REQUEST FOR PROPOSAL (RFP) For
End-to-End ATM
Switching Services on Hosted/Application Service Provider/Pay Per Transaction Model

RFP REF No. : JKGB/IT/ATM_Switch/2013-186
Date: October 09, 2013

The information provided by the Bidder in response to this Request For Proposal (RFP) will become the property of J&K GRAMEEN BANK and will not be returned. The Bank reserves the right to amend, rescind, reissue or cancel this RFP and all amendments will be advised to the Bidder and such amendments will be binding upon them. The Bank also reserves its right to accept, reject or cancel any or all responses to this RFP without assigning any reason whatsoever.

This document is prepared by J&K GRAMEEN BANK for End-to-End ATM Switching Services on Hosted/Application Service Provider/Pay Per Transaction Model. It should not be reused or copied or used either partially or fully in any form.
### Bid Details – Control Sheet Table

<table>
<thead>
<tr>
<th></th>
<th>Description</th>
<th>Date/Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Date of commencement of sale of Bidding Document</td>
<td>October 10, 2013</td>
</tr>
<tr>
<td>2</td>
<td>Last date and time for sale of Bidding Documents</td>
<td>October 21, 2013</td>
</tr>
<tr>
<td>3</td>
<td>Last date, time &amp; Venue for submission of Bid Documents</td>
<td>October 31, 2013, 13:00 At J&amp;K Grameen Bank Head Office, Narwal Jammu (J&amp;K) - 180006</td>
</tr>
<tr>
<td>4</td>
<td>Date, Time and Place of Technical Bid Opening</td>
<td>October 31, 2013, 16:00 At J&amp;K Grameen Bank Head Office, Narwal Jammu (J&amp;K) - 180006</td>
</tr>
<tr>
<td>5</td>
<td>Date, Time and Place of Commercial Bid Opening</td>
<td>Will be communicated separately Jammu/Srinagar</td>
</tr>
<tr>
<td>6</td>
<td>Address for communication</td>
<td>Sr. Manager, IT J&amp;K Grameen Bank Head Office, Narwal Jammu (J&amp;K) – 180006</td>
</tr>
<tr>
<td>7</td>
<td>Cost of RFP document</td>
<td>Rs 5000/- (Rupees Five Thousand only)</td>
</tr>
<tr>
<td>8</td>
<td>EMD</td>
<td>Rs 5 Lakh (Rupees Five Lakh only)</td>
</tr>
<tr>
<td></td>
<td>Official Website/Email</td>
<td><a href="http://www.jkgb.in">www.jkgb.in</a> / <a href="mailto:itjkgrameenbank@gmail.com">itjkgrameenbank@gmail.com</a></td>
</tr>
</tbody>
</table>

Note: Bids will be opened in presence of the bidder’s representatives (maximum two representatives per bidder) who choose to attend. In case the specified date of submission & opening of Bids is declared a holiday, the bids will be received till the specified time on next working day and will be opened same time on that day.
1. INTRODUCTION

J&K GRAMEEN BANK, a body corporate, established under RRB Act 1976, having its Head Office at Jammu, Narwal, hereinafter called “The Bank”, is one of the leading Grameen Rural Banks in India having nearly 203 branches. Bank has implemented 100% CBS by implementing Finacle from Infosys as its Core Banking Solution.

J&K GRAMEEN Bank intends to engage an ATM Switch on Hosted/Application Service Provider/Pay Per Transaction Model basis for driving and switching of its future (devices deployed through CAPEX, OPEX & Centralised Procurement Process) - ATMs, Cash Dispensers, Micro ATMs, Kiosks, POS devices, Card Present (CP) and Card not Present (CNP) transactions to name a few. The authentication for the above mentioned transactions would be through PIN Based / Bio Metric system. The ATM switch must provide interface to the Bank’s existing Core Banking Solution (CBS). And is required to have online connection to bank’s Core Banking Solution (Finacle), and National Financial Switch (NFS), Payment Gateway for online usage of cards, Merchant Management System and Interchanges (Rupay, VISA, MasterCard/Maestro, Cirrus,).

In the above backdrop, Bank, invites request for proposal from reputed Companies/firms with Production and DR Sites having proven experience in the field offering ATM Switch services on Hosted Model/ Application Service Provider (ASP) / Pay Per Transaction Model basis to Indian Banks and fulfilling the eligibility criteria as laid down in this document.

DISCLAIMER:

(i) The information contained in this RFP document or any information provided subsequently to Bidder(s) whether verbally or in documentary form by or on behalf of the Bank, is provided to the Bidder(s) on the terms and conditions set out in this RFP document and all other terms and conditions subject to which such information is provided.

(ii) This RFP is neither an agreement nor an offer and is only an invitation by 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 obtain independent advice, wherever necessary. Bank makes no representation or warranty and shall incur no liability under any law, statute, rules or regulations as to the accuracy, reliability or completeness of this RFP. Bank may in its absolute discretion, but without being under any obligation to do so, update, amend or supplement the information in this RFP.

(iii) This is not an offer by the Bank but only an invitation to bid in the selection
process initiated by the Bank. No contractual obligation whatsoever shall arise from the RFP process until a formal contract is executed by the duly authorised signatory of the Bank and the Bidder.

2. ELIGIBILITY CRITERIA FOR THE BIDDER

Only those Bidders who fulfill the following criteria are eligible to respond to the RFP. Offers received from the Bidders who do not fulfill any of the following eligibility criteria are liable to be rejected.

The eligibility criteria for the bidder are as under:

2.1. The bidder must be a Registered Company with legal presence in India and should be in the business of providing ATM driving, ATM transaction processing and switching services on hosted platform as application service provider for at least last 3 years as of 31/03/2013. The Copy of the Certificate of Incorporation and Certificate of Commencement of Business issued by Registrar of companies in support of this is to be submitted along with the bid.

2.2. The bidder should own ATM Switch license(s) / should have authorization from the application / IPR owner for offering ATM switching and driving, authorization, transaction processing and all related switching services on end-to-end basis, on hosted platform, as application service provider and currently offering similar services to at least two Banks. Bidder should submit an authorization to this effect issued by the application / IPR owner.

2.3. The bidder switch solution must be managing and driving minimum 1000 ATMs for single or multiple banks for the last two financial years (2011-12 & 2012-13). Copies of Purchase Order and a certificate (mentioning the number of ATMs switched & driven through the ATM switch) from the respective Banks have to be enclosed along with the bid response. Bank reserves the right to inspect such installations while evaluating the technical bid.

2.4. In case the solution offered has End of Life / Support already announced or announced by OEM/principal vendor/IPR owner during contract period, the service provider has to ensure that the same will be supported till the validity of the contract / or replace / upgrade the same on its own cost without any disruption in the ongoing business transactions of the Bank. An undertaking to this effect to be submitted on letter head of the company duly signed by the authorized signatory.

2.5. The Bidder should have a minimum turnover of Rs.100 crores (not inclusive of the turnover of associate companies) in any one of the last three financial years 2009–10 (audited), 2011-12 (audited), 2012-13 (audited/ unaudited) and should have achieved Gross Profits in past three years. Financial Statements to be submitted.

2.6. The Bidder’s hosted ATM Switch should have currently interfaced with VISA,
MASTERCARD, and National Financial Switch (NFS) interchanges.

2.7. The bidder should have 24x7 operations team to manage the ATM Switch setup at its
Primary and Disaster Recovery data centers.

2.8. As on RFP issue date, bidder should not have been black listed by any Financial
Institutions/Banks in India. An undertaking to this effect must be submitted in their letter head.

Photocopies of relevant documents / certificates should be submitted as proof in support
of the claims made. The Bank reserves the right to verify / evaluate the claims made by
The Bidder independently. Any decision of The Bank in this regard shall be final, conclusive
and binding upon the Bidder.

3. BROAD SCOPE OF THE WORK.

Through this RFP the Bank is intending to select a reputed and experienced Vendor for
ATM Switch on hosted model for ATM switching and driving, POS and other delivery
channels electronic transaction processing. The potential bidder should fulfill the eligibility
criteria specified in this RFP document and should demonstrate relevant experience and
data center and ATM transaction processing capabilities for providing hosted ATM Switch
services.

3.1 The successful bidder will be required to provide the following:

a) Hosted ATM Switch should provide like-to-like DR infrastructure (Replica of
production) with high availability of 99.99% or more with zero data loss at the time
of disaster. As per the policy of the Bank, the Recovery time objective (RTO)
should be less than 3 hours. ATM Switch Primary Data Centre and Disaster
Recovery setup should be hosted in minimum Level 3 Data Centre and situated,
operational in India and capable of providing all the services as mentioned in the
scope of this RFP. The complete solution document in this regard to be enclosed
with the Bid.

b) ATM Switch environment should support biometric ATMs/devices and end-
to-end biometric transactions processing with centralized Bio Metric authentication
mechanism hosted therein.

c) The bidder’s Data Centre (Primary & DR) and ATM Switch application and
surround applications should be PCI-DSS certified. The proposed ATM Switch
environment & allied applications required as per RFP should be quality certified for PCI-DSS, PA-DSS, EMV & Triple DES compliant wherever applicable. The certification copy should be enclosed and it should not be more than a year old. Adequate Data security measures and controls should be in place in line with industry standards (PCIDSS) and standards prescribed by franchisee/Associations and RBI from time to time.

d) Provide complete ATM Switch services that includes (i) Card Management Software for issuance of PIN / Biometric based Debit Cards for the Bank, (ii) Real time Fraud & Risk Management solution for Card Present (CP) & Card Not Present Transactions (CNP)conformity with guidelines/framework of the regulatory authority (iii) switch feed required for Reconciliation Module, (iv) Monitoring solution for all delivery channels operating through ATM Switch, (v) EJ pulling Solution (vi) Simulators for all delivery channels, (vii) Single & Bunch note acceptor, (viii) Centralized Finger Print Authentication Module for Bio-metric technology based ATM, Micro ATM. Cash Dispenser, Kiosk , POS or any other device(s) supporting Bio-Metric.

f) The ATM switch must provide interface to the Bank’s existing Core Banking Solution (CBS), delivery channels. The ATM Switch need to have online connection to bank’s core banking solution (Finacle), National Financial Switch (NFS), Other shared ATM network groups, VISA, MasterCard/Maestro, Payment Gateway for online usage of cards, Merchant Management System and Interchanges (Rupay, VISA, MasterCard/Maestro, Cirrus, CUP).

g) The selected bidder would also be responsible for customization of bank’s existing as well as future requirements (but not limited to) such as:

(i) Developing interfaces /customization of existing value added modules for various requirements of the bank.

(ii) Interface for ATM, Micro ATMs, Bio Metric ATMs, Cash Dispensers, Kiosks, POS, Debit Card, Kisan Credit Cards (KCC), Prepaid Card, Credit card system, Mobile Banking, Verified by Visa/Master Secure code, Rupay (NPCI) and any future payment linked products introduced by the bank / any industry level consortiums / Statutory requirements. All these services to be provided at no additional cost to the bank.

h) The ATM Switch services should be offered conformity with the industry level standard security norms and need to be reliable, scalable, flexible and manageable and
should ensure Physical and logical security of the network, equipment and sites.

i) Implementation of all the mandates from Regulator/s and/or Associations will be the responsibility of the bidder without any additional cost to the Bank.

3.2 The bidder should be legal owner of license(s) for all the applications software provided in the solution without any constraint like number of Transactions, institutions, interchanges, Devices, application modules, hardware, users, locations viz. DCs/ DRs. The complete ATM Switch Services as per the scope of this RFP shall also be applicable for J&K GRAMEEN Bank, at the same per transaction cost.

3.3 The Bidders will have to guarantee availability of support including future upgrades at no additional cost to the bank for the solution for the contract period. In case of takeover/amalgamation/merger of Vendor Company, Service Level Agreements (SLAs) and other commitments entered into will be continued with the new entity, bidders to submit an undertaking to this effect.

3.4 Bidder to ensure that Switch solution is compliant to all existing regulatory guidelines of GOI / RBI and also adheres to requirements of IT Act 2000 (including amendments in IT Act 2008) and Payment and Settlement Systems Act 2007. **A self-certificate duly signed by authorised signatory to this effect to be submitted by the bidder.**

3.5 The ATM Switch should have the following capabilities seamlessly integrated:

- ATM switching, driving and management
- Kiosk switching, driving and management
- Integrated POS Management including chip and PIN solutions
- Merchant Management Solution
- Card Management Solution
- Fraud & Risk Management
- Monitoring Management Solution
- Electronic Journal pulling & storage Solution
- Call Centre Interface
- Prepaid & Credit card Management including required infrastructure
- Transaction Kiosks support
- Envelop less cash deposit and cash recycling
- Biometric functionality to handle transactions originating through Aadhar / UIDAI and Financial Inclusion platforms.

3.6 The ATM Switch should have real time integration/interface with Core Banking Solution (Finacle existing & higher versions). Integration may involve automated
interaction, accessing Finacle database, services, and seamless automated two way data exchange with Finacle. It will be the responsibility of the selected bidder to coordinate with Bank’s CBS vendor for the successful integration with Core Banking Solution (existing or higher versions) at their own cost.

3.7 **Bank’s projection:**

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of Terminals (ATMs, Kiosks &amp; POS)</th>
<th>Number of Cards</th>
<th>Volume of Transactions (Per Day)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st Year</td>
<td>200</td>
<td>50000</td>
<td>12000</td>
</tr>
<tr>
<td>2nd Year</td>
<td>+20</td>
<td>+10000</td>
<td>+2400</td>
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<tr>
<td>3rd Year</td>
<td>+42</td>
<td>+12000</td>
<td>+2800</td>
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<tr>
<td>4th Year</td>
<td>+66</td>
<td>+14400</td>
<td>+3440</td>
</tr>
<tr>
<td>5th Year</td>
<td>+92</td>
<td>+17280</td>
<td>+4128</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>420</strong></td>
<td><strong>103680</strong></td>
<td><strong>24768</strong></td>
</tr>
</tbody>
</table>

**NOTE:**

- The system should be scalable to handle the load for the projections as given above.
- The resource utilization at above projections should not go beyond 50%.
- There should not be any single point of failure in the entire solution. The entire solution should be configured in high availability mode both at DC & DR with inbuilt redundancy.
- The above projection is indicative only and actual numbers may vary.

3.8 The solution should have transparent and configurable business logic and tools for rapid development of new products. It should support multi-language, multiple institutions, multiple-time zones, multi-currency and online currency conversion. It should have tools for monitoring the application as well as devices/hardware. Export and import of data from other applications should be supported. Application should be highly scalable, parameterizable and customizable. Parameterization of withdrawal limits, transaction limits etc. should be inbuilt feature of the Switch.
3.9 The vendor should undertake to make any changes as per the regulatory requirements (RBI/IBA/NPCI/VISA/MASTER/any other) as and when these arise at own cost for compliance. For any penalty which Bank may become liable to pay to regulatory bodies, customers etc. due to non-compliance or any performance related issues at ATM Switch, the same would be recovered from the vendor.

3.10 The ATM solution must support different makes of ATM/POS/Kiosk. The ATM Switch should be compatible with all standard ATMs including DIEBOLD, NCR, Wincor, Triton, Lipi Perto, Hitachi, Vortex, Hysung etc. Similarly the ATM Switch should be compatible with all standard Kiosk including Diebold, NCR, Wincor. The Switch should have capability to drive all standard POS terminals including Hypercom, Verifone, Schlumberger, Lipman, Ingenico etc. It should have the capabilities to enable biometric, Two Factor Authentication, Secure PIN Based and other industry standards modes of authentication. The Switch must handle any Message Level Interface and should have all Industry standards message formats like ISO 8583, XML. Any Standards Message Format released/advised by ISO/Regulatory Authority or NPCI will have to be made compatible at no extra cost to the Bank.

3.11 The Switch must enable “PIN/Bio Metric Verification” message that authenticates a PIN / Bio Metric of a Card. The proposed system should ensure data security and secure routing of messages. All security checks must be automatic.

3.12 Online real time Fraud and Risk Management (FRM) systems in conformity with the guidelines / framework of the RBI/NPCI/VISA/MASTERCARD to handle Card Present (CP) & Card Not Present (CNP) transactions should be offered along with ATM switch solution as a part of hosted solution within the same per transaction cost quoted to the bank. The system should be rule based or algorithm or neural network based and should be configurable, highly scalable, parameterizable and customizable. The fraud and risk management scans/techniques should be configurable based upon patterns that are pre-packaged in the solution, configurable based upon the bank’s transaction patterns, predictive in nature and continuously upgraded with new patterns & techniques that are updated by the OEMs based upon industry experience and their upgrade path / product road map on a regular basis at no cost to the bank.

3.13 The solution should permit adequate security controls to be imposed over specific users or group of users. Data access should be controlled based on individual profiles/roles. Solution should be able to set privileges at user level and be able to set preferences based on rules/roles/groups. There should be adequate reports for these controls.

3.14 HSM fallback to provide uninterrupted Switching services with failover should be part of the solution.
3.15 The bidder will have to conduct DR Drills in each quarter and DR drills as advised by advised by RBI/Settlement Agency/NPCI / Bank/VISA/MASTERCARD from time to time.

3.16 Solution should support different types of cards like MasterCard, Maestro, VISA, RuPay, Amex, proprietary cards, prepaid cards, credit cards, EMV (Chip & PIN) Cards, Smart Cards etc.

3.17 Operational Security should be ensured by:
   i) **Access Control** - The mode to access the system should be through passwords to ensure that only authorized users gain access. It must provide complex passwords using algorithms and special characters.
   ii) **User Rights** – The user rights on the system should be definable so that a user can perform only those tasks, which are assigned to them. The system must provide levels of security, which will include Add, Modify, Delete, Query etc.
   iii) **Auditability** – The system should maintain a record of the users who have accessed the system, resources used and actions performed along with security violations.

   The type and nature of security violations should be configurable by the bank over & above what has been stated above.

3.18 The system should have the following minimum capabilities:
   (i) **PIN Verification** - The system must have triple DES, IBM 3624/ ANSI X 9.9/ ISO 9654 method of PIN verification of variable length. The Switch should support encryption by interfacing with Hardware Security Module (HSM).
   (ii) It should have both CVV / CVC and CVV2/CVC2 PIN verifications using HSM.
   (iii) PIN/PAN and PIN/PAD methods of PIN block creation and decryption. PIN offset and VISA PVV verification.
   (iv) ARQC and ARPC.
   (v) Expiry date.
   (vi) Check Digit.
   (vii) Active/ non active card checking
   (viii) It should have Key Management for Dynamic (master/slave) and constant key DES. Various key management features supported by Switch should be furnished.
   (ix) It must have audit logs of the transaction throughout the system and each transaction should be uniquely identifiable in the system. The audit logs should be stored in a separate system and fraud risk management system should be running on this data.
   (x) Dynamic generation of terminal session key must be available.
   (xi) The system should offer remote key download functionality with requisite
3.19 The Switch should enable the following mandatory functions to be performed by target system (ATM, Kiosk, POS etc):

(i) Display of animation/scrolling/date and time/greetings by name of the card holder.
(ii) Facility to Prompt for Change of PIN at first time use of the Card at ATM/Kiosk/POS etc.
(iii) Cash Withdrawal
(iv) Balance Inquiry
(v) PIN Change including Admin Card Pin Change
(vi) Admin Card operations
(vii) Fast Cash & Ultra Fast Cash
(viii) Mini Statement of Account
(ix) Cheque Book request.
(x) Cheque related queries
(xi) Transaction related Queries
(xii) Multilingual screens
(xiii) Capturing of Customer Mobile Number
(xiv) Funds Transfer (Intra bank transfer, VMT, Western Union etc)
(xv) Transfer funds between the accounts linked to the card at the same / different branches. for this purpose, the system should allow debit to one linked account and credit to another linked account of the cardholder. Fund Transfer should be possible Interbank and Intra-bank across all segments of cards.
(xvi) Multilingual support (minimum three languages) directly from the Switch. The three languages will be English, Hindi, regional language of the Indian state where the ATM/Kiosk/POS is installed. Multilingual support for customer receipt printing.
(xvii) Coupon, Stamp, ticket dispensing must be available.
(xviii) Withdrawal from Savings Bank/Current Account/Credit Account/ Term Deposit which may include multiple accounts.
(xix) Envelope less Cash Deposit through Cash deposit & cash recycling ATMs.

(xx) Switch should have capabilities to facilitate the ATM to accept single or bunch of notes.
(xxi) Capabilities of Finger Print Registration with storage & retrieval mechanism.
(xxii) Finger print based biometric transactions with capability to integrate Aadhar & UIDAI functionalities.
(xxiii) Envelope less Cheque deposit transactions through Kiosks and ATMs
(xxiv) Opening of new liability account for existing customers
(xxv) Demand draft / Pay order request
(xxvi) Credit card cash advances
(xxvii) Bill Payments, Fee, Donations, Payment of Tax etc
(xxviii) Facility of defining rules allowing / disallowing specific services or transactions when the host application(s) are not available / accessible on-line
(xxx) Facility of Full and Partial Reversal
(xxxi) Online addition of New ATMs without bringing down the System / Switch network
(xxxii) Cardholders should be allowed to withdraw amount as per the limit specified by the Banks from time to time
(xxxiii) Ability to configure new Host parameters on the Switch without stopping services.
(xxxiv) Ability to monitor and report status of Host, partner switches & network.
(xxxv) All transactions should be identified by a unique transaction id generated by the Switch/ATM/Kiosk/POS.
(xxxvi) The Switch must maintain and offer, report of all transactions coming in and going out of the Switch
(xxxvii) ATM should have integrated Fraud & Risk Management Solution
(xxxviii) ATM should have Real time transaction monitoring & risk scoring with strong case management.
(xxxviii) The Switch should have the capabilities to allow ADD/DELETE/MODIFICATION of ATM/Kiosk/POS screen flow & its contents.
(xxxix) The EJ pulling software agent should be provided along with ATM switch solution and ATM should have Electronic Journal pooling capabilities / mechanism as per the standard suggested by RBI/NPCI. The EJ software solution should be provided and to be integrated with ATM Switch and should be compatible with all industry standards and prevalent ATMs.
(xli) ATM should be compatible with EJ pulling software agents such as Tranxit/SDMS/Radia/Infobase etc. and/or with any other EJ pulling agent that may be deployed from time to time or as per the standard suggested by RBI/NPCI.
(xlii) ATM Switch Solution should have the facility to extract the Electronic Journals of all the transactions in each of the ATMs, to a centralized location/Server provided along with ATM Switch at no additional cost to the bank.
(xliii) The vendor has to provide EJ on T+1 basis for reconciliation purposes to the bank in the format desired by reconciliation software of the bank or as advised by RBI/Settlement Agency(ies).
(xliv) ATM-wise EJs should be stored in the EJ server at a centralized location for minimum period of 12 months online. Bidder to ensure EJ pulling from the ATM at specified time as per Bank/vendor's specifications. ATM-Wise EJs pulled are to be spooled separately and pushed to the designated server on daily basis. The EJ data may be purged by the Bidder after seeking confirmation of the Bank, after taking necessary Backup and handing over this backup to Bank’s team.
(xlv) EJ pulling should be done & stored at Switch Centre on daily basis and to
be sent to banks’ designated Branch/Recon Cell/Office servers on T+1 basis. The Vendor should provide EJ viewer facility to the branches/offices.

ATM Switch should have capabilities to offer seamless support and integration capabilities for Near Field Communication (NFC) based transactions & Card Not Present (CNP) Transactions originating from ATM/POS/Kiosk or through Internet.

ATM Switch solution should have the capabilities to provide Software and Screen distribution from central location to different ATMs/CDs rolled out by the Bank to facilitate individual configuration and screen displays.

Facility for remote loading of ATM/CD screens and Software distribution should be available including provision of software for such facilities. The selected vendor would provide required software/agent for the same.

The screen distribution should be platform independent – should support Windows XP operating systems and industry standards ATMs/CDs/Kiosk normally installed by the Banks.

The system adopted should be capable of distributing screens at ATMs/CDs running on VSATs, leased lines, CDMA, GSM, RF, Wifi. etc.

The solution should support PCX, GIF, JPEG, MPEG, FLIC, FLI and other audio/video file formats.

The solution should be capable of centralized distribution of screen at scheduled and ad hoc basis.

The solution should be capable of centralized distribution of software upgrades and patches to the ATMs/CDs/Kiosk/POS.

3.20 The Switch should have the following POS transactions supporting functionalities:

i) Pre-Authorization Purchase

ii) Pre-Authorization purchase completion

iii) Purchase

iv) Balance enquiry

v) Cash advance

vi) Cash Withdrawal

vii) Void

viii) Facility of PIN, Biometric / UIDAI based transaction at POS

3.21 The Switch should have the following Kiosk transaction supporting functionalities:

i) Balance Inquiry

ii) Mini Statement

iii) PIN Change

iv) Facility of PIN, Biometric based transactions

v) Fund Transfer

vi) Full statement
vii) Capturing of Customer Mobile Number.

viii) Mobile top ups.

ix) Requests Cheque book, DD etc

x) Cheque related queries

xi) Bill Payments & electronic bill presentment, Tax Payments, Fee, Donations 
    Envelop less cheque deposit transactions

xii) Utility Bill Payments & e-ticketing & Unreserved Ticket System (UTS)

xiii) ATM Switch should have capabilities to offer seamless support and 
      integration capabilities for Near Field Communication (NFC) based transactions 
      & Card Not Present (CNP) Transactions originating from ATM/POS/Kiosk or 
      similar transaction routed through Switch.

3.22 Authorization and PIN verification to ensure the following:

i) The Switch should be capable of handling minimum 19-digit and 16-digit card 
    number (PAN) presently and any further variations introduced by VISA, MasterCard, NPCI etc. The PIN number to be 
    supported should be in the range of 4 to 11 digits.

ii) Support for PIN verification using Hardware Security Modules & other leading industry wide PIN verification solutions.

iii) Prompt for Change of PIN at first time use of Debit Cards.

iv) Switch should be configurable for Host to perform PIN verification

v) Admin Card Generation and Admin card PIN verification

vi) Switch should be configurable for Interchange/Co-network to perform 
    PIN verification.

vii) Verify that the requested transaction is allowed for the specific card / card type 
    and linked account.

3.22 Transaction Routing must ensure the following:

i) The transaction routing algorithm should support routing based on 
    combination of card prefix and account number operating on a single card 
    for multiple accounts maintained in a single or multiple hosts/ organizations.

ii) Offer reliable and flexible routing schemes to support flow of transactions / 
    data of varied nature to multiple applications / devices

iii) All transactions authorized in stand-in-mode are stored and then forwarded 
    to the host authorizer when it becomes available automatically.
iv) Routing of on-us transactions to our Core banking system or sponsor Bank or any other institution as per GOI/RBI directives/guidelines, Routing of NFS Transactions to single or multiple hosts. Routing of foreign transactions to external Switch interchange networks, Card prefix based routing, routed of transactions from the acquirer to the issuing agency of the card
v) Routing to multiple interchanges
vi) Routing to Multiple Hosts / organizations.
vii) Alternate Path routing
viii) Account based routing
ix) Capability to interface with any card schemes provided by the Bank

3.23 System must have the following functionalities:

i) Verification of the validity of the card (whether active or Inactive as well as expiration dates.
ii) Expiration date verification on card / Switch as per card issuer
iii) CVV/ CVC /CVD verification
iv) Setting up separate limits at a global group and individual card level for all types of transactions.
v) Setting up separate online / offline limits for institution / individual card level
vi) Checking for HOT or CLOSED cards
vii) Card verification by Host / Interchange
viii) Personalized card limits by cardholder for withdrawal & POS transactions.
ix) Express cash feature, Ultra Fast Cash, which is personalized fast cash selectable by the customer.
x) Customization of alerts based upon Card Type, Currency Type, Customer & Value.

3.24 The switch system should have the following functionalities:

i) Own ATM/ Debit Cards (Issued to Bank’s own customers)
ii) Branded Debit Card (Visa/MasterCard /Amex/ Rupay etc)
iii) ATM cards issued by other banks to their customers
iv) Smart Card (EMV standards)
v) Visa / Electron / Plus
vi) MasterCard / Maestro / Cirrus vii) Rupay Cards
viii) Pre-Paid, Smart & Bio Metric based cards and Credit cards
ix) Domestic interchange
x) Automatic updating from external Interchange Routing tables-list refresh sources (VISA, MasterCard, Rupay). The system should perform Instant Refresh of balances from the host to the Switch.

3.25 As a part of deliverables, separate Debit, Credit & Prepaid Card Management
System for the bank and any other institutions as per GOI/DFS/RBI directives / guidelines with DR setup to be provided at no extra cost to the bank to handle Debit, Credit (Magnetic & Chip Based), prepaid cards etc. Card Management system should be part of Switch or with online interface with Switch. Card Management System should provide following functionality –

i) Card Issue including EMV Smart Card and its full life cycle
ii) Attaching / removing accounts to a card (Linking & De-Linking)
iii) Providing card replacement functions
iv) Should have the facility to issue cards to specific category of customers with specific limit decided by the bank.
v) Secure PIN generation with HSMs.
vi) Generating PIN mailers.
vii) Embossing / Encoding File generation
viii) PIN Management Techniques.
ix) Instant PIN issuance and Card Issuance
x) Support multiple cards per account, multiple accounts per card as well as single or multiple cards per customer including add on cards.
x) Automatic updating from external Interchange Routing tables-list refresh sources (VISA, MasterCard, Rupay etc)
xii) New Cards can be added online without bringing down the System
xiii) Interface to the Call Centre/Contact Centre for any card related enquiries
xiv) Bulk issuance/Hot listing/De-hot listing of Cards
xv) Support multiple Banks, Multiple Products, Personalized and Non-personalised PIN/Biometric/UIDAI based Cards (Photo & Non Photo based), Pre-Paid Cards, Credit Cards, Kisan Credit Cards (KCC), Debit cards (Visa/Master/Rupay etc).
xvi) Generation of Hot Listed card data to be provided on daily basis to the bank in up-loadable format as per Card Management Solution.
xvii) The selected bidder would supply the required hardware/software infrastructure for Card Management system.

3.26 Merchant Management-(Switch should have the capabilities to seamlessly integrate /Interface with the Merchant Management System along with required customization at no extra cost to the Bank).

i) The Bank needs Merchant Management System to ensure that their merchants receive the amounts consisting of transaction amounts, discounts, etc. Correctly and on time. It should also ensure that fees levied against the merchant are collected at the agreed intervals and all general ledger (GL) systems are updated while money is transferred between parties.

ii) The System should support merchant settlement consisting of all processes, viz., transaction screening, settlement and billing, payment and posting file generation and statement generation, which combine to form
the complete business life cycle for merchant transaction processing.

iii) Transaction screening process should approve transactions for settlement and exclude transactions based on a number of criteria, mostly aimed at isolating suspected fraudulent transactions. A transactional batch should be held back if it fails the screening process. Once the risk has been assessed and manually investigated, the batch should again be released for settlement.

iv) Settlement process should allocate the principal transaction amount to merchants for the transactions they have processed. The results of settlement should be used to generate payment files. This stage naturally should follow the screening process and only transactions that have been screened should be settled.

v) In parallel with settlement, merchants should be billed for amounts they are charged by the acquiring institution and/or the merchant processor. These charges include transaction fees, merchant discount/commission fees, and incentives. Billing should also cater for regular fixed fees (such as terminal rental) and once-only charges (for example for consumables).

vi) Statements should be generated for a particular time period and contain all transactional information relating to a merchant. Screening and settlement should be typically performed in sequence on a daily basis. File and statement generation are to be provided daily, weekly, and in some cases monthly.

vii) All the above-mentioned processes should be configurable with GUI. The proposed solution must maintain high security standards for application and database.

viii) The system should support different categories of the merchants depending upon their business to the Bank.

3.27 The system must have a robust, secure and foolproof accounting and reconciliation module and mechanism, which must ensure the following:

i) Multi Institution Reconciliation

ii) Multi BIN Reconciliation

iii) Multiple External Network Reconciliation

iv) Multiple Branch Reconciliation

v) Two/Multiple party Reconciliation

vi) All transactions should be duly logged in and must be available in report format for reconciliation purpose.

vii) To facilitate the bank’s settlement operations among the Banks, interchanges/merchant establishments should be carried out on a day-to-day basis in consultation with the relevant bank branches/offices.

viii) The Switch must provide end-of-day settlement for all transactions based on the interchange and single/multiple network level on daily basis or any cut over period decided by the Bank/settlement agencies.
ix) It should generate the un-reconciled report in different formats to be uploaded in different systems; the formats would be shared with the successful vendor.

x) Generation of host posting files to be supported

xi) Settlement, Switch Reports, Successful, Failed, Suspected transactions report to be provided to ATM owning branches/Zonal Offices/Reconciliation team/ATM Cell on daily basis through auto generated reports in PDF/MS Excel that are automatically delivered through e-mail.

3.28 The system must have a procedure to handle un-reconciled /disputed transactions with possible reasons / response code for each and every type of transactions.

3.29 The system must automatically generate all reports necessary for accounting and reconciliation. It should also provide audit trails and details of incomplete transactions, if any, for smooth and error-free functioning of the system. The following reports – illustrative list only -- must be generated and to be provided to ATM Cell /Offices/ Branches on a daily basis.

3.30 Should provide required MIS (but not limited to). Flexible to customize in future as per bank requirement. A web interface should be provided to get all standard reports and should also be able to provide any on the fly report required.

i) Reports on financial, non-financial and reversal/suspected transactions.

ii) Report of unsuccessful transactions with reasons for failure

iii) Daily ATM Settlement Report

iv) Daily Branch-wise Settlement Report

v) Daily Institution/Interchange/Network Settlement Report

vi) Daily Transactions Log report


ix) Branch wise abnormal transaction i.e multiple transactions attempted with cards at various interval.

x) ATM down-time summary

xi) ATM down-time detail

xii) ATM cassettes: total media remaining

xiii) ATM cassettes: media detail report

xiv) Average cash dispensed

xv) Location-wise transaction report

xvi) Terminal-wise

xvii) Domestic interchange

xviii) Institution total

xix) Suspense totals by interface for cut off difference, Adjustment Processing

xx) Adjustment Reporting

xxi) Usage by customer type (On us Vs Off us)

xxii) Similar reports are also to be provided for Point of Sales (POS), Micro ATMs & Aadhar enable ATMs and for Card Not Present (CNP) transactions.
xxiii) The Switch Vender will provide API details & other documents to CBS vendor / any third party vendor / solution provider selected by the bank that requires integration/interfacing with ATM Switch for customization of interface. However required customisation at Switch end would be the responsibility of the solution provider.

xxiv) The Bidder must clearly list all the reports generated by the proposed solution.

3.31 The GUI/Web based monitoring tools for ATMs, POS terminals and other devices & other channel services, ATM Switch hardware and software, hosts, interchanges and transactions must be provided. The monitoring tool should have features to trace the transaction, monitoring performance of application and troubleshooting, a distributed view for logical group of ATMs, POS terminals, Transaction Kiosk GUI for conducting all system set-up and maintenance, card management, and network monitoring and control activities. The software solution for sending auto generated e-mails / SMS alerts on generation of the possible fault in ATMs but not limited to such as Hardware Failure, Cash Out, Consumables, non functioning of DVR/DVSS, status of EJ software agent etc. without any limit and at no additional cost to the bank and must be sent to the addresses/Mobile Numbers provided for the purpose. The auto generated e-mails & SMSs would be sent through Bank’s email & SMS infrastructure.

The solution should provide online monitoring tool for the complete setup which should provide following functionalities –

i) Should be GUI based with dashboard facility (configurable to user’s need) at multiple locations.

ii) Provide online status of ATMs, devices, interchanges, host etc. connected to switch. Should also indicate the reason in case of down/ problem in ATM.

iii) Provide online status of different components of Switch application like processes, interfaces nodes, etc.

iv) Should provide online transactions surveillance giving information/ analysis on TPS, transaction wise, interchange wise, type of transactions wise, successful/ decline ratio, reason for declining of transaction, abnormal transaction behaviour on particular device etc.

v) Hardware performance monitoring like CPU, memory, Disk I/O, other performance parameters etc.

vi) Should provide facility for defining the thresholds for different parameters.

vii) Should be able to provide intelligent MIS for a desired duration on all above parameters including ATM up/ downtime. Should also be able to provide business analysis on above parameters for decision support system.

viii) Any other complete solution related monitoring parameter not mentioned above.

ix) Should be able to give alert at screen, through voice through SMS and emails in case of problem.
Apart from providing the Monitoring tool to the Bank, Real time, active monitoring of the alternate channel devices routing through the vendor switch would be the part of the scope and selected vendor would be required to carry out real time monitoring of channel through its own setup at no extra cost to the Bank. The daily monitoring report to be submitted to the bank’s designated offices through email /SFTP.

3.32 The selected Bidder must provide training to Bank’s technology team on overview of system fundamentals, Operating Systems, application software, databases, etc. They will also be trained in fault diagnosis and first line support. The training must enable the Bank’s software staff to understand about the software related to the ATM Switch & its operations. Bidder must provide complete training plan for ATM Switch. The training along with software documentation/manuals must be provided on site at J&K GRAMEEN Bank, Head Office.

3.33 The successful bidder will be responsible for all aspects of implementation. The Bidder will also be required to provide post implementation support and maintenance during the contracted period from the date of successful commissioning and acceptance by the bank.

3.34 The application should have user-friendly and powerful querying mechanism and help effective data mining based on The Bank defined parameters, processing logic, rules and criteria. The solution should have a strong Management Information / Decision Support System facility.

3.35 Selected vendor must ensure that product support from the OEM is available for the model of the ATM Switch system throughout the contract period.

3.36 The right to allow restrict or limit the use of the any functionality would be at Bank’s control.

3.37 Any regulatory changes which are necessitated in the proposed solution due to changes in the law or provisions or directions introduced /issued by Government of India, State Governments, other governmental authorities, Reserve Bank of India, NPCI, other regulatory authorities or due to industry level changes will be promptly effected by the selected bidder to the Bank during the contracted period at no extra cost to the bank.

3.38 The vendor would be required to maintain Bank’s Card / ATM data for the entire contract period online.

3.39 If at any stage during the contract period, performance degrades due to any reasons, the selected bidder would be fully liable to take corrective steps with respect to hardware/software up-gradation, customization etc. without any additional cost to Bank.

3.40 In case, the bidder has not indicated any component/module in their proposed solution
and is required for implementation of solution, the successful bidder has to provide required peripherals/equipments, within the contracted price at no additional cost to the Bank.

3.41 **Facility Management:** Facility Management on a 24 X 7 X 365 basis to be offered as a part of solution for entire contract period. End to end Service Support should be provided by the bidder. The selected vendor would ensure the availability of dedicated FM personnel on 24X7 basis during the contract period. The successful bidder should ensure that the FM personnel are available exclusively for ATM Switch solution. Bidder has to ensure to deploy academically good, technically sound and competent person to handle TM operations for the bank. The selected vendor would be required to provide switch interface terminal(s) to the Bank.

3.42 **HEPL DESK SERVICES**

The selected vendor will adhere to the following:

**Scope of Services**

The scope of Help Desk Services is as follows:

1. Help on Transaction details
2. Help on Transactions Tracking
3. Help on Reconciliation & Settlement
4. Help on Card & PIN Data
5. Help on Customer Account Data
6. Help on Uploads and Downloads
7. Help on ATM, Host & Line Monitoring
8. Error Logging & Rectification
9. Help on Hot Listing of Cards
10. Help on Health Monitoring of the ATMs
11. Help on EJ installation & pulling.
12. Help on new ATM / POS or any other channel deployment.
13. Help to ATM/POS vendor ATM
14. Help on any other relevant services/information gathering with regard to Alternate Delivery Channel operating through Hosted Switch.

**Help Desk Services Availability**

The Help desk facility should be available for 24 hours a day, 7 days a week and 365 days a year without any constraints.

**Contract Methods**

The selected vendor will have a telephone line(s) dedicated for the J&K GRAMEEN
Banks' service. J&K GRAMEEN Bank will contact the Help desk using this telephone/mobile line. The Help desk should also be contactable using email and fax.

**Single Point of Contact**

The selected vendor has to inform J&K GRAMEEN Bank the name, address, telephone no., mobile number etc, of their official who will be responsible to act as a single point of contact to officials of J&K GRAMEEN Bank for all activities relating to ASP services.

3.43 It would be responsibility of the selected vendor to provide timely resolution of all response codes as per VISA / MasterCard /NFS etc and other response codes introduced by them from time to time.

**4) TENDER DOCUMENT AND FEE**

A complete set of tender document can be obtained from the following address during office hours on all working days on submission of a written application along with a **non-refundable fee of 5,000/- (Rupees Five Thousand Only)** in the form of Demand Draft or Banker’s Cheque in favour of J&K GRAMEEN BANK, payable at Jammu.

Sr. Manager, IT  
J&K Grameen Bank  
Head Office, Narwal  
Jammu (J&K) – 180006

The tender document may also be downloaded from The Bank’s official website [www.jkgb.in](http://www.jkgb.in) The bidder downloading the tender document from the website is required to submit a **non-refundable fee** of 5,000/- (Rupees Five Thousand only) in the form of Demand Draft or Pay Order in favour of J&K GRAMEEN BANK, payable at Jammu, at the time of submission of the technical bid, failing which the bid of the concerned Bidder will be rejected. It may be noted that amount will not be refunded to any prospective bidder under any circumstances including cancellation of RFP.

**5) EARNEST MONEY DEPOSIT**

The Bidder(s) must submit Earnest Money Deposit in the form of Bank Guarantee in favour of J&K GRAMEEN BANK payable at Jammu for an amount mentioned hereunder valid for 180 days:
<table>
<thead>
<tr>
<th>Particulars of Job to be undertaken</th>
<th>EMD</th>
</tr>
</thead>
<tbody>
<tr>
<td>End-to-End ATM Switching Services on Hosted/Application Service Provided/Pay Per Transaction Model</td>
<td>5 Lacs</td>
</tr>
</tbody>
</table>

Non-submission of Earnest Money Deposit will lead to outright rejection of the Offer. The EMD of unsuccessful Bidders will be returned to them on completion of the procurement process. The EMD of successful Bidder(s) will be returned on submission of Performance Bank Guarantee.

The Earnest Money Deposit may be forfeited under the following circumstances:

a. If the Bidder withdraws its bid during the period of bid validity (180 days from the date of opening of the technical bid).

b. If the Bidder makes any statement or encloses any form which turns out to be false, incorrect and/or misleading at any time prior to signing of contract and/or conceals or suppresses material information; and/or

c. In case of the successful Bidder, if the Bidder fails:
   - To sign the contract in the form and manner to the satisfaction of The Bank.
   - To furnish performance Bank Guarantee in the form and manner to the satisfaction of the Bank.

(6) PERFORMANCE GUARANTEE

The Bank will require the selected Bidder to provide a Performance Bank Guarantee, within 15 days from the date of acceptance of the order or signing of the contract whichever is earlier, for a value equivalent to 15% of the cost payable (to be calculated based on anticipated volume) to the selected vendor for the first year. The Performance Guarantee of the same amount should be valid for a period of 60 months and 3 Months as claim Period. Performance Guarantee shall be kept valid till completion of the project and warranty/AMC period. The selected Bidder shall be responsible for extending the validity date and claim period of the Performance Guarantee as and when it is due on account of non-completion of the project and warranty period. In case the selected Bidder fails to submit performance guarantee within the time stipulated, The Bank, at its discretion, may cancel the order placed on the selected Bidder without giving any notice. Bank shall invoke the performance guarantee in case the selected Bidder fails to discharge their contractual obligations during the period or Bank incurs any loss due to Bidder’s negligence in carrying out the project implementation as per the agreed terms & conditions.

(7) SUBMISSION OF OFFER –TWO BID SYSTEM
Separate Technical and Commercial Bids duly sealed and superscribed “Quotation for End-to-End ATM Switching Services on Hosted/Application Service Provided/Pay Per Transaction Model – Technical Bid” and “Quotation for End-to-End ATM Switching Services on Hosted/Application Service Provided/Pay Per Transaction Model – Commercial Bid” shall be submitted as per bid details given in the RFP.

Separate sealed envelopes carrying Technical Bid and indicative commercial bid should be put in a single sealed outer cover duly sealed and super scried “Quotation for End-to-End ATM Switching Services on Hosted/Application Service Provided/Pay Per Transaction Model” be dropped/submitted at the Bank’s address (refer control sheet table) on or before the date and time mentioned in Bid Detail- Control Sheet Table. Any Bid received by the Bank after deadline for submission of Bids prescribed, will be rejected and returned unopened to the Bidder.

The Bid shall be typed or written in indelible ink and shall be signed by the Bidder or a person or persons duly authorized to bind the Bidder to the Contract. The person or persons signing the Bids shall initial all pages of the Bids, except for un-amended printed literature.

Any inter-lineation, erasures or overwriting shall be valid only if they are initialled by the person signing the Bids. The Bank reserves the right to reject bids not conforming to above.

All envelopes must be super scried with the following information:

Name of Bidder
Offer Reference
Type of Offer (Technical or Commercial)

ENVELOP-I (Technical Offer):

The Technical Offer should be completed in all respects and contain all information asked for in the exact format of technical specifications given in the RFP, except prices. The Technical Offer must not contain any price information. The Bank, at its sole discretion, may not evaluate a Technical Offer in case of non-submission or partial submission of technical details. Any decision of The Bank in this regard shall be final, conclusive and binding upon the Bidder.

ENVELOP-II (Commercial Offer):

The indicative commercial Bid (two copies) should contain all relevant price information and should not contradict the Technical Offer in any manner. To arrive at the final per transaction rate, Bank shall undertake Reverse Auction (RA) route.
Note:

a. If the outer cover / envelop is not sealed and super scribed as required, The Bank will assume no responsibility for bid’s misplaced or premature opening.

b. If any inner cover /envelop is found to contain both technical and commercial bids that bid will be rejected summarily.

c. If any outer envelope is found to contain only the technical Bid or Commercial Bid, it will be treated as incomplete & will be liable for rejection.

d. If financial bid is not submitted in a separate sealed envelope duly marked as mentioned above, this will constitute grounds for declaring the bid non-responsive.

(8) ERASURES OR ALTERATION

The Bid should contain no alterations, erasures or overwriting except as necessary to correct errors made by the Bidder, in which case corrections should be duly stamped and initialed / authenticated by the person/(s) signing the Bid. The Bidder is expected to examine all instructions, forms, terms and specifications in the bidding documents. Failure to furnish all information required by the bidding documents or submission of bid not substantially/conclusively responsive to the bidding documents in every respect will be at the Bidders risk and may result in rejection of the bid.

(9) LANGUAGE OF BID

The bid as well as all correspondence and documents relating to the bid exchanged by the Bidder and The Bank shall be in English language only.

(10) BANK’S RIGHT TO ACCEPT ANY BID AND TO REJECT ANY OR ALL BIDS / CANCELLATION OF TENDER PROCESS

J&K GRAMEEN BANK reserves the right to accept or reject in part or full any or all offers without assigning any reason thereof even after issuance of letter of Intent. Any decision of J&K GRAMEEN Bank in this regard shall be final, conclusive and binding upon the bidders. The Bank reserves the right to accept or reject any Bid in part or in full, and to cancel the Bidding process and reject all Bids at any time prior to contract award, without thereby incurring any liability to the affected Bidder or Bidders or any obligation to inform the affected Bidder or Bidders of the grounds for Bank’s action. During any stage of evaluation process, if it is found that the bidder does not meet the eligibility criteria or has submitted false /incorrect information the bid will be summarily rejected by the Bank and no further correspondence would be entertained in this regard. Bank further reserves the right to amend, rescind, reissue or cancel this RFP and all amendments will be advised to the Bidder and such amendments will be binding upon them. The Bank also reserves its right to accept, reject or cancel any or all responses to this RFP without assigning any reason whatsoever. Further please note that the bank would be under no obligation to acquire any
or all the items proposed. No contractual obligation whatsoever shall arise from the RFP process unless and until a formal contract is signed and executed by duly authorized officials of J&K GRAMEEN Bank and the bidder.

(11) BID OPENING

Techno Functional and Technical offer will be opened on the date and time mentioned in the bid details-control sheet in the presence of the Bidders who choose to attend on the said date and time.

The Bank will evaluate the technical and techno functional response to the RFP of the Bidders who are found eligible as per the eligibility criteria mentioned in the RFP. There will be no scoring involved in the eligibility evaluation. Bids of only those Bidders who have been found to be in conformity of the eligibility terms and conditions during the preliminary evaluation would be taken up by the Bank for further detailed evaluation. The Bidders who do not meet the eligibility criteria and all terms during preliminary examination will not be taken up for further evaluation. During evaluation of the Bids, the Bank at its discretion may ask a bidder for clarification of its bid. The request for clarification and the response shall be in writing, and no change in the price or substance of the bid shall be sought, offered or permitted.

(12) PRELIMINARY SCRUTINY

(a) The Bank will examine the Bids to determine whether they are complete, required formats have been furnished, the documents have been properly signed, and the Bids are generally in order.

(b) The Bank may, at its discretion, waive any minor infirmity, non-conformity, or irregularity in a Bid, which does not constitute a material deviation.

(c) The Bank will first examine whether the Bid and the Bidder is eligible in terms of Eligibility Criteria.

(d) Prior to technical evaluation, the Bank will determine the responsiveness of each Bid to the Bidding Document. For purposes of these Clauses, a responsive Bid is one, which conforms to all the terms and conditions of the Bidding Document without material deviations. Deviations from, or objections or reservations to critical provisions, such as those concerning Bid Security, Applicable Law, Bank Guarantee, Eligibility Criteria, will be deemed to be a material deviation.

(e) The Bank’s determination of a Bid’s responsiveness will be based on the contents of the Bid itself, without recourse to extrinsic evidence.

(f) If a Bid is not responsive, it will be rejected by the Bank and may not subsequently be made responsive by the Bidder by correction of the non-conformity.
(13) EVALUATION CRITERIA OF BIDS:

(a) Bids of only those Bidders who have been found to be in conformity of the eligibility terms and conditions during the preliminary evaluation would be taken up by the Bank for further detailed evaluation. The Bidders who do not meet the eligibility criteria and all terms during preliminary examination will not be taken up for further evaluation.

(b) The Bank may use the services of external consultants for technical evaluation.

(c) The Bank reserves the right to evaluate the bids on technical & functional parameters including visit to inspect Primary & DR Switch Centre of the bidder and witness demos of the system and verify functionalities, response times, etc. The technical bids will be evaluated inter alia on the basis of the following key criteria:

- No. of customer currently serviced through hosted Switch
- No. of ATMs driven through hosted switch
- Compliance with technical specifications laid down in the RFP.
- Completeness of the Technical bid in all respects and availability of all information / details asked by the Bank.
- Point to point conformity of the scope / functional requirements mentioned in the RFP.
- Bidder’s Hosted Switch – DRS setup
- Bidder’s Hosted Services platform – Infrastructure, Data Centers and other services capabilities.
- Bidder’s earlier experience of migrating Switch services
- Bidder’s Switch track record in India for driving no. of ATMs, backend host integration (CBS & others particularly with Finacle), transaction processing and other delivery channels

(d) Bidders who fulfill all qualifications mentioned in Eligibility Criteria of this RFP are eligible to participate in this tender process.

(e) Bank will evaluate the technical and functional specifications responses of the Bidder.

(f) **Bidder needs to comply with all the technical and techno functional requirements as given in the RFP. Non Compliance to any of the point/clause given therein may entail rejection of the Bid.**

(g) Bank reserves the right to waive any of the Technical and Functional Specification during technical evaluation if in the Bank’s Opinion it is found to be minor/deviation or acceptable deviation.

(h) During evaluation of the Bids, the Bank at its discretion may ask a bidder for clarification of its bid. The request for clarification and the response shall be in
writing, and no change in the price or substance of the bid shall be sought, offered or permitted.

(i) Bidders may be called to give presentation of their solutions with its capabilities at their own cost, which will be taken into account for technical evaluation of the Bidders.

(k) Price bids submitted by only those Bidders whose bids are evaluated by the Bank as technically responsive will be opened. The commercial bids of all bidders not found eligible as per the requirements of this RFP will be returned to them unopened against acknowledgement.

(14) CLARIFICATION OF OFFERS

To assist in the scrutiny, evaluation and comparison of offers/bids, The Bank may, at its sole discretion, ask some or all Bidders for clarification of their offer/bid. The request for such clarifications and the response will necessarily be in writing and no change in the price or substance of the bid shall be sought, offered or permitted. Any decision of The Bank in this regard shall be final, conclusive and binding on the Bidder/ tenderer.

The bidder shall notify The Bank in writing of all subcontracts awarded under the contract if not already specified in his bid. Such notification, in his original bid or later, shall not relieve the bidder from any liability or obligation under the contract. The Bank reserves rights to accept such arrangement or reject the proposal outright. Proof of such contracts should be submitted to The Bank.

(15) CONTRACT PERIOD

The contract period for providing ATM Switch Managed Solution will be for the periods of Five Years from the date of go live of switch operations. But Bank reserves the right to review the rates at the expiry of every year, if the bank is of the opinion that there are reductions of rates in the market for comparable services, compared to the initially agreed rates. The Bank reserves the right to negotiate the initial agreed rates and it will be mutually decided between bidder and the Bank for the subsequent period. However the bank may consider an exit option if no reasonable solution is obtained.

On the completion of selection process, the selected vendor need to execute a comprehensive, definitive Service Level Agreement (SLA) with the Bank for Five Years Contract period covering all terms and conditions of this RFP an agreement for an End-to- End ATM Switching Services on Hosted/Application Service Provided/Pay Per Transaction Model.

The agreement will be based on the bidder’s offer document with all its enclosures, modifications arising out of negotiation / clarification etc., and will include the following documents:
SLA with the vendor will include Switch uptime performance, availability and related penalty clauses.

i) The Bidder will carry out the activities covered under the scope of this Bid to ensure that ATM Switch functions without any interruption for at least 99.99% uptime for 24 hours a day for all 7 days a week of operation.

ii) The bidder will disclose – whenever sought – to the Bank all contracts / subcontracts entered into for this RFP. The Bank reserves the right to call regular meetings of all / specific contractors/sub-contractors during the tenure of the contract.

iii) Copies of all necessary licenses, certifications, documents, etc.

iv) The Bank reserves the right to further stipulate, at the time of finalization of the contract, any other document(s)/clause/condition as deemed fit to finalized the contract.

The performance of the selected Bidder shall be reviewed every month / quarter and if Bank founds that the services are not satisfactory then bank reserves the right to terminate the contract at its sole discretion by giving three months notice without assigning any reasons. Any offer falling short of the contract validity period (Five Years from the date of acceptance test) is liable for rejection. Further Bank reserves the right to renew the contract after the expiry of the initial term on mutually agreed terms & conditions and at negotiated cost.

**16) Unavailability definition**

The Switch will be considered "unavailable" when it cannot correctly and fully process J&K GRAMEEN Banks' Transactions for reasons including but not limited to those listed below:

1) The Switch is considered unavailable if, a single ATM or a combination of more than one ATMs is not in the 'In-Service' mode for a **total time period of more than 4 Minutes in a 24 hour cycle**. The Switch is expected to continuously maintain ALL the J&K GRAMEEN Banks' ATMs / Micro ATMs in 'In-Service' mode. That is all the J&K GRAMEEN Banks' ATMs are continuously available for service to the J&K GRAMEEN Banks' customers and displays the 'Welcome Screen'. If a single ATM or a combination of more than one ATMs are not in the 'In-Service' mode for a **total time period of more than 4 Minutes in a 24 hour cycle**, the Switch will be considered to be 'Un-Available' for the complete duration for the calculation of Availability, till all the ATMs are back in the 'In-Service' mode.

2) **The Switch is considered unavailable if**, the HSM services fail or are not available to correctly perform the PIN Verification and PIN translation for the **Bank** transactions.

3) **The Switch is considered unavailable if**, the Switch services fail or are not available
to correctly perform the PIN Verification and PIN translation for the Bank' transactions.

(4) **The Switch will be considered unavailable if** it cannot Switch the valid transactions to Banks' connected Host for authorisation. This could happen due to time-outs, wrong configuration, process failure etc. at the Switch. The valid transactions are those that have passed the pre-authorisation checks at Switch (as defined in 'Customer Specification Document') and were supposed to be switched to Banks' connected Host for authorisation.

(5) **The Switch will be considered unavailable if** it cannot Switch the valid transactions as received from NFS / Tie Up Banks ATM Switch to Banks' connected Host for authorisation. This could happen due to time-outs, wrong configuration, process failure etc. at the Switch.

(6) **The Switch will be considered unavailable if** it cannot Switch the valid transactions as received from Banks' ATM Network to NFS / Tie-Up Banks ATM Switch for authorisation. This could happen due to time-outs, wrong configuration, process failure etc. at the Switch.

(7) **The Switch will be considered unavailable if** the Switch Application shut downs or becomes unresponsive due to errors at Switch Hardware or Software.

(8) **The Switch will be considered unavailable if** the Switch Shuts Down due to Power Problems either due to Power related Faults or Power unavailability at the ASP site would be considered as Switch Unavailable for the calculating the Availability of the Switch.

(9) The Switch will be considered unavailable if there are Card & Transaction Rejections at Switch due to any reason including but not limiting to the below mentioned possible reasons:

   A. File Errors or Corruptions
   B. Database errors or corruptions
   C. Wrong Configurations at Hardware or Software
   D. Application failure or errors.
   E. Hardware Failure or errors
   F. Insufficient Memory or Disk Space

(10) **The Switch under Scheduled Maintenance will be considered to be unavailable if** the Switch was down for a time greater than that allowed under Scheduled Maintenance and agreed by the Bank (Allowed time shall be mentioned in SLA). In this case, the time difference between the actual time taken for 'Scheduled Maintenance' and the allowed time for 'Scheduled Maintenance' will be considered as 'Switch
Unavailable' time for the Availability calculation.

(11) No ATM should be rendered unavailable for service for more than 4 minutes. If any ATM or is down for more than 4 minutes then half of the time that each ATM was down will be taken' as Switch Unavailable time for the purpose of calculating the Availability. In case all the ATMs are down, the complete Switch will be considered unavailable for the complete duration.

(12) If any of the above events occurs, the Switch will be considered to be unavailable for the purpose of the Availability calculation for the complete duration till the fault is fully rectified. All the above are subject to the Exclusions clause in the Availability Definition

The Switch will be considered available if,

(i) The Switch services are continuously available at each connected HOST of Bank(s) during the period commencing from the completion of the BOD process to the start of the EOD process at the branch HOST side AND The Switch services are continuously available at each of the HOST sites for the remaining period.

(ii) If the Switch is not available to any of the Hosts, when that Host is 'In- Service' mode, the Switch will be 'considered to be 'Un-Available' for that Host, (for the calculation of uptime/downtime), till the Switch becomes on-line to that Host.

Exclusions:

This section lists the events that may result in Unavailability of service but will be excluded (or the purpose of calculating the Availability).

A. Fault of the Banks' ATMs in consideration
B. Fault of Bank owned Network Media (Leased Line or other network Media Fault)
C. Fault at Banks' Network Equipments (At ATM end or at Host end)
D.Fault at Banks' Host (Hardware or Software excluding Message 24 software)
E.Unavailability of Bank Hosts due to Maintenance or Upgrades (Hardware or Software)
F. Unavailability of ATM due to Maintenance or Upgrades (Hardware or Software) at the ATM.
G. Scheduled ASP Switch Routine Maintenance within the agreed Scheduled time.
H. Scheduled ASP Upgrades within the agreed Scheduled time

Power failure & Power problems at the vendor site is not considered an 'Exclusion' and if the Switch becomes unavailable due to any kind of power problems, the downtime will be considered for the availability calculations.
Notification Procedures for Unscheduled Downtime

When the Switch is rendered Unavailable for any of the above-mentioned reasons, selected bidder will notify **J&K GRAMEEN Bank** (Using 'Unscheduled Downtime Notification Form') and give clear explanation of the reason for the unscheduled downtime and the expected time for Resumption of service.

In case, the scheduled maintenance cannot be completed within the expected time, vendor will immediately inform **J&K GRAMEEN Bank** in writing via FAX & E-Mail (Using 'Unscheduled Downtime Notification Form') and orally via Mobile / Telephone to the **J&K GRAMEEN Banks'** Designated ATM Channel in-charge.

Resumption Of Service

On completion the Resumption of Service, vendor will within 15 minutes of Resumption of service inform **J&K GRAMEEN Bank** in writing via FAX & E-Mail (Using ‘Resumption of Services Notification Form’) and orally via telephone to the **J&K GRAMEEN Banks'** Designated ATM Channel in-charge.

Downtime Monitoring Items

Vendor will monitor the following Items on a *daily basis* and maintain Downtime Monitoring Log at the ASP site:

1. ATMs and other devices connected to ATM Switch Downtime
2. J&K GRAMEEN Banks' Host Connectivity Downtime
3. Faults in J&K GRAMEEN Banks' Leased Line Circuit to Vendor ASP Centre
4. Complete Switch Downtime
5. Downtime due to Network Faults of Vendor

Service Level Audits

Vendor will allow **J&K GRAMEEN Bank and its authorised representative** to audit the Service Level provided by vendor at the ASP site once every 3 months as routine or on demand at **J&K GRAMEEN Banks'** discretion. The selected vendor would have to arrange a comprehensive quarterly audit of SLAs / benchmark and other relevant tests / IS Audit from qualified auditors at its own cost and provide the report directly to the bank.

DATA OWNERSHIP

The customer data (Name, address and Account details), card data (Card numbers, Card Track Details and PIN Offset details) and ATM data (including location details) provided by J&K GRAMEEN Bank to vendor is exclusively the property of J&K GRAMEEN
Bank. The ownership of the data will also include J&K GRAMEEN Banks' transaction data available at the switch site.

(17) SUCCESSFUL TRANSACTION

Successful Transaction:

i. The Transaction will be treated as Successful, in case of transaction hitting the Switch but Cash dispensation/service at POS/Online payment portal acceptance failure causes due to the reasons attributable to the Bank / customers such as such as host not available, insufficient balance and wrong PIN entries. Vendor has to submit sufficient proof to this effect along with the invoice.

ii. The Transaction will be treated as Unsuccessful in case of transaction hitting the Switch but Cash dispensation/ service at POS/Online payment portal acceptance failure causes due to the reasons attributable to the Vendor.

iii. A non financial transaction will be treated as successful only in case of hitting the transaction at Switch and responded by the switch.

Bidders are required to quote considering requirements given in this RFP document and no additional payment for any application/service would be made other than per-transaction cost for each successful completed transaction.

(18) PAYMENT TERMS

The selected vendor will make payment request to bank in writing, accompanied by an invoice for successful transactions, along with the relevant reports in proof of services performed and by documents submitted pursuant to terms & conditions of the RFP/SLA.

Upon fulfillment of other obligations stipulated in the Contract, payment based on the basis of final per transaction rate will be made by the bank but in no case later than sixty (60) days after submission of an invoice/claim by the vendor.

(19) PAYING AUTHORITY

The payments as per the Payment Schedule covered herein above shall be paid by this office (---------------- J&K GRAMEEN Bank, Jammu).

(20) SCHEDULE OF IMPLEMENTATION

The Bidder should complete the implementation and Customization to proposed ATM Switch solution within three months from the date of LOI/PO.
implementation shall comprise of system configuration, customization, pilot implementation, UAT and system roll out.

(21) ACCEPTANCE TESTS

The selected Bidder in presence of the Bank authorized officials will conduct acceptance test at the site. The test will involve successful migration of bank’s existing data, customization, commissioning and successful operation of the hardware, software, and other equipment. No additional charges shall be payable by the Bank for carrying out these acceptance tests.

(22) ORDER CANCELLATION (TERMINATION)

The Bank reserves the right to cancel the contract placed on the selected Bidder and recover expenditure incurred by The Bank under the following circumstances:-

22.1 The selected Bidder commits a breach of any of the terms and conditions of the bid and fails to meet 99.99% uptime.

22.2 The Bidder goes into liquidation, voluntarily or otherwise.

22.3 An attachment is levied or continues to be levied for a period of seven days upon effects of the bid.

22.4 If the selected Bidder fails to complete the assignment as per the timelines prescribed in the RFP and the extension if any allowed, it will be a breach of contract. The Bank reserves its right to cancel the order in the event of delay and forfeit the bid security as liquidated damages for the delay.

22.5 If deductions of account of liquidated damages exceeds more than 10% of the total contract price.

22.6 In case the selected Bidder fails to deliver the quantity as stipulated in the delivery schedule, The Bank reserves the right to procure the same or similar product from alternate sources at the risk, cost and responsibility of the selected Bidder.

22.7 The Bank reserves the right to recover any dues payable by the selected bidder from any amount outstanding to the credit of the selected Bidder, including the pending bills and/or invoking The Bank guarantee under this contract.

22.8 The Bank reserve its right to cancel the order in the event of one or more of the following situations, that are not occasioned due to reasons solely and directly attributable to the Bank alone:

22.9 Delay in customization / implementation / takeover of services beyond
the specified period that is agreed in the contract that will be signed with the successful vendor.

22.10 Serious discrepancy in the quality of ATM Switching services / hardware / software expected during the implementation, rollout and subsequent maintenance processes.

In case of cancellation of order, any payments made by the Bank to the Vendor would necessarily have to be returned to the Bank with interest @15% per annum, further the Vendor would also be required to compensate the Bank for any direct loss suffered by the Bank due to the cancellation of the contract and any additional expenditure to be incurred by the Bank to appoint any other Vendor. This is after repaying the original amount paid.

(23) CONSEQUENCES OF TERMINATION

23.1 In the event of termination of the Contract due to any cause whatsoever, [whether consequent to the stipulated term of the Contract or otherwise], The Bank shall be entitled to impose any such obligations and conditions and issue any clarifications as may be necessary to ensure an efficient transition and effective business continuity of the Service(s) which the Bidder shall be obliged to comply with and take all available steps to minimize loss resulting from that termination/breach, and further allow the next successor Bidder to take over the obligations of the erstwhile Bidder in relation to the execution/continued execution of the scope of the Contract.

23.2 In the event that the termination of the Contract is due to the expiry of the term of the Contract, a decision not to grant any (further) extension by The Bank , the Bidder herein shall be obliged to provide all such assistance to the next successor Bidder or any other person as may be required and as The Bank may specify including training, where the successor(s) is a representative/personnel of The Bank to enable the successor to adequately provide the Service(s) hereunder, even where such assistance is required to be rendered for a reasonable period that may extend beyond the term/earlier termination hereof.

23.3 Nothing herein shall restrict the right of The Bank to invoke the Performance Bank Guarantee and other guarantees, securities furnished, enforce the Deed of Indemnity and pursue such other rights and/or remedies that may be available to The Bank under law or otherwise.

23.4 The termination hereof shall not affect any accrued right or liability of either Party nor affect the operation of the provisions of the Contract that are expressly or by implication intended to come into or continue in force on or after such termination.
MIGRATION

J&K GRAMEEN Bank may decide not to renew this contract after the term of this agreement or decide to terminate this agreement as per the termination clause provided in this agreement. In such case, vendor will provide to J&K GRAMEEN Bank the entire Customer data, Card data and ATM data of J&K GRAMEEN Bank in an ASCII file format.

The migration will follow the following steps:

1. J&K GRAMEEN Bank will inform vendor in writing of the decision to not continue with the ASP services Three months in advance.
2. Vendor will disable the PIN- Change Transaction within 15 Days of this notice.
3. Vendor will create an ASCII file of the Customer Data, Card Data and ATM data and all other relevant data pertaining to the bank's arrangement with the vendor. All these will have Card Number in each respective record. The PIN offset will be as currently available at the Switch.
4. Vendor will co-operate with J&K GRAMEEN Bank to provide any other details as required at the earliest possible time.
5. Delete all data and records of J&K GRAMEEN Bank data that may exist at the Switch or be with the vendor.

(24) SYSTEM UPTIME REQUIREMENT AND PENALTY

24.1 The Bidder shall ensure minimum uptime of 99.99% for the Switch & its associated hardware and applications. The maximum downtime for the hardware and software for ATM Switch should be less than 5 minutes per incident in a month failing which a penalty as given below will be applicable.

24.2 For non-critical /peripheral applications and systems which do not impact availability of Switch to the customers, the minimum uptime to be ensured is 99.9%. Penalty of Rs. 25000 per hour will be levied for downtime in excess of one hour for every incident. In addition, the bidder will be liable to be charged penalty amounting to Rs 1 lac per hour, if total system downtime exceeds two hours in a year.

24.3 In addition penalties listed below, in case bank receives any claim from the ATM Vendors who have deployed the ATM on OPEX Model asking for compensation/credit in the event of ATM Switch downtime of beyond 1 hour per month. The compensation/credit will be calculated pro rata based on the no. of daily average transactions of previous month for which invoice is raised by the ATM vendor and amount would be recovered from the Switch vendor to compensate the ATM vendor.

SLA will be monitored through an automated system and may be correlated with interchange logs. System uptime will be calculated as per following criteria –
<table>
<thead>
<tr>
<th>Criteria</th>
<th>Category 1- Mission Critical Application directly affecting the customer transactions (ATM Switch, HSM, Fraud &amp; Risk Management etc)</th>
<th>Category 2- Other applications not directly affecting the customer transactions (DCMS, PIN printing, monitoring module etc)</th>
<th>Penalty</th>
</tr>
</thead>
<tbody>
<tr>
<td>Criteria 1</td>
<td>System is down for more than 5 minutes in a stretch due to any failure (Hardware, software or services) and total ATM Switch outage exceeds 50 minutes in a year. Monthly uptime of system should be 99.99%</td>
<td>System is down for more than an hours in a stretch Monthly uptime of the system should be 99.9%</td>
<td>A penalty of Rs Fifty Thousand per five minute or part thereof for category 1 OR loss of transaction amount (to be calculated based on average no. of transactions happened during peak time equivalent to downtime duration) whichever is higher. In addition, Rs.3 Lac penalty will be imposed if total ATM Switch downtime exceeds 50 minutes in a year and for every 10 minutes or part thereof. Rs Twenty Five Thousand per hour or part thereof.</td>
</tr>
<tr>
<td>Criteria 2</td>
<td>Monthly Decline of transaction due to the problem in solution (Hardware or software) provided should not be more than 0.01%</td>
<td>-</td>
<td>A penalty of Rs 50 thousand for each increase of 0.01% or part thereof in declining of transactions due to problem in Switch solution.</td>
</tr>
</tbody>
</table>

All penalties will be calculated and applied quarterly independent of each other.
Formula for calculating the penalties will be as under –

Total penalty = Criteria 1 penalty + Criteria 2 penalty +as per clause 25.3

24.4 The Bank reserves the right to recover the penalty amount by any mode such as adjusting from any payments to be made by the Bank to the Bidder.

24.5 In case default continues and reaches to 10% of the monthly transaction cost payable to the vendor in a month OR uptime is maintained below 98%, under such circumstances bank shall have full right to terminate the contract.

The vendor shall perform its obligations under the agreement entered into with The Bank, in a professional manner.

If any act or failure by the Bidder under the agreement results in failure or inoperability of systems and if The Bank has to take corrective actions to ensure functionality of its property, The Bank reserves the right to impose penalty, which may be equal to the cost it incurs or the loss it suffers for such failures subject to a maximum of 100% of the order value.

Bank may impose penalty to the extent of damage if it is directly attributable to the staff of Vendor Company.

The Bank shall implement all penalty clauses after giving due notice to the selected vendor.

If the vendor fails to complete the due performance of the contract in accordance with the specification and conditions of the offer document, The Bank reserves the right either to cancel the order or to recover a suitable amount as deemed reasonable as Penalty / Liquidated Damage for non-performance.

SLA violation will attract penalties.

(25) DISASTOR RECOVERY MECHANISM

The proposed system must be capable of and compatible for Disaster Recovery Implementation. The successful bidder should describe the provisions for disaster recovery and show that the ATM Switch facilitates disaster recovery.

(26) UPTIME

The Bidder shall guarantee an uptime of 99.99% for the ATM Switch solution which shall be calculated on monthly basis. The ‘Uptime’ is equal to total contracted hours in a month less Downtime. The ‘Downtime’ is the time between the time of report by The Bank and time of restoration of service within the contracted hours. ‘Restoration’ is the condition when the selected Bidder demonstrates that the solution is in working order and
The Bank acknowledges the same. For SLA purpose a month will be treated as 30 days. If the Bidder fails to maintain guaranteed uptime on quarterly basis, Bank shall impose penalty. If the uptime is below 98%, The Bank shall have full right to terminate the contract under this RFP.

(27) AUDIT BY THIRD PARTY

J&K GRAMEEN Bank reserves the right to inspect and/or conduct audit at the switch site of any procedures, services and functionality offered by the selected vendor under this agreement. J&K GRAMEEN Bank will undertake audits by itself or through its designated company for audits on regular basis to audit the procedures, services and functionality for conformance as per this agreement. Vendor undertakes to take all necessary steps, at no additional costs to J&K GRAMEEN Bank, to rectify any non-conformance items as indicated by the auditors.

(28) DISPUTE RESOLUTION MECHANISM

The Bidder and The Bank shall endeavor their best to amicably settle all disputes arising out of or in connection with the Contract in the following manner:

a. The Party raising a dispute shall address to the other Party a notice requesting an amicable settlement of the dispute within seven (7) days of receipt of the notice.

b. The matter will be referred for negotiation between General Manager of The Bank /Purchaser and the Authorised Official of the Bidder. The matter shall then be resolved between them and the agreed course of action documented within a further period of 15 days.

In case any dispute between the Parties, does not settle by negotiation in the manner as mentioned above, the same may be resolved exclusively by arbitration and such dispute may be submitted by either party for arbitration within 20 days of the failure of negotiations. Arbitration shall be held in Jammu and conducted in accordance with the provisions of Arbitration and Conciliation Act, 1996 or any statutory modification or re-enactment thereof read with local laws of J&K state. Each Party to the dispute shall appoint one arbitrator each and the two arbitrators shall jointly appoint the third or the presiding arbitrator.

The “Arbitration Notice” should accurately set out the disputes between the parties, the intention of the aggrieved party to refer such disputes to arbitration as provided herein, the name of the person it seeks to appoint as an arbitrator with a request to the other party to appoint its arbitrator within 45 days from receipt of the notice. All notices by one party to the other in connection with the arbitration shall be in writing and be made as provided in this tender document.

The arbitrators shall hold their sittings at Jammu. The arbitration proceedings
shall be conducted in English language. Subject to the above, the courts of law at Jammu alone shall have the jurisdiction in respect of all matters connected with the Contract/Agreement. The arbitration award shall be final, conclusive and binding upon the Parties and judgment may be entered thereon, upon the application of either party to a court of competent jurisdiction. Each Party shall bear the cost of preparing and presenting its case, and the cost of arbitration, including fees and expenses of the arbitrators, shall be shared equally by the Parties unless the award otherwise provides.

The Bidder shall not be entitled to suspend the Service/s or the completion of the job, pending resolution of any dispute between the Parties and shall continue to render the Service/s in accordance with the provisions of the Contract/Agreement notwithstanding the existence of any dispute between the Parties or the subsistence of any arbitration or other proceedings.

Notwithstanding the above, the Bank shall have the right to initiate appropriate proceedings before any court of appropriate jurisdiction, should it find it expedient to do so.

(29) JURISDICTION

The jurisdiction of the courts shall be in Jammu.

(30) NOTICES

Notice or other communications given or required to be given under the contract shall be in writing and shall be faxed/e-mailed followed by hand-delivery with acknowledgement thereof, or transmitted by pre-paid registered post or courier.

Any notice or other communication shall be deemed to have been validly given on date of delivery if hand delivered & if sent by registered post than on expiry of seven days from the date of posting.

(31) AUTHORIZED SIGNATORY

The selected Bidder shall indicate the authorized signatories who can discuss and correspond with the bank with regard to the obligations under the contract. The selected Bidder shall submit at the time of signing the contract a certified copy of the resolution of their board, authenticated by the company secretary, authorizing an official or officials of the Bidder to discuss, sign agreements/contracts with The Bank, raise invoice and accept payments and also to correspond. The Bidder shall provide proof of signature identification for the above purposes as required by the bank.

(32) FORCE MAJEURE

Force Majeure is herein defined as any cause, which is beyond the control of the selected Bidder or The Bank as the case may be which they could not foresee or with a reasonable
amount of diligence could not have foreseen and which substantially affect the performance of the contract, such as:

1. Natural phenomenon, including but not limited to floods, droughts, earthquakes and epidemics
2. Acts of any government, including but not limited to war, declared or undeclared priorities, quarantines and embargos
3. Terrorist attack, public unrest in work area

Provided either party shall within 10 days from occurrence of such a cause, notify the other in writing of such causes. The Bidder or The Bank shall not be liable for delay in performing his/her obligations resulting from any force Majeure cause as referred to and/or defined above. Any delay beyond 30 days shall lead to termination of contract by parties and all obligations expressed quantitatively shall be calculated as on date of termination. Notwithstanding this, provisions’ relating to indemnity, confidentiality survives termination of the contract.

(33) CONFIDENTIALITY

The selected vendor acknowledges that all material information which has or will come into its possession or knowledge in connection with this agreement or the performance hereof, consists of confidential and proprietary data, whose disclosure to or use by third parties will be damaging or cause loss to J&K GRAMEEN BANK. The vendor agrees to hold such material and information in strictest confidence and not to make use thereof other than for the performance of this agreement to release it only to employees requiring such information and not to release or disclose it to any other party. The vendor agrees to take appropriate action with respect to its employees to ensure that the obligations of non-use and non-disclosure of confidential information under this agreement can be fully satisfied.

J&K GRAMEEN Banks' Customer, Card & ATM data (including location details) is confidential and should NEVER be disclosed to any institutions or used by the vendor for purpose other than required for processing at the Switch. The selected vendor will take suitable steps to ensure the confidentiality of the J&K GRAMEEN Banks' data. This step should include having the employees assigned to J&K GRAMEEN Banks' work sign a 'Confidentiality Agreement'. The selected vendor undertakes not to keep this data with its company after the end of this agreement. This clause will outlive the agreement date.

(34) NON-TRANSFERABLE OFFER

This Request for Proposal (RFP) is not transferable. Only the Bidder who has purchased this document in its name or submitted the necessary RFP price (for downloaded RFP) will be eligible for participation in the evaluation process.
(35) PERIOD OF VALIDITY OF BID

Bids shall remain valid for 180 (One Hundred eighty) days after the date of bid opening prescribed by the Bank. The Bank holds the rights to reject a bid valid for a period shorter than 180 days as non-responsive, without any correspondence. In exceptional circumstances, The Bank may solicit the Bidder’s consent to an extension of the validity period. The request and the response thereto shall be made in writing. Extension of validity period by the Bidder should be unconditional and irrevocable. The Bid Security provided shall also be suitably extended. A Bidder acceding to the request will neither be required nor be permitted to modify its bid. A Bidder may refuse the request without forfeiting its bid security. In any case the bid security of the Bidders will be returned after completion of the process.

(36) NO COMMITMENT TO ACCEPT LOWEST OR ANY OFFER/BID

The Bank shall be under no obligation to accept the lowest or any other offer received in response to this offer notice and shall be entitled to reject any or all offers without assigning any reason whatsoever. The Bank has the right to re-issue tender/bid. The Bank reserves the right to make any changes in the terms and conditions of purchase that will be informed to all Bidders. The Bank will not be obliged to meet and have discussions with any Bidder, and/or to listen to any representations once their offer/bid is rejected. Any decision of The Bank in this regard shall be final, conclusive and binding upon the Bidder.

(37) FORMAT FOR TECHNICAL OFFER/TECHNICAL BID

The Technical offer/Technical bid must be made in an organized and structured manner in the following form:

i. Index

ii. Covering letter (Annexure –I)

iii. Conformity to compliance of Broad Scope of Work of the RFP on bidder’s letter head

iv. Conformity to compliance of eligibility Criteria mentioned in RFP on bidder’s letter head

v. Conformity to compliance of technical & functional specifications on bidder’s letter head

vi. General Details of the Bidder (Annexure –II)

vii. Letter for Authorized representative / undertakings as per eligibility and scope.

viii. Letter for acceptance and compliance of all the Terms and Conditions of RFP.

ix. Valid Bank Draft / Pay order/ Bank Guarantee as EMD.

tax. Valid Bank Draft/ Pay order as Bid price if tender document Is downloaded from Bank’s
website

xi. Bidder’s Financial Details (audited balance sheets etc.) and other supporting documents, as asked in the RFP.

**Note:** All Claims made by the Bidder will have to be backed by documentary evidence. The bidder is expected to examine all instructions, forms, terms and specifications in the RFP. Failure to furnish all information required or to submit a Bid not substantially responsive to the in every respect will be at the Bidder’s risk and may result in the rejection of the Bid.

**(38) COSTS OF PREPARATION & SUBMISSION OF BID**

The Bidder shall bear all costs associated with the preparation and submission of its Bid and the Bank will in no case be responsible or liable for these costs, regardless of the conduct or outcome of the Bidding process.

- If any information / data / particulars are found to be incorrect, bank will have the right to disqualify / blacklist the company and invoke the bank guarantee/ forfeit the EMD.
- All communications, correspondence will be only to the prime bidder. Any partner/sub contractor has to communicate only through the prime bidder. The prime bidder will act as the single point of contact for the bank.
- Bank reserves it right to cancel the order even after placing the letter of Intent (LOI) / Purchase Order, if bank receives any directions / orders from Statutory Body / RBI/Govt. of India in a nature that binds the bank not to take the project forward.

**(39) CONFIDENTIALITY OF THE BID DOCUMENT**

The Bidder, irrespective of his/her participation in the bidding process, shall treat the details of the documents as secret and confidential.

**(40) OWNERSHIP AND RETENTION OF DOCUMENTS**

The Bank shall own the documents, prepared by or for the selected Bidder arising out of or in connection with the Contract.
Forthwith upon expiry or earlier termination of the Contract and at any other time on demand by The Bank, the Bidder shall deliver to The Bank all documents provided by or originating from The Bank / Purchaser and all documents produced by or from or for the Bidder in the course of performing the Service(s), unless otherwise directed in writing by The Bank at no additional cost.

The selected Bidder shall not, without the prior written consent of The Bank/ Purchaser, store, copy, distribute or retain any such Documents.
The selected Bidder shall preserve all documents provided by or originating from The
Bank / Purchaser and all documents produced by or from or for the Bidder in the course of performing the Service(s) in accordance with the legal, statutory, regulatory obligations of The Bank /Purchaser in this regard.

(41) Patent Rights

In the event of any claim asserted by a third party of infringement of copyright, patent, trademark, industrial design rights, etc., arising from the use of the Goods or any part thereof in India, the Vendor shall act expeditiously to extinguish such claim. If the Vendor fails to comply and the Bank is required to pay compensation to a third party resulting from such infringement, the Vendor shall be responsible for the compensation to claimant including all expenses, court costs and lawyer fees. The Bank will give notice to the Vendor of such claim, if it is made, without delay. The Vendor shall indemnify the Bank against all third party claims.

(42) Compliance with Statutory and Regulatory Provisions

It shall be the sole responsibility of the Vendor to comply with all statutory, regulatory & Law of Land and provisions while delivering the services mentioned in this RFP.

(43) INTELLECTUAL PROPERTY INDEMNITY & INDEMNITY AGAINST MISUSE OF LICENSE

The selected vendor has to undertake to indemnify J&K GRAMEEN Bank and its officers, employees and agents against liability, including costs, for actual or alleged direct or contributory infringement of, or inducement to infringe, any Indian or foreign patent, trademark or copyright, arising out of the performance of this contract.

The selected vendor shall have to undertake to indemnify J&K GRAMEEN Bank and its officers, employees and agents against liability, including costs, for actual or alleged direct or contributory infringement or misuse by vendor of, any license issues arising out of the execution of this contract.
(44) Evaluation Process

The selection of the bidders shall be based on Quality cum Cost Based Selection (QCBS) Methodology i.e. the aggregate scores of the prequalification and technical bid (60% weightage) and Commercial bids (40% weightage). The percentage weights that shall be assigned to different modules in case of Technical evaluation are as under;

1. Product definition/parameterization 15
2. Interfaces 20
3. MIS Reporting 10
4. Fraud Management 10
5. Technology used 10
6. Client List 10
7. User friendliness 05
8. Conformity to Scope of Work 20

FINANCIAL & FINAL BID EVALUATION:

Financial bids of those bidders will be opened who obtain minimum qualifying technical scores of 65. The technical score shall be evaluated as per the methodology described above.

Commercial quotes shall be evaluated as per the following procedure:

Financial Marks = (Minimum Financial quote / Financial Quote) X 100

Where Financial Marks = Normalized financial marks of the bidder under consideration.

Financial Quote = Evaluated cost of bidder under consideration

Minimum Financial quote = Minimum evaluated cost of any bidder

Final score for Evaluation of bids shall be worked out as under:
Final Scores = (0.6 x Technical Marks) + (0.4 x Financial Marks)

Where

Final Scores = Overall evaluated marks (score) of Bidder under consideration

Technical Marks = Technical marks (score) for the Bidder under consideration

Financial Marks = Normalized financial marks (score) of the Bidder under consideration

Covering Letter – Annexure -I

Tender Reference No.: ________________ Date: ____________

Sr. Manager J&K GRAMEEN Bank,
______________________________

Dear Sir,

Sub: Your RFP for “End-to-End ATM Switching Services on Hosted/Application Service Provided/Pay Per Transaction Model” Ref No. __________ dated __________

With reference to the above RFP, having examined and understood the instructions including all annexure, terms and conditions forming part of the Bid, we hereby enclose our offer for End-to-End ATM Switching Services on Hosted/Application Service Provided/Pay Per Transaction Model and Providing Switch Managed Services in the RFP document forming Technical as well as Commercial Bids being parts of the above referred Bid.

In the event of our selection by The Bank for End-to-End ATM Switching Services on Hosted/Application Service Provided/Pay Per Transaction Model and Providing Switch Managed Services, we will submit a Performance Guarantee for a sum equivalent to 15% of the cost payable for 2 years period to be valid for a period of five years in favour of J&K GRAMEEN BANK effective from the month of execution of Service Level Agreement or successful go live whichever is earlier.

Further we agree to abide by the terms and conditions of this tender and our offer shall remain valid for 180 days from the date of commercial bid opening and our offer shall remain binding upon us which may be accepted by The Bank any time before expiry of 180 days.

Until a formal contract is executed, this tender offer, together with the Bank’s written acceptance thereof and Bank’s notification of award, shall constitute a binding contract between us.
We understand that The Bank is not bound to accept the lowest or any offer the Bank may receive. We also certify that we have not been blacklisted by any PSU Bank/IBA/RBI during the last five years and also at the time of bid submission.

We enclose the following Demand Drafts/Pay Orders:

1. DD /PO No. _______ dated _____ for `5,000/- (Rupees Five Thousand Only) as Cost of RFP Document &
2. DD/PO/BG No. _______ dated _______ for `5,00,000/- (Rupees Five Lacs only) as EMD.

Both DDs are issued in favour of J&K GRAMEEN BANK by ..............................................................
Bank,
.............................................................. Branch payable at Jammu.

Dated this ___ day of ______ 2013

Signature: ...........................................................(In the Capacity of) __________

General Details of the Bidder – Annexure – II

Name of the Bidder:

Registered Address:
B. FINANCIAL POSITION OF BIDDER FOR THE LAST THREE FINANCIAL YEARS

<table>
<thead>
<tr>
<th></th>
<th>2010-11 (audited)</th>
<th>2011-12 (audited)</th>
<th>2012-13 (audited)</th>
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<tbody>
<tr>
<td>Paid up capital</td>
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<tr>
<td>Tangible Net Worth (excluding revaluation reserve)</td>
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<tr>
<td>Total Outside Liabilities/Tangible Net Worth</td>
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<tr>
<td>Net Sales of the Company as a whole.</td>
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<tr>
<td>Out of the above Net Sales, Net Sales from services</td>
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<tr>
<td>Gross Profit</td>
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<tr>
<td>Net Profit (Profit After Tax)</td>
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</table>

Summary of Financial Position and working results

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<tbody>
<tr>
<td>Growth in Operations (%)</td>
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<tr>
<td>Growth in profitability (%)</td>
</tr>
</tbody>
</table>

N.B. Enclose copies of Audited Balance Sheets along with enclosures duly signed & stamped
C. Proposed Service details in brief

Description of service:

Details of similar service provided to banks in India specifying the number of Banks and branches

In PSU banks

In non-PSU banks

D. Details of Experience in End-to-End ATM Switching Services on Hosted/Application Service Provided/Pay Per Transaction Model

(i)

<table>
<thead>
<tr>
<th>PSU</th>
<th>Name of Bank</th>
<th>Period</th>
<th>From</th>
<th>To</th>
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(ii)

<table>
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<tr>
<th>Non-PSU</th>
<th>Name of Bank</th>
<th>Period</th>
<th>From</th>
<th>To</th>
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N.B. Enclose copies of Purchase Orders as references.