedies (as listed below), to injunctive or equitable relief as may be deemed proper by a Court of competent jurisdiction.

a. Suspension of access privileges

b. Change of personnel assigned to the job

- c. Financial liability for actual, consequential or incidental damages
- d. Termination of contract

(d) Disclosing Party may visit Receiving Party's premises, with reasonable prior notice and during normal business hours, to review Receiving Party's compliance with the term of this Agreement.

#### 4. **Miscellaneous**

(a) All Confidential Information and Confidential Materials are and shall remain the property of Disclosing Party. By disclosing information to Receiving Party, Disclosing Party does not grant any expressed or implied right to Receiving Party to disclose information under the Disclosing Party patents, copyrights, trademarks, or trade secret information.

(b) Any software and documentation provided under this Agreement is provided with RESTRICTED RIGHTS.

(c) Neither party grants to the other party any license, by implication or otherwise, to use the Confidential Information, other than for the limited purpose of evaluating or advancing a business relationship between the parties, or any license rights whatsoever in any patent, copyright or other intellectual property rights pertaining to the Confidential Information.

(d) The terms of Confidentiality under this Agreement shall not be construed to limit either party's right to independently develop or acquire product without use of the other party's Confidential Information. Further, either party shall be free to use for any purpose the residuals resulting from access to or work with such Confidential Information, provided that such party shall maintain the confidentiality of the Confidential Information as provided herein. The term "residuals" means information in non-tangible form, which may be retained by person who has had access to the Confidential Information, including ideas, concepts, know-how or techniques contained therein. Neither party shall have any obligation to limit or restrict the assignment of such persons or to pay royalties for any work resulting from the use of residuals. However, the foregoing shall not be deemed to grant to either party a license under the other party's copyrights or patents.

(e) This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof. It shall not be modified except by a written agreement dated subsequently to the date of this Agreement and signed by both parties. None of the provisions of this Agreement shall be deemed to have been waived by any act or acquiescence on the part of Disclosing Party, its agents, or employees, except by an instrument in writing signed by an authorized officer of Disclosing Party. No waiver of any provision of this Agreement shall constitute a waiver of any other provision(s) or of the same provision on another occasion.

(f) In case of any dispute, both the parties agree for neutral third party arbitration. Such arbitrator will be jointly selected by the two parties and he/she may be an

auditor, lawyer, consultant or any other person of trust. The said proceedings shall be conducted in English language at Mumbai and in accordance with the provisions of Indian Arbitration and Conciliation Act 1996 or any Amendments or Re-enactments thereto.

(g) Subject to the limitations set forth in this Agreement, this Agreement will inure to the benefit of and be binding upon the parties, their successors and assigns.

(h) If any provision of this Agreement shall be held by a court of competent jurisdiction to be illegal, invalid or unenforceable, the remaining provisions shall remain in full force and effect.

(i) All obligations created by this Agreement shall survive change or termination of the parties' business relationship.

## 5. **Suggestions and Feedback**

(a) Either party from time to time may provide suggestions, comments or other feedback to the other party with respect to Confidential Information provided originally by the other party (hereinafter "feedback"). Both party agree that all Feedback is and shall be entirely voluntary and shall not in absence of separate agreement, create any confidentially obligation for the receiving party. However, the Receiving Party shall not disclose the source of any feedback without the providing party's consent. Feedback shall be clearly designated as such and, except as otherwise provided herein, each party shall be free to disclose and use such Feedback as it sees fit, entirely without obligation of any kind to other party. The foregoing shall not, however, affect either party's obligations hereunder with respect to Confidential Information of other party.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2017 at \_\_\_\_\_  
(month) (place)

For and on behalf of \_\_\_\_\_

Name		
Designation		
Place		
Signature		

For and on behalf of \_\_\_\_\_

Name		
Designation		
Place		

Signature		
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## Annexure F

### Commercial Bid

The indicative commercial Bid needs to contain the information listed hereunder in a sealed envelope bearing the identification – “Indicative Commercial Bid for \_\_\_\_\_”.

Name of the Bidder:

All services are detailed in scope of work

Sr. No. (A)	Type of service (B)	Basis of unit (C)	Price (D)	Expected volume * in a year
1	Terminal installation, application downloading, activation and Merchant training charges (one time per terminal).	Per terminal		200000
2	Migration cost from one platform to another	Per terminal		150000
3	Terminal de-installation charges	Per terminal		15000



4	Field visit charges	Per visit		6000
5	Transaction processing cost	Per One lac transaction		450 million
6	Dynamic Currency conversion charges	Per Rs Ten Thousand		Rs 120.00 million
7	Terminal servicing and management fee (per terminal p.m.). The deployment will be on PAN India basis.	Per terminal per month		500000
8	Daily Settlement, Reconciliation, Chargeback, presentments, arbitrations and periodical reporting, merchant transaction reporting, merchant statements e mailing, MIS for Bank through e mail / SFTP etc. The list is illustrative and not exhaustive	Per terminal per month		500000
9	Help desk charges (outgoing)	Per call		600000
10	Rate per man day for developments. 200 man days in a calendar year will be free of costs	Per man day		200
11	Grand Total	-		

\*: these are projections / assumptions and in no way a commitment from Bank

#### Breakup of Taxes and Duties

Sr. No.	Name of activity/Services	Tax 1	Tax 2	Tax 3
		Mention Name of Tax		
1.				
2.				
3.				
4.				
5.				
6.				
Grand Total				

Signature

Seal of Company

**Annexure G**

**Compliance Statement**

**DECLARATION**

Terms & Conditions

We hereby undertake and agree to abide by all the terms and conditions stipulated by the Bank in the RFP document.

We declare that we are not in contravention of conflict of interest obligation mentioned in this RFP.

We certify that we have not made any changes from the contents of the RFP document read with its amendments/clarifications provided by the Bank submitted by us in our Bid document. It is further certified that the contents of our bid are factually correct.

We also accept that in the event of any information / data / particulars proving to be incorrect, the Bank will have the right to disqualify us from the bid.

We hereby undertakes that its name does not appear in any “Caution” list of RBI / IBA or any other regulatory body for outsourcing activity.

Signature:

Seal of Company

**Annexure H**

**Format for Performance Guarantee**

**BANK GUARANTEE**

To,  
The Deputy General Manager,  
State Bank of India, MAB IT Ops  
D 222/2, First Floor, Om Sagar Complex,  
Nerul MIDC, Navi Mumbai-400706

(Hereinafter referred to as "SBI / you")

Whereas consequent to your Request For Proposal (RFP) No \_\_\_\_\_ dated \_\_\_\_\_ you have issued a Purchase Order No. \_\_\_\_\_ dated \_\_\_\_\_ to M/s \_\_\_\_\_, having its corporate office at \_\_\_\_\_ (hereinafter referred to as "the Contractor") to provide services for Merchant Acquiring services

Whereas as per the payment terms of the said RFP/Purchase Order the Contractor has to submit a Bank Guarantee from a any scheduled commercial Bank, other than SBI in favour of you.

And whereas, we, \_\_\_\_\_ Bank, having our branch office at \_\_\_\_\_ (hereinafter referred to as "the Guarantor") on the request of the Contractor hereby expressly and unreservedly undertake and Guarantee to pay to you, a sum not exceeding Rs. \_\_\_\_\_/- (Rupees \_\_\_\_\_ Only), being 10% of the value of the Purchase Order, in the event of any breach by the Contractor of the obligations under your said Purchase Order, or reasons attributable to the Contractor on account of the same. This Guarantee shall be limited to an amount not exceeding Rs. \_\_\_\_\_/- (Rupees \_\_\_\_\_ Only). You may raise a demand on us in writing stating the amount claimed under the Guarantee and on receipt of your claim in writing, without any demur, protest or contest and without any reference to the Contractor, we the Guarantor shall make the payment under this Guarantee to SBI within 24 hours of receipt of written claim / demand.

We the Guarantor, further confirm that a mere letter from the SBI that there has been a breach by the Contractor of its obligations or there are sufficient reasons for invoking this Guarantee, shall without any other or further proof be final conclusive and binding on the Guarantor.

We shall not be discharged or released from this undertaking and the Guarantee by any arrangement, variation, violation between you and the Contractor, indulgence to Contractor by you with or without our consent or knowledge and this Guarantee shall be in addition to any other Guarantee or security you possess against the Contractor.

This Guarantee shall be a continuing Guarantee and shall not be discharged by any change in the constitution of the Bank, Guarantor or the Contractor. It is further guaranteed that the payment under this Guarantee shall be made by us on receipt of your written demand as aforesaid making reference to this Guarantee.

Notwithstanding anything contained hereinabove, our liability under this Guarantee is restricted to Rs. \_\_\_\_\_/- (Rupees \_\_\_\_\_ Only).

This Guarantee shall remain in full force and effect for a period of \_\_ years from the date of the installation i.e. up to \_\_\_\_\_. Unless a claim under this Guarantee is made against us within one month from that date i.e. on or before \_\_\_\_\_, all your

rights under this Guarantee shall be forfeited and we shall be relieved and discharged from all liabilities there under.

Thereafter, our Guarantee shall be considered as null and void whether returned to ourselves or not.

Date :

For \_\_\_\_\_

(Branch and Bank)

Place :

**ANNEXURE-I**

**FORMAT FOR EMD BANK GUARANTEE**

To:

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Dear Sir,

**EMD BANK GUARANTEE FOR SETTING UP, MANAGE AND OPERATE  
MERCHANT ACQUIRING BUSINESS FOR STATE BANK OF INDIA,  
ASSOCIATED BANKS AND SUBSIDIARIES, TO MEET SUCH  
REQUIREMENTS AND PROVIDE SUCH SERVICES AS ARE SET OUT IN  
THE REQUEST FOR PROPOSAL NO. SBI: DATED DD/MM/YYYY**

WHEREAS State Bank of India (SBI), having its Corporate Office at Nariman Point, Mumbai, and Regional offices at other State capital cities in India has invited Request for Proposal to provide services for Merchant Acquiring services to State Bank of India, its Associates and subsidiaries and such services as are set out in the State Bank of India, Request for Proposal SBI: dated dd/mm/yyyy.

2. It is one of the terms of said Request for Proposal that the Bidder shall furnish a Bank Guarantee for a sum of Rs. \_\_\_\_\_/-(Rupees \_\_\_\_\_ Only) as Earnest Money Deposit.

3. M/s. \_\_\_\_\_, (hereinafter called as Vendor, who are our constituents intends to submit their tender for the said work and have requested us to furnish guarantee in respect of the said sum of Rs. \_\_\_\_\_/-(Rupees \_\_\_\_\_ Only)

4. NOW THIS GUARANTEE WITNESSETH THAT

We \_\_\_\_\_ (Bank) do hereby agree with and undertake to the State Bank of India, their Successors, assigns that in the event of the SBI coming to the conclusion that the Bidder has not performed their obligations under the said conditions of the RFP or have committed a breach thereof, which conclusion shall be binding on us as well as the said Vendor, we shall on demand by the SBI, pay without demur to the SBI, a sum of Rs. \_\_\_\_\_/- (Rupees \_\_\_\_\_ Only) or any lower amount that may be demanded by State Bank of India. Our guarantee shall be treated as equivalent to the Earnest Money Deposit for the due performance of the obligations of the Vendor under the said conditions, provided, however, that our liability against such sum shall not exceed the sum of Rs. \_\_\_\_\_/- (Rupees \_\_\_\_\_ Only).

5. We also agree to undertake to and confirm that the sum not exceeding Rs. \_\_\_\_\_/- (Rupees \_\_\_\_\_ Only) as aforesaid shall be paid by us without any demur or protest, merely on demand from the SBI on receipt of a notice in writing stating the amount is due to them and we shall not ask for any further

proof or evidence and the notice from the SBI shall be conclusive and binding on us and shall not be questioned by us in any respect or manner whatsoever. We undertake to pay the amount claimed by the SBI within 24 hours from the date of receipt of the notice as aforesaid. We confirm that our obligation to the SBI under this guarantee shall be independent of the agreement or agreements or other understandings between the SBI and the Vendor. This guarantee shall not be revoked by us without prior consent in writing of the SBI.

6. We hereby further agree that –

- a) Any forbearance or commission on the part of the SBI in enforcing the conditions of the said agreement or in compliance with any of the terms and conditions stipulated in the said tender and/or hereunder or granting of any time or showing of any indulgence by the SBI to the Vendor or any other matter in connection therewith shall not discharge us in any way our obligation under this guarantee. This guarantee shall be discharged only by the performance of the Vendor of their obligations and in the event of their failure to do so, by payment to us of the sum not exceeding Rs. \_\_\_\_\_/- (Rupees \_\_\_\_\_ Only)
- b) Our liability under these presents shall not exceed the sum of Rs. \_\_\_\_\_/- (Rupees \_\_\_\_\_ Only)
- c) Our liability under this agreement shall not be affected by any infirmity or irregularity on the part of our said constituents in tendering for the said work or their obligations there under or by dissolution or change in the constitution of our said constituents.
- d) This guarantee shall remain in force upto 180 days provided that if so desired by the SBI, this guarantee shall be renewed for a further period as may be indicated by them on the same terms and conditions as contained herein.
- e) Our liability under this presents will terminate unless these presents are renewed as provided herein upto 180 days or on the day when our said constituents comply with their obligations, as to which a certificate in writing by the SBI alone is the conclusive proof, whichever date is later.
- f) Unless a claim or suit or action is filed against us within six months from that date or any extended period, all the rights of the SBI against us under this guarantee shall be forfeited and we shall be released and discharged from all our obligations and liabilities hereunder.

Notwithstanding anything contained hereinabove:

(a) Our liability under this Bank Guarantee shall not exceed Rs...../-  
(Rupees .....only)

(b) This Bank Guarantee shall be valid upto .....

(c) We are liable to pay the guaranteed amount or any part thereof under this Bank Guarantee only and only if you serve upon us a written claim or demand on or before .....

Yours faithfully,

For and on behalf of

---

Authorized official.

**Annexure J**

**Contract Agreement /SLA -Terms & Conditions**

## **SOFTWARE/SERVICE LEVEL AGREEMENT**



<p style="text-align: center;"><b>MAB IT Ops Department</b> <b>State Bank Global IT Centre, Navi Mumbai</b></p>
---

This agreement made at..... (Place) on this -----day of \_\_\_\_\_  
20\_\_ \_\_.

BETWEEN

**State Bank of India**, constituted under the State Bank of India Act, 1955 having its Corporate Centre and Central Office at State Bank Bhavan, Madame Cama Road, Nariman Point, Mumbai-21 and its Merchant Acquiring Business Operations department at GITC, First floor, Omsagar Complex, Nerul MIDC, Navi Mumbai-400706 hereinafter referred to as “the Bank” (which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors in title and assigns) of one Part:

AND

.....<sup>1</sup>  
a private/public limited company/LLP/Firm <strike off whichever is not applicable>  
incorporated under the provisions of the Companies Act, 1956/ Limited Liability  
Partnership Act 2008/ Indian Partnership Act 1932 <strike off whichever is not  
applicable>, and hereinafter referred to as “.....”, which expression  
shall mean to include its successors in title and permitted assigns) of the Other Part:

## WHEREAS

- A. Bank now desires to avail certain services like deployment of card acceptance device including merchant training, transaction processing, merchant management, field handling & management, chargeback management, exception transaction processing and reporting & MIS services for the deployment of point of sale network solution at the business units of Approved merchants.
- B. ‘.....’<sup>2</sup>, in the business of providing Merchant Acquiring Services.<sup>3</sup>, has agreed to setup , manage Merchant Acquiring Services basis for providing the services of Infrastructure setup, install, Deinstall, staging Risk Management, Complaints management, field services, MIS, handling of chargeback, hold transactions etc<sup>4</sup> and the Bank has agreed to engage ‘.....’<sup>5</sup> for such Services, for an initial period of 5 years. The same may be extended for a further period of two years at Yearly intervals on mutual consent of both Parties

NOW THEREFORE, in consideration of the mutual covenants, undertakings and conditions set forth below, and for other valid consideration the acceptability and sufficiency of which are hereby acknowledged, the Parties hereby agree to the following terms and conditions hereinafter contained:-

## 1. DEFINITIONS & INTERPRETATION

### 1.1 Definition

---

<sup>1</sup>Name & Complete Address ( REGISTERED OFFICE) of the service Provider,

<sup>2</sup>Name of the Service Provider

<sup>3</sup>Brief mentioning of service providers experience in providing the services required by the Bank.

<sup>4</sup>Brief mentioning of the type of service to be provided.

<sup>5</sup>Name of the Service Provider

Certain terms used in this Agreement are defined hereunder. Other terms used in this Agreement are defined where they are used and have the meanings there indicated. Unless otherwise specifically defined, those terms, acronyms and phrases in this Agreement that are utilized in the information technology services industry or other pertinent business context shall be interpreted in accordance with their generally understood meaning in such industry or business context, unless the context otherwise requires/mentions, the following definitions shall apply:

- A. 'The Bank' shall mean the State Bank of India (including domestic branches and foreign offices), its Associate Banks and subsidiaries:< *Strike of whichever is inapplicable.*>
- B. 'Services' shall mean and include the Services offered by '.....'<sup>6</sup>, including but not limited to manage switching, install, Deinstall, Risk Management, Complaints management, staging, field services, MIS etc<sup>7</sup> more particularly described in Clause 2 of this Agreement. 'Services' shall also include the Implementation Services, Training Services and Maintenance Services etc. and other incidental services and other obligation of the service provider to be provided under this Agreement
- C. "Confidential Information" shall have the meaning set forth in Clause 15.
- D. "Intellectual Property Rights" shall mean, on a worldwide basis, any and all:  
(a) rights associated with works of authorship, including copyrights & moral rights; (b) Trade Marks; (c) trade secret rights; (d) patents, designs, algorithms and other industrial property rights; (e) other intellectual and industrial property rights of every kind and nature, however designated, whether arising by operation of law, contract, license or otherwise; and (f) registrations, initial applications, renewals, extensions, continuations, divisions or reissues thereof now or hereafter in force (including any rights in any of the foregoing).
- E. "Deficiencies" shall mean non satisfactory outcome of the services which has resulted in deviation from the desired outcome and has thereby cause loss to a party of this agreement.

---

<sup>6</sup>Name of the service provider

<sup>7</sup>Description of nature of service in detail.

- F. “Root Cause Analysis Report” shall mean a report addressing a problem or non-conformance, in order to get to the ‘root cause’ of the problem, which thereby assists in correcting or eliminating the cause, and prevent the problem from recurring.

1.2 Interpretations:

- 1.2.1 Reference to a person includes any individual, firm, body corporate, association (whether incorporated or not) and authority or agency (whether government, semi government or local).
- 1.2.2 The singular includes the plural and vice versa.
- 1.2.3 Reference to any gender includes each other gender.
- 1.2.4 The provisions of the contents table, headings, clause numbers, italics, bold print and underlining is for ease of reference only and shall not affect the interpretation of this Agreement.
- 1.2.5 The Schedules, Annexures and Appendices to this Agreement shall form part of this Agreement.
- 1.2.6 A reference to any documents or agreements (and, where applicable, any of their respective provisions) means those documents or agreements as amended, supplemented or replaced from time to time provided they are amended, supplemented or replaced in the manner envisaged in the relevant documents or agreements.
- 1.2.7 A reference to any statute, regulation, rule or other legislative provision includes any amendment to the statutory modification or re-enactment or, legislative provisions substituted for, and any statutory instrument issued under that statute, regulation, rule or other legislative provision.
- 1.2.8 Any agreement, notice, consent, approval, disclosure or communication under or pursuant to this Agreement is to be in writing.

1.2.9 The terms not defined in this agreement shall be given the same meaning as given to them in the RFP. If no such meaning is given technical words shall be understood in technical sense in accordance with the industrial practices.

### 1.3 Commencement, Term & Change in Terms

1.3.1 This Agreement shall commence from its date of execution mentioned above/ deemed to have commenced from \_\_\_\_\_ (Effective Date).

1.3.2 This Agreement shall be in force for a period of Five years (05 years), unless terminated by the Bank by notice in writing in accordance with the termination clauses of this Agreement.

1.3.3 The Bank shall have the right at its discretion to renew this Agreement in writing, for a further term of two years (on a yearly basis) on the mutually agreed terms & conditions.

1.3.4 Either party can propose changes to the scope, nature or time schedule of services being performed under this Service Level Agreement. Such changes can be made upon mutually accepted terms & conditions maintaining the spirit (Purpose) of this Service Level Agreement.

## 2. SCOPE OF WORK

### 2.1 Place of Service<sup>8</sup>

1.	Vendor(s) and their sub Vendors (if any) will work from their own location(s)
2.	Bank may at its discretion, request for deployment of resource(s) at its premises for speedier settlement of day to day issues. In such case, Bank will arrange for sitting arrangements but no hardware / software / communication support would be extended to such resource(s)

### 2.2 Standard Services

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<sup>8</sup>Brief description of place of service

Standard services to be delivered under this agreement are  
illustratively listed below but are not limited to the following:-

*The details of services, their responsibilities and availability to be described----*

**Responsibilities of service providers**

- a) Set up / Manage / Upgrade, maintenance, customization and periodical up-gradation of Merchant Management Software
- b) Development, maintenance, customization and periodical up-gradation of terminal application software
- c) Hosting of MMS in its hardware in a secured environment. If it is outsourced, the security and data integrity to be ensured and it would be the responsibility of vendor
- d) Development of Interface between POS terminals and service provider through established network
- e) Certification of acquiring host by Schemes **MasterCard, Visa, Rupay, AMEX** , other schemes etc. Bank will assist but at no cost to Bank
- f) VAP/MIP/NFS/BBPS and AMEX link hosting, handling, periodical up-gradation as per rules revised by MasterCard and Visa etc. periodically and ensuring meticulous compliance of the prescribed rules from time to time.
- g) Periodical certification of the hardware, software and application as is considered necessary
- h) Set up of Merchants, POS terminals, commercial terms, commercial arrangement etc. in merchant management Software as per instructions from Bank
- i) Terminal installation, activation and Management
- j) Merchant training on an ongoing basis
- k) Terminal repairs and maintenance. Since most of the terminals are likely to be within warranty period or AMC, no reimbursement will be payable by Bank other than transportation charges. However, if any part(s) of the terminal is replaced or repaired which are not covered under warranty, the same will be reimbursed by the Bank. However, Vendor will have to share the details of such repairs, replacements so as to enable the Bank to recover the same from the terminal holder. At times, it can happen that cost of repair or replacement of the part might exceed total cost of the terminal or might be very near to it, in such cases, we expect Vendor to inform and take necessary instructions from the Bank
- l) Merchant help desk support 24x7 with provision for upward scalability in case of increase in volumes.
- m) Supply of consumables to merchants. Consumables will be arranged

by the Bank and delivered to Vendor's warehouses as per request of the Vendor.

- n) Activation of POS Terminals, tracking performance, follow up and feedback
- o) Arrangement of Network Access Connectors (NACs).
- p) Ensure adequacy of Bandwidth and provision for appropriate scalability of switching services
- q) Back-end transaction processing viz., capturing of transaction from POS terminals, routing it to issuer through VAP/MIP/ any other interface etc., obtaining response from issuer and transmitting back the response to the merchant.
- r) Maintaining record of all successful and unsuccessful transactions logs in a secured environment and sharing the same with Bank on a daily basis. Service provider will retain the records for a period of 4 years. Purging of the data needs to be witnessed by the Bank. Service provider will share soft copies on a media as decided by Bank before purging.
- s) The service provider should have the capability to support Dynamic Currency conversion, EMI, mVisa, Buddy and other payment options which may come in use in future at no extra cost to Bank
- t) Processing settlement files from MasterCard/Visa/AMEX/Rupay etc. with the transaction record and service charges applicable with respective entity
- u) Reconciliation of settlements including charge-backs, representations, pre-arbitrations and arbitrations etc. as per laid down rules for the purpose.
- v) Customer service, dispute management, grievance redressal and escalation
- w) All business operations viz., data entry, statement printing, dispatch of periodical transaction statement to merchants, response to merchant enquiry will be done by the service provider
- x) Provide daily Merchant wise report to SBI to enable them to afford credit to the respective merchants as per agreed terms and formats. They should have the capability to perform refund transactions as well as recover amounts (charges, rentals etc) as per Bank's instructions.
- y) Providing other periodical MIS report such as weekly, fortnightly, monthly, quarterly, half yearly and yearly report to SBI on the prescribed format as required by them from time to time. To quote a few examples of MIS, daily installations / de-installation done, pending installations / de-installation, problematic installations / de-installation, failed transaction report, settlement reports, open and closed complaints etc. This list is illustrative and not exhaustive.
- z) Daily reporting to the Bank on system performance with reasons

wherever deficiency has been observed.

- aa) Providing periodical MIS, exception reports, suspicious transactions to the Bank, liaison with Card schemes, card issuers both Domestic as well as International for resolution of disputes both online along with good-faith manner for loss minimization of Bank.
- bb) Filtering the transactions through risk analysis and fraud monitoring tools in online and off line environment, setting up of Risk parameters as per Industry standards and periodic review of the same as per Bank's requirement.
- cc) Backend arrangements for recovery of disputes from future payments of Merchants.
- dd) Perform critical and time bound tasks of Proactive Risk management such as partial or complete de-activation and de-boarding of Merchants immediately on receipt of such instructions from Bank.
- ee) Periodical review and feedback which may help the Bank in taking a business decision
- ff) The service provider is expected to bring in the necessary expertise both in terms of technology and processing capabilities for the successful operations of the business.
- gg) Migration of all merchant accounts from existing TSPs to their own set up.
- hh) Migration of all Merchants accounts to Bank's own setup if and as and when Bank commissions its own infrastructure or in collaboration with another entity.
- ii) Online portal for all merchants to track and view their transactions online.
- jj) Capability to generate Service tax, FIRC certificates etc on a monthly or at a frequency decided by Bank.
- kk) Interaction with SBI's own online application format for requests for on boarding and modifications, sharing response files and transaction files for uploading at SBI end.
- ll) Compliance to all regulatory and Scheme guidelines
- mm) Adequate and tested Disaster Recovery and Business Continuity Plan
- nn) Permission to Bank to conduct Audit of data, books (relating to SBI), IT infrastructure etc. These Audit can be by External agencies or Bank's agencies.
- oo) All regulatory requirements by Central Regulators, Card schemes to be full filled including the latest being Mastercard 2 Series and Aadhar based Biometric acceptance.
- pp) Ensure that individuals with necessary expertise are hired / recruited with proper back ground checks and police verification.



- qq) Has a code of conduct in line with IBA's / SBI's code of conduct.
- rr) Vendor will conduct police verifications for all appointments after the date of this agreement.
- ss) Neither employees of Vendor or its partner nor employees of the Bank will seek employment in each other's organization during the currency of this agreement.
- tt) Neither vendor nor its employees, agents, representatives, sub-contractors shall hold out or represent as agents of SBI.
- uu) None of the employees, representatives or agents of the Vendor shall be entitled to claim permanent absorption or any other claim or benefit against SBI.
- vv) Before engaging sub-contractor, Vendor shall carry out due diligence process on sub-contracting/sub-contractor to the satisfaction of SBI and SBI should have access to such records. Such sub-vendors will have to be mandatorily registered with card schemes by the Vendor under no cost to Bank.
- ww) In the event sub-contracting, Vendor shall ensure that suitable documents including confidentiality agreement are obtained from the sub-contractor and Vendor shall ensure that the secrecy and faith of SBI's data/processes is maintained.
- xx) Vendor hereby agrees and declares that it shall be the sole responsibility of the Vendor to comply with the provisions of all the applicable laws, concerning or in relation to rendering of services by Service Provider as envisaged under this Agreement.
- yy) Vendor shall be solely liable & responsible for compliance of applicable Labour Laws in respect of its employees, agents, representatives and sub-contractors and in particular Laws relating to terminal benefits such as Pension, Gratuity, Provident Fund, Bonus or other benefits to which they may be entitled and the Laws relating to Contract Labour, Minimum Wages etc., and SBI shall have no liability in these regards. Further, Service Provider would indemnify/make good for the losses to SBI for non-compliance or any claims against SBI arising out of any non-compliance as above.
- zz) The Vendor agree that SBI shall have the right, but without any obligation to monitor and assess the Services to enable SBI to take necessary corrective measures, provided any such monitoring shall not amount to supervision of any of the jobs of vendor or the employees of vendor.
- aaa) Bank should have the right to conduct surprise check of vendor's activities in respect of the services.
- bbb) Vendor agrees that SBI shall have the right to disclose the details of this Agreement and the details of Services covered herein to the Reserve Bank of India and Indian Banks Association or as required by Law of the land.
- ccc) Vendor agrees to allow the Reserve Bank of India or persons authorized by it to access the documents, records of transactions and

other necessary information stored or processed by Vendor in respect of this Agreement or the Services.

ddd) Vendor agrees to preserve the documents and data in respect of the Services for such period in accordance with the legal/regulatory obligations of Bank in this regard.

eee) Vendor agrees that the Complaints/feedback, if any received from the customers of Bank in respect of the Services by Vendor shall be recorded and Bank/Reserve Bank of India shall have access to such records and redressal of customer complaints by Vendor.

fff) The Bidder should comply with Bank's Information Security policy in key concern areas relevant to the RFP. Some of the key areas are as under:

- Responsibilities for data and application privacy and confidentiality.
- Responsibilities on system and software access control and administration
- Custodial responsibilities for data, software, hardware and other assets of the Bank managed by or assigned to the Vendor
- Physical security of the facilities
- Incident response and reporting procedures
- Data Encryption / Protection requirement of the Bank

## 2.3 Maintenance/ Upgrades

2.3.1 .....(Service Provider) shall have the operational maintenance obligations (e.g., telephone support, problem resolution, on-site services) as mentioned in Annexure A

## 2.4 Correction of Deficiencies in Deliverables( as mentioned in annexure-A).

2.4.1 If .....(Service provider) is unable to correct all Deficiencies preventing Acceptance of a Deliverable for which .....(Service provider) is responsible after a reasonable number of repeated efforts, the Bank may at its discretion:

- a) Allow .....(Service provider) to continue its efforts to make corrections; or

- b) Accept the Deliverable with its Deficiencies and reach agreement with .....(Service provider) on an equitable reduction to .....(Service provider)'s charges for developing such Deliverable to reflect the uncorrected Deficiencies; or
- c) Terminate this Agreement for cause in accordance with Clause 17<sup>9</sup> (except that the Bank is under no obligation to provide Service provider any further opportunity to cure) and recover its damages as set forth in this agreement.

## 2.5 Risk Management

The .....(Service Provider) shall identify and document the risk in delivering the services. ....  
 (Service Provider) shall identify the methodology to monitor and prevent the risk, and shall also document the steps taken to manage the impact of the risks.

## 2.6 Service Request<sup>10</sup>

..... (Service Provider) shall dispense the service request in accordance with terms mentioned in Annexure B under this agreement.

## 3. FEES /COMPENSATION

### 3.1 fees

3.1.1 ..... (Service Provider) shall be paid fees and charges in the manner detailed in here under, the same shall be subject to deduction of income tax thereon wherever required under the provisions of the Income Tax Act by the Bank.

Sr. No.	Type of service	Basis of unit	Fee in Rs	Fee in words
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<sup>9</sup>Please see Clause 17 'Termination Clause'

<sup>10</sup>The purpose of this clause is to document the process and timeframe for responding to the service requests.

1	Terminal installation, application downloading, activation and Merchant training charges (one time per terminal).	Per terminal		
2	Migration cost from one platform to another	Per terminal		
3	Terminal de-installation charges	Per terminal		
4	Field visit charges	Per visit		
5	Transaction processing cost	Per One lac transaction		
6	Dynamic Currency conversion charges	Per Rs Ten Thousand		
7	Terminal servicing and management fee (per terminal p.m.). The deployment will be on PAN India basis.	Per terminal per month		
8	Daily Settlement, Reconciliation, Chargeback, presentments, arbitrations and periodical reporting, merchant transaction reporting, merchant statements e mailing, MIS for Bank through e mail / SFTP etc. The list is illustrative and not exhaustive	Per terminal per month		
9	Help desk charges (outgoing)	Per call		
10	Rate per man day for developments. 200 man days in a calendar year will be free of costs	Per man day		

Other expenses:

1. SBI will arrange for the paper rolls. However, if Bank decides to outsource the procurement to Vendor, actual cost charges will be reimbursed
2. Card schemes charges like VAP/MIP/Amex link etc will be paid/reimbursed separately on a shared basis by Bank and Vendor
3. Reimbursement of network hardware, one time and recurring onus connectivity charges on actuals.
4. In respect of PC PoS( Innoviti and Pinelabs), transaction charges of Rs .. per transaction, Rs ... per terminal / month for settlement, recon, chargeback, re-presentment, MIS sharing, Rs

... for key injection. Help desk charges as applicable would be reimbursed.

5. Invoices will be raised on Mumbai office only unless otherwise advised by Bank. Bills will be paid by Bank's Mumbai office only.
6. Terminal application development as per message specs laid by vendor and certification shall be provided by SBI. Vendor is expected to coordinate and get the required terminal application from terminal vendors.
7. Any development for additional service / software customization / development by the Vendor (after first six months) would be on a mutually agreed basis
8. Bills will be credited only in SBI account of the vendor.

3.2 All duties and taxes (excluding/including<sup>11</sup> service tax, VAT or other local taxes) , if any, which may be levied, shall be borne as per agreed terms and commercials .All expenses, stamp duty and other charges/ expenses in connection with execution of this Agreement shall be borne by ..... (Service Provider).

3.3 ..... (Service Provider) shall provide a clear description quantifying the service element and goods element in the invoices generated by them.

#### 3.4 Payments

3.4.1 The Bank will pay properly submitted valid invoices within reasonable period but not exceeding 30 days after its receipt thereof. All payments shall be made in Indian Rupees.

3.4.2 The Bank may withhold payment of any charges that it disputes in good faith, and may set-off penalty amount and any other amount which .....(Service provider) owes the Bank against charges payable to .....(Service provider) under this Agreement.

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<sup>11</sup> Please determine the applicability of the taxes.

### 3.5 Performance Guarantee and Penalties

3.5.1 The .....(Service Provider)has to furnish a performance guarantee for an amount of Rs. Fifty Lakhs only from a Scheduled Commercial Bank other than State Bank of India or its Associate Banks in a format provided/ approved by the Bank.

3.5.2 If at any time during performance of the Contract, the .....(Service Provider)shall encounter unexpected conditions impeding timely completion of the Services under the Agreement and performance of the services, the .....(Service Provider)shall promptly notify the Bank in writing of the fact of the delay, it's likely duration and its cause(s). As soon as practicable, after receipt of the .....(Service Provider)'s notice, the Bank shall evaluate the situation and may at its discretion extend the .....(Service Provider)'s time for performance, in which case the extension shall be ratified by the Parties by amendment of the Agreement.

3.5.3 Performance of the obligations under the Agreement shall be made by the Service Provider in accordance with the time schedule<sup>12</sup> specified in this Agreement.

3.5.4 The .....(Service Provider)shall be liable to pay penalty at the rate mentioned in Annexure 'G' in respect of any delay beyond the permitted period in providing the Services.

3.5.5 Subject to Clause 17 of this Agreement, any unexcused delay by the ..... (Service Provider) in the performance of its Contract obligations shall render this Agreement to be Terminated.

3.5.6 No penalty shall be levied in case of delay(s) in deliverables or performance of the contract for the reasons not

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<sup>12</sup> Please ensure that the time scheduled is suitably incorporated in the Agreement.

attributable to the ..... (Service Provider). On reaching the maximum of penalties specified the Bank reserves the right to terminate the contract.

#### 4. LIABILITIES/OBLIGATION

##### 4.1 The Bank's Duties /Responsibility(if any)

- (i) Processing and Authorising invoices
- (ii) Approval of Information
- (iii) The identification / selection of merchants
- (iv) The signing up of Merchants
- (v) The marketing staff will transmit the merchant information through a mutually agreed mode to enable the service provider to set up the merchant in its system on agreed terms.
- (vi) The POS terminals would be procured by the Bank and would be delivered at the pre-decided maximum of Five locations.
- (vii) Connectivity and back up connectivity between SBI Switch and service provider will be arranged by SBI.
- (viii) The acquiring BINs from Visa MasterCard , AMEX, Rupay etc. will be obtained by SBI
- (ix) Certification of service provider switch by Card schemes etc. will be at the cost of Service Provider. Bank will extend full cooperation in this regards
- (x) The settlement between Bank and Visa/MasterCard/bilateral/AMEX/Rupay will be done directly with the respective agencies through accounts of SBI. The service provider will, however, be responsible for reconciliation and related activities.
- (xi) The connectivity medium (PSTN or GPRS) between terminal and Vendor's switch would be arranged by Merchant or Bank, as the case may be.

##### 4.2 .....(Service Provider)Duties

- (i) Service Delivery responsibilities
  - (a) To adhere to the service levels documented in this Agreement.
  - (b) ..... (Service provider), if permitted to sub-contract, shall ensure that..... (Service provider) personnel and its subcontractors will abide by all reasonable directives issued by the Bank, including those set forth in the Bank's then-current standards, policies and procedures (to the extent applicable), all on-site rules of behaviour, work schedules, security procedures and other standards, policies and procedures as established by the Bank from time to time.
- (ii) Security Responsibility
  - (a) To maintain the confidentiality of the Bank's resources and other intellectual property rights.
  - (b).....
  - (c).....

## 5. REPRESENTATIONS & WARRANTIES

- 5.1 ..... (Service Provider) Warrants that the technical quality and performance of the Services provided will be consistent with the mutually agreed standards.
- 5.2 .....(Service Provider) warrants that the solution provided is free from malware at the time of sale, free from any obvious bugs, and free from any covert channels in the code (of the versions of the applications/software being delivered as well as any subsequent versions/modifications done) and free from OWASP vulnerabilities of applications/software arising out of faulty design, workmanship, etc. during the warranty period (up to.....).
- 5.3 ..... (Service Provider) represents and warrants that its personnel Act diligently, professionally and shall not involve in any act which adversely effects the Bank's brand image, comply with all



occupational, health or safety policies of the Government's laws and directives.

5.4 ..... (Service Provider) shall assume responsibility under Labour Laws, and also hold the Bank harmless from any loss, expense, damage or personal injury, death and any claim for payment of compensation of its employees, salary, retirement benefits, or any other fringe benefits asserted by an employee of .....(Service Provider), and/or any claim arising out of alleged infringement of intellectual property rights or other proprietary right of any third party arising out of '.....(Service Provider)'s.' performance of Services hereunder.

5.5 Each party represents and warrants that it has all requisite power and authorization to enter into and perform this Agreement and that nothing contained herein or required in the performance hereof conflict or will conflict with or give rise to a breach or default under, or permit any person or entity to terminate, any contract or instrument to which the party is bound.

5.6 ..... (Service Provider) warrants the Bank against any license or IPR violations on its part or on the part of subcontractor, wherever permitted, in use of any technology /software /product for performing services or developing software for the Bank as part of this Agreement.

5.7 The .....(Service Provider) shall perform the Services and carry out its obligations under the Agreement with due diligence, efficiency and economy, in accordance with generally accepted techniques and practices used in the industry and with professional standards recognized by international professional bodies and shall observe sound management practices. It shall employ appropriate advanced technology and safe and effective equipment, machinery, material and methods.

5.8 The .....(Service Provider) has the requisite technical and other competence, sufficient, suitable, qualified and experienced

manpower/personnel and expertise in providing the Services to the Bank.

5.9 The .....(Service Provider) shall duly intimate to the Bank immediately, the changes, if any in the constitution of the .....(Service Provider).

5.10 The Services and products provided by the .....(Service Provider) to the Bank do not violate or infringe any patent, copyright, trademarks, trade secrets or other intellectual property rights of any third party.

5.11 The .....(Service Provider) shall ensure that all persons, employees, workers and other individuals engaged by or sub-contracted by the .....(Service Provider) in rendering the Services under this Agreement have undergone proper background check, police verification and other necessary due diligence checks to examine their antecedence and ensure their suitability for such engagement. No person shall be engaged by the .....(Service Provider) unless such person is found to be suitable in such verification and the .....(Service Provider) shall retain the records of such verification and shall produce the same to the Bank as when requested.

## 6. GENERAL INDEMNITY

6.1 ..... (Service provider) agrees and hereby keeps the Bank indemnified against all claims, actions, loss, damages, reputation loss, costs, expenses, charges, including legal expenses (Attorney, Advocates fees included) which the Bank may suffer or incur directly or indirectly on account of any misuse of data /information or deficiency in Services or breach on any obligations mentioned in clause 5<sup>13</sup> herein, including without limitation of confidentiality obligations, from any acts of Commission / omission on the part of employees, agents, representatives or Sub-Contractors of Service Provider. .... (Service provider), to make good the loss suffered by

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<sup>13</sup>Please See Clause 5 'Representation and Warranties'

the Bank on first demand made by the Bank in this regard which shall be final conclusive and binding on the .....(Service Provider).

6.2 ..... (Service provider) further undertakes to promptly notify the Bank in writing any breach of obligation of the agreement by its employees or representatives including confidentiality obligation and in such an event, the Bank will in addition to and without prejudice to any other available remedies be entitled to immediate equitable relief in a Court of competent jurisdiction to protect its interest including injunctive relief.

6.3 The ..... (Service provider) shall indemnify and keep fully and effectively indemnified the Bank against any fine or penalty levied on the Bank for improper payment of tax for the reasons attributable to the ..... (Service provider).

6.4 The ..... (Service provider) hereby undertakes the responsibility to take all possible measures, at no cost, to avoid or rectify any issues which thereby results in non-performance of software within reasonable time. The Bank shall report as far as possible all material defects to the ..... (Service provider) without undue delay. The ..... (Service provider) also undertakes to co-operate with other service providers thereby ensuring expected performance covered under scope of work.

Nothing contained in this agreement shall impair the Bank's right to claim damages without any limitation for an amount equal to the loss suffered for non-performance of software.

## 7. CONTINGENCY PLANS.

7.1 The ..... (Service provider) shall arrange and ensure proper Data Recovery Mechanism, Attrition Plan and other contingency plans to meet any unexpected obstruction to the service provider or any employees or sub-contractors of the service provider in rendering the Services or any part of the same under this Agreement to the Bank. The ..... (Service Provider) at Banks discretion shall co-operate with the Bank in case on any contingency.

## 8. TRANSITION REQUIREMENT

In the event of failure of the Service Provider to render the Services or in the event of termination of agreement or expiry of term or otherwise, without prejudice to any other right, the Bank at its sole discretion may make alternate arrangement for getting the Services contracted with another vendor. In such case, the Bank shall give prior notice to the existing Service Provider. The existing Service Provider shall continue to provide services as per the terms of contract until a 'New Service Provider' completely takes over the work. During the transition phase, the existing Service Provider shall render all reasonable assistance to the new Service Provider within such period prescribed by the Bank, at no extra cost to the Bank, for ensuring smooth switch over and continuity of services. If existing vendor found not honouring this obligation, they shall be liable for paying a penalty of Rs.3,00,00,000.00 (Rs Three crores) on demand to the Bank, which may be settled from the payment of invoices for the contracted period.

## 9. LIQUIDATED DAMAGES

9.1 The Bank reserves the right to deduct, as liquidated damages to the extent of amount of bills paid/payable for last three months, in case of non-performance or for deficiency in services provided by ..... (Services provided) as per work order or service levels, if any. In such a case, the Bank also reserves the right to levy penalties as per Annexure 'G' notwithstanding the Bank reserving its right to terminate the contract.

## 10. RELATIONSHIP BETWEEN THE PARTIES

10.1 It is specifically agreed that the ..... (Service Provider) shall act as independent service provider and shall not be deemed to be the Agent of the Bank except in respect of the transactions/services which give rise to Principal - Agent relationship by express agreement between the Parties.

10.2 Neither the ..... (Service Provider) nor its employees, agents, representatives, Sub-Contractors shall hold out or represent as agents of the Bank.

10.3 None of the employees, representatives or agents of ..... (Service Provider) shall be entitled to claim any absorption or any other claim or benefit against the Bank.

10.4 This Agreement shall not be construed as joint venture. Each Party shall be responsible for all its obligations towards its respective employees. No employee of any of the two Parties shall claim to be employee of other Party.

10.5 All the obligations towards the employees of a Party including that on account of personal accidents occurred while working in the premises of the other Party shall be with the respective employer and not on the Party in whose premises the accident occurred.

## 11. SUB CONTRACTING

11.1 ..... (Service provider) has to obtain written permission from the Bank before contracting any work to subcontractors. Bank at its own discretion may permit or deny the same. If no response is received from Bank within one month, it would be implied that Bank has no objection for the same.

11.2 In case of subcontracting permitted, ..... (Service Provider) is responsible for all the services provided to the Bank regardless of which entity is conducting the operations. .... (Service Provider) is also responsible for ensuring that the sub-contractor comply with all security/confidentiality requirements and other terms and conditions as applicable to ..... (Service provider) mentioned in this Agreement. Bank reserves the right to conduct independent audit in this regard.

11.3 Before engaging Sub-Contractor, the ..... (Service Provider) shall carry out due diligence process on sub-contracting/ sub-contractor to the satisfaction of the Bank and Bank shall have access to such records.

- 11.4 In the event of sub-contracting the ..... (Service Provider) shall ensure that suitable documents including confidentiality agreement are obtained from the sub-contractor and the ..... (Service Provider) shall ensure that the secrecy and faith of Bank's data / processes is maintained.
- 11.5 ..... (Service Provider) shall provide subcontracting details to the Bank and if required, Bank may evaluate the same. Notwithstanding approval of the Bank for sub-contracting, the ..... (Service Provider) shall remain liable to the Bank for all acts/omissions of sub-contractors.
- 11.6 The Bank reserves the right to ask .....(Service Provider) and .....(Service provider) shall change/ amend the clause(s) entered between .....(Service Provider) and Subcontractor for Bank's suitability.

## 12 INTELLECTUAL PROPERTY RIGHTS

- 12.1 For any technology / software / product developed/used/supplied by ..... (Service provider) for performing services or developing software for the Bank as part of this Agreement, .....(service provider) shall have right to use as well right to license for the outsourced services or third party software development. Any license or IPR violation on the part of ..... (Service provider) shall not put the Bank at risk.
- 12.2 Without the Bank's prior written approval, .....(Service provider) will not use or incorporate in performing the Services link to or call or depend in any way upon, any software or other intellectual property that is subject to an Open Source or Copy left license or any other agreement that may give rise to any third-party claims or to limit the Bank's rights under this Agreement.
- 12.3 .....(service provider) shall, at their own expenses without any limitation, defend and indemnify the Bank against all third party claims or infringement of Intellectual Property Right, including Patent, trademark, copyright, trade secret or industrial design rights arising from use of the technology / software / products or any part thereof in India or abroad, for

software developed as part of this engagement. In case of violation/ infringement of patent/ trademark/ copyright/ trade secret or industrial design, (Service provider) shall, after due inspection and testing, get the solution redesigned for the Bank at no extra cost.

12.4 ..... (Service provider) shall expeditiously extinguish any such claims and shall have full rights to defend it there from.

12.5 The Bank will give notice to ..... (Service provider) of any such claim without delay/provide reasonable assistance to..... (Service provider) in disposing of the claim, and will at no time admit to any liability for or express any intent to settle the claim.

12.6 Software / applications developed as part of this agreement can be put to use in all offices of State Bank of India/ its foreign office/its Associate Banks& subsidiaries.

### 13 INSTALLATION

### 14 INSPECTION AND AUDIT

14.1 It is agreed by and between the parties that the Service Provider shall get itself annually audited by external empanelled Auditors appointed by the Bank/ inspecting official from the Reserve Bank of India or any regulatory authority, covering the risk parameters finalized by the Bank/ such auditors in the areas of products (IT hardware/ software) and services etc. provided to the Bank and the vendor shall submit such certification by such Auditors to the Bank. The vendor and or his / their outsourced agents /sub – contractors (if allowed by the Bank) shall facilitate the same. The Bank can make its expert assessment on the efficiency and effectiveness of the security, control, risk management, governance system and process created by the Service Provider. The Service Provider shall, whenever required by such Auditors, furnish all relevant information, records/data to them. All costs for such audit shall be borne by the Bank.

14.2 Where any deficiency has been observed during audit of the Service Provider on the risk parameters finalized by the Bank or in the certification submitted by the Auditors, it is agreed upon by the Service Provider that it

shall correct/ resolve the same at the earliest and shall provide all necessary documents related to resolution thereof and the auditor shall further certify in respect of resolution of the deficiencies. It is also agreed that the Service Provider shall provide certification of the auditor to the Bank regarding compliance of the observations made by the auditors covering the respective risk parameters against which such deficiencies observed.

14.3 Service Provider further agrees that whenever required by the Bank, it will furnish all relevant information, records/data to such auditors and/or inspecting officials of the Bank/ Reserve Bank of India and or any regulatory authority required for conducting the audit. The Bank reserves the right to call and/or retain for any relevant material information / reports including audit or review reports undertaken by the Service Provider (e.g., financial, internal control and security reviews) and findings made on the Service Provider in conjunction with the services provided to the Bank.

14.4 Vendor will have to share books, information, logs, calculation of invoices etc related to Bank for inspection by officials from Bank, RBI or other agencies as appointed by Bank for the purpose of Audit, betterment of customer service etc. Vendor to make necessary arrangements for storing, keeping records of such information, data etc.

## 15 SECURITY AND CONFIDENTIALITY

15.1 “Confidential Information” mean all information which is material to the business operations of either party or its affiliated companies, in any form including, but not limited to, proprietary information and trade secrets, whether or not protected under any patent, copy right or other intellectual property laws, in any oral, photographic or electronic form, whether contained on computer hard disks or floppy diskettes or otherwise without any limitation whatsoever. Without prejudice to the generality of the foregoing, the Confidential Information shall include all information about the party and its customers, costing and technical data, studies, consultants reports, financial information, computer models and programs, software, contracts, drawings, blue prints, specifications, operating techniques, processes, models, diagrams, data sheets, reports and other information with respect to any of the foregoing matters. All and



every information received by the parties and marked confidential hereto shall be assumed to be confidential information unless otherwise proved. It is further agreed that the information relating to the Bank and its customers is deemed confidential whether marked confidential or not.

- 15.2 All information relating to the accounts of the Bank's customers shall be confidential information, whether labeled as such or otherwise.
- 15.3 All information relating to the infrastructure and Applications (including designs and processes) shall be deemed to be Confidential Information whether labeled as such or not. .... (Service provider) personnel/resources responsible for the project are expected to take care that their representatives, where necessary, have executed a Non-Disclosure Agreement as per the format attached in the Annexure I provided by the Bank.
- 15.4 Each party agrees that it will not disclose any Confidential Information received from the other to any third parties under any circumstances without the prior written consent of the other party unless such disclosure of Confidential Information is required by law, legal process or any order of any government authority. .... (Service provider), in this connection, agrees to abide by the laws especially applicable to confidentiality of information relating to customers of Banks and the Banks per-se, even when the disclosure is required under the law. In such event, the Party must notify the other Party that such disclosure has been made in accordance with law; legal process or order of a government authority.
- 15.5 Each party, including its personnel, shall use the Confidential Information only for the purposes of achieving objectives set out in this Agreement. Use of the Confidential Information for any other purpose shall constitute breach of trust of the same.
- 15.6 Each party may disclose the Confidential Information to its personnel solely for the purpose of undertaking work directly related to the Agreement. The extent of Confidential Information disclosed shall be strictly limited to what is necessary for those particular personnel to

perform his/her duties in connection with the Agreement. Further each party shall ensure that each personnel representing the respective party agree to be bound by the terms of this Agreement.

15.7 The non-disclosure obligations herein contained shall not be applicable only under the following circumstances:

- (i) Where Confidential Information comes into the public domain during or after the date of this Agreement otherwise than by Disclosure by a Party in breach of the terms hereof.
- (ii) Where any Confidential Information was disclosed after receiving the written consent of the other Party.
- (iii) Where if a Party is requested or required by law or by any Court or governmental agency or authority to disclose any of the confidential information, then that Party will provide the other party with prompt notice of such request or requirement prior to such disclosure.
- (iv) Where any Confidential Information was received by the Party from a third party which does not have any obligations of confidentiality to the other Party.

15.8 ..... (Service provider) shall abide with the Bank's IT and IS policy in key concern areas relevant to the project. Specific requirements will be shared upfront before the start of the work.

15.9 The security aspect of the solution/software will be comprehensively reviewed periodically by the Bank, and..... (Service provider) shall carryout modifications / updates based on the security review recommendations on case to case basis.

15.10 The Service Provider shall not, without the Bank's prior written consent, make use of any document or information received from the Bank except for purposes of performing the services and obligations under this Agreement.

15.11 Any document received from the Bank shall remain the property of the Bank and shall be returned (in all copies) to the Bank on completion of the Service Provider's performance under the Agreement.

15.12 Bank's approval and witness would be required in case data is purged. Records of such data would be shared by vendor with Bank.

15.13 Upon expiration or termination of the Agreement and on all amounts as due and payable to..... (Service provider) under the Agreement having been received by..... (service provider), all proprietary documents, software documentation, programs partially or wholly completed, or materials which are directly related to any project under the Agreement shall be delivered to the Bank or at the Bank's written instruction destroyed, and no copies shall be retained by ..... (Service provider) without the Bank's written consent.

15.14 Vendor would also extend full support in case Bank chooses other vendor(s) for similar services after expiry / termination of present engagement(s).

## 16 OWNERSHIP

## 17 TERMINATION CLAUSE

17.1 The Bank, without prejudice to any other remedy for breach of contract, shall have the right to terminate the contract in whole or part, if .....(service provider), at any time, by giving a written notice of at least .....(term of notice) fails to deliver any or all of the deliverables within the period(s) specified in this Agreement, or within any extension thereof granted by the Bank pursuant to conditions of Agreement or if .....(service provider) fails to perform any other obligation(s) under the Agreement provided a cure period of not less than .....(term) is given to .....(service provider) to rectify the defects.

17.2 In the event the Bank terminates the Agreement in whole or in part for the breaches attributable to the .....(Service Provider), the Bank may procure, upon such terms and in such manner, as it deems appropriate, software or services similar to those undelivered and .....(service provider) shall be liable to the Bank for any excess costs for such similar software or services. However, .....(service provider), in case of part termination, shall continue the performance of the Agreement to the extent not terminated.

- 17.3 In the event of termination of the Agreement, .....(service provider) shall be entitled to receive payment for the Services rendered (delivered) up to the effective date of termination.
- 17.4 The Bank may at any time terminate the Agreement without giving written notice to ..... (Service provider), if ..... (Service provider) becomes Bankrupt or otherwise insolvent. In this event termination will be without compensation to ..... (Service provider), provided that such termination will not prejudice or affect any right of action or remedy, which has occurred or will accrue thereafter to the Bank on payment to the .....(Service Provider) for the services rendered.
- 17.5 In the event of the termination of the Agreement..... (Service Provider) shall be liable and responsible to return to the Bank all records, documents, data and information including Confidential Information pertains to or relating to the Bank in its possession.
- 17.6 In the event of termination of the Agreement for material breach by service provider, Bank shall have the right to give suitable publicity to the same including advising the Indian Bank's Association.
- 17.7 Upon termination or expiration of this Agreement, all rights and obligations of the Parties hereunder shall cease, except such rights and obligations as may have accrued on the date of termination or expiration; the obligation of indemnity; obligation of payment ;confidentiality obligation; Governing Law clause; Dispute resolution clause ; and any right which a Party may have under the Applicable Law.

## 18 DISPUTE REDRESSAL MACHANISM & GOVERNING LAW

- 18.1 All disputes or differences whatsoever arising between the parties out of or in connection with this Agreement (including dispute concerning interpretation) or in discharge of any obligation arising out of the Agreement (whether during the progress of work or after completion of such work and whether before or after the termination of this Agreement, abandonment or breach of this Agreement), shall be settled amicably.
- 18.2 If the parties are not able to solve them amicably, either party [SBI or ..... (service provider)] shall give written notice to other party

clearly setting out there in, specific dispute(s) and/or difference(s), and shall be referred to a sole arbitrator mutually agreed upon, and the award made in pursuance thereof shall be binding on the parties.

- 18.3 In the absence of consensus about the single arbitrator, the dispute may be referred to an arbitration panel; one to be nominated by each party and the said arbitrators shall nominate a presiding arbitrator, before commencing the arbitration proceedings. The arbitration shall be settled in accordance with the applicable Indian Laws.
- 18.4 ..... (Service provider) shall continue work under the Agreement during the arbitration proceedings, unless otherwise directed by the Bank or unless the matter is such that the work cannot possibly be continued until the decision of the arbitrator is obtained.
- 18.5 Arbitration proceeding shall be held at ..... (Place of Arbitration), India, and the language of the arbitration proceedings and that of all documents and communications between the parties shall be in English.
- 18.6 This Agreement shall be governed by laws in force in India. Subject to the arbitration clause above, all disputes arising out of or in relation to this Agreement, shall be subject to the exclusive jurisdiction of the courts at .....(place) only.
- 18.7 In case of any change in applicable laws that has an effect on the terms of this Agreement, the Parties agree that the Agreement may be reviewed, and if deemed necessary by the Parties, make necessary amendments to the Agreement by mutual agreement in good faith, in case of disagreement obligations mentioned in this clause shall be observed.

## 19 POWERS TO VARY OR OMIT WORK

- 19.1 No alterations, amendments, omissions, additions, suspensions or variations of the work (hereinafter referred to as variation) under the Agreement shall be made by..... (Service provider) except as directed in writing by Bank. The Bank shall have full powers, subject to the provision herein after contained, from time to time during the execution of the Agreement, by notice in writing to instruct..... (Service provider) to make any variation without prejudice to the

Agreement. .... (Service provider) shall carry out such variations and be bound by the same conditions, though the said variations occurred in the Agreement documents. If any suggested variations would, in the opinion of..... (Service provider), if carried out, prevent them from fulfilling any of their obligations under the Agreement, they shall notify the Bank, thereof, in writing with reasons for holding such opinion and Bank shall instruct..... (Service provider) to make such other modified variation without prejudice to the Agreement. .... (Service provider) shall carry out such variations and be bound by the same conditions, though the said variations occurred in the Agreement documents. If Bank confirms their instructions..... (Service provider)'s obligations will be modified to such an extent as may be mutually agreed. If such variation is substantial and involves considerable extra cost, any agreed difference in cost occasioned by such variation shall be mutually agreed between the parties. In any case in which..... (Service provider) has received instructions from the Bank as to the requirement of carrying out the altered or additional substituted work, which either then or later on, will in the opinion of..... (Service provider), involve a claim for additional payments, such additional payments shall be mutually agreed in line with the terms and conditions of the order.

19.2 If any change in the work is likely to result in reduction in cost, the parties shall agree in writing so as to the extent of reduction in payment to be made to .....(Service Provider), before..... (Service provider) proceeding with the change.

## 20 NO WAIVER OF BANK RIGHTS OR..... (SERVICE PROVIDER)'S LIABILITY

Neither any payment sign-off/payment by the Bank for acceptance of the whole or any part of the work, nor any extension of time/possession taken by the Bank shall affect or prejudice the rights of the Bank against..... (Service provider), or relieve..... (Service provider) of their obligations for the due performance of the Agreement, or be interpreted as approval of the work done, or create liability on the Bank to pay for alterations/ amendments/ variations, or discharge the liability

of..... (service provider) for the payment of damages whether due, ascertained, or certified or not or any sum against the payment of which they are bound to indemnify Bank nor shall any such certificate nor the acceptance by them of any such paid on account or otherwise, affect or prejudice the rights of the ..... (Service provider), against the Bank.

## 21 LIMITATION OF LIABILITY

21.1 For breach of any obligation mentioned in this agreement, subject to clause 21.3, in no event .....(Service Provider) shall be liable for damages to the Bank arising under or in connection with this agreement for an amount exceeding the total cost of the project .

21.2 .....(Service provider) will ensure Bank's data confidentiality and shall be responsible for liability arising in case of breach of any kind of security and/or leakage of confidential customer/Bank's related information to the extent of loss so caused.

21.3 The limitations set forth in Clauses 21.1 shall not apply with respect to:

- (i) claims that are the subject of indemnification pursuant to Clause 12<sup>14</sup>,
- (ii) damage(s) occasioned by the gross negligence or willful misconduct of .....(Service Provider),
- (iii) damage(s) occasioned by .....(Service Provider) for breach of Clause 15<sup>15</sup>,
- (iv) Loss/Damages suffered by the Bank due to Non-Compliance of Statutory or Regulatory Guidelines by Service Provider.
- (v) When a dispute is settled by the Court of Law in India.

## 22 FORCE MAJEURE

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<sup>14</sup> Please see Clause 12 'IPR Indemnification'

<sup>15</sup>Please see Clause 15 'Security and Confidentiality'

- 22.1 Any failure or delay by either parties in performance of its obligation, to the extent due to any failure or delay caused by fire, flood, earthquake or similar elements of nature, or act of God, war, terrorism, riots, civil disorders, rebellions or revolutions, acts of government authorities or other events beyond the reasonable control of non-performing Party shall not be deemed as default.
- 22.2 If Force Majeure situation arises, the non-performing party shall promptly notify within..... (Term, in days) to the other party in writing of such conditions and the cause(s) thereof. Unless otherwise agreed in writing, the non-performing party shall continue to perform its obligations under the Agreement as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the Force Majeure event.
- 22.3 If the Force Majeure situation continues beyond 30 days, the either parties shall have the right to terminate the Agreement by giving a notice to the other party. Neither party shall have any penal liability to the other in respect of the termination of this Contract as a result of an event of Force Majeure. However, .....(Service Provider) shall be entitled to receive payments for all services actually rendered up to the date of the termination of this Agreement.

## 23 NOTICES

- 23.1 Any notice or other communication under this Agreement given by either party to the other party shall be deemed properly given if in writing and;
- i. When hand delivered during normal business hours of the recipient, acknowledgment taken.
  - ii. If transmitted by facsimile during normal business hours of the recipient; proof of delivery taken. A copy sent by registered mail/ first class courier, return receipt requested shall follow all fax notices, to any Fax number of..... (Service provider)'s office at Mumbai, or any other place advised by..... (Service provider) to the Bank from time to time.
  - iii. If mailed by registered mail/ first class courier, return receipt requested, within five working days of posting, properly addressed and stamped



with the required postage, to the intended recipient at its address specified below its signature at the end of this Agreement.

23.2 The Addresses for Communications to the parties are as under.

(a) In the case of the Bank

The Deputy General Manager, MAB IT Ops,  
State Bank of India, GITC,  
D-222/2, first floor, Omsagar Complex  
Nerul MIDC, Navi Mumbai-400706  
Maharashtra

(b) In case of service provider

.....  
.....  
.....  
.....

23.3 In case there is any change in the address of one party, it shall be communicated in writing to the other party within Seven (days).

## 24 GENERAL TERMS & CONDITIONS

24.1 TRAINING: ..... (Service provider) shall train designated Bank officials on the configuration, operation/ functionalities, maintenance, support & administration for software, application architecture and components, installation, troubleshooting processes of the proposed .....(services)as mentioned in this agreement.

24.2 PUBLICITY:..... (Service provider) may make a reference of the services rendered to the Bank covered under this Agreement on..... (Service provider)'s Web Site or in their sales presentations, promotional materials, business plans or news releases etc., only after prior written approval from the Bank.

24.3 SUCCESSORS AND ASSIGNS: This Agreement shall bind and inure to the benefit of the parties, and their respective successors and permitted assigns.

24.4 NON-HIRE AND NON-SOLICITATION: During the term of this Agreement and for a period of one year thereafter, neither party shall

(either directly or indirectly through a third party) employ, solicit to employ, cause to be solicited for the purpose of employment or offer employment to any employee/s or sub-contractor/s of the other party, or aid any third person to do so, without the specific written consent of the other party. However nothing in this clause shall affect the Bank's regular recruitments as per its recruitment policy and not targeted to the employees of..... (Service provider).

- 24.5 SEVERABILITY: The invalidity or unenforceability of any provision of this Agreement shall not in any way effect, impair or render unenforceable this Agreement or any other provision contained herein, which shall remain in full force and effect.
- 24.6 MODIFICATION: This Agreement may not be modified or amended except in writing signed by duly authorized representatives of each party with express mention thereto of this Agreement.
- 24.7 ENTIRE AGREEMENT: This Agreement, including all Work orders, Exhibits, Annexures , RFP and other documents or communications incorporated herein, represents the entire agreement for the services of .....(description of software) covering.....(short description of the service to be provided), between the parties and supplements all prior negotiations, understandings and agreements, written or oral, relating to the subject matter herein.
- 24.8 PRIVACY: Neither this Agreement nor any provision hereof is intended to confer upon any person/s other than the Parties to this Agreement any rights or remedies hereunder.
- 24.9 EFFECTIVE DATE: This Agreement shall be effective from the date mentioned at the beginning of this Agreement.
- 24.10 DUE AUTHORISATION: Each of the undersigned hereby represents to the other that she/ he is authorized to enter into this Agreement and bind the respective parties to this Agreement.
- 24.11 COUNTERPART: This Agreement is executed in duplicate and each copy is treated as original for all legal purposes.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives as of the date and day first mentioned above.

**State Bank of India**

**Service Provider**

**By:**  
**Name:**  
**Designation:**  
**Date:**

**By:**  
**Name:**  
**Designation:**  
**Date:**

WITNESS:

1.

1.

2.

2.

**ANNEXURE, SCHEDULE, ETC**

## **ANNEXURE-A**

### **DELIVERABLES/SCOPE OF WORK**

#### **1. Description of Deliverables:**

##### **Responsibilities of service providers**

- a) Set up / Manage / Upgrade, maintenance, customization and periodical up-gradation of Merchant Management Software
- b) Development, maintenance, customization and periodical up-gradation of terminal application software
- c) Hosting of MMS in its hardware in a secured environment. If it is outsourced, the security and data integrity to be ensured and it would be the responsibility of vendor
- d) Development of Interface between POS terminals and service provider through established network
- e) Certification of acquiring host by Schemes **MasterCard, Visa, Rupay, AMEX** , other schemes etc. Bank will assist but at no cost to Bank
- f) VAP/MIP/NFS/BBPS and AMEX link hosting, handling, periodical up-gradation as per rules revised by MasterCard and Visa etc. periodically and ensuring meticulous compliance of the prescribed rules from time to time.
- g) Periodical certification of the hardware, software and application as is considered necessary
- h) Set up of Merchants, POS terminals, commercial terms, commercial arrangement etc. in merchant management Software as per instructions from Bank
- i) Terminal installation, activation and Management
- j) Merchant training on an ongoing basis
- k) Terminal repairs and maintenance. Since most of the terminals are likely to be within warranty period or AMC, no reimbursement will be payable by Bank other than transportation charges. However, if any part(s) of the terminal is replaced or repaired which are not covered under warranty, the same will be reimbursed by the Bank. However, Vendor will have to share the details of such repairs, replacements so as to enable the Bank to recover the same from the terminal holder. At times, it can happen that cost of repair or replacement of the part might exceed total cost of the terminal or might be very near to it, in such cases, we expect Vendor to inform and take necessary instructions from the Bank
- l) Merchant help desk support 24x7 with provision for upward scalability in case of increase in volumes.

- m) Supply of consumables to merchants. Consumables will be arranged by the Bank and delivered to Vendor's warehouses as per request of the Vendor.
- n) Activation of POS Terminals, tracking performance, follow up and feedback
- o) Arrangement of Network Access Connectors (NACs).
- p) Ensure adequacy of Bandwidth and provision for appropriate scalability of switching services
- q) Back-end transaction processing viz., capturing of transaction from POS terminals, routing it to issuer through VAP/MIP/ any other interface etc., obtaining response from issuer and transmitting back the response to the merchant.
- r) Maintaining record of all successful and unsuccessful transactions logs in a secured environment and sharing the same with Bank on a daily basis. Service provider will retain the records for a period of 4 years. Purging of the data needs to be witnessed by the Bank. Service provider will share soft copies on a media as decided by Bank before purging.
- s) The service provider should have the capability to support Dynamic Currency conversion, EMI, mVisa, Buddy and other payment options which may come in use in future at no extra cost to Bank
- t) Processing settlement files from MasterCard/Visa/AMEX/Rupay etc. with the transaction record and service charges applicable with respective entity
- u) Reconciliation of settlements including charge-backs, re-presentments, pre-arbitrations and arbitrations etc. as per laid down rules for the purpose.
- v) Customer service, dispute management, grievance redressal and escalation
- w) All business operations viz., data entry, statement printing, dispatch of periodical transaction statement to merchants, response to merchant enquiry will be done by the service provider
- x) Provide daily Merchant wise report to SBI to enable them to afford credit to the respective merchants as per agreed terms and formats. They should have the capability to perform refund transactions as well as recover amounts (charges, rentals etc) as per Bank's instructions.
- y) Providing other periodical MIS report such as weekly, fortnightly, monthly, quarterly, half yearly and yearly report to SBI on the prescribed format as required by them from time to time. To quote a few examples of MIS, daily installations / de-installation done, pending installations / de-installation, problematic installations / de-installation, failed transaction report, settlement reports, open and closed complaints etc. This list is illustrative and not exhaustive.

- z) Daily reporting to the Bank on system performance with reasons wherever deficiency has been observed.
- aa) Providing periodical MIS, exception reports, suspicious transactions to the Bank, liaison with Card schemes, card issuers both Domestic as well as International for resolution of disputes both online along with good-faith manner for loss minimization of Bank.
- bb) Filtering the transactions through risk analysis and fraud monitoring tools in online and off line environment, setting up of Risk parameters as per Industry standards and periodic review of the same as per Bank's requirement.
- cc) Backend arrangements for recovery of disputes from future payments of Merchants.
- dd) Perform critical and time bound tasks of Proactive Risk management such as partial or complete de-activation and de-boarding of Merchants immediately on receipt of such instructions from Bank.
- ee) Periodical review and feedback which may help the Bank in taking a business decision
- ff) The service provider is expected to bring in the necessary expertise both in terms of technology and processing capabilities for the successful operations of the business.
- gg) Migration of all merchant accounts from existing TSPs to their own set up.
- hh) Migration of all Merchants accounts to Bank's own setup if and as and when Bank commissions its own infrastructure or in collaboration with another entity.
- ii) Online portal for all merchants to track and view their transactions online.
- jj) Capability to generate Service tax, FIRC certificates etc on a monthly or at a frequency decided by Bank.
- kk) Interaction with SBI's own online application format for requests for on boarding and modifications, sharing response files and transaction files for uploading at SBI end.
- ll) Compliance to all regulatory and Scheme guidelines
- mm) Adequate and tested Disaster Recovery and Business Continuity Plan
- nn) Permission to Bank to conduct Audit of data, books (relating to SBI), IT infrastructure etc. These Audit can be by External agencies or Bank's agencies.
- oo) All regulatory requirements by Central Regulators, Card schemes to be full filled including the latest being Mastercard 2 Series and Aadhar based Biometric acceptance.
- pp) Ensure that individuals with necessary expertise are hired / recruited with proper back ground checks and police verification.

- qq) Has a code of conduct in line with IBA's / SBI's code of conduct.
- rr) Vendor will conduct police verifications for all appointments after the date of this agreement.
- ss) Neither employees of Vendor or its partner nor employees of the Bank will seek employment in each other's organization during the currency of this agreement.
- tt) Neither vendor nor its employees, agents, representatives, sub-contractors shall hold out or represent as agents of SBI.
- uu) None of the employees, representatives or agents of the Vendor shall be entitled to claim permanent absorption or any other claim or benefit against SBI.
- vv) Before engaging sub-contractor, Vendor shall carry out due diligence process on sub-contracting/sub-contractor to the satisfaction of SBI and SBI should have access to such records. Such sub-vendors will have to be mandatorily registered with card schemes by the Vendor under no cost to Bank.
- ww) In the event sub-contracting, Vendor shall ensure that suitable documents including confidentiality agreement are obtained from the sub-contractor and Vendor shall ensure that the secrecy and faith of SBI's data/processes is maintained.
- xx) Vendor hereby agrees and declares that it shall be the sole responsibility of the Vendor to comply with the provisions of all the applicable laws, concerning or in relation to rendering of services by Service Provider as envisaged under this Agreement.
- yy) Vendor shall be solely liable & responsible for compliance of applicable Labour Laws in respect of its employees, agents, representatives and sub-contractors and in particular Laws relating to terminal benefits such as Pension, Gratuity, Provident Fund, Bonus or other benefits to which they may be entitled and the Laws relating to Contract Labour, Minimum Wages etc., and SBI shall have no liability in these regards. Further, Service Provider would indemnify/make good for the losses to SBI for non-compliance or any claims against SBI arising out of any non-compliance as above.
- zz) The Vendor agree that SBI shall have the right, but without any obligation to monitor and assess the Services to enable SBI to take necessary corrective measures, provided any such monitoring shall not amount to supervision of any of the jobs of vendor or the employees of vendor.
- aaa) Bank should have the right to conduct surprise check of vendor's activities in respect of the services.
- bbb) Vendor agrees that SBI shall have the right to disclose the details of this Agreement and the details of Services covered herein to the Reserve Bank of India and Indian Banks Association or as required by Law of the land.
- ccc) Vendor agrees to allow the Reserve Bank of India or persons authorized by it to access the documents, records of transactions and

other necessary information stored or processed by Vendor in respect of this Agreement or the Services.

ddd) Vendor agrees to preserve the documents and data in respect of the Services for such period in accordance with the legal/regulatory obligations of Bank in this regard.

eee) Vendor agrees that the Complaints/feedback, if any received from the customers of Bank in respect of the Services by Vendor shall be recorded and Bank/Reserve Bank of India shall have access to such records and redressal of customer complaints by Vendor.

fff) The Bidder should comply with Bank's Information Security policy in key concern areas relevant to the RFP. Some of the key areas are as under:

- Responsibilities for data and application privacy and confidentiality.
- Responsibilities on system and software access control and administration
- Custodial responsibilities for data, software, hardware and other assets of the Bank managed by or assigned to the Vendor
- Physical security of the facilities
- Incident response and reporting procedures



## **ANNEXURE-B**

### **SERVICE METRIC**

- 1.1 Service Measure or Service definitions: switching facility, staging options, sharing of trickle files, MIS and complaint desk should be available at all times. Any disruption in essential services will attract penalties.

## **ANNEXURE-E**

### **SERVICE REVIEW MEETING**

Service Review meeting shall be held at quarterly intervals or any other shorter or longer period as desired by the Bank. Members would be as under:

1. DGM and other officials from MAB operations team at GITC, any other official from GITC
2. Officials from MAB Business team, Corporate centre
3. Officials from the Vendor, including any specific official(s) from the Vendor as desired.

**ANNEXURE-F**

## **ANNEXURE-G**

### **PENALTY FOR NON PERFORMANCE OF SLA**

Bank would be at liberty to deduct penalties as under as per it's discretion:

<b>Service level category</b>	<b>SLA Measure</b>	<b>Penalty Calculation</b>
Switching services downtime attributable to vendor	<i>In minutes</i>	Rs 1000/- per minute for first thirty minutes, thereafter Rs 2000/- per minute. E.g : If switch remains down for 70 minutes (on more than one occasion), the penalty for the month would be Rs 30000 + Rs 80000 = Rs 110000/-
Delayed staging	<i>Days</i>	Amount of penalty / deductions made by card scheme + actual loss to the Bank + 0.01% of the staged amount
Delay in Installation / De-installations for reasons attributable to Vendor	<i>Days Beyond TAT</i>	Rs 50/- per day per terminal, maximum Rs 300/- per TID
Delay in sharing credit files at T + 1 basis for reasons attributable to Vendor like incorrect format, actual delay etc	<i>3/4<sup>th</sup> hourly basis</i>	0.001% for every forty five minutes (46 minutes would imply 0.002%) of the amount to be credited to customers. This would in excess of any interest claimed by terminal holder for delayed credit. The files are expected before 09:00 am on all days. E.g: if the total credit is Rs 200.00 crores and the file is delayed by 46 minutes, the penalty would be $0.002/100 \times 20000000000 = 40000/-$

Sharing of funding and appropriation files at T + 2 basis ( transfer of funds from SBI accounts to MAB DAU receivable and from MAB DAU receivable accounts to ME payments accounts	<i>Day basis</i>	Rs 20000/- for every day after T + 2
Delay in sharing of MIS	<i>If it occurs for more than 5 occasions(in aggregate for any or all reports) in a calendar month</i>	Number of Days/100 % of the management fee for that month. (If it occurs for 5 occasions - nil, but if it happens for more than 5, then number of days/100 % deduction of management fee. For e.g, if it is delayed on 6 occasions, the penalty would be 0.06% of the management fee for that month). Daily reports are expected by 10:00 am
Delay in sharing of Service tax certificates, FIRC statement with Bank as well as terminal holders	<i>To be received by 5th working day of the subsequent month for all merchants</i>	Number of days delayed/100 % of the management fee for that month
Non-compliance of Regulatory requirements including ones by card schemes	<i>Any instance</i>	<i>Full fee will be held back till the same is complied with. Any penalty by any agency on account of this would made good by the Vendor.</i>
Data breaches	<i>Any instance, either by insiders or outsiders</i>	<i>Actual amount of loss incurred by card holders and the Bank, will be made good by the Vendor. Any penalty by any agency would have to be made good by the Vendor.</i>

		<i>Cost of potential or actual exposure taken by the Bank for data breach would be recovered from the Vendor. Bank would be free to terminate the contract, blacklist the Vendor with various agencies or initiate other actions as deemed appropriate</i>
Complaint resolution (terminal related)	<i>Beyond TAT</i>	<i>1. Rs 50/- per complaint per day, maximum Rs.300/- per complaint</i>
Complaint resolution (financial nature)	<i>Financial nature /requests for settlement details / request for change of account number / refund requests / staging requests: Day of complaint / request +1 day</i>	<i>Any damage / interest / amount claimed by the terminal holder / card holder. This is in addition to any losses suffered by Bank on account of this.</i>
Complaint resolution (reconciliation of short / missing credits)	<i>Day of complaint / request + 3 day</i>	<i>Any damage / interest / amount claimed by the terminal holder / card holder. This is in addition to any losses suffered by Bank on account of this.</i>
Unsuccessful dispute fulfillment owing to lapses in services by Vendor	<i>Beyond TAT as applicable for each such dispute</i>	<i>Penalty would be actual transaction amount of the dispute and any other direct losses to Bank owing to lapses in services</i>
Terminal, Terminal application and switch mal-function leading to non-credit of funds and disputes on	<i>Each such instance leading to dispute losses</i>	<i>Penalty would be actual transaction amount of the dispute and any other direct losses to Bank owing lapses in services</i>

transactions		
Non-compliance of Merchant for dispute fulfillment owing to lack of communication (e mail / SMS and telephonic) from Service Provider to merchant	<i>Beyond TAT as applicable for each such dispute</i>	<i>Penalty would be actual transaction amount of the dispute and any other direct losses to Bank owing lapses in services</i>
Noncompliance with Bank's instruction to perform critical time bound tasks of proactive Risk management tasks such as complete or partial deactivation etc.,	<i>30 minutes of receipt of e mail containing such instructions</i>	<i>Additional exposure taken by Bank in terms of transaction amount authorized at the subject terminal post noncompliance of the service provider to the instructions of the Bank within 30 minutes.</i>  <i>Inaction of the service provider beyond 5 hours from the receipt of on such instructions.</i>

## ANNEXURE I

### NON-DISCLOSURE AGREEMENT

THIS RECIPROCAL NON-DISCLOSURE AGREEMENT (the “Agreement”) is made at Mumbai between:

\_\_\_\_\_ constituted under the \_\_\_\_\_ Act, \_\_\_\_\_ having its Corporate Centre at \_\_\_\_\_ (hereinafter referred to as “Bank” which expression includes its successors and assigns) of the ONE PART;

And

\_\_\_\_\_ (hereinafter referred to as “\_\_\_\_\_” which expression shall unless repugnant to the subject or context thereof, shall mean and include its successors and permitted assigns) of the OTHER PART;

And Whereas

1. \_\_\_\_\_ is carrying on business of providing \_\_\_\_\_, has agreed to \_\_\_\_\_ for the Bank and other related tasks.
2. For purposes of advancing their business relationship, the parties would need to disclose certain valuable confidential information to each other. Therefore, in consideration of covenants and agreements contained herein for the mutual disclosure of confidential information to each other, and intending to be legally bound, the parties agree to terms and conditions as set out hereunder.

**NOW IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES AS UNDER**

1. **Confidential Information and Confidential Materials :**

- (a) “Confidential Information” means non-public information that Disclosing Party designates as being confidential or which, under the circumstances surrounding disclosure ought to be treated as confidential. “Confidential Information” includes,



without limitation, information relating to installed or purchased Disclosing Party software or hardware products, the information relating to general architecture of Disclosing Party's network, information relating to nature and content of data stored within network or in any other storage media, Disclosing Party's business policies, practices, methodology, policy design delivery, and information received from others that Disclosing Party is obligated to treat as confidential. Confidential Information disclosed to Receiving Party by any Disclosing Party Subsidiary and/or agents is covered by this agreement

- (b) Confidential Information shall not include any information that: (i) is or subsequently becomes publicly available without Receiving Party's breach of any obligation owed to Disclosing party; (ii) becomes known to Receiving Party prior to Disclosing Party's disclosure of such information to Receiving Party; (iii) became known to Receiving Party from a source other than Disclosing Party other than by the breach of an obligation of confidentiality owed to Disclosing Party; or (iv) is independently developed by Receiving Party.
- (c) "Confidential Materials" shall mean all tangible materials containing Confidential Information, including without limitation written or printed documents and computer disks or tapes, whether machine or user readable.

## 2. **Restrictions**

- (a) Each party shall treat as confidential the Contract and any and all information ("confidential information") obtained from the other pursuant to the Contract and shall not divulge such information to any person (except to such party's own employees and other persons and then only to those employees and persons who need to know the same) without the other party's written consent provided that this clause shall not extend to information which was rightfully in the possession of such party prior to the commencement of the negotiations leading to the Contract, which is already public knowledge or becomes so at a future date (otherwise than as a result of a breach of this clause). Receiving Party will have executed or shall execute appropriate written agreements with its employees and consultants specifically assigned and/or otherwise, sufficient to enable it to comply with all the provisions of this Agreement. If the Contractor shall appoint any Sub-Contractor then the Contractor may disclose confidential information to such Sub-Contractor subject to such Sub Contractor giving the Customer an undertaking in similar terms to the provisions of this clause.
- (b) Receiving Party may disclose Confidential Information in accordance with judicial or other governmental order to the intended recipients (as detailed in this clause), provided Receiving Party shall give Disclosing Party reasonable notice prior to such disclosure and shall comply with any applicable protective order or equivalent. The intended recipients for this purpose are:
  - (1) the statutory auditors of the Customer and

- (2) regulatory authorities regulating the affairs of the Customer and inspectors and supervisory bodies thereof
- (c) The foregoing obligations as to confidentiality shall survive any termination of this Agreement
- (d) Confidential Information and Confidential Material may be disclosed, reproduced, summarized or distributed only in pursuance of Receiving Party's business relationship with Disclosing Party, and only as otherwise provided hereunder. Receiving Party agrees to segregate all such Confidential Material from the confidential material of others in order to prevent mixing.
- (e) Receiving Party may not reverse engineer, decompile or disassemble any software disclosed to Receiving Party.

3. **Rights and Remedies**

- (a) Receiving Party shall notify Disclosing Party immediately upon discovery of any unauthorized use or disclosure of Confidential Information and/ or Confidential Materials, or any other breach of this Agreement by Receiving Party, and will cooperate with Disclosing Party in every reasonable way to help Disclosing Party regain possession of the Confidential Information and/ or Confidential Materials and prevent its further unauthorized use.
- (b) Receiving Party shall return all originals, copies, reproductions and summaries of Confidential Information or Confidential Materials at Disclosing Party's request, or at Disclosing Party's option, certify destruction of the same.
- (c) Receiving Party acknowledges that monetary damages may not be the only and / or a sufficient remedy for unauthorized disclosure of Confidential Information and that disclosing party shall be entitled, without waiving any other rights or remedies (as listed below), to injunctive or equitable relief as may be deemed proper by a Court of competent jurisdiction.
  - a. Suspension of access privileges
  - b. Change of personnel assigned to the job
  - c. Financial liability for actual, consequential or incidental damages
  - d. Termination of contract
- (d) Disclosing Party may visit Receiving Party's premises, with reasonable prior notice and during normal business hours, to review Receiving Party's compliance with the term of this Agreement.

4. **Miscellaneous**

- (a) All Confidential Information and Confidential Materials are and shall remain the property of Disclosing Party. By disclosing information to Receiving Party,

Disclosing Party does not grant any expressed or implied right to Receiving Party to disclose information under the Disclosing Party patents, copyrights, trademarks, or trade secret information.

- (b) Any software and documentation provided under this Agreement is provided with RESTRICTED RIGHTS.
- (c) Neither party grants to the other party any license, by implication or otherwise, to use the Confidential Information, other than for the limited purpose of evaluating or advancing a business relationship between the parties, or any license rights whatsoever in any patent, copyright or other intellectual property rights pertaining to the Confidential Information.
- (d) The terms of Confidentiality under this Agreement shall not be construed to limit either party's right to independently develop or acquire product without use of the other party's Confidential Information. Further, either party shall be free to use for any purpose the residuals resulting from access to or work with such Confidential Information, provided that such party shall maintain the confidentiality of the Confidential Information as provided herein. The term "residuals" means information in non-tangible form, which may be retained by person who has had access to the Confidential Information, including ideas, concepts, know-how or techniques contained therein. Neither party shall have any obligation to limit or restrict the assignment of such persons or to pay royalties for any work resulting from the use of residuals. However, the foregoing shall not be deemed to grant to either party a license under the other party's copyrights or patents.
- (e) This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof. It shall not be modified except by a written agreement dated subsequently to the date of this Agreement and signed by both parties. None of the provisions of this Agreement shall be deemed to have been waived by any act or acquiescence on the part of Disclosing Party, its agents, or employees, except by an instrument in writing signed by an authorized officer of Disclosing Party. No waiver of any provision of this Agreement shall constitute a waiver of any other provision(s) or of the same provision on another occasion.
- (f) In case of any dispute, both the parties agree for neutral third party arbitration. Such arbitrator will be jointly selected by the two parties and he/she may be an auditor, lawyer, consultant or any other person of trust. The said proceedings shall be conducted in English language at Mumbai and in accordance with the provisions of Indian Arbitration and Conciliation Act 1996 or any Amendments or Re-enactments thereto.
- (g) Subject to the limitations set forth in this Agreement, this Agreement will inure to the benefit of and be binding upon the parties, their successors and assigns.
- (h) If any provision of this Agreement shall be held by a court of competent jurisdiction to be illegal, invalid or unenforceable, the remaining provisions shall remain in full force and effect.

- (i) All obligations created by this Agreement shall survive change or termination of the parties' business relationship.

5. **Suggestions and Feedback**

- (a) Either party from time to time may provide suggestions, comments or other feedback to the other party with respect to Confidential Information provided originally by the other party (hereinafter "feedback"). Both party agree that all Feedback is and shall be entirely voluntary and shall not in absence of separate agreement, create any confidentially obligation for the receiving party. However, the Receiving Party shall not disclose the source of any feedback without the providing party's consent. Feedback shall be clearly designated as such and, except as otherwise provided herein, each party shall be free to disclose and use such Feedback as it sees fit, entirely without obligation of any kind to other party. The foregoing shall not, however, affect either party's obligations hereunder with respect to Confidential Information of other party.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2017 at \_\_\_\_\_  
(month) (place)

For and on behalf of \_\_\_\_\_

Name		
Designation		
Place		
Signature		

For and on behalf of \_\_\_\_\_

Name		
Designation		
Place		
Signature		

# **Transition Plan**

**(Annexure J)**

## **1. Introduction**

1.1 This Annexure describes the duties and responsibilities of the SERVICE PROVIDER and the STATE BANK OF INDIA to ensure proper transition of services and to ensure complete knowledge transfer.

## **2. Objectives**

2.1 The objectives of this annexure are to:

- (1) ensure a smooth transition of Services from the SERVICE PROVIDER to a New/Replacement SERVICE PROVIDER or back to the STATE BANK OF INDIA at the termination or expiry of this Agreement;
- (2) ensure that the responsibilities of both parties to this Agreement are clearly defined in the event of exit and transfer; and
- (3) ensure that all relevant Assets are transferred.

## **3. General**

3.1 Where the STATE BANK OF INDIA intends to continue equivalent or substantially similar services to the Services provided by the SERVICE PROVIDER after termination or expiry the Agreement, either by performing them itself or by means of a New/Replacement SERVICE PROVIDER, the SERVICE PROVIDER shall ensure the smooth transition to the Replacement SERVICE PROVIDER and shall co-operate with the STATE BANK OF INDIA or the Replacement SERVICE PROVIDER as required in order to fulfil the obligations under this annexure.....

3.2 The SERVICE PROVIDER shall co-operate fully with the STATE BANK OF INDIA and any potential Replacement SERVICE PROVIDERs

tendering for any Services, including the transfer of responsibility for the provision of the Services previously performed by the SERVICE PROVIDER to be achieved with the minimum of disruption. In particular:

3.2.1 during any change process initiated by the STATE BANK OF INDIA and in anticipation of the expiry or termination of the Agreement and irrespective of the identity of any potential or actual Replacement SERVICE PROVIDER, the SERVICE PROVIDER shall comply with all reasonable requests by the STATE BANK OF INDIA to provide information relating to the operation of the Services, including but not limited to, hardware and software used, inter-working, coordinating with other application owners, access to and provision of all performance reports, agreed procedures, and any other relevant information (including the configurations set up for the STATE BANK OF INDIA and procedures used by the SERVICE PROVIDER for handling Data) reasonably necessary to achieve an effective transition, provided that:

3.2.1.1 the SERVICE PROVIDER shall not be obliged to provide any information concerning the costs of delivery of the Services or any part thereof or disclose the financial records of the SERVICE PROVIDER to any such party;

3.2.1.2 the SERVICE PROVIDER shall not be obliged to disclose any such information for use by an actual or potential Replacement SERVICE PROVIDER unless such a party shall have entered into a confidentiality agreement; and

3.2.1.3 whilst supplying information as contemplated in this paragraph 3.2.1 the SERVICE PROVIDER shall provide sufficient information to comply with the reasonable requests of the STATE BANK OF INDIA to enable an effective tendering process to take place but shall not be required to provide information or material which the SERVICE PROVIDER may not disclose as a matter of law.

3.3 In assisting the STATE BANK OF INDIA and/or the Replacement SERVICE PROVIDER to transfer the Services the following commercial approach shall apply:

- (1) where the SERVICE PROVIDER does not have to utilise resources in addition to those normally used to deliver the Services prior to termination or expiry, the SERVICE PROVIDER shall make no additional Charges. The STATE BANK OF INDIA may reasonably request that support and materials already in place to provide the Services may be redeployed onto work required to effect the transition provided always that where the STATE BANK OF INDIA agrees in advance that such redeployment will prevent the SERVICE PROVIDER from meeting any Service Levels, achieving any other key dates or from providing any specific deliverables to the STATE BANK OF INDIA, the STATE BANK OF INDIA shall not be entitled to claim any penalty or liquidated damages for the same.
- (2) where any support and materials necessary to undertake the transfer work or any costs incurred by the SERVICE PROVIDER are additional to those in place as part of the proper provision of the Services the STATE BANK OF INDIA shall pay the SERVICE PROVIDER for staff time agreed in advance at the rates agreed between the parties and for materials and other costs at a reasonable price which shall be agreed with the STATE BANK OF INDIA in as described in .....

3.4 If so required by the STATE BANK OF INDIA, on the provision of no less than 2month's notice in writing, the SERVICE PROVIDER shall continue to provide the Services or an agreed part of the Services for a period not less than 6(six) month and not exceeding 24 (twenty four) months beyond the date of termination or expiry of the Agreement. In such event the STATE BANK OF INDIA shall reimburse the SERVICE PROVIDER for such elements of the Services as are provided beyond the date of termination or expiry date of the Agreement on the basis that:

- (1) materials and other costs will be charged at a reasonable price which shall be agreed between the Parties; and/or
- (2) any other fees agreed between the Parties at the time of termination or expiry.

- 3.5 The SERVICE PROVIDER shall provide to the STATE BANK OF INDIA an analysis of the Services to the extent reasonably necessary to enable the STATE BANK OF INDIA to plan migration of such workload to a Replacement SERVICE PROVIDER provided always that this analysis involves providing performance data already delivered to the STATE BANK OF INDIA as part of the performance monitoring regime.
- 3.6 The SERVICE PROVIDER shall provide such information as the STATE BANK OF INDIA reasonably considers to be necessary for the actual Replacement SERVICE PROVIDER, or any potential Replacement SERVICE PROVIDER during any procurement process, to define the tasks which would need to be undertaken in order to ensure the smooth transition of all or any part of the Services.
- 3.7 the SERVICE PROVIDER shall make available such Key Personnel who have been involved in the provision of the Services as the Parties may agree to assist the STATE BANK OF INDIA or a Replacement SERVICE PROVIDER (as appropriate) in the continued support of the Services beyond the expiry or termination of the Agreement, in which event the STATE BANK OF INDIA shall pay for the services of such Key Personnel on a time and materials basis at the rates agreed between the parties.
- 3.8 The SERVICE PROVIDER shall co-operate with the STATE BANK OF INDIA during the handover to a Replacement SERVICE PROVIDER and such co-operation shall extend to, but shall not be limited to, inter-working, coordinating and access to and provision of all operational and performance documents, reports, summaries produced by the SERVICE PROVIDER for the STATE BANK OF INDIA, including the configurations set up for the STATE BANK OF INDIA and any and all information to be provided by the SERVICE PROVIDER to the STATE BANK OF INDIA under any other term of this Agreement necessary to achieve an effective transition without disruption to routine operational requirements.

#### **4. Replacement SERVICE PROVIDER**



4.1 In the event that the Services are to be transferred to a Replacement SERVICE PROVIDER, the STATE BANK OF INDIA will use reasonable endeavors to ensure that the Replacement SERVICE PROVIDER co-operates with the SERVICE PROVIDER during the handover of the Services.

## **5. Subcontractors**

5.1 The SERVICE PROVIDER agrees to provide the STATE BANK OF INDIA with details of the Subcontracts used in the provision of the Services. The SERVICE PROVIDER will not restrain or hinder its Subcontractors from entering into agreements with other prospective service providers for the delivery of supplies or services to the Replacement SERVICE PROVIDER.

## **6. Transfer of Configuration Management Database**

## **7. Transfer of Assets**

7.1 1 (one ) months prior to expiry or within 8 (eight) weeks of notice of termination of the Agreement the SERVICE PROVIDER shall deliver to the STATE BANK OF INDIA the Asset Register comprising:

- (1) a list of all Assets eligible for transfer to the STATE BANK OF INDIA; and

7.2 Within 1 (One) month of receiving the Asset Register as described above, the STATE BANK OF INDIA shall notify the SERVICE PROVIDER of the Assets it requires to be transferred, (the “Required Assets”), and the STATE BANK OF INDIA and the SERVICE PROVIDER shall provide for the approval of the STATE BANK OF INDIA a draft plan for the Asset transfer.

7.3 In the event that the Required Assets are not located on STATE BANK OF INDIA premises:

- (1) the SERVICE PROVIDER shall be responsible for the dismantling and packing of the Required Assets and to ensure their availability

for collection by the STATE BANK OF INDIA or its authorised representative by the date agreed for this;

- (2) any charges levied by the SERVICE PROVIDER for the Required Assets not owned by the STATE BANK OF INDIA shall be fair and reasonable in relation to the condition of the Assets and the then fair market value; and
- (3) for the avoidance of doubt, the STATE BANK OF INDIA will not be responsible for the Assets.

7.4 The SERVICE PROVIDER warrants that the Required Assets and any components thereof transferred to the STATE BANK OF INDIA or Replacement SERVICE PROVIDER benefit from any remaining manufacturer's warranty relating to the Required Assets at that time, always provided such warranties are transferable to a third party.

## **8. Transfer of Software Licenses**

## **9. Transfer of Service Management Process**

## **10. Transfer of Data**

10.1 In the event of expiry or termination of this Agreement the SERVICE PROVIDER shall cease to use the STATE BANK OF INDIA Data and, at the request of the STATE BANK OF INDIA, shall destroy all such copies of the STATE BANK OF INDIA Data then in its possession to the extent specified by the STATE BANK OF INDIA.

10.2 Except where, pursuant to paragraph 14.1 above, the STATE BANK OF INDIA has instructed the SERVICE PROVIDER to destroy such STATE BANK OF INDIA Data as is held and controlled by the SERVICE PROVIDER, ..... months prior to expiry or within ..... month of termination of this Agreement, the SERVICE PROVIDER shall deliver to the STATE BANK OF INDIA:

- (1) An inventory of the STATE BANK OF INDIA Data held and controlled by the SERVICE PROVIDER, plus any other data required to support the Services; and/or

- (2) a draft plan for the transfer of the STATE BANK OF INDIA Data held and controlled by the SERVICE PROVIDER and any other available data to be transferred.

## **11. Training Services on Transfer**

- 11.1 The SERVICE PROVIDER shall comply with the STATE BANK OF INDIA's reasonable request to assist in the identification and specification of any training requirements following expiry or termination. The purpose of such training shall be to enable the STATE BANK OF INDIA or a Replacement SERVICE PROVIDER to adopt, integrate and utilize the Data and Assets transferred and to deliver an equivalent service to that previously provided by the SERVICE PROVIDER.
- 11.2 The provision of any training services and/or deliverables and the charges for such services and/or deliverables shall be agreed between the parties.

## **12. Transfer Support Activities**

- 12.1 One months prior to expiry or within 60(Sixty) Working Days of issue of notice of termination, the SERVICE PROVIDER shall assist the STATE BANK OF INDIA or Replacement SERVICE PROVIDER to develop a viable exit transition plan which shall contain details of the tasks and responsibilities required to enable the transition from the Services provided under this Agreement to the Replacement SERVICE PROVIDER or the STATE BANK OF INDIA, as the case may be.
- 12.2 The exit transition plan shall be in a format to be agreed with the STATE BANK OF INDIA and shall include, but not be limited to:
  - (1) a timetable of events;
  - (2) resources;
  - (3) assumptions;
  - (4) activities;
  - (5) responsibilities; and
  - (6) risks.

12.3 The SERVICE PROVIDER shall supply to the STATE BANK OF INDIA or a Replacement SERVICE PROVIDER specific materials including but not limited to:

- (a) entire back-up history; and
- (b) Dump of database contents including the Asset Register, problem management system and operating procedures. For the avoidance of doubt this shall not include proprietary software tools of the SERVICE PROVIDER which are used for project management purposes generally within the SERVICE PROVIDER's business.

12.4 The SERVICE PROVIDER shall provide for the approval of the STATE BANK OF INDIA a draft plan to transfer or complete work-in-progress at the date of expiry or termination.

IN WITNESS WHEREOF, the parties hereto have caused this annexure to be executed by their duly authorized representatives as of .....day of .....

**State Bank of India**

**Service Provider**

**By:**

**By:**

**Name:**

**Name:**

**Designation:**

**Designation:**

**Date:**

**Date:**

WITNESS:

1.

1.

2.

2.

Clause	Activity	Start point	End point	Deliverables	Sub item	Service level Adherence / commitment	Remarks	Dependency	Tracking Mechanism	New challenges / Applications / Security features
1	Installation	Communication with complete details received in standard format at Vendor	Deployment of terminal at merchant location with test transaction	Within 3 working days with ME training	In-station of Vendor sub regions, sub regions upto 50Kms from region and sub regional office locations	80% adherence to TAT. Balance 20% will be attended in additional 7 working days over and above the TAT	For parameter (after risk, N-Mas and Match approvals) request received before 2:00pm excluding Sundays & holidays and 12:00 pm on Saturdays	Terminal availability – minimum 10% service rotatables should be available at Vendor regional offices	From the date of approval for installation request in MMS or related module	TBD if needed
				Within 5 working days with ME training for merchants between 50-100Km	Outstations	80% adherence to TAT. Balance 20% will be attended in additional 7 working days	For parameter (after risk, N-Mas and Match approvals) request received before 2:00pm excluding Sundays & holidays and 12:00 pm on Saturdays		From the date of approval for installation request	

				Within 9 working days with ME training for merchants beyond 100 Kms		over and above the TAT			in MM S or related module	
	Bulk Installation			1.25 X	X= Average per day requests of last three months, not exceeding 20000 per month	SLA will not be applicable if the number of requests is 1.25X per day or above 20000 per month	If the request exceeds 1.25X, the above TATs will not be applicable			TBD if needed
2	De-activation	Communication with complete details received in standard format at Vendor's end through online or mail on designated email id	Deactivation at the Host	Regular: within 5 hours from the request received before 6:00 pm, fraudulent ME deactivation within One hour from the request received before 6:00 pm		99.90%	1) This service is not available on Sundays and Holidays. Requests received on Sundays and Holidays to be attended on the next working day but not later than 48 hours. 2) Vendor will not be held responsible for any transaction done till the time of deactivation. 3) In case of any critical requests from Bank for deactivation on a Sunday or a Holiday, the same will be actioned within 5 hours of intimation to Vendor. The process of intimation in such cases will be shared with Bank	1) Bank needs to specify in each request that the particular MID / TID should be cancelled, because of risk / fraud reasons. The request will be marked to designated email id. 2) For fraudulent ME deactivation, phone call from Bank apart from mail is recommended as a dual confirmation	Designated Module	

3	De-installation	Communication with complete details received via online or designated email id	Date of first visit	Within 3 working days	In-station of Vendor's region, upto 50 Kms from region and sub-regional office location	80% adherence to TAT. Balance 20% will be attended in additional 7 working days over and above the TAT	For request received before 2:00pm excluding Sundays and Holidays and 12:00 pm on Saturdays.	If after 2 attempts by the Vendor, the terminal could not be retrieved due to reasons beyond Vendor's control, reasons to be shared on daily basis with Bank.	Designated module	
				Within 5 working days for merchants between 50-100 Km	Outstation	80% adherence to TAT. Balance 20% will be attended in additional 7 working days over and above the TAT				
				Within 9 working days beyond 100 Kms						
				Bulk Deinstallation					1.25X	X= Average requests per day for last three months, not exceeding 5000 per month

4	Reports			Daily by 10 am, Fortnightly by 19 <sup>th</sup> of the month, Monthly by 7 <sup>th</sup> working day of subsequent month		95%	Daily: Pending cases for generation of MID and TID, Installations and pending installations, deinstallation and pending deinstallation, PC Pos report, closed and open call report, inactive terminals, statements to MEs Fortnightly: Inventory status Monthly: Service Tax and FIRC certificates, monthly installed and deinstalled done		Mails to Bank on the email ids provided.	
5	Complaints calls (including roll delivery calls)	Logging of complaint at regional / central helpdesk	Resolution of problem with the merchant sign off in case of personal visit	1. calls will be attended in 3 working days 2. premium merchants either on same day or next day	In-station Vendor regions upto 50 kms from region and sub regional office locations	80% adherence to TAT Balance 20% will be attended in additional 7 working days over and above TAT	1. SLA applicable for calls / SMS / e mails received before 3:00 pm 2. Premium merchants: top 20% of the MEs in terms of commerce.	Merchant or Bank has to provide exact nature of the complaint / problem	Vendor's module	
				1. calls will be attended in 5 working days 2. Premium merchants either on same day or next day	Outstations	80% adherence to TAT Balance 20% will be attended in additional 7 working days over and above TAT	1. SLA applicable for calls / SMS / e mails received before 3:00 pm 2. Blue merchants: top 20% of the MEs in terms of commerce.			



Clause	Activity	Start point	End point	Deliverables	TAT	Remarks	Dependency	Tracking Mechanism
1	Merchant Negative verification / NMAS / MATCH/ TRACE	Receipt of merchant details for terminal deployment from Bank	Completion of data entry & loading of Merchant details	Merchant negative profile verification report from VISA / MASTER	+2 working days	Delays from card schemes will be excluded from the counting of TAT of 2 working days	To get the clear and non-discrepant data from client before 3pm	
2	Merchant data creation and ME parameters on Acquiring module and modifications thereof	On receipt of information from the Bank	Setting up & modification of the Merchant details on Acquiring module		Same day		To get the clear and non-discrepant data from the client before 3:00 pm	
3	Reporting of fraud merchants to Visa and Mastercard	Receipt of Merchant details from client	Updation in NMAS / MATCH File		1 working day	For request received before 16:00 hrs excluding Sundays and all holidays and till 14:00 hrs on Saturday		
4	Creation of outgoing file and staging to VISA / MASTER / NPCI / AMEX	uploading the correct files at the designated site	Completion message of the file upload	Receipt of funds from Association	Timelines as circulated by the related card scheme			Receipt of funds in the account on same or next working day
5	Downloading & processing of incoming files: settlement confirmation	Receipt of incoming files from the card schemes	Identifying the errors and reporting to the bank and preparation of related funding and appropriation files, reports to the bank		Next day by 11:00 hrs			
6	Daily incoming reports to Bank	Processing of incoming file	Generation and sending of daily incoming reports to Bank		By 11:00 hrs			

7	Sending of chargeback, Retrieval requests, second presentment, second chargeback report as a issuer / Acquirer Bank	Receipt of Retrieval request from incoming file processing	Report generation for chargeback, Retrieval request, second presentment, and second chargebacks		By 11:00 hrs			
8	Exceptional processing: representm ents, Refunds, Reversals, Fee collection, Fund disburseme nt, pickup card, fresh sale etc	Receipt of details from institution	Generation of outgoing file for Exceptional processing: representm ents, Refunds, Reversals, Fee collection, Fund disbursement, pickup card, fresh sale etc		1 hour from receipt of request from card scheme	The request received till 17:30 hrs will be processed on the same day and after 17:30 hrs, on the next working day		
9	Maestro Surcharge processing	Uploading the files at designated sites / card schemes	Completion message	Receipt of funds	Before 17:30 hrs		Issuer may reject the claim as we might send it as fee collection	
10	Maestro Reconciliati on	Receipt of Maestro Reconciliat ion file	Generation of TTUM reports from MXPAC		Before 12:00 hrs			
Cl au se	Activity	Start point	End point	Deliverables	TAT	Remarks	Dependency	Trackin g Mechani sm
1	Acquiring reports and upload files	FTP command given by Vendor	FTP shows number of bytes sent	Merchant payment reports	Staging file on or before 05:30 hrs Bank should get trickle files before 09:00 hrs on all working days			File transfer timings can be checked

2	Risk Reports	FTP command given by Vendor	FTP shows number of bytes sent	Settlement reports like possible duplication transaction file, high value transaction, offline transaction, key entry transaction etc	Staging file on / before 06:30 hrs		Vendor will inform Bank on immediate basis in case of any delay noticed	File timings can be checked in FTP / SFTP
3	Authorization Trace	Request received from the client	Trace provided by VIGPL to client through FTP and FTP shows number of bytes sent or mailed	Trace report	Within 24 hrs if transaction has happened in last 120 days and 72 hrs for more than 120 days	Traces will be provided only for transactions within 2 years. TATs won't be applicable in case the number of trace requests are more than 10 in a day	Required transaction details should be provided by the Bank	
4	MIS	Mail sent to client or FTP command given by Vendor	Receipt of mail at client end or FTP shows number of bytes sent	Annexure	Daily before 12:00 hrs			

Clause	Activity	Start Point	End point	Deliverables	TAT	Remarks
1	Response time for transactions	On swiping of card	Response status received from host and gets displayed on the EDC	Monthly MIS Report stating response time	95%	Response within 12 seconds
					4%	Response within 20 seconds
					1%	No response
2	System & network			Uptime	99%	Calculated on monthly basis excluding downtime during off peak hours for scheduled maintenance
				Hardware failure	30 minutes	Secondary server takeover
				Outage report	Immediate	Through SMS
					Monthly	E mail
3	Shared Gateway			Network to card schemes		As actual. This would be out of the preview of the Vendor as the links are managed by card schemes

**PRE CONTRACT INTEGRITY PACT**  
***(TO BE STAMPED AS AN AGREEMENT)***

**General**

This pre-bid pre-contract Agreement (hereinafter called the Integrity Pact) is made on       day of the month of       201    , between, on the one hand, the State Bank of India a body corporate incorporated under the State Bank of India Act, 1955 having its Corporate Centre at State Bank Bhavan, Nariman Point, Mumbai through its -----Department / Office at -----,-----, (hereinafter called the "BUYER", which expression shall mean and include, unless the context otherwise requires, its successors) of the First Part and M/s       represented by

Shri       , Chief Executive Officer (hereinafter called the "BIDDER/Seller which expression shall mean and include, unless the context otherwise requires, its / his successors and permitted assigns of the Second Part.

WHEREAS the BUYER proposes to procure (Name of the Stores/Equipment/Item) and the BIDDER/Seller is willing to offer/has offered the stores and

WHEREAS the BIDDER is a private company/public company/Government undertaking/partnership/registered export agency, constituted in accordance with the relevant law in the matter and the BUYER is an Office / Department of State Bank of India performing its functions on behalf of State Bank of India.

NOW, THEREFORE,

To avoid all forms of corruption by following a system that is fair, transparent and free from any influence/prejudiced dealings prior to, during and subsequent to the currency of the contract to be entered into with a view to :

Enabling the BUYER to obtain the desired service / product at a competitive price in conformity with the defined specifications by avoiding the high cost and the distortionary impact of corruption on public procurement; and

Enabling BIDDERS to abstain from bribing or indulging in any corrupt practice in order to secure the contract by providing assurance to them that their competitors will also abstain from bribing and other corrupt practices and the BUYER will commit to prevent corruption, in any form, by its officials by following transparent procedures.

The parties hereto hereby agree to enter into this Integrity Pact and agree as follows:

**Commitments of the BUYER**

1.1 The BUYER undertakes that no official of the BUYER, connected directly or indirectly with the contract, will demand, take a promise for or accept, directly or

through intermediaries, any bribe, consideration, gift, reward, favour or any material or immaterial benefit or any other advantage from the BIDDER, either for themselves or for any person, organisation or third party related to the contract in exchange for an advantage in the bidding process, bid evaluation, contracting or implementation process related to the contract.

1.2 The BUYER will, during the pre-contract stage, treat all BIDDERS alike, and will provide to all BIDDERS the same information and will not provide any such information to any particular BIDDER which could afford an advantage to that particular BIDDER in comparison to other BIDDERS.

1.3 All the officials of the BUYER will report to the appropriate authority any attempted or completed breaches of the above commitments as well as any substantial suspicion of such a breach.

2. In case any such preceding misconduct on the part of such official(s) is reported by the BIDDER to the BUYER with full and verifiable facts and the same is prima facie found to be correct by the BUYER, necessary disciplinary proceedings, or any other action as deemed fit, including criminal proceedings may be initiated by the BUYER and such a person shall be debarred from further dealings related to the contract process. In such a case while an enquiry is being conducted by the BUYER the proceedings under the contract would not be stalled.

#### Commitmentsof BIDDERS

2. The BIDDER commits itself to take all measures necessary to prevent corrupt practices, unfair means and illegal activities during any stage of its bid or during any pre-contract or post-contract stage in order to secure the contract or in furtherance to secure it and in particular commit itself to the following:

3.1 The BIDDER will not offer, directly or through intermediaries, any bribe, gift, consideration, reward, favour, any material or immaterial benefit or other advantage, commission, fees, brokerage or inducement to any official of the BUYER, connected directly or indirectly with the bidding process, or to any person, organisation or third party related to the contract in exchange for any advantage in the bidding, evaluation, contracting and implementation of the contract.

3.2 The BIDDER further undertakes that it has not given, offered or promised to give, directly or indirectly any bribe, gift, consideration, reward, favour, any material or immaterial benefit or other advantage, commission, fees, brokerage or inducement to any official of the BUYER or otherwise in procuring the Contract or forbearing to do or having done any act in relation to the obtaining or execution of the contract or any other contract with State Bank of India for showing or forbearing to show favour or disfavour to any person in relation to the contract or any other contract with State Bank of India.

3.3\* Wherever applicable, the BIDDER shall disclose the name and address of agents and representatives permitted by the Bid documents and Indian BIDDERS shall disclose their foreign principals or associates, if any.

3.4\* The BIDDER confirms and declares that they have not made any payments to any agents/brokers or any other intermediary, in connection with this bid/contract.

3.5\* The BIDDER further confirms and declares to the BUYER that the BIDDER is the original vendors or service providers in respect of product / service covered in the bid documents and the BIDDER has not engaged any individual or firm or company whether Indian or foreign to intercede, facilitate or in any way to recommend to the BUYER or any of its functionaries, whether officially or unofficially to the award of the contract to the BIDDER, nor has any amount been paid, promised or intended to be paid to any such individual, firm or company in respect of any such intercession, facilitation or recommendation.

3.6 The BIDDER, at the earliest available opportunity, i.e. either while presenting the bid or during pre-contract negotiations and in any case before opening the financial bid and before signing the contract, shall disclose any payments he has made, is committed to or intends to make to officials of the BUYER or their family members, agents, brokers or any other intermediaries in connection with the contract and the details of services agreed upon for such payments.

3.7 The BIDDER will not collude with other parties interested in the contract to impair the transparency, fairness and progress of the bidding process, bid evaluation, contracting and implementation of the contract.

3.8 The BIDDER will not accept any advantage in exchange for any corrupt practice, unfair means and illegal activities.

3.9 The BIDDER shall not use improperly, for purposes of competition or personal gain, or pass on to others, any information provided by the BUYER as part of the business relationship, regarding plans, technical proposals and business details, including information contained in any electronic data carrier. The BIDDER also undertakes to exercise due and adequate care lest any such information is divulged.

3.10 The BIDDER commits to refrain from giving any complaint directly or through any other manner without supporting it with full and verifiable facts.

3.11 The BIDDER shall not instigate or cause to instigate any third person to commit any of the actions mentioned above.

3.12 If the BIDDER or any employee of the BIDDER or any person acting on behalf of the BIDDER, either directly or indirectly, is a relative of any of the officers of the BUYER, or alternatively, if any relative of an officer of the BUYER has financial interest/stake in the BIDDER's firm, the same shall be disclosed by the BIDDER at the time of filing of tender.

The term 'relative' for this purpose would be as defined in Section 6 of the Companies Act 1956.

3.13 The BIDDER shall not lend to or borrow any money from or enter into any monetary dealings or transactions, directly or indirectly, with any employee of the BUYER.

#### 4. Previous Transgression

4.1 The BIDDER declares that no previous transgression occurred in the last three years immediately before signing of this Integrity Pact, with any other company in any country in respect of any corrupt practices envisaged hereunder or with any Public Sector Enterprise / Public Sector Banks in India or any Government Department in India or RBI that could justify BIDDER's exclusion from the tender process.

4.2 The BIDDER agrees that if it makes incorrect statement on this subject, BIDDER can be disqualified from the tender process or the contract, if already awarded, can be terminated for such reason.

#### 5. Earnest Money (Security Deposit)

5.1 While submitting commercial bid, the BIDDER shall deposit an amount (specified in RFP) as Earnest Money/Security Deposit, with the BUYER through any of the mode mentioned in the RFP / bid document and no such mode is specified, by a Bank Draft or a Pay Order in favour of State Bank of India from a nationalized Bank including SBI or its Subsidiary Banks. However payment of any such amount by way of Bank Guarantee, if so permitted as per bid documents / RFP should be from any nationalized Bank other than SBI or its Subsidiary Banks and promising payment of the guaranteed sum to the BUYER on demand within three working days without any demur whatsoever and without seeking any reasons whatsoever. The demand for payment by the BUYER shall be treated as conclusive proof for making such payment to the BUYER.

5.2 Unless otherwise stipulated in the Bid document / RFP, the Earnest Money/Security Deposit shall be valid upto a period of five years or the complete conclusion of the contractual obligations to the complete satisfaction of both the BIDDER and the BUYER, including warranty period, whichever is later.

5.3 In case of the successful BIDDER a clause would also be incorporated in the Article pertaining to Performance Bond in the Purchase Contract that the provisions of Sanctions for Violation shall be applicable for forfeiture of Performance Bond in case of a decision by the BUYER to forfeit the same without assigning any reason for imposing sanction for violation of this Pact.

5.4 No interest shall be payable by the BUYER to the BIDDER on Earnest Money/Security Deposit for the period of its currency.

#### 6. Sanctions for Violations

6.1 Any breach of the aforesaid provisions by the BIDDER or any one employed by it or acting on its behalf (whether with or without the knowledge of the BIDDER) shall entitle the BUYER to take all or any one of the following actions, wherever required:

(i) To immediately call off the pre contract negotiations without assigning any reason and without giving any compensation to the BIDDER. However, the proceedings with the other BIDDER(s) would continue, unless the BUYER desires to drop the entire process.

(ii) The Earnest Money Deposit (in pre-contract stage) and/or Security Deposit/Performance Bond (after the contract is signed) shall stand forfeited either

fully or partially, as decided by the BUYER and the BUYER shall not be required to assign any reason therefore.

To immediately cancel the contract, if already signed, without giving any compensation to the BIDDER.

To recover all sums already paid by the BUYER, and in case of an Indian BIDDER with interest thereon at 2% higher than the prevailing Base Rate of State Bank of India, while in case of a BIDDER from a country other than India with interest thereon at 2% higher than the LIBOR. If any outstanding payment is due to the BIDDER from the BUYER in connection with any other contract for any other stores, such outstanding could also be utilized to recover the aforesaid sum and interest.

To encash the advance Bank guarantee and performance bond/warranty bond, if furnished by the BIDDER, in order to recover the payments, already made by the BUYER, along with interest.

(vi) To cancel all or any other Contracts with the BIDDER. The BIDDER shall be liable to pay compensation for any loss or damage to the BUYER resulting from such cancellation/rescission and the BUYER shall be entitled to deduct the amount so payable from the money(s) due to the BIDDER.

To debar the BIDDER from participating in future bidding processes of the BUYER or any of its Subsidiaries for a minimum period of five years, which may be further extended at the discretion of the BUYER.

To recover all sums paid, in violation of this Pact, by BIDDER(s) to any middleman or agent or broker with a view to securing the contract.

Forfeiture of Performance Bond in case of a decision by the BUYER to forfeit the same without assigning any reason for imposing sanction for violation of this Pact.

(x) Intimate to the CVC, IBA, RBI, as the BUYER deemed fit the details of such events for appropriate action by such authorities.

6.2 The BUYER will be entitled to take all or any of the actions mentioned at para 6.1(i) to (x) of this Pact also on the Commission by the BIDDER or any one employed by it or acting on its behalf (whether with or without the knowledge of the BIDDER), of an offence as defined in Chapter IX of the Indian Penal code, 1860 or Prevention of Corruption Act, 1988 or any other statute enacted for prevention of corruption.

6.3 The decision of the BUYER to the effect that a breach of the provisions of this Pact has been committed by the BIDDER shall be final and conclusive on the BIDDER. However, the BIDDER can approach the Independent Monitor(s) appointed for the purposes of this Pact.

## **7. Fall Clause**

7.1 The BIDDER undertakes that it has not supplied/is not supplying similar product/systems or subsystems at a price lower than that offered in the present bid in respect of any other Ministry/Department of the Government of India or PSU or any other Bank and if it is found at any stage that similar product/systems or sub systems was supplied by the BIDDER to any other Ministry/Department of the Government of India or a PSU or a



Bank at a lower price, then that very price, with due allowance for elapsed time, will be applicable to the present case and the difference in the cost would be refunded by the BIDDER to the BUYER, if the contract has already been concluded.

## 8. Independent Monitors

8.1 The BUYER has appointed Independent Monitors (hereinafter referred to as Monitors) for this Pact in consultation with the Central Vigilance Commission (Names and Addresses of the Monitors to be given).

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.....  
.....

8.2 The task of the Monitors shall be to review independently and objectively, whether and to what extent the parties comply with the obligations under this Pact.

8.3 The Monitors shall not be subjected to instructions by the representatives of the parties and perform their functions neutrally and independently.

8.4 Both the parties accept that the Monitors have the right to access all the documents relating to the project/procurement, including minutes of meetings.

8.5 As soon as the Monitor notices, or has reason to believe, a violation of this Pact, he will so inform the Authority designated by the BUYER.

8.6 The BIDDER(s) accepts that the Monitor has the right to access without restriction to all Project documentation of the BUYER including that provided by the BIDDER. The BIDDER will also grant the Monitor, upon his request and demonstration of a valid interest, unrestricted and unconditional access to his project documentation. The same is applicable to Subcontractors. The Monitor shall be under contractual obligation to treat the information and documents of the BIDDER/Subcontractor(s) with confidentiality.

8.7 The BUYER will provide to the Monitor sufficient information about all meetings among the parties related to the Project provided such meetings could have an impact on the contractual relations between the parties. The parties will offer to the Monitor the option to participate in such meetings.

8.8 The Monitor will submit a written report to the designated Authority of BUYER/Secretary in the Department/ within 8 to 10 weeks from the date of reference or intimation to him by the BUYER / BIDDER and, should the occasion arise, submit proposals for correcting problematic situations.

### Facilitation of Investigation

In case of any allegation of violation of any provisions of this Pact or payment of commission, the BUYER or its agencies shall be entitled to examine all the documents including the Books of Accounts of the BIDDER and the BIDDER shall

provide necessary information and documents in English and shall extend all possible help for the purpose of such examination.

#### Law and Place of Jurisdiction

This Pact is subject to Indian Law. The place of performance and jurisdiction is the seat of the BUYER.

#### Other Legal Actions

The actions stipulated in this Integrity Pact are without prejudice to any other legal action that may follow in accordance with the provisions of the extant law in force relating to any civil or criminal proceedings.

#### Validity

12.1 The validity of this Integrity Pact shall be from date of its signing and extend upto 5 years or the complete execution of the contract to the satisfaction of both the BUYER and the BIDDER/Seller, including warranty period, whichever is later. In case BIDDER is unsuccessful, this Integrity Pact shall expire after six months from the date of the signing of the contract, with the successful Bidder by the BUYER.

12.2 Should one or several provisions of this Pact turn out to be invalid; the remainder of this Pact shall remain valid. In this case, the parties will strive to come to an agreement to their original intentions.

13. The parties hereby sign this Integrity Pact at      on

For BUYER

For BIDDER

Name of the Officer.

CHIEF EXECUTIVE OFFICER

Designation

Office / Department / Branch

State Bank of India.

Witness

Witness

- |    |    |
|----|----|
| 1. | 1. |
| 2. | 2. |

\* Provisions of these clauses would need to be amended/ deleted in line with the policy of the BUYER in regard to involvement of Indian agents of foreign suppliers.

(Note: This agreement will require stamp duty as applicable in the State where it is executed)

### **Pre-Bid Query Format**

Vendor Name	Sl. No	RFP Page No	RFP Clause No.	Existing Clause	Query/Suggestions