

TENDER DOCUMENT  
FOR  
Selection of Vendors  
For  
Providing Core Banking Software on ASP Model  
in  
U P State Co-operative Bank Ltd.,  
Lucknow, Uttar Pradesh.

उत्तर प्रदेश कोआपरेटिव बैंक लि०

मख्यालय : 2. महात्मा गांधी मार्ग. लखनऊ-226 001

**Tender Document No:** \_\_\_\_\_

**Issued to:**

**No. of pages**

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## Instructions to the bidder

U.P. Cooperative Bank Limited, Head Office 2 Mahatma Gandhi Marg, Lucknow- 226001 has been nominated "Implementing & Monitoring Agency" by Uttar Pradesh Government, Sahkarita Anubhag – 1 vide its office order no. 584/49-1-13-8(35)/13 dated 04/04/2013 for Providing Core Banking Software on ASP Model

Keeping in mind the directive of governing bodies of the Banking and Co-operatives, U P State Co-operative Bank Ltd., takes the initiative to computerize all its branches and other entities to be the part of the Core Banking Project.

The details of the tender are given below:

Tender Document Reference No.	COOP BANK/CBS/ASP/2013-2014/01
Tender Document Fee	Rs.5000/- (Five Thousands Only)
Earnest Money Deposit (EMD)	Rs. 500000/- (Five Lakhs Only)
'TENDER DOCUMENT' Document will be available on our website <a href="http://www.upcbl.in">www.upcbl.in</a>	5 <sup>th</sup> May ,2013
Pre bid meeting (The bidder who has purchased the tender document as instructed will be eligible to take part in pre bid meeting ) Please mail your query on mail id <a href="mailto:upcb.lucknow@gmail.com">upcb.lucknow@gmail.com</a> before 26 <sup>th</sup> April 2013 so that proper responses can be posted on bank's web site timely.	12 <sup>th</sup> May 2013 at 12:00 PM , U P Cooperative Bank Limited, Head Office, 9 <sup>th</sup> Floor, Meeting Hall, 2 Mahatma Gandhi Marg, Lucknow – 226001
Last Date and Time of Technical and Financial Bids Submission	27 <sup>th</sup> May 2013 , 3.00 P.M.
Venue , Date and time of opening of Technical Bids and Presentation , except Financial Bids	27 <sup>th</sup> May 2013,U P Cooperative Bank Limited,Head Office, 9 <sup>th</sup> Floor, Meeting Hall, 2 Mahatma Gandhi Marg, Lucknow – 226001
Address for Submission of Bids	The Managing Director, U P Cooperative Bank Limited,(Head Office), 2, Mahatma Gandhi Marg, Lucknow – 226001
Contact Person	Mr. Pankaj Pandey, Manager (IT), U P Cooperative Bank Limited, 2,Mahatma Gandhi

Please note that all the information desired needs to be provided only in the form and formats specified in this Tender Document.

1. Response should contain only the desired information. Incomplete information in these areas may lead to rejection of bids.
2. UPCB reserves the right to change the dates mentioned above. Changes and clarification, if any, related to Tender Document will be posted on web site. Bidders must have close watch on website during the intervening period before submitting response to Tender Document.
3. Bidders must plan for presentation and site visit well in advance as UPCB will undertake the same immediately after submission of bids.
4. Bidders may please note that under no circumstances last date of submission of the bids will be extended by UPCB.

# **SECTION – I**

## **1. Introduction and Disclaimers**

### **1.1. Purpose of Tender Document**

The objective of this selection process is the automation of all the activities of the Bank and creation of all the necessary IT infrastructure that may be needed for such a venture, in order to meet the futuristic requirements of professional banking and financial sector on a ASP model with using the current infrastructure like Data Centre and its components located at the Head office, 2 Mahatma Gandhi Marg, Hazratganj, Lucknow.

### **1.2. Information Provided**

The tender document contains statements derived from information that is believed to be relevant at the date but does not purport to provide all of the information that may be necessary or desirable to enable an intending contracting party to determine whether or not to enter into a contract or arrangement with BANK. Neither BANK nor any of its employees, agents, contractors, or advisers gives any representation or warranty, express or implied, as to the accuracy or completeness of any information or statement given or made in this document. Neither BANK nor any of its employees, agents, contractors, or advisers has carried out or will carry out an independent audit or verification exercise in relation to the contents of any part of the document.

### **1.3. Disclaimer**

Subject to any law to the contrary, and to the maximum extent permitted by law, BANK and its officers, employees, contractors, agents, and advisers disclaim all liability from any loss or damage (whether foreseeable or not) suffered by any person acting on or refraining from acting because of any information including forecasts, statements, estimates, or projections contained in this Tender Documenter conduct ancillary to it whether or not the loss or damage arises in connection with any negligence, omission, default, lack of care or misrepresentation on the part of BANK or any of its officers, employees, contractors, agents, or advisers.

### **1.4. Costs to be borne by Respondents**

All costs and expenses incurred by Respondents in any way associated with the development, preparation, and submission of responses, including but not limited to; the attendance at meetings, discussions, demonstrations, etc. and providing any additional information required by BANK, will be borne entirely and exclusively by the Respondent.

## **1.5. No Legal Relationship**

No binding legal relationship will exist between any of the Respondents and BANK until execution of a contractual agreement.

## **1.6. Recipient Obligation**

The Recipient must conduct its own investigation and analysis regarding any information contained in the tender document and the meaning and impact of that information.

## **1.7. Evaluation of Offers**

Each Recipient acknowledges and accepts that BANK may in its absolute discretion apply selection criteria specified in the document for evaluation of proposals for short listing / selecting the eligible vendor(s). The tender document will not form part of any contract or arrangement, which may result from the issue of this document or any investigation or review, carried out by a Recipient.

## **1.8. Errors and Omissions**

Each Recipient should notify BANK of any error, omission, or discrepancy found in this Tender Document.

## **1.9. Acceptance of Terms**

A Recipient will, by responding to BANK for tender document, be deemed to have accepted the terms of this Introduction and Disclaimer.

## **1.10. Tender Document**

Recipients are required to direct all communications related to this Tender Document, through the Nominated Point of Contact person:

**Contact: Pankaj Pandey**

**Position: Manager (IT)**

**Email: [pankajpandeyupcbtender@yahoo.com](mailto:pankajpandeyupcbtender@yahoo.com)**

BANK may, in its absolute discretion, seek additional information or material from any respondents after the Tender Document closes and all such information and material provided must be taken to form part of that Respondent's response. Respondents should provide details of their contact person, telephone, fax, email and full address(s) to ensure that replies to Tender Document could be conveyed promptly. If BANK, in its absolute discretion, deems that the originator of the question will gain an advantage by a response to a question, then BANK reserves the right to communicate such response to all Respondents. BANK may, in its absolute discretion, engage in discussion or negotiation with any Respondent (or simultaneously with more than one Respondent) after the Tender Document closes to improve or clarify any response.

## **1.11. Notification**

BANK will notify all short-listed Respondents in writing or by mail as soon as practicable about the outcome of their Tender Document. BANK is not obliged to provide any reasons for any such acceptance or rejection.

## **2. Background**

### **2.1. About Cooperative banks Short Term Cooperative Credit Structure (STCCS)**

Cooperative Banks come under three tiers of Short Term Cooperative Credit Structure (STCCS).

Following table shows the brief description of STCCS of state of Uttar Pradesh.

Three tier Cooperative Credit Structure

Apex bank	UPCB	28 –Branches 39- Pay Offices 17 -Regional Offices
Central bank	DCCBs	50 –DCBs 1349-Branches
PACS	PACS	7479

#### **U.P. Co-operative Bank Ltd.**

Uttar Pradesh Co-operative Bank Limited established in 1944 is the apex bank of Cooperative Credit Societies in the State. Beside the State Government 50 district Cooperative Bank and 10 Apex Cooperative bodies is its member. It is a Scheduled Bank. The Bank has 79 offices including 28 branches, 34 pay offices and 17 regional offices (RO). In addition the Bank also regulates The Cadre Authority of the secretaries/senior managers of district cooperative banks and secretaries of primary agricultural credit cooperative societies. The main objective of the bank is to exercise fiscal discipline over district/central cooperative banks, given them professional advice as also to play the role of a balancing center. This apex bank, besides its own financial resources, obtains loans on concessional interest rates from NABARD and through district cooperative banks extends refinance facilities for short term and medium term loans for agricultural production and other allied works. The bank besides agricultural production, extends financial assistance to agriculture-based large and medium processing industries like sugar factories, spinning mills, rice mills, oil mills, vegetable oil mills, solvent extraction plants, cottage industries, cold storage, handloom, agriculture, rural development banks, cooperative housing society, marketing federation, sugar cane society, State Sugar Mills Corporation and NAFED.



## **DCCBs**

There are 50 DCCBs in the state of UP. The main objective is to provide agriculture (STCCS) in form of cash and fertilizer inputs through their affiliated PACS. There are 1349 no of branches in the state with 7479 PACS affiliated to them. DCCBs mobilize their resources through deposits and by obtaining refinance from NABARD through APEX bank. They also exercise financial discipline over the affiliated societies and ensuring smooth flow of credit. The DCCBs also provide loans to diversified sectors e.g. Salary earner societies, sugar mills, consumer durables, personal loan, taxi loan etc... . The main aim of DCCBs is to keep their cost of fund at the minimum and earning from the interest at the highest to increase their financial margin. In lack of computerization the DCCBs are not only losing their prime customers but as well as they are unable to implement the ALM system to take advantage of deregulated interest rate regime. In other words the management of funds is also being adversely affected.

## **PACS**

Cooperative banks come under 3 tier Short Term Cooperative Credit Structure. There are 50 DCCBs in the state of Uttar Pradesh with its around 1349 branches and One Apex Cooperative bank at state level (UPCB) with its 28 branches. 15 DCBs has been covered under CBS system and each bank has its own data centre thus 15 independent data centre are there in the state.

There are 7479 PACS in the state of UP. The PACS are lower tire of 3 tire STCCS delivery system. The main function of PACS is to provide crop loan to its member in form of cash & kind (Agriculture inputs). Their main source of fund is borrowing from DCCBs by which they are affiliated. They also take deposits from the members. They also act as purchase centre for various crops (Wheat, Paddy etc).

## **2.2. Project Objectives (SCOPE of Work)**

This invitation is for selection of prime vendors for undertaking the following activities which are interdependent but mutually exclusive for the automation of UP State Co-op. Bank Ltd., and other District Co-op. Banks of the state who is willing to be part of this initiative. .

- **Supply, Installation, Training and Commissioning (SITC) of Core Banking Solution and allied components on ASP Model using the UP State Co-op. Bank Infrastructure like Data Centre and its components. (Please refer Annexure-III for the existing infrastructure at UPCB Data Centre)**
- **Supply, Installation, Training and Commissioning (SITC) of Core Banking Solution and allied components on ASP Model at the DR Site selected by the UP State Co-op. Bank Ltd. (Data Centre of Gaziabad District Central Co-op. Bank Ltd.,) (Please refer Annexure – IV for existing infrastructure details of Gaziabad DCB Data Centre)**
- **Upgrading the Data centre and DR Site components such as Servers, Routers, Storage etc. to accommodate the new additional branches/bank at vendor's own cost.**

- Undertaking all the required technical, Project Management services and implementation related support services for complete Project Management.

**Broad scope of work is listed in Section –II of the document.**

### **3. Instruction to Bidders**

The Bidder [Service Provider] is expected to examine all instructions, forms, terms and specifications in the bidding documents. Failure to furnish all information required by the bidding documents may result in the rejection of its bid and will be at the bidder's own risk.

#### **3.1. Amendment to the bidding document**

1. At any time prior to the deadline for submission of Bids, the Bank, for any reason, may modify the Bidding Document, by amendment.
2. The amendment will be posted on Banks website www.upcbl.in
3. All Bidders [Service Provider] must ensure that such clarifications have been considered by them before submitting the bid. Bank will not have any responsibility in case some omission is done by any bidder.
4. In order to allow prospective Bidders [Service Provider] reasonable time in which to take the amendment into account in preparing their Bids, the Bank, at its discretion, may extend the deadline for the submission of Bids.

#### **3.2. Language of Bid**

The bid prepared by the Bidders [Service Provider], as well as all correspondence and documents relating to the Bid exchanged by the Bidder and the Bank and supporting documents and printed literature shall be written in English.

#### **3.3. Two bid system offer**

- a) The RFP methodology adopted is “Two Bid System” i.e. Technical Bid and Financial Bid.
- b) The **Technical Bid** should be placed in a sealed non-window cover super-scribed with “ Tender Document No..... – TECHNICAL BID – for RFP for selection of vendors for Providing Core Banking Software on ASP Model”. The Technical Bid as per **Annexure – 1** should be organized in proper manner and should be submitted as per the following sequence:
  - Table of Contents ( List of documents enclosed) ;
  - Earnest Money Deposit (EMD) in the form of Demand Draft of Rs. 5,00,000/- (Five Lacs Only) in favour of Uttar Pradesh Cooperative Bank Limited payable at Lucknow ;
  - Cost of Tender Document in the form of Demand Draft of Rs. 5000/- (Rupees Five Thousands Only) in favour of Uttar Pradesh Cooperative Bank Limited payable at Lucknow ;
  - Technical proposal with detailed components/activities broken down, Technology Firm/ Company Required for the Implementation of Project and manpower estimated to be deployed.
  - All copies of certificates, documentary proofs etc. ;
  - The Technical Bid should be supported with a detailed power point or real time presentation covering methodology and total scope of work.
  - The Technical offer should be complete in all respects and contain all information asked for except prices. The Technical Offer should not contain any price information.
- c) The Financial Bid as per Annexure – 2\_ should be placed in a sealed non window cover super-scribed with with “ Tender Document No.....– FINANCIAL BID – for RFP for selection

of vendors for Providing Core Banking Software on ASP Model”. The financial offer should give all relevant price information. Conditional offer shall be liable to be rejected.

d) The Technical and Financial offers must be submitted separately. It may be noted that if any envelope is found to contain both technical and financial offers, such offer will be summarily rejected.

e) Both the sealed envelopes containing offers must be addressed and submitted to the Bank at the same time directly as under and must be put in to a main envelope in sealed condition giving full particulars at the UPCB’s address given below, on or before 03.00 p.m., 10th May,2013 . The bid submitted anywhere else is liable to be rejected.

The Managing Director, Uttar Pradesh Cooperative Bank Limited, Head Office, 2 Mahatma Gandhi Marg, Lucknow – 226001.

f) Offers received after the last date and time specified above will be summarily rejected. All envelopes should be securely sealed and stamped.

g) All the relevant pages of the proposals (except literatures, datasheets and brochures) are to be numbered and signed by authorized signatory on behalf of the Bidder.

h) The number should be a unique running serial number across the entire document.

i) **The bidder has to submit a soft copy of the entire proposal in a CD in a single file of word format.** It should be noted that in case of any discrepancy in information submitted by the bidder in hard-copy and soft-copy, the hard-copy will be given precedence. However, in case of non-submission of any hard copy document, if the same is found submitted in the soft-copy, Bank reserves right to accept the same at its discretion.

j) It may be noted that all queries, clarifications, questions etc., relating to this ‘Tender Document’, technical or otherwise, must be raised in Pre Bid Meeting. Bidders should provide their E-mail address in their queries without fail.

k) The proposal should be prepared in English. The e-mail address and phone/fax numbers of the bidder should also be indicated on the sealed cover.

l) Bids submitted by FAX or email will not be considered for evaluation.

### **Registration of ‘Tender Document’:**

Registration will be affected upon ‘UPCB’ receiving the ‘Tender Document’ response in the above manner. The registration must contain all documents, information, and details required by this ‘Tender Document’. If the submission to this ‘Tender Document’ does not include all the information required or is incomplete or submission is through Fax/ email mode, the ‘Tender Document’ is liable to be rejected. All submissions, including any Banking documents, will become the property of ‘UPCB’.

### **‘Tender Document’ Validity Period:**

‘Tender Document’ will remain valid and open for evaluation according to the terms for a period of at least six (6) months from the time the ‘Tender Document’ submission process closes on the deadline for lodgment of ‘Tender Documents’.

### **Notification**

‘Uttar Pradesh Cooperative Bank (UPCB)’ will notify the successful respondents in writing as soon as practicable about the outcome of the ‘Tender Document’ evaluation process. ‘UPCB’ is not obliged to provide any reasons for any such acceptance or rejection.

### **Disqualification**

Any form of canvassing / lobbying / influence / query regarding short listing, status etc will be a disqualification;

### **Requests for Information**

Respondents are required to direct all communications related to this ‘Tender Document’, including notification of late ‘Tender Document’ submission, through the Nominated Point of Contact person i.e. The Managing Director, 2- Mahatma Gandhi Marg, Lucknow - 226001.

All queries relating to the ‘Tender Document’, technical or otherwise, must be in writing only to the Nominated Point of Contact. ‘UPCB’ will not answer any communication initiated by Respondents otherwise than the pre bid meeting. However, ‘UPCB’ may in its absolute discretion seek, but under no obligation to seek, additional information or material from any Respondent after the ‘Tender Document’ closes and all such information and material provided must be taken to form part of that Respondent’s response. Respondents should invariably provide details of their email address (es), as responses to queries will only be provided to the Respondent via email. If ‘UPCB’ in its absolute discretion deems that the originator of the question will gain an advantage by a response to a question, then ‘UPCB’ reserves the right to communicate such response to all Respondents. ‘UPCB’ may in its absolute discretion engage in discussion or negotiation with any Respondent (or simultaneously with more than one Respondent) after the ‘Tender Document’ closes to improve or clarify any response.

Price bids containing any deviations or similar clauses may be summarily rejected.

## **3.4. Bid Currency**

Bids to be quoted in Indian Rupee only.

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

The intending bidders should pay along with Technical Bids an **Earnest Money Deposit of Rs. 5, 00,000/- (Rupees Five Lacs only)**. The EMD shall be paid by Demand Draft drawn in favor of “Uttar Pradesh Cooperative Bank Limited”, payable at Lucknow. The EMD will not carry any interest.

The EMD and Tender cost should be kept in original Technical Offer being submitted to the Bank.

The EMD made by the bidder will be forfeited if:

1. The bidder withdraws his tender before processing of the same.
2. The bidder withdraws his tender after processing but before acceptance of “Letter of appointment” issued by Bank.
3. The bidder violates any of the provisions of the terms and conditions of this Tender specification.

### 3.6. Tender document fee

The intending bidders should pay in advance an **Application Money of Rs. 5000/- (Rupees Five thousand only)** for the purchase of Tender document. The application money shall be paid by Demand Draft drawn in favor “Uttar Pradesh Cooperative Bank Limited”, payable at Lucknow. The application money is non-refundable.

### 3.7. Pre bid Meeting

The pre bid conference shall be held on 12<sup>th</sup> May 2013 from 12 p.m. to 1.00 p.m. at 9<sup>th</sup> floor meeting hall of U.P. Cooperative Bank Limited, Mahatma Gandhi Marg, Lucknow. It would be mandatory to bring the Original Demand Draft for Tender Document Application Money of Rs. 5000/- in the pre bid meeting. The Demand Draft should bear the name and address of the bidder on its back. The original demand draft shall be returned in the meeting itself for subsequent submission at the time of Technical bid. This practice is resorted to keep the pre bid meeting limited to serious bidders only.

### 3.8. Performance Guarantee

The ASP shall provide a performance guarantee in favour of the Bank for Rs. ----- (Rupees -----only) for the period of this agreement representing equivalent of 2% of the Total Contract Value (Agreed Monthly Fees per branch \* Total Number of Branches as on the date of Agreement \* 60). Such contract value shall be reckoned with the limited purpose of computation of the amount of Performance Bank Guarantee.

### 3.9. Period of Validity of Bids

- a) Prices and other terms offered by Bidders must be firm for an acceptance period of **three (3) months** from date of closure of this Tender Document.
- b) In exceptions circumstances the Bank may solicit the Bidders consent to an extension of the period of validity. The request and response thereto shall be made in writing. The Bid security provided shall also be extended.

### 3.10. Deadline for submission of Bids

- a) The bids must be received by the Bank at the addressed specified, no later than \_\_\_\_\_.
- b) In the event of the specified date for the submission of bids, being declared a holiday for the Bank, the bids will be received up to the appointed time on the next working day.
- c) The Bank may, at its discretion, extend the deadline for submission of Bids by amending the Bid Documents, in which case, all rights and obligations of the Bank and Bidders previously subject to the deadline will thereafter be subject to the deadline as extended.

### **3.11. Late Bids**

Any bid received by the Bank after the deadline for submission of bids prescribed by the Bank will be rejected and returned unopened to the bidder.

### **3.12. Modification And / Or Withdrawal of Bids:**

- a) The Bidder [Service Provider] may modify or withdraw its bid after the bid's submission, provided that written notice of the modification including substitution or withdrawal of the bids is received by the Bank, prior to the deadline prescribed for submission of bids.
- b) The Bidder [Service Provider] modification or withdrawal notice shall be prepared, sealed, marked and dispatched. A withdrawal notice may also be sent by Fax, but followed by a signed confirmation copy, postmarked no later than the deadline for submission of bids.
- c) No bid may be modified after the deadline for submission of bids.
- d) No bid may be withdrawn in the interval between the deadline for submission of bids and the expiration of the period of bid validity specified by the bidder on the bid form. Withdrawal of a bid during this interval may result in the bidder's forfeiture of its EMD.
- e) Bank has the right to reject any or all tenders received without assigning any reason whatsoever. Bank shall not be responsible for non-receipt / non-delivery of the bid documents due to any reason whatsoever.

### **3.13. Opening of Bids by the Bank**

- a) On the scheduled date and time, bids will be opened by the Bank Committee in presence of Bidder [Service Provider] representatives.
- b) The Bidder [Service Provider] name and presence or absence of requisite EMD, Tender Document cost and such other details as the Bank, at its discretion may consider appropriate will be announced at the time of technical bid opening. No bid shall be rejected a bid opening, except for late bids which shall be returned unopened to the Bidder.
- c) Bids that are not opened at Bid opening shall not be considered further for evaluation, irrespective of the circumstances. Withdrawn bids will be returned unopened to the Bidders.

### **3.14. Clarification of bids**

During evaluation of Bids, the Bank, at its discretion, may ask the Bidder for clarification of its Bid. The request for clarification and the response shall be in writing (Fax/e-Mail), and no change in the substance of the Bid shall be sought, offered or permitted.

### **3.15. Preliminary Examinations**

- a) The Bank will examine the Bids to determine whether they are complete, the documents have been properly signed; supporting papers/documents attached and the bids are generally in order.
- b) The Bank may, at its sole discretion, waive any minor infirmity, nonconformity or irregularity in a Bid which does not constitute a material deviation, provided such a waiver does not prejudice or affect the relative ranking of any Bidder.
- c) Prior to the detailed evaluation, the Bank will determine the substantial responsiveness of each Bid to the Bidding document. For purposes of these Clauses, a substantially 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, performance security, qualification criteria, insurance, Force Majeure etc will be deemed to be a material deviation. The Bank's determination of a Bid's responsiveness is to be based on the contents of the Bid itself, without recourse to extrinsic evidence. The Bank would also evaluate the Bids on technical and functional parameters including possible visit to inspect live site/s of the bidder, witness demos, bidders presentation, verify functionalities / response times etc.
- d) If a Bid is not substantially responsive, it will be rejected by the Bank and may not subsequently be made responsive by the Bidder by correction of the nonconformity.
- e) The Bidder is expected to examine all instructions, forms, terms and specification in the Bidding Document. Failure to furnish all information required by the Bidding Document or to submit a Bid not substantially responsive to the Bidding Document in every respect will be at the Bidder's risk and may result in the rejection of its Bid.



### 3.16. Disclaimer

In case service provider fails to achieve compliance level of services successively in two quarters or any three quarters in a financial year, BANK will reserve the right to re-look at the contract and redefine Service level agreement and penalty clauses to safeguard its interest.

## 4. Bid Evaluation Methodology

### 4.1. Introduction

1. The prospective Vendor must comply with general qualifications mentioned in **Section 4.2**
2. The Vendors will be evaluated on **QCBS (Quality cum Cost Basis Selection) System**. There will be weightage of 70% for Technical Bid and 30% for Commercial Bid.
3. A maximum of 70 marks will be allocated for the Technical Bid. The Vendors scoring less than 55 marks (cut-off score) out of 70 marks in the technical evaluation shall not be shortlisted for next stage of Commercial Bid evaluation process.
4. Vendors who are shortlisted based upon technical criteria may be asked, if necessary, to make a presentation/ demonstration on their product/solution at their own cost.
5. Bank will finalize appropriate and suitable technologies on the basis of proposed product/solution. Bank in its best interest reserves the right to reject/modify the proposed product/solution.
6. A maximum of 30 marks will be allocated for the Commercial Bid. The weightage for Commercial Bid will be calculated as follows:  
The lowest commercial offer will be awarded 30 marks. The other Vendors will be awarded weightage as per following formula:

$$\text{Weightage} = \text{Rate Quoted by the lowest Vendor} / \text{Rate quoted by the Vendor under consideration} \times 30.$$

### 4.2. Minimum Eligibility Criteria

1. The Vendor should be a Registered Company in India. The Vendor company should be ISO certified or of equivalent Standard.
2. Since this project is totally on ASP Model, no consortium is allowed. Only companies who have the ownership can participate in this selection process.
3. The vendor should be in the software development work in the field of Banking in India for at least 10 years, as on March 31, 2013.
4. The technical manpower available with the vendor for software development and support should be at least 50 who are on the rolls of the vendor for a minimum of 2 years.
5. The vendor should have developed and implemented software package for Retail Banking preferably for minimum three or more banks (preferably state Co-op. banks and District co-operative banks). Please also mention the name and contact details of client list and also enclose the work order copies and job completion certificates.

6. The vendor should have average annual turnover of at least Rs. 25 Crores for the last three years and should be in profit during this period. The vendor should submit the balance sheet and profit loss statement for the last three years as a supporting document.
7. The Vendor should have a readymade and proven Centralized Core Banking Software, inclusive of Disaster Recovery operations.
8. Proposed Core banking application software should meet the standards of all the statutory bodies.
9. Proposed Core banking application software must be certified by a reputed IS (Information System) auditor.
10. The vendor should be an Original Developer of the proposed Core banking application software. The vendor must acknowledge it in writing either in the form of written certificate on company's letter pad or in the form of an affidavit stating that the vendor is the original developer of the said CBS.

### 4.3. Application Service Provider (ASP) Selection / Evaluation Process:

The Technical Proposal will be evaluated first for technical suitability. The bidders will have to submit the Technical Proposal in the attached format - **Annexure – 1**. The evaluation of technical proposals, among other things, will be based on the following:

1. Professional qualifications and experience of the key staff proposed / identified for this assignment.
2. Methodology / Approach proposed for accomplishing the proposed project.
3. Activities / tasks, project planning, resource planning, effort estimate etc.
4. Other desired eligibility criteria as mentioned in the Tender document;

### 4.4. Technical Bid Evaluation Methodology:

Eligibility criteria of the Application Service Provider (ASP) shall be based on the various criterions as given in the table below. The technical proposal evaluation shall be based on the following scoring parameters:

Sl. No.	Particulars	Minimum Criteria	Maximum Marks	Evaluation criteria
1.	Years of establishment of the firm;	10 Years	10	More than 10 Yrs: 10 >= 5 Years < 10 Years: 6 < 5 Years : 3
2.	Own Local Office and Support Centre of the Vendor company in, Lucknow.	Should have full-fledged own local office and Support Centre in Lucknow	10	Local Office & Support Centre: 10
3.	Original Developer of the Core Banking Software	Should be Original developer of the CBS Software	10	Should be original developer of the CBS Software proposed
4.	Number of Technical Staff should be more than 50	50	5	Technical staff > = 50 : 5 Technical Staff < 50 >= 25: 3 Technical Staff < 25 >= 10: 1
5.	Turnover of the Company should be more than 25 Crores for the last three years	25 Cr.	5	Turnover >= 25 Cr. : 5
6.	Experience in District Co-operative bank CBS Computerisation	10 Years	10	Experience > = 10 years: 10 Experience >= 5 < 10: 5 Experience < 5 : 2

7.	Three DCBs/SCB on the same proposed solution	3 DCBs/SCBs	10	Three DCBs/SCBs: 10
8.	Upgradation of UPCB Data Centre for DC and Gaziabad DCB DC for DR without any additional cost	Agree	10	Completely Agree: 10

#### 4.5. Financial Bid Evaluation Criteria:

It may be noted the Bids which are technically qualified would be considered for Financial Bid evaluation. The bidders will have to submit the financial bid in the attached format - **Annexure – 2**. The ‘UPCB’ will notify the name of the Successful Bidder.

#### 4.6. Selection Methodology:

A two-stage procedure shall be adopted in evaluating the proposals. The selection will be done using Quality cum Cost Based Selection (QCBS) process. 70% weight age would be given to the Technical evaluation and 30% weight age would be given to the financial bid. Financial proposals of only the Technically Qualified & shortlisted Firms shall be opened. The evaluation committee will review the detailed content of each Financial Proposal. For Financial Evaluation, Overall Total Financial quote will be considered.

The final selection will be done on the basis of combined Techno-Commercial scoring. The proposal with the highest total score will be considered first for award of contract .No negotiation shall be conducted therefore the bidders are expected to quote their best price.

#### 4.7. Project Timelines:

It is expected that implementation at all the branches shall be completed in 12 months from the award of contract. Bidder has to submit a detailed project plan for implementation. An indicative time schedule for completion of the project is given below.

S. No.	Milestone	Duration (from the date of project initiation)
1.	Entering into agreement, project kick off meeting (one time)	By the end of 1 <sup>st</sup> week
2.	Gap Analysis, Customization, System Integration and Training (first batch)	By the end of 3 <sup>rd</sup> week

3.	UAT, Pilot implementation, data migration (First batch)	By the end of 6 <sup>th</sup> week
4.	Roll-out begins (continuously)	From the 7 <sup>th</sup> week
5.	Complete rollout	By the end of 12 <sup>th</sup> week

#### 4.8. General Terms and Conditions:

Adherence to Terms and Conditions:

The bidders who wish to submit responses to this ‘Tender Document’ should note that they should abide by all the terms and conditions contained in the ‘Tender Document’. If the responses contain any extraneous conditions put in by the respondents, such responses may be disqualified and may not be considered for the selection process. A line of confirmation to this effect is required along-with Technical Proposal.

#### 4.9. Broad terms and conditions of the Contract / Agreement:

As per **Annexure - V**

#### 4.10. Other terms and conditions:

‘Uttar Pradesh Cooperative Bank’ reserves the right to:

- Reject any and all responses received in response to the ‘Tender Document’
- Waive or Change any formalities, irregularities, or inconsistencies in proposal format delivery
- To negotiate any aspect of proposal with any bidder and negotiate with more than one bidder at a time
- Extend the time for submission of all proposals
- Select the most responsive bidder (in case no bidder satisfies the eligibility criteria in totality)
- Select the next most responsive bidder if negotiations with the bidder of choice fail to result in an agreement within a specified time frame.
- Share the information/ clarifications provided in response to ‘Tender Document’ by any bidder, with any other bidder(s) /others, in any form.
- Cancel the ‘Tender Document’ / Tender at any stage, without assigning any reason whatsoever.

**Professionalism:**

The Total Service Provider, Chartered Accountant Firm/ Management Consultant Firm should provide professional, objective and impartial advice at all times and hold the Bank's interests paramount and should observe the highest standard of ethics while executing the assignment.

**Adherence to Standards:**

The ASP should adhere to laws of land and rules, regulations and guidelines prescribed by various regulatory, statutory and Government authorities.

The 'UPCB' reserves the right to ascertain information from the banks and other institutions to which the bidders have rendered their services for execution of similar projects.

**Expenses:**

It may be noted that Bank will not pay any amount / expenses / charges / fees / traveling expenses / boarding expenses / lodging expenses / conveyance expenses / out of pocket expenses other than the "Agreed Professional Fee".

The bidder cannot change the 'Team Leader' during entire period of execution of the scope unless consented in writing by the Bank.

The bid should contain the resource planning proposed to be deployed for the project which includes, inter-alia, the number of personnel, skill profile of each personnel, duration etc.

The bidder is expected to quote for the prices of the services inclusive of applicable taxes as on the date of bid submission. Any upward / downward revision in the tax rates from the date of the bid submission will be to the account of the Bank

**4.11. Terms of Payment**

1. The fees payable will be at the rate of Rs. \_\_\_\_\_ (Rupees \_\_\_\_  
\_\_\_\_\_ only) per branch per month. This rate will remain fixed throughout the entire period of the contract i.e. till \_\_\_\_\_.
2. The above fees will be payable only from the date on which the branch moves on to CBS operation i.e. the day on which the branch data is migrated to CBS and the transactions are successfully carried out from the CBS system.

## **Section – II**

### **Objectives & Scope**

#### **of the implementation of**

### **1. Software Application and Functional Delsiverables**

Core Banking Solutions, HRMS, Salary Administration, Anti-Money Laundering (AML), Asset Liability Management (ALM), General Ledger and E-mail application through Intranet with functionalities including but not limited to the following:

#### **1. Core modules**

- a) General Ledger, Trial balance, Profit and Loss account, Balance Sheet
- b) Share capital accounting specific to co-operative banks
- c) Asset Liability Management
- d) Agency banking transactions and reconciliation
- e) Any branch banking
- f) Clearing house operations
- g) HO Accounting
- h) Basic Investments / Treasury Module
- i) Customer Information Module
- j) AML / KYC Module
- k) Signature & Photo Capture
- l) Security Module
- m) Financial Inclusion Module
- n) AADHAR (UIDAI) card capture & validation
- o) Basic HR & Pay-Roll
- p) Corporate E-mail system
- q) Bilingual (English with the applicable vernacular)

#### **2. Retail banking**

- a) Savings Bank accounts including no-frills account
- b) Current accounts
- c) All types of term deposits
- d) Recurring deposits
- e) Tax deduction at source & issuance of TDS Certificates to deposit holders
- f) Cheque book request
- g) Standing instructions
- h) Extension counter and main branch accounting
- i) Direct and Indirect tax collection and remittance
- j) Cash
- k) Clearing (through Service Branch module & other banks or through CTS wherever mandated by the RBI or other authorities)
- l) Safe Deposit Locker
- m) Audit Module (for the use of banks' own internal examiners as well as statutory auditors)

#### **3. Loans and Advances**

- a) Cash credit and overdraft
- b) Short term, medium term and long term loans, including agriculture loans with interest subvention and interest calculation without/with compounding
- c) Mortgage loans
- d) Kisan credit card operations ( various types)
- e) Gold loans for agriculture / rural development purposes
- f) Agricultural & Non-agricultural lending – Direct & on-lending under refinance scheme
- g) Asset classification (NPAs ) for Agricultural & Non-agricultural loans
- h) Re-scheduling/ restructuring of loans
- i) Borrowings from higher financing agencies
- j) Resetting of interest (back dated calculation of interest)
- k) Interest subvention including back dating
- l) Subsidy accounting
- m) Financing / Refinancing of PACS
- n) Maintaining Shadow accounts of PACS borrowers for reconciliation & monitoring

#### **4. Remittances and Services**

- a) Demand draft, pay order
- b) Electronic Clearing Services (ECS)
- c) Safe deposit lockers
- d) Card products
- e) Fixed Deposits
- f) Government securities
- g) Other Marketable Securities
- h) Stock Market Investments
- i) NEFT / RTGS service (for inter-bank transfers / remittance)
- j) Bills
- k) Remittance – AIMAS
- l) Direct & Indirect tax collection & Other Govt. Business like PPF etc. as applicable to bank

#### **5. Reporting and MIS, regulatory and other requirements**

- a) Basic statistical returns (BSR)
- b) Monthly balance sheet
- c) Anti-money laundering and KYC reporting
- d) Service tax deduction & accounting
- e) Detailed audit trail
- f) Statutory returns
- g) Audit schedules
- h) Inspection report schedules
- i) SLR/CRR maintenance and reporting
- j) Priority Sector Statements and Tax Collection reports
- k) Credit Information Bureau Reporting
- l) All regulatory / statutory reports as required from time to time

#### **6. Customer Information**

- a) Store customer details



- b) Link collaterals, limits and accounts to customers
- c) Personal and business customer profiles
- d) Name search facility
- e) Customer and account enquiries
- f) User defined relationships
- g) Customer passwords and data security
- h) Single view of all relationship across the branches

#### **7. Head Office Module with**

- a) Pay Roll
- b) Leave ,Training
- c) Fixed Assets
- d) Treasury (with interface to NDS)
- e) Share Accounting
- f) Cash Book
- g) Inter Branch & Bank Reconciliations
- h) General Ledger
- i) Consolidate GL & PL, Balance Sheet in the bank prescribed format

#### **8. Interfaces**

- a) Following interfaces are required to be built in the proposed solution:
- b) Payment Gateway\*
- c) Internet Banking\*
- d) Web Server
- e) RTGS /NEFT
- f) Mobile / SMS Banking\*
- g) ATM Switch (IDRBT / NPCI / Any other)
- h) PACS (Shadow Accounts & Reconciliation)
- i) AML Check List Data Feed
- j) Agricultural Commodities Market Data & Weather Data feed
- k) Depository System (NSDL / CDSL)
- l) Any Statutory / Regulatory systems (as applicable to Co-operative banks)

#### **9. Add-on Services (on optional basis)**

- a) Mobile & Internet Banking (as “add-on service”)\*
- b) ATM facility (as “add-on service”)
- c) Bancassurance (Corporate, Agent & Referral Mode) (as “add-on service”)
- d) Utility Bill payment (as “add-on service”)
- e) Depository Services (as “add-on service”)
- f) On-line Trading (as “add-on service”)

Price to be frozen in discussion with the ASP.

Currently, the add-on services are limited to develop interface between ASP provides applications / hardware / tools and any third party applications / hardware / tools.

Bank reserves the option to ask the ASP to arrange for all additional third party applications / tools / hardware in order to bring the entire additional service line under ASP model. However, prices for such service lines shall be decided through a tripartite negotiation between the banks willing to avail the services, UPGB and the ASP.

If, for any reason, no agreement emerges with regard to price or offer and the ASP is unable to provide such service offerings, the Bank will enjoy the right to go to other Service Providers in which case the current ASP shall extend necessary co-operation and assistance, beyond providing an interface patch, to integrate the new service line with the existing infrastructure and applications of the ASP.

## **2. Project Management Deliverables**

1. Deliverables in this Annexure are inclusive of, but not limited to, the following tasks to be accomplished by the ASP before branches migrate to CBS platform.
2. Deployment of Core Banking Solution (“CBS”)/ third-party applications/ identified delivery channels as stated in the VENDOR’S PROPOSAL.
3. Supply, install, train, customize, implement, rollout and maintenance of all applications & Hardware at UPCB DC and DR used by the ASP for providing services to banks in their day-to-day banking operations.
4. Setting up of all IT security infrastructures required at DC and DRC and branches and other administrative offices including HO.
5. Supply, install and maintain for the period of contract, the Antivirus for PCs at branches, PCs, Laptops & Servers at –DC and DRC.
6. ASP is required to do the Patch Management for the period of contract (OS, applications, DB and AV & other network security devices at DC DRC and branches, other administrative offices and HO). Patch Management will be done on Server OS and not on Desktops.
7. Setting up of separate database instance running on the server hardware for each of the participating SCBs/CCBs.
8. Installation of separate Application instance running on the server hardware for each of the participating SCBs/CCBs.
9. Setting up of Disaster Recovery Centre (DRC) with all the necessary connectivity and redundancy. Disaster Recovery set up shall be providing 100% capacity of the Data Centre.
10. Business Process Design and System Requirement Specification Document
11. Gap Analysis – discovery and documentation

12. Parameterisation
13. Customisation
14. Data Migration (data mapping, field validations, default values, gaps in data migration, manual data entry tool) Data entry to be done by respective banks.
15. Impact analysis
16. Auditing specific modules implementation
17. Techniques of generating various MIS / EIS reports from the solution provided.
18. Developing new audit reports / tools using the proposed solution.
19. Customizing MIS, Statutory and Regulatory Reports as listed in the VENDOR'S PROPOSAL and automating the process of Reports generation and distribution from the CBS and other applications.
20. Training for report writer facility to create new reports and modify existing reports.
21. Log analysis and monitoring.
22. Incidence analysis and reporting.
23. Implementing helpdesk logging-in system at the CBS desk for on-line recording of complaints.
24. The Vendor will be responsible to install the required applications / systems, training server at DC and also ensure connectivity including bandwidth to the training server, for the purpose of training at the training Centers. There will be no cost payable by the Bank for the application, database and operating system software installation at such training sites. The training hardware at the Data Center should at a minimum support 10 concurrent users. Respective bank to provide complete training infrastructure like training room, desktops, projectors, stationeries required for the training. Only Trainer, soft copy of user guide and hard copy of user guide will be provided by Mega soft.
25. Functional Training for users and Technical Trainings for technical users along with trainings for data entry operators for data entry tools developed by the ASP.
26. Development of Data Migration Tools and Data Entry Tools as required during the course of the project implementation.

27. Setting up of the bank level Helpdesk (L1), State Level Helpdesk (L2) and Central Helpdesk (L3) and making it operational before branch roll-out commences. The L1 Helpdesk will be manned by banks' personnel.
28. ASP shall set up a Project Office at Lucknow.
29. ASP shall have separate Project Manager for this project with separate Project Co-ordinator for each of the banks. Both Project Managers and the Project Co-ordinators must have adequate functional exposure to banking products and processes. ASP will create a Project Management Office comprising of personnel suited to deliver the Services.

## **1. Testing**

- a) Assisting the Bank to conduct successful "User Acceptance Test" ("UAT") testing for the purpose of ensuring that all the functionality requested for by them are available and functioning accurately.
- b) Providing Test Cases and preparing test data base for enabling the bank users.
  - a. Setting up a test environment at the state level to accommodate a minimum of 20 concurrent users to support simultaneous data migration testing and installation the applications including the customizations as per Bank's requirement and uploading live data of a sample branch in the test server.
  - b. Assisting the Bank in conducting all the tests and analyzing /comparing the results. ASP to provide 2 full time resources conversant in all business areas, for trouble-shooting during the entire UAT process.
  - c. Providing connectivity to test server at DC for the purpose of testing.
  - d. Fulfilling all requirements for the test environment like storage, computing environment etc.
  - e. Rectifying all bugs, programming errors, customization deficiencies etc. observed during the UAT before going live.
  - f. Maintaining appropriate program change control and version control for all the modifications / enhancements carried out during the implementation /testing phase.

## **2. Data Migration / Archiving - The ASP shall:**

- a. Ensure successful data migration from the legacy systems to the new environment.
- b. Provide all necessary data extraction tools.
- c. Formulate the “Data Migration Strategy” within 7 working days and process documents which will have to be reviewed and signed – off by the Bank prior to commencement of the data migration exercise.
- d. Factor all efforts to liaise, interact, develop tools, correspond etc., from the legacy systems to obtain the data as desired by the CBS solution while the Bank will make the existing data available from its legacy systems.
- e. Ensure entire data pertaining to live accounts (from the time of account opening or from the time the data is available) for accounts like term deposits, recurring deposits, loans and advances, SB/Current and operative accounts etc. should be migrated to the proposed solution for all the branches being converted to CBS. The history data should at least fulfill the objectives of printing backdated customer statements (for all products, accounts, and schemes supported by the legacy application- e.g. SB, Current /Cash credit A/C's, FDR & Term Loan full data) passbook, general ledger, profit & loss statements, trial balance, account master information, standing instructions and transaction history (including GL, P&L heads and other office accounts) and should also support printing MIS reports as desired by the Bank for the legacy data migrated.
- f. Migrate all outstanding entries with full history details from the legacy system to the new CBS application for the identified general ledger and profit and loss heads for future reconciliations. The ASP will need to get in a “Data Archival” solution to ensure that history data is migrated. The ASP as part of his pricing should build in the price of the tool, implementation and support.
- g. Convert the signatures into the formats required for uploading into the CBS system along with photographs.
- h. Provide support to the Bank for complete data cleaning and validation for all data migrated from the legacy systems to the new application.
- i. Liaise with the Bank’s Legacy solution provider team for development of the migration tool. The complete responsibility for migration is of the ASP. If legacy vendor is non-cooperative, ASP shall find an alternative solution.
- j. Convey to the banks, at least 30 days in advance from the date of migration, all the mandatory fields required for the functioning of the proposed

applications that are not available in the legacy systems and that needs to be obtained by the banks.

- k. Suggest the most suitable workaround to the Bank in the event the Bank is unable to obtain data with respect to all the mandatory fields.
- l. Develop of data entry programs / applications with appropriate validations/checks that may be required for the purpose of data migration at least 30 days in advance from the date of migration.
- m. Conduct training for the Branch personnel or any other third party data entry agencies during the time of data entry.
- n. Upload the data entered by the banks through the manual data entry screens, programs / applications.
- o. Impart training to the data migration team of the Bank with regards to but not limited to CBS data structure, field mapping requirements, field validations, default values and gaps in field mapping reports.
- p. Develop control reports for verification of the data both before and after migration.
- q. Develop reconciliation reports for reconciliation with legacy system post migration.

**3. Training & Handholding – The ASP shall provide :**

- a. Training for the Core team – bank-wise (Techno-functional training at the ASP’s facilities).
- b. Training for the Trainer – Bank-wise.
- c. User Training (before the live cut-over of the branches) by the banks’ Trainer Teams with contents, applications and connectivity.
- d. Job cards in English as well as the chosen vernacular language.
- e. Post-live handholding support (branch-wise for a period of 2 weeks).

<b>Sr. No.</b>	<b>Number of users in a Branch</b>	<b>Number of ASP Support personnel for 1st Week</b>	<b>Number of ASP Support personnel for 2nd Week</b>
1.	Up to 3 users	1	1
2.	4 to 6 users	2	2

3.	More than 6 users	1 person per 4 users	1 person per 5 users
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- f. Any other need-based training related to bank's technology driven operations that may be required for the new employees or refresher course for the existing employees at the agreed cost.

The Bank for each user, one (1) physical copy and one (1) electronic copy of documentation for each of the deliverables and online context-sensitive help module included in the software to enable the Bank's personnel to use and understand the operations of the deliverables. The Bank may make additional copies of the Bank- specific Documentation for their internal use.

- g. Forms prepared by them to the trainees for obtaining feedback and obtain feedback from the participants.

**4. Implementation and Roll out – The ASP shall :**

- a. Ensure complete project implementation including infrastructure set-up, procurement and installation of hardware, network equipment, storage, back-up tools, software applications, customisation, data migration including data validation and roll-out to all existing and future branches that may be opened, added, acquired, merged and amalgamated by the Bank.
- b. Set up the live server at the DC and DRC. The DRC should be deployed at a 100% capacity of the DC for the hardware, processing and security.
- c. Install software application/s with necessary customizations and testing.
- d. Set all the parameters in the applications as accepted in the test environment. The ASP shall be responsible for accuracy of the parameters set according to business needs of the banks.
- e. Migrate and archive the branch data as required by the Bank with functionalities of accessing the past data for pass-book / statement printing, audit, inspection and obtaining evidence under law.
- f. Ensure that the branches are connected to the DC and DRC using the proposed network with dual connectivity.
- g. Ensure that all the client software (except OS at the client machine at branches) including anti-virus application are installed at the branch computers. Office Automation software (not supplied by ASP) will be installed by the Bank.
- h. Provide branch equipment configuration, LAN configuration, power requirements (including earthing requirements), UPS requirements, Printer configuration etc.
- i. Provide a complete CBS live-cut over plan at least 4 weeks in advance of the commencement of implementation programme at the branch.

- j. Deploy a dedicated project co-ordinator and adequate number of technical resources for each branch under implementation sufficiently in advance before the implementation programme commences.
  - k. Deploy apex level project team, state level project team and the bank level project team. Changes to such team members, if any, can be done with cogent reasons as also approval from the UPCB / Bank.
  - l. Ensure induction of persons with reasonable technical and functional experiences.
5. The ASP shall provide for Management and Executive information reporting as required by the management and departments of the Bank as well as the statutory and regulatory bodies from time to time. The system should be capable of generating individual branch, village, panchayat, block, district, region, zone wise and head office reports as well as hierarchical and consolidated reporting at each level. The system should be capable of generating all reports as on date and also back dated reports between two dates.
6. The ASP has to ensure that whatever infrastructure is required to support the reporting requirements is accounted for. The Bank will not make any additional payments beyond the agreed prices to the ASP in this regard.
7. The Table below presents a broad Responsibility Matrix for Project Implementation Delivery.

<b>Sl. No</b>	<b>Part</b>	<b>Responsibility</b>	<b>Purchase Model - (Capital Expenditure / Outsourced / ASP)</b>
1.	DC servers	Use UPCB DC Facility	UPCB
2.	DR servers	Use UPCB DC Facility	UPCB
3.	DC routers and switches	Use UPCB DC Facility	UPCB
4.	DR routers and switches	Use UPCB DC Facility	UPCB
5.	Firewalls, Active Directory, Antivirus for PCs and Servers at all locations including DC, DRC, Branches and at HO / Administrative units	Use UPCB DC Facility	UPCB
6.	EMS / NMS / EIS or equivalent	To be provided by the connectivity vendor	



7.	Helpdesk (L1, L2 & L3)	<p>ASP to provide L3 Helpdesk at DC/DR level and L2 Helpdesk at State HQ for all banks in the State and facilitate banks in setting up L1 help desk based out of the each participating bank. HO.</p> <p>ASP to facilitate operationalising of all HelpDesks</p>	L1 Bank, L2 , L3 & L4 ASP
8.	Network Operation Centre	To be provided by the connectivity vendor	
9.	Branch Network components including network management tools and applications	To be provided by the connectivity vendor	
10.	Branch peripherals including Local area network (structured cabling), Gen-sets, UPS	The participating banks will procure branch peripheral requirements separately at the bank level. Minimum <b>Specifications for the peripherals to be provided to branches by ASP.</b>	Banks
11.	Bandwidth	To be provided by the connectivity vendor	
12.	Data Centre and Disaster Recovery site hosting	Use UPCB DC Facility	UPCB

8. Baseline Standards to be followed for setting up of Technology Infrastructure are presented in the Table below.

Item	Component	Treatment
A	CBS Application server	Separate instance for the Bank
B	CBS Database server	Separate instance for the Bank
C	CBS web server	Separate instance for the Bank
D	Third party applications Database server	Separate instance for the Bank
E	Third party applications web server	Separate instance for the Bank

F	SAN Storage for above components	Separate instance for the Bank
G	RTGS & NEFT Servers	Logical separation
H	Interfaces with RTGS / NEFT	Logical separation
I	Mail Exchange Servers	Logical separation
J	ATM / Transaction Switch / Payment Gateway Interfaces	Standard protocol with bank-wise transaction reconciliation
K	PACS interfaces, if any	Separate instance for the Bank
L	Other interfaces, if any	Standard protocol

1. This section includes, but does not limit, the services to be provided by the ASP continuously during the currency of the contract.
2. The ASP to ensure availability of software applications like Core Banking applications, Mail system, and other peripheral applications at each user machines in a manner commensurate with requirements as stated in the vendor's proposal for enabling the Bank to conduct banking functions in an uninterrupted manner.
3. The ASP agrees to consider, envisage and implement all services that would be required in the maintenance of the facilities and that all AMC, warranties, annual technical support and all other costs thereof necessary and incidental for the maintenance and support of the infrastructure and equipment shall be borne by the ASP.
4. Broad level of services which shall be delivered by the ASP throughout the period of this contract will include but not be limited to:
  - Hardware Management (Servers)
  - System Administration
  - Integrated customer support
  - Helpdesk management
  - IT services
  - Hardware and software services
  - Management services
  - Problem resolution and coordination services
  - Data Replication services
  - Data Recovery services
  - Application Software related services
  - Software distribution
  - Software maintenance
  - Updates, upgrades, new releases and new versions (Implementation, Operationalisation, Management, Maintenance services)

- Enhancement / Customisation services
- Software support
- Security Management (IT)
- Log analysis and monitoring
- Antivirus Management (upto branch desktop level)
- DC /DR LAN and Server Administration
- Bank wide Corporate Network Management
- Data Centre and Disaster Recovery Site management
- Data Space management
- Data Backup and Recovery of shared management
- Perform Database Administration activities for Database
- Operations Management
- Application management including EOD, BOD, day-begin, month - end, year – end, periodic and daily backups.
- Software updates, patch management, security updates, data updates from one application to another application in the centralized-Banking environment.
- Perform new version porting and migration along with testing services.
- Application and database performance tuning at periodic interval (at least every 6 months).
- Perform quarterly DC – DR drills, send the report to the bank.
- Any other services required for maintenance and support of the entire proposed solution over the contract period.

Any hardware or software enhancements to desktops that is necessitated due to software upgrade at DC/DR end will be taken care of by Banks.

5. The ASP agrees to provide for 10 years of data retention before archiving or purging the data with separate DB instances. Accordingly the storage and servers should be sized to maintain and accommodate 10 years data at the individual bank level. The data archival / purging solution should be part of CBS and be provided by the ASP.
6. The ASP agrees to ensure the performance of the IT infrastructure provided by the ASP to the bank, that is resource utilization of the Server, Storage, Network and security devices should not be more than 80% at any given point of time.
7. CBS Application Response Time with in the data center should be less than 10 ms.
8. CBS Application response time at branches, HO (client desktop) and other offices should be 3 seconds or less.
9. The Data Centre (DC) and the Disaster Recovery Centre (DRC) should be Level 3 or above standard as per Uptime Institute and an audit certification, either by the external agency of repute or internal, thereof would be preferred.
10. Data Center (DC) and Disaster Recovery Center (DRC) implementation and hosting the service will be at Vendor's DC and DRC. The Vendor will be responsible for

setting up the live server at the DC and DRC. The DRC should be deployed at a 100% capacity of the DC for the hardware, application, processing and security.

11. The ASP shall provide appropriate data replication strategy and technology to replicate data between DC – DRC and near Data Replication Centre, if any to avoid data loss.
12. The ASP shall have a suitable strategy for recovery of data and application in case of a disaster with necessary procedures for the same in the solution with Recovery Time Objective (RTO) of 120 minutes from the time of declaration of DR and Recovery Point Objective (RPO) of 30 minutes.
13. The ASP shall exercise the periodical DR drill in order to test the readiness and effectiveness of the business continuity plan at least once in a calendar quarter.
14. The ASP shall provide off-line functionality of the system at the branch in case of network failure. The application should also provide for 'data refresh' functionality at pre-set frequency in order to maintain the branch server and the central server in perfect sync.
15. The logical architecture of DC & DRC at a minimum should be divided into different sub-networks. These networks must be separated from other networks through switches and firewalls. The logical separation of these sub-networks must be done using VLANs and sub-netting. The major classification of sub-network must be at least:
16. Demilitarised Zone – 1 (for application, antivirus and DB servers);
17. Demilitarised Zone – 2 (for Active Directory servers, test & development servers, training servers, etc);
18. Management Network – (for Reports);
19. Private Network – (should consist of the separate logical networks to enhance the security of (a) CBS, (b) intranet and/or mail server, (c) DNS/DHCP and other applications like HRMS, Pay Roll, AML, ALM, etc).
20. Network Level - The network at DC must be divided into various sub-networks. These networks must be separated through switches, firewalls, IPS, sub-netting, etc.
21. Access Level - Access controls mechanisms, as defined in the standard security policy of the Bank (as provided by the ASP), must be implemented at network, operating system, database and application system levels.
22. The ASP agrees to maintain appropriate sizing of the storage for the period of the contract. Sufficient storage space should be allocated to the Bank, so that any given point of time, 20% additional space is available.
23. The ASP shall size for adequate hardware and bandwidth based on the volumes for the Core Banking Application & Database and other Applications. The Core Banking

Application and database should be sized for active – active or active – passive protocol

24. The hardware size for all the applications should be redundant & scalable. All the components within the server should be hot swappable or pluggable and should incur no downtime due to component failure.
25. The ASP agrees to size the hardware to achieve, at least, 10 transactions per second (TPS).
26. The ASP agrees to plan for adequate hardware and processing resources to handle 15000 users with concurrency level of 60% at the end stage. Hardware upgradation plan should follow the pattern of ‘go live’ plan for branches.
27. The ASP agrees to size the bandwidth and other network equipment appropriately so as to ensure continuous, uninterrupted and stable connectivity within the wide area network (WAN) within the agreed performance / service levels committed to the Bank. Cost of any necessary upgrades / replacements / changes etc. shall be borne by the ASP and the Bank will not pay any additional amount during the period of the contract.
28. The ASP agrees to provide an on-line desktop functionality of call log-in for helpdesk service by integrating the helpdesk application with the Core Banking Application or an alternate suitable mechanism to enable the users to log-in complaints on-line.

## **Service Levels**

### **Part A – Availability**

- a. The ASP agrees to maintain on a continuous basis the availability of the applications, at the user desktop level, at least 99.5 %, to be computed on monthly basis through the entire IT infrastructure.
- b. The ASP shall provide Availability Report on monthly basis and a review shall be conducted based on this report. A monthly report should be provided to the bank at the end of every month containing the summary of all incidents reported and associated ASP’s performance measurement for that period.
- c. All Availability Measurements will be on a monthly basis for the purpose of Service Level reporting.
- d. For the purpose of availability, the service window will be 16\*6 i.e. 6.00 hrs to 22.00 hrs Monday to Saturday. Sundays & Public holidays will not be considered.

<b>P a r a m e t e r</b>	<b>Committed Service Level</b>	<b>Threshold Service Level</b>	<b>Performance category Allocation</b>	<b>Measured</b>
Availability of applications through entire IT infrastructure.	99.5 %	95.0%	100%	Monthly Availability Report/Monthly Helpdesk Report

**Part B - Penalty Calculation (Availability)**

- a. Monthly Service Level Default = Committed Service Level – Monthly Actual Service Level – Scheduled Downtime, if any.
- b. Monthly service level default cannot be less than zero. (If for a particular month the actual service level is above the minimum service level then the Monthly service level default will be zero and not less than zero).
- c. Quarterly Service level default = Total of Monthly service level default for all the 3 months of the quarter / 3 (Penalty shall be applicable if the quarterly service level default is more than zero).
- d. Quarterly Penalty = (Quarterly Service level default) X (Quarterly Cost of Product & Services) X (Performance Category Allocation %).
- e. Quarterly Availability Penalty shall be deducted from Quarterly payment before quarterly payments – subject to a maximum of 50% of the quarterly invoice amount within overall penalty cap of 10% of total contract value on annual basis.
- f. In case Actual Service Level for any quarter is below 95%, 50% of the quarterly payment shall be deducted as Penalty.

**Part C - Helpdesk Response**

- a. All mails/calls received at Helpdesk will need to be classified as Incident, Problem, Service Request, Change Request or Query. All Incidents and Problems will be further classified as Severity 1 to Severity 4 as depicted in the following table:

Severity	Criteria	Indicative list of issues	Response / Temporary resolution Time	Final Resolution Time
L 1	<ul style="list-style-type: none"> <li>• Single Bank User affected</li> </ul>	Functional Queries, Service Requests	15 minutes	60 minutes
L 2	<ul style="list-style-type: none"> <li>• Multiple users but less than 5% of the Baseline Bank Users affected or entire Branch is impacted due to local issues</li> <li>• This level would typically correspond to issues which result into disruption of one or more services to one or more offices</li> <li>• The identified issue has normal impact on the business and needs to be addressed at the earliest</li> </ul>	Application support from the Application experts.	30 minutes	90 minutes

L 3	<ul style="list-style-type: none"> <li>5% to 25% of the Baseline Bank Users Affected or entire Branch is impacted due to Application or network issues.</li> <li>The identified issue has significant business impact and needs to be taken up on top priority</li> <li>This level would typically correspond to issues that result into disruption of one or more critical services to all offices</li> </ul>	Critical production issues such as incorrect interest application in majority of the accounts, inconstant accounting or system behavior.	60 minutes	24 hours
L 4	<ul style="list-style-type: none"> <li>More than 25% of the Baseline Bank Users affected</li> <li>The identified issue has material business impact and needs to be resolved immediately.</li> <li>This level would typically correspond to issues that result into disruption of most or all critical services to Branches.</li> </ul>	Issues pertaining to core application and related databases, system software, hardware which make the application inaccessible.	120 minutes	8 hours

Parameter	Expected Service Level	Performance category Allocation	Measurement Tools
Resolution Time of Helpdesk	99 %	L1 = 40% L2 = 50% L3 = 80% L4 = 100%	Monthly Helpdesk Report

b. **Expected Service Level** – 99% calls should be resolved in given final resolution time. Every call which remains unresolved within the specified final resolution time, counting from the call log on time, shall be considered as default.

**c. Penalty Calculation (Helpdesk Service)**

- i. Monthly Helpdesk Default = Expected Helpdesk Service Level – Monthly Actual Helpdesk Service Level
- ii. Monthly Helpdesk service level cannot be less than zero. (If for a particular

month the actual service level is above the minimum service level then the Monthly service level default will be zero and not less than zero)

- iii. Quarterly Helpdesk Service level default = Total of Monthly service level default for all the 3 months of the quarter.
- iv. Quarterly Helpdesk Penalty = {(Month1 Service level default) X Monthly Fees Payable by the Bank X Performance Category Allocation %) + (Month2 Service level default) X Monthly Fees Payable by the Bank X Performance Category Allocation %) + (Month3 Service level default) X Monthly Fees Payable by the Bank X Performance Category Allocation %)}
- v. Quarterly Helpdesk Penalty shall be deducted from Quarterly payments.  
\*\* Since the L1 Helpdesk will be managed by the Bank, default in L1 Helpdesk services may not be added to the Service Level Default of the ASP and, hence, should be out of penalty computation.
- vi. If at the end of any month 'Calls Pending for resolution beyond specified final resolution time' ever exceeds 25 calls, 50% of the quarterly payment shall be deducted as Penalty.

The following escalation matrix will be applicable for issues reported:

Elapsed Time	L - 4	L - 3	L - 2	L - 1
2 hours	Customer Support Engineer	Customer Support Engineer	Customer Support Engineer	Customer Support Engineer
4 hours	Bank's Core Team and Bidder Project Manager	Senior Customer Support Engineer	Customer Support Engineer	Customer Support Engineer
8 hours	Managing Director and Bidder Project Director	Bank's Core Team and Bidder Project Manager	Senior Customer Support Engineer	Customer Support Engineer
12 hours	Chairman of the Bank and Bidder Relationship Director and COO (CBS) UPCB	Managing Director and Bidder Project Director	Bank's Core Team and Bidder Project Manager	Senior Customer Support Engineer
24 hours	COO (CBS), UPCB and ASP Country Head	Chairman of the Bank and Bidder Relationship Director and COO (CBS)	Managing Director and Bidder Project Director	Bank's Core Team and Bidder Project Manager



		UPCB		
36 hours	ED - UPCB and CEO of the ASP	COO (CBS), UPCB and ASP Country Head	Chairman of the Bank and Bidder Relationship Director and COO (CBS) UPCB	Managing Director and Bidder Project Director

## **SECTION – III**

### **Annexure / Formats for the Proposal**

#### **Annexure - I:**

#### **Technical Proposal Format**

Particulars to be provided by the bidder in the technical proposal

Tender No. \_\_\_\_\_

S No.	Details	Response	
1	Name of the Company		
2	Constitution of the Company		
3	Date of Inception		
4	Registered Office Address		
5	Local Office Address		
6	Contact Person and Contact Numbers		
7	Number of years in Banking Software development		
8	Undertaking for Ownership/Original Developer of the software proposed		
9	Turnover a. 2011-12 b. 2010-11 c. 2009-10		
10	Profit a. 2011-12 b. 2010-11 c. 2009-10		
11	Local Office Address in Lucknow and Support Team Size		
12	Technical team size (Please attach a separate sheet)		
13	No. of Banks running on the proposed software.		

14	No. of branches running on proposed software		
15	HLD/Technical Details of the proposed software attached (Y/N)		
16	Details of similar solutions implemented by the bidder including client details like contact person/number etc. (Only DCBs and SCBs)		
	Customer (1)		
	Customer (2)		
	Customer (3)		

**Declaration:**

1. We confirm that we are technically eligible for submitting the said proposal for the Core Banking Software on ASP Model as enumerated in the minimum eligibility criteria in the tender document;
2. We confirm that we will abide by all the terms and conditions contained in the 'Tender Document'.
3. We hereby unconditionally accept that Bank can at its absolute discretion apply whatever criteria it deems appropriate, not just limiting to those criteria set out in the 'Tender Document', in short listing of bidders.
4. All the details mentioned by us are true and correct and if Bank observes any misrepresentation of facts on any matter at any stage, Bank has the absolute right to reject the proposal and disqualify us from the selection process.
5. We confirm that this response, for the purpose of short-listing, is valid for a period of six months, from the date of expiry of the last date for submission of response to 'Tender Document'.
6. We confirm that we have noted the contents of the 'Tender Document' and have ensured that there is no deviation in filing our response to the 'Tender Document' and that the Bank will have the right to disqualify us in case of any such deviations.

Place:

Date:

**Seal & Signature of the bidder**

## Annexure - II:

### Financial Bid Format

The Financial Bid should contain the Total cost, on one time cost basis and variable cost basis :

The format for the financial bid (Per PACS per Year Cost) is given below:

Tender No. \_\_\_\_\_

Name of Bidder:

<b>PART – A</b>	
<b>Component</b>	<b>Fees in Rupees</b>
Per Month Per Branch Charges from the date the branch migrates to CBS platform for rendering daily banking operations	
Service Tax (as applicable at the time of payment)	

<b>PART B</b>	
<b>Components</b>	<b>Fees in Rupees (Per Branch Per Month)</b>
Mobile & Internet Banking	
ATM facility (HW/NW/Site/ Maintenance etc)	
Bancassurance (Corporate, Agent & Referral Mode)	
Utility Bill payment	
Depository Services	
On-line Trading	
<b>PART C</b>	
Additional Customisation relating product, process and reports including new reports	
User training for newly recruited employees or refresher course for existing users.	

- No other costs (except stated above) like cost of any extra hardware, travelling, stationery, boarding and lodging shall be paid.
- Only the total amount inclusive of taxes will be reckoned for selecting L1 bidder .
- TDS will be deducted from the amount at the rates prevailing as on the date of payment

➤ Inclusion of any condition shall make the offer liable for rejection

**Date:**

**Authorized Signatory**

**Annexure-III**

**(Current Hardware Specification at UPCB Data Centre)**

Sr. No.	Component	Specification	Qty
1	2 Way Rack Server	IBM X3650 Series Xeon Quadcore 2.53GHZ with 8 MB L3 cache, HDD:300 GB SAS, RAM: 8x2 GB, Power supply:2x450W, Optical Device: DVD, RW/ROM, HBA Card:2 for connective to the SAN, Dual Ethernet card  Operating System: Windows Server 2008 Enterprise  Database: SQL Server 2008 R2	6
3	Server	Intel Xeon E 3430 quad core 2.4GHz, 4GB RAM,250 GB SATA HDD ,DVD ROM ,Drive, 18.5" TFT  Operating System: Windows Server 2008 Enterprise	2
4	<u>SAN Storage</u>	IBM DS3950 SAN Storage 16 X 146 GB HDDS, with 8GB Cache across dual controllers having 8x4Gbps front end host ports and 8*4Gbps back end ports. * 2 no. of 4Gbps 24 ports SAN switches	1
5	Tape Drive	IBM TS3100 Generation 5 Tape library with rack mounted Kit , 24 cartridge slots. Ultrium 4 Data Cartridges (5 pack), Rack to PDU Line Cord	1
6	Flat Panel Monitor	Flat Panel Rack Monitor	2
7	KVM Switch	KVM Switch 8:1	2
8	Client Computer	Intel Core 2 Duo E7500 Series, Intel G 41 Express Chipset, 2GB expandable to 4 GB DDR3 RAM , 250 GB SATA, Ethernet card, Key Board, Optical Mouse,	5

		18.5 “ TFT	
9	Line Printer	Line Matrix Printer 1200 DPI	1
10	Dot Matrix Printer	DMP with132 Column Min 400 CPS	2
11	Dot Matrix Printer	DMP 132 Column 24 pin 450 CPS	2
12	Network Printer	15ppm(letter),5000 pages monthly duty cycle, High Speed USB 2.0	1
13	Central Router	CISCO 3845 Central Router	2
14	Firewall	CISCO ASA 5510 Firewall	1
15	42U Rack	APC 42 U Rack	4
16	200 Sq. Ft. Data Centre with all required Components	<p>200 Sq.Ft Data Centre with following Components</p> <ol style="list-style-type: none"> <li>1. 2 X Precision AC (Emerson)</li> <li>2. 20 KVA UPS (Emerson)</li> <li>3. FM200 System</li> <li>4. Water Leak Detection</li> <li>5. VESDA</li> <li>6. Four Camera CC TV System</li> <li>7. Rodent Repellent System</li> <li>8. Fire Alarm and Smoke Detection System</li> <li>9. Biometric Access Control</li> <li>10. Building Management System</li> </ol>	

Currently 25 Branches of UPCB is running on the above infrastructure. Any addition of new DCBs, vendor may have to add additional servers, os, database and other components. The cost of any additional equipment shall be borne by the vendor. No additional payment shall be made in this regard.



## Annexure-IV

### **(Current Hardware Specification at Gaziabad DCB Data Centre)**

Sr. No.	Component	Specification	Qty
1	2 Way Rack Server	IBM X3650 Series Xeon Quadcore 2.53GHZ with 8 MB L3 cache, HDD:300 GB SAS, RAM: 8x2 GB, Power supply:2x450W, Optical Device: DVD, RW/ROM, HBA Card:2 for connective to the SAN, Dual Ethernet card  Operating System: Windows Server 2008 Enterprise  Database: SQL Server 2008 R2	4
3	Server	Intel Xeon E 3430 quad core 2.4GHz, 4GB RAM,250 GB SATA HDD ,DVD ROM ,Drive, 18.5” TFT  Operating System: Windows Server 2008 Enterprise	2
4	<u>SAN Storage</u>	IBM DS3950 SAN Storage 16 X 146 GB HDDS, with 8GB Cache across dual controllers having 8x4Gbps front end host ports and 8*4Gbps back end ports. * 2 no. of 4Gbps 24 ports SAN switches	1
5	Tape Drive	IBM TS3100 Generation 5 Tape library with rack mounted Kit , 24 cartridge slots. Ultrium 4 Data Cartridges (5 pack), Rack to PDU Line Cord	1
6	Flat Panel Monitor	Flat Panel Rack Monitor	2
7	KVM Switch	KVM Switch 8:1	2
8	Client Computer	Intel Core 2 Duo E7500 Series, Intel G 41 Express Chipset, 2GB expandable to 4 GB DDR3 RAM , 250 GB SATA, Ethernet card, Key Board, Optical Mouse, 18.5 “ TFT	5
9	Line Printer	Line Matrix Printer 1200 DPI	1
10	Dot Matrix Printer	DMP with132 Column Min 400 CPS	2
11	Dot Matrix Printer	DMP 132 Column 24 pin 450 CPS	2
12	Network Printer	15ppm(letter),5000 pages monthly duty cycle, High Speed USB 2.0	1
13	Central Router	CISCO 3845 Central Router	2



14	Firewall	CISCO ASA 5510 Firewall	1
15	42U Rack	APC 42 U Rack	4
16	200 Sq. Ft. Data Centre with all required Components	200 Sq.Ft Data Centre with following Components 1. 2 X Precision AC (Emerson) 2. 20 KVA UPS (Emerson) 3. FM200 System 4. Water Leak Detection 5. VESDA 6. Four Camera CC TV System 7. Rodent Repellent System 8. Fire Alarm and Smoke Detection System 9. Biometric Access Control 10. Building Management System	

Currently 33 Branches of Gaziabad DCB is running on the above in rastructure. Any addition of new DCBs,vendor may have to add additional servers, os, database and other components. The cost of any additional equipments shall be borne by the vendor. No additional payment shall be made in this regard.

**Annexure - V:**

**Broad terms and conditions of the Contract / agreement:**

**AGREEMENT for Core Banking Project Implementation at the participating State Co-operative Banks and Central Co-operative Banks under ASP Model**

**THIS AGREEMENT** executed at \_\_\_\_\_ on this \_\_\_ day of \_\_\_\_\_, 2011 [Insert the date when the agreement is executed]

**Between**

\_\_\_\_\_ [Insert the name of the Bank], a co-operative society registered under the [Insert the full name of the applicable Act] \_\_\_\_\_ Co-operative societies Act, [Year of enactment of the Act] \_\_\_\_\_ and having its Registered Office at [Insert the full Address of the Registered Office of the Bank] \_\_\_\_\_ (hereinafter referred to as '**the Bank**' which expression shall, unless repugnant to the context or meaning thereof, means and includes its successors and assigns) **OF THE FIRST PART:**

**AND**

Megasoft Information Systems P Ltd., a Company registered under the Companies Act, 1956 and having its Registered Office at A-203/103, Jagruti Apts., Kalwa Naka, Thane (West), Maharashtra. (hereinafter referred to as "**Application Service Provider or ASP**" which expression shall, unless repugnant to the context or meaning thereof, means and includes its successors and assigns) **OF THE OTHER PART;**

**(The Bank and the ASP hereinafter are collectively referred to as the parties)**

**WHEREAS**

- (i) Uttar Pradesh State Co-operative Bank Ltd., is the Apex Co-operative Bank registered under the Co-operative societies Act, 1965 acting as the Apex body for the Central Co-op. Banks in the State.
- (ii) Uttar Pradesh State Co-operative Bank Ltd., (hereinafter referred to as "UPCB") as the apex body for the co-operative in the state initiates the Core Banking Computerisation of the Central Co-op. Banks at the state on model called UPCB Model in consultation with the ASP and banks so as to ensure that the Central Co-op. Banks are CBS enabled within the timeline.
- (iii) UPCB, as a mentor and facilitator for implementing core banking solutions (hereinafter referred to as "CBS") to facilitate optimal technology use in Central Co-operative Banks (including \_\_\_\_\_ branches and head offices of the Bank) to a common technology platform in order to make the credit delivery system faster and easier as also to incubate financial inclusion initiatives by NABARD and executed individual Memorandum of Agreement with each of the participating cooperative banks.

- (iv) UPCB, as authorized by these Memoranda of Agreement and on behalf of those cooperative banks who may be joining the project later on by executing an identical Memorandum of Agreement, had asked the proposal from the ASPs for providing the necessary application services for running CBS, training, customization, implementation, rollout and maintaining the infrastructure (hereinafter referred to as “**said project**”). .
- (v) The ASP had, vide its letter Dated \_\_\_\_\_, submitted its Proposal for implementing the said project.
- (vi) UPCB, on behalf of the participating banks, vide its Letter of Intent No. \_\_\_\_\_ Dated \_\_\_\_\_, has conveyed the selection of the ASP.
- (vii) The parties hereby agree, record and confirm the various terms and conditions for implementation of the said project and the service provisions hereinafter appearing.

**NOW THEREFORE THIS AGREEMENT WITNESSETH THAT**

**Definitions**

**Unless the context otherwise requires, the terms:**

“**Additional Services / Add-on Services**” refer to any additional services to be provided by the ASP which does not include in the basic scope of work and the services falling under the category of “Add-on Services” provided in the Annexure – 1. Changes / modification in the current scope of services are not to be treated as “Additional / Add-on” services.

"**ASP Hardware**" means the computers systems, peripherals, terminals, and all related hardware products owned or leased by ASP which will be used by them in performing service obligations under this Agreement and which may be modified and upgraded, from time to time.

"**ASP Software**" means the computer programs including documentation relating thereto, all updates and new releases thereof, which the ASP licenses or owns and which will be used by ASP in performing service obligations and does not include software licensed by Bank.

"**Bank Hardware**" means the computer systems, peripherals, terminals, communications equipment and all related hardware products owned or taken on lease by Bank which may be used by ASP in performing their service obligations under this Agreement and which may be modified and upgraded from time to time.

"**Bank Software**" means the computer programs including documentation relating thereto, all updates and new releases thereof, taken on licence from any third parties which will be used by ASP in performing their service obligations.

**“Banking Services”** means the products and services that a bank conducting its business operations in commercial terms within the meaning of the Banking Regulation Act, 1949, The ----- [State Name] Co-operatives Societies Act, [Year] ----- and The Reserve Bank of India Act, 1934 or any such Acts prevailing in India.

**“Branch”** means branch, extension counter, service branch, training center, administrative office and head office of the Bank.

**"Bid / Response":** Proposal received from the ASP Vendor dated 14<sup>th</sup> October 2011.

**"Intellectual Property Rights"** includes copyrights, patents, trademarks, service marks, design rights (whether registered or unregistered), semiconductor topography rights, trade secrets and all other similar proprietary rights.

**"Materials"** means all tangible materials developed in the course of this Agreement including documents, records, and other copies including materials which embody computer software programs.

**“Project”** means the procurement, installation, management and provision of all maintenance through the contract period of all IT equipments, applications, third party services for enabling branches / offices of the Bank to conduct banking services for its customers.

**“Response Time”** means the elapsed time for return of the expected data on screen between 2 consecutive and sequential key strokes.

**“Recovery Time Objective (RTO)”** means the time taken to shift the operations from the Data Centre servers to Disaster Recovery Centre servers for resuming the normal banking services at the branch.

**“Recovery Point Objective (RPO)”** refers to the recovery of back transaction data in terms of time whenever there is a disruption in operations.

**“Reverse Transition”:** means the process by which the current ASP assists the Bank or its authorized ASP / vendors / Service Providers to take up the entire operations of the IT infrastructure including DC, DR and Network environment used by the current ASP for rendering technical and functional services to the Bank for agreed monthly fees.

**"Services"** means the services to be performed by the ASP as described in Annexure 1, Annexure – 2 & Annexure – 3 to be read in conjunction with VENDOR’S PROPOSAL Dated 30<sup>th</sup> August 2011 or any future services that may be agreed mutually.

**"Service Change Management Process"** means the process to be defined and mutually agreed to implement Service Change Orders and Service Change Requests.

**"Service Change Order"** means the Bank's request to add any optional service/s to the existing service offering.

**"Service Change Request"** means a request for addition of any optional services to the existing service deliverables.

**"Service Fees"** means the monthly fees payable by Bank on a quarterly basis in arrears.

**"Termination"** means the action on the part of either party to this Agreement rendering the operations of contract to be ineffective.

**"Uptime"** means the time duration in which all the technology equipments like servers, routers, switch and all other equipments and applications that are used for providing continuous technology services to the branches for facilitating their day-to-day banking operations remain operational or in a state of readiness.

## **1. Scope of Services :**

1.1 The ASP will provide the total solution to implement CBS in the Bank including but not limited to providing of required hardware, database, middleware, network, project implementation, project management, third party utilities, testing, providing interfaces required for CBS and other associated applications as indicated in detail in Annexure – 1, Annexure – 2 & Annexure – 3. Further, Schedule I of this Agreement provides for the list of branches of the Bank for which the solution is required to be provided by the ASP.

1.2 The ASP represents that all software and hardware to be supplied under this Agreement shall meet the solution requirements of the Bank. The ASP further confirms that it has worked out a suitable solution architecture after taking into consideration the requirements of the banks as stated in the VENDOR'S PROPOSAL as well as clarifications provided by UPCB and independent verification by the ASP themselves. If any services, functions or responsibilities not specifically described in the Scope of Work (Section-II) and Vendor's Proposal, but are inherent and necessary part of the deliverables or services and are required for proper performance or provision of the deliverables or services in accordance with the VENDOR'S PROPOSAL, they shall be deemed to be included within the scope of the deliverables or

services, as if such services, functions or responsibilities were specifically required and described in the VENDOR'S PROPOSAL and shall be provided by the ASP at no additional cost to the Bank.

**2. Effective Date :**

This Agreement will commence from \_\_\_\_\_ irrespective of the actual date of execution between parties concerned.

**3. Terms of Reference :**

3.1 Initial Term - This Agreement will remain in effect till \_\_\_\_\_ unless terminated as provided in this Agreement.

3.2 Option to Extend – The Bank shall have the option to extend this Agreement for further period of 5 years (the "Extension Period") on mutually agreed terms and conditions and the process shall commence at least three (3) months before the expiry of this Agreement.

3.3 In the event of such extension is not agreed upon mutually and this Agreement is allowed to expire on \_\_\_\_\_, the ASP shall facilitate the entire reverse transition process up to the time the new arrangement made by the Bank takes over the day-to-day running of the project / branches as would have been done by the ASP within the meaning of the **Clause 16.3, 16.5 and 16.8 below**.

**4. Fees:**

4.1 The fees payable will be at the rate of Rs. \_\_\_\_\_ (Rupees \_\_\_\_\_ only) per branch per month. This rate will remain fixed throughout the entire period of the contract i.e. till \_\_\_\_\_.

4.2 The above fees will be payable only from the date on which the branch moves on to CBS operation .i.e the day on which the branch data is migrated to CBS and the transactions are successfully carried out from the CBS system.

4.3 The fees payable to the ASP shall be inclusive of all costs such as insurance, taxes (excluding Service Tax by whatever nomenclature defined, as per the rates applicable), custom duties, levies, cess, transportation, installation, (collectively referred to as "Taxes") that may be

levied, imposed, charged or incurred. The Bank shall pay the fees due under this Agreement after deducting any tax deductible at source (“TDS”), as applicable. Service Tax will be paid by the Bank as per applicable rates.

- 4.4 All out of pocket expenses, travelling, boarding and lodging expenses for the entire term of the Agreement is included in the fee payable and the ASP shall not be entitled to charge any additional costs or out of pocket expenses, including travel, boarding and lodging etc. except add-on services which shall be provided by the ASP on demand from the Bank at additional monthly fees as agreed upon.
- 4.5 The monthly charges for the branches on CBS will be payable quarterly in arrears, branch-wise, on pro-rata basis for only those branches which have successfully implemented and running CBS during that calendar quarter in terms of the Service Levels indicated in the **Section -II**
- 4.6 All the payments becoming due during each of the quarters of the contract period will be paid after the expiry of the respective calendar quarter.
- 4.7 The Bank shall pay each undisputed invoice raised under this Agreement, within thirty (30) Working Days after its receipt unless otherwise mutually agreed in writing, provided that such invoice is dated after such Fees has become due and payable under this Agreement. In case of delayed payments interest of 1% per month on the invoice amount payable shall be applicable.
- Notwithstanding the above, if Bank disputes the invoices, the dispute should be material in nature as determined by the Bank *viz*; the tax credit availment of Bank is under threat or the invoices state a claim for an amount higher than the entitlement. Minor discrepancies/errors in invoices which are procedural in nature should not form basis for delay in release of payments.
- 4.8 Any objection / dispute to the invoices in the bill shall be raised by the Bank within 15 days from the date of receipt of the invoice. Upon settlement of disputes with respect to any disputed invoice(s), the Bank will make payment within fifteen (15) Working Days of the settlement of such disputes.
- 4.9 Provision of space for setting up bandwidth infrastructure, unhindered access, safety and security of equipment will be the responsibility of the Bank. Any delay or hindrance in this regard will not be attributable to the ASP.

**5. ASP Deliverables Time Frame:**

5.1 The ASP shall be responsible for training, delivery; implementation, rollout and successful operations of banking activities on CBS platform and other solutions required under this Agreement and also agree to the time duration and service levels as specified in Annexure - 3.

5.2 ASP's failure to deliver all the above contracted services unless such failure is due to the reasons entirely attributable to the Bank, will be a breach of contract.

**6. Assignment/sub-contract:**

6.1 The ASP agrees that it shall not be entitled to assign any or all of its rights and /or obligations under this Agreement to any entity including the ASP's affiliate without the prior written consent of UPGB / the Bank.

6.2 If any of the parties undergo a merger, amalgamation, takeover, consolidation, reconstruction, change of ownership, this Agreement shall be deemed to be transferred to the new entity and such an act shall not affect the rights and obligations of the parties under this Agreement.

**7. Intimation of Sub-Contract:**

The ASP shall intimate Bank, not less than 2 (two) weeks in advance in normal circumstances, the name and details of the sub-contractor/s and the period of their involvement.

**8. Insurance:**

The ASP shall procure adequate insurance coverage to include comprehensive general liability insurance, third party accident insurance and all risk property insurance with a view to ensure uninterrupted services provided by the ASP under this Agreement.

**9. Liability of ASP :**

9.1 The ASP's aggregate liability in connection with obligations undertaken as a part of the CBS Project regardless of the form or nature of the action giving rise to such liability (whether in contract, tort or otherwise), shall be at actual and limited to the total value of the contract under this Agreement i.e. total number of branches \* Monthly Fees per branch \* 60. However, the ASP's liability in case of claims against the Bank resulting from misconduct or gross negligence of the ASP, its employees and subcontractors or from infringement of



patents, trademarks, copyrights or such other Intellectual Property Rights or breach of confidentiality obligations will not be limited.

9.2 The Bank including its promoters, directors, executives and employees shall not be held liable for and are absolved of any responsibility or claim / litigation arising out of the use of any third party software or modules supplied by the ASP.

9.3 In no event shall either Party be liable for any indirect, incidental or consequential damages or liability, under or in connection with or arising out of this Agreement or the Services delivered hereunder.

## **10. Confidentiality:**

10.1 The Parties acknowledge that in the course of performing the obligations under this Agreement each party shall be exposed to or acquire information of the other party, which such party shall treat as confidential. Neither party shall, except as permitted/authorized under the VENDOR'S PROPOSAL, disclose the confidential information to a third party or wrongly utilize / gainfully utilize without proper authorization.

10.2. Confidential Information shall not include information that:

- (a) is as of the time of its disclosure part of the public domain;
- (b) is subsequently learned from a third Party without a duty of confidentiality;
- (c) at the time of disclosure was already in the possession of the receiving Party;
- (d) was developed by employees or agents of the receiving Party independently of and without reference to any information communicated to the receiving Party; or
- (e) is required to be disclosed pursuant to a court order or government authority, whereupon the receiving Party shall, at its earliest opportunity, provide written notice to the disclosing Party prior to such disclosure and where feasible giving the disclosing Party a reasonable opportunity to secure a protective order or take other action as appropriate.

10.3 The Parties' obligations under this Section shall extend to the non-publicizing terms of this Agreement.

10.4 The terms of this clause shall continue in full force and effect during the term of this Agreement and for a period of two (2) years thereafter.

10.5 In the event of termination of this Agreement, upon written request of the disclosing Party, the receiving Party shall immediately return the disclosing Party's Confidential Information, or at the disclosing Party's option destroy any remaining Confidential Information and certify that such destruction has taken place, provided however that Wipro may retain a minimum of one copy of all work product and relevant project documentation for archival and audit purposes.

10.6 Notwithstanding the above, ASP may share Contract/engagement/ project details and relevant documentation to its customers/ prospective customers solely for the purpose of and with the intent to evidence and support its experience earned under this Contract.

## **11. Information Ownership:**

11.1 All information and data processed, stored, or transmitted by ASP belongs to the Bank. By having the responsibility to host infrastructure under ASP model, the ASP does not acquire implicit access rights to the information or rights to redistribute the information. The ASP understands that civil, criminal, or administrative consequences may follow for failure to protect information appropriately.

### 11.2 General Privacy Obligations:

Without limiting any other provision of this Agreement, the Customer and Service Provider agree as follows:

- (a) any collection, use and transfer of Personal Data by Customer for the purposes of this Agreement complies with Information Technology (Reasonable security practices and procedures and sensitive personal data or information) Rules, 2011 ("Rules") and Customer has been authorized in writing by the concerned individuals to collect and use the Personal Data for the purposes of this Agreement.
- (b) the Bank authorizes the ASP to access, collect, store and deal with Personal Data in the course of providing the Services;
- (c) that the ASP shall at all times handle the Personal Data in accordance with the procedure prescribed under the said Rules.

"Personal Data" means any information that relates to a natural person, which, either directly or indirectly, in combination with other information available or likely to be available, is capable of identifying such person.

"Data" for the purposes of this Clause means the electronic information which is provided, transmitted, received or stored in connection with the Services under the Agreement.

**12. Product Warranty:**

ASP warrants that the software and allied components to be used for the service of the Bank are licensed, legal and in conformity with the VENDOR'S PROPOSAL/bid proposal submitted by the ASP to UPCB.

**13. Penalty:**

13.1 Inability of the ASP to either provide the requirements as per the scope or to meet the timelines or service levels as specified in Annexure -1, Annexure – 2, Annexure – 3 and the Vendor Proposal would be treated as breach of contract and would invoke penalty as per Annexure 3 for Service Levels.. The proposed rate of penalty is as mentioned in Annexure – 3 with an overall aggregate cap of penalty to be limited to 10% of contract value i.e. Total number of branches \* Agreed monthly Fees payable per branch \* 60.

13.2 Notwithstanding anything contained above, no such penalty will be chargeable on the ASP for the inability occasioned, if such inability is due to reasons entirely attributable to the Bank.

13.3 The right to invoke the penalty clause is in addition to and without prejudice to other rights and remedies available to the Bank such as termination of contract, invocation of indemnity, invocation of performance guarantee, recovery of amount paid and other remedies available to the Bank.

**14. Intellectual Property Rights – IPR :**

14.1 The ASP shall be liable to obtain appropriate rights to provide the Deliverables upon the terms and conditions as agreed and contained in this Agreement.

14.2 The Bank agrees and acknowledges that save as expressly provided in this Agreement, all Intellectual Property Rights in relation to the Software and Documentation and any adaptations, translations and derivative works thereof whether protectable as a copyright, trade

mark, patent, trade secret design or otherwise, provided by the ASP during the course of the contract, in connection with or in relation to fulfilling its obligations under this Agreement, belong to and shall remain a property of the ASP or its licensor.

14.3 The Bank shall enter into a separate Confirmation of License Agreement with the ASP and CBS Software Vendor who is the owner of the Core Banking Suite of Software, wherein the Bank is being granted a license to use the Software solely in the manner set out herein.

14.4 The ASP shall be responsible for obtaining all necessary authorizations and consents from third party licensors of Software used by ASP in performing its obligations under this Project.

14.5 If a third party's claim endangers or disrupts the Bank's use of the Software, the ASP shall at no further expense, charge, fees or costs to the Bank, (i) obtain a license so that the Bank may continue use of the Software in accordance with the terms of this tender and subsequent Agreement and the license Agreement; or (ii) modify the Software without affecting the functionality of the Software in any manner so as to avoid the infringement; or (iii) replace the Software with a compatible, functionally equivalent and non- infringing product.

15. Indemnity :

15.1 The ASP hereby indemnifies the Bank, and shall always keep indemnified and hold the Bank, its employees, personnel, officers, directors, (hereinafter collectively referred to as "Personnel") harmless from and against any and all losses, liabilities, claims, actions, costs and expenses (including attorneys' fees) relating to, resulting directly or indirectly from or in any way arising out of any claim, suit or proceeding brought against the Bank by a third Party as a result of:

- I. the Bank authorized / bona fide use of the Deliverables and /or the Services provided by ASP under this Agreement; and/or
- II. an act or omission of the ASP, employees, agents, sub-contractors in the performance of the obligations of the ASP under this Agreement; and/or

- III. claims made by employees or subcontractors or subcontractors' employees, who are deployed by the ASP, against the Bank; and/or
- IV. any or all Deliverables or Services infringing any patent, trademarks, copyrights or such other Intellectual Property Rights; and/or
- V. breach of confidentiality obligations of the ASP contained in this Agreement; and/or
- VI. Negligence or gross misconduct attributable to the ASP or its employees or sub-contractors.

15.2 The ASP shall at its own cost and expenses defend or settle any claim against the Bank that the Deliverables and Services delivered or provided under this Agreement infringe a patent, utility model, industrial design, copyright, trade secret, mask work or trade mark in the country where the Deliverables and Services are used, sold or received, provided the Bank:

- 1. notifies the ASP in writing; and
- 2. co-operates with the ASP in the defense and settlement of the claims.

Notwithstanding the above, ASP shall not have any liability to Bank under this Section to the extent that any infringement or claim thereof is attributable to: (1) the combination, operation or use of a Deliverable with equipment or software supplied by Bank where the Deliverable would not itself be infringing; (2) compliance with designs, specifications or instructions provided by Bank; (3) use of a Deliverable in an application or environment for which it was not designed or contemplated under this Agreement; or (4) modifications of a Deliverable by anyone other than ASP where the unmodified version of the Deliverable would not have been infringing. ASP will completely satisfy its obligations hereunder if, after receiving notice of a claim, ASP obtains for Bank the right to continue using such Deliverables as provided without infringement, or replace or modify such Deliverables so that they become non-infringing.

15.3 The ASP shall compensate the Bank for financial loss, suffered by the Bank if the ASP fails to fix bugs, provide the modifications / enhancements / customization as required by the Bank as per the terms and conditions of this Agreement and to meet the service levels.

15.4 The Bank hereby indemnifies the ASP, and shall always keep indemnified and hold the ASP harmless from and against any and all losses, liabilities, claims, actions, costs and expenses (including reasonable attorneys' fees) relating to, resulting directly or indirectly from or in any

way arising out of any claim, suit or proceeding brought by third-parties against the ASP as a result of:

- I. Third party infringement claims resulting from unauthorized equipment modification by the Bank or equipment use prohibited by specifications for hardware and Software;
- II. Third-party infringement claims resulting from a breach of Software license terms taken by the ASP in respect of services provided by the ASP.
- III. The ASP shall not be liable for defects or non-conformance resulting from: Unauthorized modification, use or operation of the Core Banking Suite of Software
- IV. ASP's use of any individual product supplied by the Bank under this Agreement.
- V. Any violation of the General Privacy Obligations as provided for in clause 11.2 of this Agreement.

**16. Termination / Exit Option:**

16.1 The Bank reserves the right to terminate the contract 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:

- I. Failure of the ASP to furnish the Performance Guarantee within 45 days of signing of this Agreement;
- II. Delay or deficiency in customization / implementation / installation beyond the specified period as defined in the scope of work under the title "Project Timelines" or any other such period that may be agreed to between the Parties.
- III. ASPs' failure to provide core banking solution and other applications on ASP model continuously with uptime as defined in the Scope of Work Clause "Uptime" and non-availability of the core banking solution and other applications for the day to day functioning of the branch/es.
- IV. ASP's breach of any of its obligations set forth in this Agreement and such breach is not cured within thirty (30) Working Days after the Bank gives written notice or if such breach is not of the type that could be cured within thirty (30) Working Days, failure by the ASP to provide the Bank, within seven (7) Working Days, a reasonable plan to cure such breach, which is acceptable to the Bank. The Bank will provide in writing the nature of the default to the ASP through a letter or mail correspondence.

- 16.2 In the event of termination of the contract as referred in clause 16.1 above, the Bank will be entitled to charge penalty as specified in the Annexure - 3 of the Agreement without any prejudice to the rights and remedies available under this contract in particular indemnity and performance bank guarantee.
- 16.3 After termination, the ASP shall continue to provide services on the same terms and conditions including receipt of payments as per clause 4 of this Agreement and facilitate the entire transition process up to the time the new arrangement takes over day-to-day running of the project / branches.
- 16.4 Prior to the start of Reverse Transition, Bank shall pay the ASP for all goods delivered and services rendered till the start of such Reverse Transition.
- 16.5 In case of termination, the Bank will have the right to acquire the hardware in operation at a depreciated rate to be computed as per ASP's accounting policies. However, Bank cannot make any acquisitions with respect to any such hardware/software (if any) forming part of the DC & DR which in turn shall be a part of the common technology platform for all the 70 Banks.
- 16.6 Notwithstanding the existence of a dispute, and/or the commencement of arbitration proceedings, the ASP will be expected to continue to provide all services as part of the scope mentioned above. The Bank, the incoming Service Provider and the outgoing ASP shall together prepare the Reverse Transition plan wherein the Reverse Transition shall be completed within a period of ninety (90) days from the effective date of termination or such other extended period as may be agreed.
- 16.7 Without prejudice to the rights of the Parties, upon termination or expiry of this Agreement, the Bank shall pay to the ASP, within thirty (30) days of such termination or expiry, all the undisputed fees outstanding till the date of termination.
- 16.8 Similarly the ASP shall also have a right to terminate this Agreement in the event of breach of any of its terms and conditions (including non-payment of invoices) by the Bank, by giving thirty (30) days' notice to the Bank provided the breach is not cured by the Bank during such period,
- 16.9 As part of Reverse Transition Services, the Bank shall have the right, and ASP shall not object to or interfere with such right, to contract directly with any subcontractor of the ASP.

**17. Waiver :**

No failure or delay on the part of any of party relating to the exercise of any right power privilege or remedy provided under the **VENDOR'S PROPOSAL** or this Agreement with the other party shall operate as a waiver of such right, power, privilege or remedy or as a waiver of any preceding or succeeding breach by the other party nor shall any single or partial exercise of any right, power, privilege or remedy preclude any other or further exercise of such or any other right, power privilege or remedy provided in the this Agreement all of which are several and cumulative and are not exclusive of each other or of any other rights or remedies otherwise available to either party at law or in equity.

**18. Violation of Terms :**

The Bank shall be entitled for an injunction, restraining order, right for recovery, specific performance or such other equitable relief as a court of competent jurisdiction may deem necessary or appropriate to restrain the ASP from committing any violation or enforce the performance of the covenants, obligations and representations contained in this Agreement. These injunctive remedies are cumulative and are in addition to any other rights and remedies the **Bank** may have at law or in equity, including without limitation a right for recovery of any amounts and related costs and a right for damages as provided for under this Agreement.

**19. Addition / Deletion of qualified offerings:**

19.1 The parties agree that the intent of this Agreement is to establish an initial set of service offerings. The Bank recognizes that, as the use of these services expands, it is possible that additional services and / or service categories will be needed. For this purpose, a Change Order Procedure will be followed. The Bank may request a change order in the event of actual or anticipated change(s) to the agreed scope of work, services, deliverables and schedules. The ASP shall prepare a change order reflecting the actual or anticipated change(s) including the impact on deliverables schedule. The ASP shall carry out such services as required by the Bank at mutually agreed terms and conditions.

19.2 As a method for reviewing ASP's services and the Bank's requirements, the Bank will conduct regular reviews to allow an exchange of requirements and opportunities. This also includes the right to modify the number of branches, extension counters, service units, offices, training centers etc. on mutually agreed terms and conditions.



## **20. Performance Bank Guarantee**

- 20.1 The ASP shall provide a performance guarantee in favour of the Bank for Rs. ----- (Rupees -----only) for the period of this agreement representing equivalent of 2% of the Total Contract Value (Agreed Monthly Fees per branch \* Total Number of Branches as on the date of Agreement \* 60). Such contract value shall be reckoned with the limited purpose of computation of the amount of Performance Bank Guarantee.
- 20.2 The performance guarantee in reference should be of that of a nationalized bank/Scheduled Bank.
- 20.3 The performance guarantee would be returned to the ASP after the expiry or termination of the contract whichever is earlier. The said project would be deemed complete only when all the solutions and items contracted are delivered in good condition, installed, implemented, tested and accepted along with the associated documentation and training provided to the Bank's employees and on the completion of other obligations under this agreement.
- 20.4 In the event of non-performance by the ASP of its obligations under this Agreement, the Bank with previous written approval from UPGB, shall be entitled to invoke the performance guarantee without notice or right of demur to the ASP.

## **21. Approvals/permissions/consents/licenses etc :**

- 21.1 The ASP shall promptly and timely obtain all such consents, permissions, approvals, licenses etc as may be necessary or required for carrying out the said project in accordance with this Agreement. The ASP shall also inform and assist the Bank in procuring any registration, permissions or approvals, which may be at any time during the currency of this Agreement or the extended period be statutorily required to be obtained by the Bank for availing the services under this Agreement.

## **22. Escrow Mechanism:**

- 22.1 The ASP acknowledges that it shall obtain a letter of confirmation from the CBS Software Vendor whereby arranging for suitable safe-keeping of the updated software application and data base throughout the currency of this agreement and provide access to the Bank or its authorised persons to such software applications and database, in future, only in case of

eventualities that may occur and warrant such access. However, this clause does not apply to normal exit of the ASP by way of termination or cancellation for which the relevant clauses in this agreement shall apply.

**23. Force Majeure :**

23.1 The parties shall not be liable for default or non-performance of the obligations under the contract, if such default or non-performance of the obligations is caused by Force Majeure.

23.2 For the purpose of this clause, “Force Majeure” shall mean an event beyond the control of the parties, due to or as a result of or caused by acts of God, wars, insurrections, riots, earth quake and fire, events not foreseeable but does not include any fault or negligence or carelessness on the part of the parties, resulting in such a situation.

23.3 In the event of any such intervening Force Majeure, each party shall notify the other party in writing of such circumstances and the cause thereof immediately within five calendar days. Unless otherwise directed by the other party, the party pleading Force Majeure shall continue to perform/render/discharge other obligations as far as they can reasonably be attended/fulfilled and shall seek all reasonable alternative means for performance affected by the Event of Force Majeure.

23.4 In such a case, the time for performance shall be extended by a period(s) not less than the duration of such delay. If the duration of delay continues beyond a period of three months, the parties shall hold consultations with each other in an endeavor to find a solution to the problem.

**24. Resolution of disputes**

24.1 This Agreement shall be governed by and construed in accordance with the laws of India.

24.2 Disputes or differences whatsoever, arising between the Bank and the ASP shall be resolved amicably between the Bank’s representative and the ASP’s representative.

24.3 In case of failure to resolve the disputes and differences amicably within 30 days of the receipt of notice by the other party, then the same shall be resolved as follows:

“Any dispute or difference whatsoever arising between the parties out of or relating to the construction, meaning, scope, operation or effect of this contract or the validity or the breach thereof shall be settled by a sole arbitrator in accordance with the Rules of Arbitration of the

Indian Council of Arbitration and the award made in pursuance thereof shall be binding on the Parties, unless the Parties opt for a recourse against the said award under Indian Arbitration and Conciliation Act 1996.”

24.4 The venue of the arbitration shall be at ----- [Insert the name of the state capital where the Bank is situated]

24.5 The language of arbitration shall be English.

24.6 Work under the contract shall be continued by the ASP during the arbitration proceedings unless otherwise directed in writing by the Bank, unless the matter is such that the work cannot possibly be continued until the decision of the arbitrator is obtained. Save as those which are otherwise explicitly provided in the contract, no payment due, or payable by the Bank to the ASP shall be withheld on account of the ongoing arbitration proceedings, if any, unless it is the subject matter, or one of the subject matters thereof.

24.7 Any notice, for the purpose of this clause, has to be sent in writing to either of the parties by facsimile transmission, by registered post with acknowledgement due or by a reputed courier service, All notices shall be deemed to have been validly given on (i) the business day immediately following the date of transmission with confirmed answer back, if transmitted by facsimile transmission, or (ii) the expiry of 5 days after posting, if sent by post, or (iii) the business date of receipt, if sent by courier. A copy of all legal notices shall also be sent to admin@megasoftinfo.com

## **25. General Provisions :**

### **25.1 Rights and Remedies :**

All rights and remedies conferred under this Agreement or by law shall be cumulative and may be exercised singularly or concurrently.

25.2 **Paragraph Headings :** Paragraph headings are for convenience only and shall not be a part of the Terms and Conditions of this Agreement.

25.3 **Severability :** If any term or provision of this Agreement should be declared invalid by a court of competent jurisdiction, the remaining terms and provisions of this Agreement shall remain unimpaired and in full force and effect.

- 25.4 **Modification:** No modification, waiver or amendment of any term or conditions of this Agreement shall be effective unless and until it shall be reduced to writing and signed by authorised persons of the Bank and ASP. All legally required Amendments will automatically become part of this Agreement.
- 25.5 **Notices:** Save as otherwise provided, any notice, request, waiver, consent or approval under this Agreement shall be delivered by hand, by mail or by facsimile to the addresses mentioned above or at any other address notified by such party to the other party. Such notice, request, waiver, consent or approval shall be deemed given a) in the case of hand delivery, upon written acknowledgment of receipt by an officer or other duly authorised personnel, agent or representative of the receiving party; (b) in the case of posting, three working days after dispatch; (c) in the case of facsimile, upon completion of transmission.
- 25.6 **Third Party Beneficiaries:**  
Except as specifically set forth or referred to herein, nothing contained or implied herein is intended or shall be construed to convey any rights upon any person or entity other than ASP.
- 25.7 **Inspection of Records :** Bank or any of its authorized agent shall have the right to inspect, audit, examine and make excerpts or transcripts of all relevant ASP records with respect to any matters covered by this Agreement during normal business hours as often as the Bank or any of its authorised agents deems necessary. However, the scope of such inspection shall be limited to service offerings under this Agreement.
- 25.8 **Publicity :** Any publicity by the ASP in which the name of UPCB or the Bank is to be used shall be done only with the express written approval from UPCB and the Bank.
- 25.9 **Solicitation of Employees :** Either of the parties to this Agreement agrees not to hire, solicit, accept solicitation (either directly, indirectly or through a third party) for their employees directly involved in this project during the contract period and one year thereafter.
- 25.10 **Health and Safety :** The ASP and any of its subcontractors shall, when at the Bank site, conduct their activities in such a manner so that their equipment, working conditions and methods are safe and without risk to health for their own and Bank's employees as well as for any other users of the Bank Site.
- 25.11 **No Right :**  
No right of any employment shall accrue or arise, by virtue of engagement of employees, agents, contractors, sub-contractors etc. by the ASP to its own employees or its authorised

personnel involved in this contract. All remunerations, claims, wages, dues, taxes, any other statutory dues or any claims arising out of breach of laws etc. of such employees, agents, contractors, sub-contractors etc. shall be payable by the ASP only and the Bank or any of its authorised agents shall not have any direct or indirect liability or obligation to pay any such charges, claims or wages.

25.12 **Survival :** The following provisions survive termination of this Agreement: Sections 4 (Payment), Section 12 (Warranties), Section 14 (Intellectual Property Rights), Section 15 (Indemnity), Section 10 and 11 (Confidentiality & Information Ownership), Section 9 and 25.1 (Remedies and Liabilities), and Section 3.3, 16.3, 16.5 and 16.8 (Transition Services).

25.13 **Entire Agreement :** This Agreement, its Annexures and the Vendor's Proposal along with the Addendum constitute the entire Agreement between the ASP and the Bank, and supersede any prior or contemporaneous communications, representations or agreements between the parties, whether oral or written, regarding the subject matter of this Agreement. In the event of conflict between the provisions of this Agreement and any attached Annexure or any document incorporating the terms of this Agreement or the VENDOR'S PROPOSAL or ASP's Response referencing this Agreement, the provisions of this Agreement will prevail to the extent of such conflict take precedence. In the event of conflict between the provisions of any attached annexure or any document incorporating the terms of this Agreement and the Vendor's proposal or ASP's Response, the provisions of any attached annexure or document incorporating the terms of this Agreement will to the extent of such conflict take precedence. Bank's additional or different terms and conditions shall not apply. The terms and conditions of this Agreement may not be changed except by an amendment signed by an authorized representative of each party. Vendor's proposal shall be the reference document to the extent the terms and conditions are either not reiterated or not given a contrary meaning under this Agreement.

25.14 **Applicable Law:** This Agreement is made under and shall be construed in accordance with the law of the Republic of India without giving effect to that jurisdiction's choice of law rules.

25.15 **Holiday :** Bank's declared Holidays and working days shall be applicable for the ASP for all its delivery commitments, communications, correspondence and work schedules.

25.16 **Discipline** : The ASP and its employees, agents, contractors, sub-contractors or its authorised personnel involved in the project and working from the premises of the Bank under this agreement shall observe all the rules and practices so as to maintain the level of discipline required to be maintained by the Bank’s own employees.

**26. Execution :**

This agreement may be executed in counterparts by the respective parties, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

IN WITNESS WHEREOF the parties hereto have executed these presents at .....through their respective authorized signatories and have affixed their respective seals to this writing, on :

<b>SIGNED ON BEHALF OF</b>	<b>SIGNED ON BEHALF OF</b>
.....[Insert the Bank name]	Megasoft Information Systems P Ltd.,
SIGNATURE WITH SEAL	SIGNATURE WITH COMPANY SEAL
NAME:	NAME:
TITLE:	TITLE:
PLACE: .....	PLACE: .....
DATE	DATE
Witness	Witness
Signature	Signature
Name	Name