



# Chandigarh Administration



## Clarifications for the RFP for the Selection of Banking Partner for Sampark Project,

### UT Administration, Chandigarh

Reference - Advertisement No. Advt/IT/2010/02 Dated 31/03/2010

Sr.No.	Query	Response	Amendments reflected in the RFP (Corrigendum)
1.	Our query relates to the Eligibility Criteria for Bidders (para 6.iii) which states that "The Bidder should be undertaking Treasury Banking Operations on behalf of either the Central or State Government."	Eligibility criteria would be as mentioned in the RFP.	-
2.	In this regard we wish to submit that our Bank is undertaking Direct & Indirect Tax Collections (Income Tax, Excise, Sales Tax, Service Tax etc.) for the Central and State Governments and thus qualify as an eligible banker.	Eligibility criteria would be as mentioned in the RFP.	-
3.	Time schedule for setting up the remaining Sampark centres.	Plan is to have one Sampark Centre in every alternate sector of the city. Around 11-	-

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		12 Sampark centres have been planned this year. Exact timelines have not yet been decided.	
4.	Whether only two POS machines are required at each centre or some centres are to be provided more than 2 POS machines depending on the number of counters.	Only 2 POS at each center are required.	-
5.	Whether space of about 70-80 sq ft will be provided to the bank for setting up ATM. Will it be at some cost or free.	-	<p><b><u>RFP Clause 5.1 Point 5</u></b>  The Banks requested that keeping in view the cost constraint; rent free space should be provided for ATM, as being done at present. It was clarified that rent at nominal cost would be charged, which would be determined by the Administration as per norms. However, it would not be obligation of the selected Banking Partner to establish ATM and it will have the first right of refusal. The ATM site shall be offered to some other banks if refused by the selected Banking Partner.</p>
6.	Whether the Bank can provide a self-service Kiosk for payment of bills through use of Internet Banking and debit cards.	No separate kiosk will be provided, only Sampark services to be delivered at the Sampark Centres.	-
7.	Would the Payment Aggregator or the CA bear the interchange payable for use of other bank's cards.	-	<p><b><u>RFP Clause 5.1 Point 9</u></b>  Any additional charges will be borne by the citizen.</p>
8.	Whether the Bank can integrate its Payment Gateway directly to the	It will be through the payment aggregator ensuring transactions through all banks.	-

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	Sampark portal for all types of payments using debit /credit cards or it will be through the Payment Aggregator.		
9.	Name of the System Integrator and Payment Aggregator.	SI and Payment Aggregator are in the process of getting selected.	-
10.	As cash after 8:00 PM will be difficult to handle -- apart from the security aspects -- is it possible to collect cash only once a day say around 4 or 5 PM (depending on the location) and the cash received after the cut off time deposited in the ATM using deposit envelopes. Bank may be permitted credit for cash deposit on T+1 basis.	-	<b><u>RFP Clause 4.1; Clause 5.4 Point 7; Clause 10 Point 1</u></b> Collection of cash/cheques/drafts from Sampark Centres twice daily i.e. between 1-2 pm and 8-8.45 pm.
11.	While cash can be provided for paying pension, the Bank can also provide pension cards (Magstripe based) and the pensioners can withdraw from ATMs.	The decision for this will be taken up as part of the Contract Agreement to be signed with the selected Bank.	-
12.	Can the revenue sharing be negotiated depending on the value of services provided by the Bank.	No	-
13.	We request that penalties be reduced. (Some examples of very high penalties: The penalty for downtime of fake currency detector	No Change in the penalties.	-

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	@Rs 1000 per hour after one day. Delay in information about bounced cheques @ Rs 500 / cheque per day. )		
14.	We need details about the proposed existing B2C services and new services proposed. Also the new and existing G2C services. Would the bank be entitled for the standard government commission for government collections and payments.	The detail of the services has been mentioned in the RFP for the selection of SI.  No commission will be paid to the Bank.	-
15.	We seek reduction in performance bank guarantee amount.	No Change.	-
16.	As this is a project where study of the existing systems with the SI is required, we seek extension of time for submission of the bids.	No extension.	-
17.	What would be the number of Sampark Centres / Gram Sampark Centres /Jan Sampark Centres involved in the Project and the volume of collections involved from these Centres.	Details already mentioned in the RFP for the Selection of SI.	-
18.	Features of Swipe machine Who will provide the link?	-	<b><u>RFP Clause 4.2.1</u></b> Link will be provided by the SI.
19.	MIS should have Customer Account No.? The Bank will not be able to provide the Account number of the customer. However, Card number can be provided. The other details	-	<b><u>RFP Clause 4.2.2</u></b> Customer Account No. is not required.

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	mentioned in the point can be captured and provided in the MIS		
20.	Data Backup - Providing on request? - Data Backup will be provided to DIT who inturn can share it with CA and other Departments. For how many years should the Bank store the data with itself?	-	<b><u>RFP Clause 4.2.4</u></b> It is mandatory to provide Data Backup to DIT. The Bank has to store the Data during the contract period.
21.	Commercial terms (Merchant Discount Rate) MDR for Swipe machines, etc and will it be passed on to customers by CA.	-	<b><u>RFP Clause 4.2</u></b> MDR will be borne by the citizens/customer.
22.	Auditing: whether transactions on Swipe Machines can be made available for audit by DTO	Yes	-
23.	Maintenance: Does maintenance mean the Swipe Machines only? Or anything else?	-	<b><u>RFP Clause 4.2.5</u></b> All the items provided by the Bank are to be maintained by the Bank only.
24.	Information availability: - Access to users and administrators implies that viewing facility in the account since we can provide only Corporate iConnect Real time access to user departments implies Corporate iConnect with viewing rights. However, Corporate iConnect will give only statement of account.	-	<b><u>RFP Clause 4.2.7</u></b> Only viewing rights are required to be given by the Bank to CA.
25.	Provide 1 note counting machine, 1 fake note detection machine at each Centre i.e. 48 note counting and 48 fake note detection machines. Will	-	<b><u>RFP Clause 5.1 Point 8</u></b> No compensation will be paid by CA for the pick up charges.

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	the Govt. compensating for the Pickup charges involved as also for providing Cash Counting/ Fake Note Detection Machines, etc.		
26.	Sharing of commission B2C : CA 40%, Balance 60% between SI and Bank in the ration (40:20) i.e. 66.34% of 60% to SI and 33.33% of 60% to Bank. What about applicable taxes? Also SI will have separate account?	-	<b><u>RFP Clause 5.1 Point 14</u></b> It will be determined at the time of signing of the SLA for any new B2C services with the private operator, however for the existing B2C services, it is inclusive of all taxes. SI will have separate account.
27.	ISO27001 certified	No Change	-
28.	Set up ATMs : at all centers ?	-	<b><u>RFP Clause 5.1 Point 5</u></b> ATMs not to be set up at Jan Sampark and Gram Sampark centres.
29.	Roles and Responsibilities of Bank - Daily or excluding Bank holidays	-	<b><u>RFP Clause 5.1 Point 1</u></b> Collection is daily but excluding Bank Holidays
30.	Handover cash / DDs etc to Bank or authorized representative of the Bank along with an MIS (both in Hard and Soft copy)	-	<b><u>RFP Clause 5.4 Point 7</u></b> MIS shall be provided both in Hard and Soft copy (only email) by SI.
31.	P & L Statement → Certified by CA. Whether Annual Report of the Bank will be sufficient?	-	<b><u>RFP Clause 6 Table 1 Point 2</u></b> Annual report will be sufficient.
32.	Purchase order for Govt. Business Authorization. Whether RBI authorization letter will do.	-	<b><u>RFP Clause 6 Table 1 Point 3</u></b> RBI letter will be sufficient.
33.	Bidders to refer to RFP for SI	RFP for SI is to be referred for reference. (Page 16, Clause	-

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		7.2)	
34.	Contract Agreement to be signed should be shared with bidders before bidding. Justification: In case certain clauses in the agreement are not amicably settled, then EMD of the bidder is forfeited.	Contract agreement shall be shared with the selected Bank.	-
35.	Penalties levied on the Bank to be paid within 15 days. Reciprocally, the Bank's dues to be cleared within 15 days from the date of the Bill. Process of raising of the claims of the Bank not provided. This is applicable for B2C. In case of delay in release of payment, Bank to recover from the next cycle's collection or Interest to be paid by CA.	No change (Clause 9.7 (b))	-
36.	<p>Issuance of Performance BG ?</p> <ul style="list-style-type: none"> <li>- Value?</li> <li>- Period</li> <li>- Form (Whether DD or actual BG)</li> </ul> <p>If DD, it will be for 6 months only and will it be encashed?</p> <p>If BG, will it be from a different Bank (This point is clarified in format for technical bid – Page No. 34 point No. 11.5 para 3 ... from a Nationalised Bank / scheduled Bank)</p> <p>Why not Interest Free Deposit in favour of DDO, Chandigarh Admin?</p> <p>Apart from the EMD / Security Deposit, Bidders to issue</p>	-	<p><b><u>RFP Clause 8.8, Clause 9.8</u></b></p> <p>The amount of PBG has been specified as Rs 1 Cr and the same cannot be changed.</p>

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	<p>Performance Guarantee of Rs.1 Crore also? Period 5 yrs. Can it be issued by the same bidding bank or should be from a different Bank, OR can an interest free FD be issued? PG <u>MAY</u> be discharged after completion of the contract period. In case the performance has been satisfactory, CA should necessarily discharge or return the PG within a stipulated time. After the cut off time, the PG will automatically cease to be valid.</p>		
37.	<p>Special powers of termination: Basically this an exit clause for the CA. What shall be period of the Notice? Bank's should also have an exit clause and CA or SI or any user department / entities shall have no claim to any payment or compensation or otherwise however on account of any loss that could occur to the CA or SI or the user departments / entities from the non-execution of the work by the Bank awarded by CA to them.</p>	No change (Clause 9.11)	-
38.	<p>Point No. 9.12: Indemnification of CA: From whom to recover the funds in case of chargeback cases of Debit/Credit Card Transactions.</p>	-	<p><b><u>RFP Clause 9.12</u></b> In case of chargeback cases, CA will refund the amount to the Bank through the concerned department.</p>

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39.	Exit options are only for CA? Especially 2 <sup>nd</sup> point -> if CA chooses to continue then Banks to continue on the <u>SAME TERMS &amp; CONDITIONS?</u> The consent of the Banks will not be taken? Or any change in the Terms & Conditions.	No change (Clause 9.16)	-
40.	Penalties The SLA penalty terms are too harsh. The Govt. can consider for increasing the buffer time than specified in the SLA terms. Cash / Cheque pick up: Digital Signatures? - Penalty for delay in pick up by the Bank What about penalty on CA in case there is delay on the at the Centres in keeping the Cash / Cheques ready for pick up.	No change in SLAs and Penalties for the Bank. However, the penalty on the SI has been addressed in the corrigendum & clarifications for SI (separate document)	-
41.	Reconciliation : Day T at Sampark Centres:→ How does the Bank reconcile on Day “T” itself? And for what all types of transactions i.e. for Cash – Reconciliation on Day T, then what about txns through Cheques? How is penalty defined in such a case?	-	<b><u>RFP Clause 4.1; Clause 10</u></b> Reconciliation will be done at “T”+3 in all cases
42.	Money Deposit process - Deposit the money on the designated day -> where? - What is Day “T”	-	<b><u>RFP Clause 4.1; Clause 10</u></b>  Money Deposit Process <b><i>Definition of “T”</i></b>

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	<ul style="list-style-type: none"> <li>- Why difference for Debit Card and Credit Card for Money Deposit?</li> </ul>		<p>“T” in case of all transactions means transactions of the 2<sup>nd</sup> half of previous day (collections during 8-8.45 pm) and collections during the first half of the day.</p> <p>For the collections through the Payment Aggregator, “T” is on the day when the funds are transferred to the Bank.</p> <p>Cash – T  Cheque – T+3  Swipe Machine – T+1  Money through Payment Aggregator – T+2  (whereas Payment Aggregator deposits money with selected Bank on T+1)</p>
43.	B2C Revenue Sharing : Is it with or without applicable taxes?	It will be determined at the time of signing of the SLA for any new B2C services with the private operator, however for the existing B2C services, it is inclusive of all taxes.	-
44.	<p><b>Reconciliation reports?</b></p> <ul style="list-style-type: none"> <li>- What is the difference between Cash Received / Cheques received and Transactional amount?</li> <li>- Cheques received indicates the Number of Cheques or the amount</li> <li>- What does Sl.No. indicate i.e.</li> </ul>	These are only the indicative template for the reconciliation reports which shall be finalized after consultation with the selected Bank. (Clause 11.3)	-

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	<p>each row of Annexure III will comprise of each user department or Sampark Centre?</p> <ul style="list-style-type: none"> <li>- What is variation?</li> <li>- 2<sup>nd</sup> Table is not clear. What is Date of Payment (relates to what), then what is Amount collected ? What is Service?</li> </ul>		
45.	Sampark RFP: What is SI	SI is System Integrator	-
46.	Ref No. RFP =?	-	<p>The RFP for Selection of SI can be downloaded from <a href="http://www.chdit.gov.in">http://www.chdit.gov.in</a> and <a href="http://www.chandigarh.gov.in">http://www.chandigarh.gov.in</a></p> <p>The Header of the RFP for “Selection of Banking Partner for Sampark Partner” shall be modified as</p> <p>“Draft RFP for Banks – Selection of Banking Partner for Sampark Project, Chandigarh”</p>
47.	<p>EMD: Rs.5 Lacs – DD/PO/BG – Scheduled Commercial Bank</p> <ul style="list-style-type: none"> <li>i. Query: i. Our own BG will be OK</li> <li>ii. if DD/PO – validity for 6 months only</li> <li>iii. Will the DD/PO be encashed</li> <li>iv. FD Interest Free of our own Bank</li> <li>v. Bank Guarantee: Validity Period</li> <li>vi. EMD to be submitted with Bid or only successful Bidders to</li> </ul>	-	<p><b><u>RFP Clause 2; Clause 7.7; Clause 8.1; Clause 8.2; Clause 8.5; Clause 8.9</u></b></p> <p>The Bidders shall submit, along with their Bids, Earnest Money Deposit (EMD) of Rs. 500,000/- (Rupees Five lacs only), in the form of a Demand Draft/Pay Order in favour of “Drawing and Disbursing Officer, DIT, Chandigarh Administration payable at Chandigarh”.</p>

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	submit		
48.	Under Sampark Project Under existing system: No charges on the citizen. Then what about the IPG charges. Is it being charged to DIT or the customer?	No change	-
49.	Money Collection Process 1. It mentions only Sampark and Gram Sampark Centre. What is Jan Sampark Project 2. 2. Mode of payment: Does it refer to single cheque for payment to Multiple Dept dues.	-	<b><u>RFP Clause 4.1</u></b> 1. Citizens avail services at Sampark and Gram Sampark centres and make the payment for the services. 2. There shall be same Cheque/DD/PO for multiple departments/ organizations against single bill.
50.	The provision of funds for disbursement is unclear as to who will maintain the funds with the Bank for the same.	The concerned department will open an account in the Bank and make sure that sufficient funds are maintained in the account for disbursement.	-
51.	Submission of Scrolls by Bank a. Copy of Scroll to all Deptt Why not at Nodal point on behalf of all Deptt? b. Scrolls to contain i. Name of the Deptt ii. Major Head of A/C iii. Service Aailed iv. Other Details	Yes, copy of Scroll is to be given to all departments through email and manually to Treasury.	-
52.	Installation of ATMs at E- Sampark Centers. Please clarify whether it is optional or mandatory to put ATMs at E- Sampark and gram Sampark centers.	It is mandatory to provide ATMs at only Sampark Centres (Not required at Jan Sampark and Gram Sampark centres)	-
53.	Pricing of Payment Gateway and	-	<b><u>RFP Clause 4.2</u></b>

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	<p>Swipe terminals: It is not clear as to how many transactions will be routed online and through swipe terminals. The cost involve is about 2% of the amount paid in these transactions. The Bank has to pay part of this to the card issuing Bank and Master card/Visa for settlement of the funds transacted. Therefore it is not clear as to who will bear this cost i.e. whether this is to be borne by citizen or system integrator/operator. Please note that citizen will not be charged for cash/cheque as is the case in existing setup.</p>		<p>The cost will be borne by the citizens.</p>
54.	<p>The two telephone lines per Sampark center should be provided by the system integrator/operator as it is not a bank related activity.</p>	-	<p><b><u>RFP Clause 5 Point 4</u></b>          Swipe machines will be provided by the Bank, however the two telephone lines per Sampark Centre shall be provided by the SI.</p>
55.	<p>Currency Counting and Fake Note detection machines for Sampark centers should also be supplied by the system integrator/operator as the machines are not manufactured and supplied by the Bank, this not being a banking activity. Also it is not clear whether the machines are to be supplied at both E-Sampark and Gram Sampark centers.</p>	-	<p><b><u>RFP Clause 5 Point 8</u></b>          As informed by the Banks, they cannot create any Infrastructure outside bank premises as per RBI guidelines. Keeping this in view, the Currency Counting machines shall be provided by the Bank to the Cash Collecting Agency. However, Fake Note Detection machines shall be provided by the SI. Both the machines – currency counting and fake note detection machines are to be provided at e-Sampark and Gram Sampark centres.</p>

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56.	There is no financial bid sought from the bidders. Therefore it is not clear as to how the final Bank will be selected without financial bid for bidders who will qualify the threshold criteria of 70 marks under the technical bid. It is important to mention here that the technical bid has subjective elements and only selecting based on technical bid will therefore deprive the bidders of the right to bid in spite of having qualified technically.	No change	-
57.	Will there be a tripartite agreement between SI, Bank and CA?	Yes	-
58.	Will the printed annual report suffice in lieu of the attestation by the Chartered Accountant for profit and loss account statement to be submitted.	Yes	-
59.	As the cash will be picked at around 8-8:30Pm. Overnight vaulting of cash may require explicit approval of both RBI and CAG in case of treasury transactions.	Once money is collected at Sampark and Gram Sampark Centres, it is the responsibility of the Bank.	-
60.	Insurance of cash in transit from the Sampark center to the Bank premises. Who will bear the cost and what will be the amount on which insurance cover will be required to be taken.	Once the cash/DD/cheques are collected from Sampark and Gram Sampark centres, it will be the responsibility of the Bank.	-
61.	Format of the various agreements that are required to be executed by the bank.	The format of the agreement shall be shared with the selected Bank.	-

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62.	Income Tax clearance certificate, it is not clear as to what certificate is required and RBI authorization.	-	<p><b><u>RFP Clause 9.10</u></b>  The bidder is not required to furnish Income Tax Clearance Certificate and RBI authorization from the competent authority.  This has been modified since Banks are the regulated entities under RBI and their activities are governed by RBI guidelines in a normal course through a broad criteria.</p>
63.	The penalties on the page 28 should be reviewed as there would be dependencies and factors beyond the control of the Bank.	No change	-
64.	Is the bank permitted to appoint any agency for the cash and cheque collections and other work from the Sampark centers.	Yes.	-