

HARYANA STATE RURAL LIVELIHOOD MISSION

(Department of Rural Development, Haryana)

RFP No: HSRLM/2019-20/950

Request for Proposal for Digitization of Collection and Repayments in SHGs and its higher level institutions using Smart Card

Haryana State Rural Livelihood Mission,
SCO-19, Sector 16, Panchkula, Haryana.

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Haryana State Rural Livelihood Mission

KEY EVENTS AND DATES

S No	Particulars	Details
1	Document Reference Number	HSRLM/2019-20/950
2	Start Date of Issue of RFP	12/03/2020
3	Pre-Bid Meet Date & Time	15/04/2020
4	Pre-Bid Meet Venue	HARYANA STATE RURAL LIVELIHOODS MISSION, HARYANA SCO 19, (First & Second Floor), Sector -16, Panchkula
5	Last date /Time for receipt of proposals	To Be decided Later
6	Date & Time for opening of Technical Bid	To Be decided Later
7	Date & Time for Presentation	29/04/2020
8	Date & Time for opening of Financial Bid	To Be decided Later
9	Venue of opening of Bids.	HARYANA STATE RURAL LIVELIHOODS MISSION, HARYANA SCO 19, (First & Second Floor), Sector -16, Panchkula
10	Cost of RFP Documents.	Rs. 25,000/-
11	Earnest Money Deposit(EMD)	Rs. 10,00,000/-
12	Bank Details	Shape of cheque: Banker's cheque/ Pay Order or Demand Draft. In favour of "Chief Executive Officer, Haryana State

		Rural Livelihoods Mission, Haryana,” Payable at Panchkula
13	Office and correspondence Address	Chief Executive Officer, HARYANA STATE RURAL LIVELIHOODS MISSION, HARYANA SCO 19, (First & Second Floor), Sector -16, Panchkula
14	Phone/ Fax / Mobile No.	0172-2587590/2581590
15	E-mail	ceohsrlm@gmail.com
16	Website.	www.hsrlm.gov.in

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SECTION 1: INVITATION FOR PROPOSALS (IFP)

Introduction

The Ministry of Rural Development (MORD), Government of India (GOI) has been implementing Deendayal Antyodaya Yojana- National Rural Livelihoods Mission (DAY-NRLM) since June 2011. The central objective of the DAYNRLM is to eliminate rural poverty through innovative implementation strategies involving mobilization and organization of the rural poor and promotion of their financial and economic inclusion as well as promotion of convergence with other livelihood programs.

NRLM Guiding Principles

- Poor have a strong desire to come out of poverty, and they have innate capabilities
- Social mobilization and building strong institutions of the poor is critical for unleashing the innate capabilities of the poor.
- An external dedicated and sensitive support structure is required to induce the social mobilization, institution building and empowerment process.
- Facilitating knowledge dissemination, skill building, access to credit, access to marketing, and access to other livelihoods services underpins this upward mobility.

The Govt. of Haryana has decided to implement NRLM through autonomous society. Accordingly, 'The Haryana State Rural Livelihoods Mission' was established as a society. The Society was registered under The Societies Registration Act – 1860 on 24th May, 2011 (Memorandum of Association and Rules and Regulations). The Society work for the empowerment of the poor and for poverty reduction by focusing on Livelihoods of the poor and vulnerable sections of the society in rural areas. The poor household shall be empowered to overcome all social, economic, cultural and psychological barriers by promoting institutions of poor at various levels. An environment conducive for the realization of full potential and inherent capacities of the poor will be created through social mobilization – awakening and promoting opportunities for the poor. The society is to work to enable the poor people perceive the possibilities of change and bring about desired change by collective action and participation of the poor in implementation.

The Mission

The Mission aims to “reduce poverty through promotion of diversified and gainful self-employment and skilled wage employment opportunities resulting in appreciable increase in incomes of the rural poor on sustainable basis”. The Mission seeks to adopt a strategy of promoting and strengthening community institutions which are in turn expected to mediate the livelihoods of the rural poor

Components of the Mission

The Mission seeks to achieve its objective through implementing four core components viz.

- (a) Social mobilization and promotion of sustainable Community Institutions of the rural poor (SHGs, VOs, CLFs etc.);
- (b) Financial Inclusion of the rural poor;
- (c) Sustainable Livelihoods; and
- (d) Convergence and entitlements.

Objective

The Society shall function as the apex coordinating organization for the implementation of the National Rural Livelihoods Mission (NRLM). The society shall have the following specific objectives:- Alleviate poverty of poor men and women by improving their capacities and opportunities to participate in and control their own development. To make necessary interventions to empower active affinity based groups of disadvantaged people. To make necessary interventions to create income security opportunity for the rural poor. Through village institutions collaborate and influence Panchayati Raj Institutions (PRIs) to become more effective, accountable and inclusive. Bring about coordination, convergence and synergy among the various components of different poverty alleviation programmes of the State and Central governments with a view to accelerating programmes towards elimination of poverty in the state.

Functions of the Society

- Take all such actions and to enter into all such actions as may appear necessary or incidental for the implementation of the project and in particular for the achievement of the vision and objectives of the society.
- Formulate guidelines for implementation of the various programs of the Society.
- Act as Guardian of Rules and “non-negotiable principles” of the projects, and enforce the rules and guidelines for the implementation of the projects.
- Accept or provide any grant of money, loan, securities or property of any kind and to undertake and accept the management of any endowment trust, fund or donation not inconsistent with the objectives of the Society.
- Purchase, hire, take on lease, exchange or otherwise acquire property, movables or immovable and construct, alter and maintain any building or buildings as may be necessary for carrying out the objectives of the Society.
- Open a bank account, along with the signatories to the account.
- Receive funds from the State Government or other sources through budget releases and release money to the lower offices based on their requirements and utilization of funds previously released. Incur expenditure after drawing up a budget and with due regard for economy and propriety.
- Make rules and regulation for the conduct of the affairs of the Society and add or amend, vary or rescind them from as and when required.

- Establish its own organizational structure, offices and employ, retain or dismiss personnel as required, decide salary and benefit structure for the Society.
- Accept, make, enclose or otherwise execute cheques, drafts, receipts, bills of exchange or other instruments and securities as required for the conduct of the business of the Society.
- Enter into contracts without a requirement for government approval, other than by government representatives on the Executive Committee and undertake any legal action that may be necessary to ensure the fulfillment of contracts made between the State Society and others.
- Exercise overall responsibility for management of Project on behalf of the Government of Haryana within the framework of project/ Mission guidelines.

One of the visions of HSRLM is the upliftment of ruralpoor in the State of Haryana through extensive use of Information Technology. Technology can play a vital role in facilitating greater outreach of financial services for the rural and urban poor especially for women in NRLM (National Rural Livelihood Mission). Digitization will not just help address traceability and transparency concerns, but also opens the doorway towards facilitating and enabling SHGs to digitize their financial transactions and function with less cash. It would also help in eliminating challenges of the traditional SHG model of repayment and collection and can provide a platform for low income households to access formal financial services at affordable costs and greater convenience.

Challenges with traditional model of SHGs

Challenges with Traditional Model of SHGs	Digitization of SHGs can lead to...
Lack of adequate governance, quality, transparency and irregularity in SHG functions	Better monitoring of SHGs' functions through increased transparency leading to an overall improvement in the quality of SHGs
Poor maintenance of books of accounts	Easier and self-reliant mode of bookkeeping that is cost effective and more secure
Inadequate outreach of the SHG program in many regions	Comprehensive information base which can facilitate better allocation of resources in regions with weak outreach
Banks impounding of savings of groups as collateral	Increased trust for SHGs due access to live data related to their functions and transactions being accessible to the banks leading to efficient monitoring
Limited banker interface and monitoring	Strengthening of linkages with the banking system and access to suite of financial products
Lack of risk controls	Digitization will help to enable real time risk controls in the SHG operations.

Proposal Background

Through this Request for Proposal (RFP), the Haryana State Rural Livelihood Mission, Haryana (HSRLM) intends to invite Technical & Financial Proposals for selection of Service Provider for “Digitization of Collection and Repayments in SHGs using Smart Card” for the State of Haryana in line with the guidelines of the Ministry of Rural Development, Government of India.

Bidders are advised to study the RFP Document carefully. Submission of Bids against this RFP shall be deemed to have been done after careful study and examination of the procedures, terms and conditions of the RFP Document with full understanding of its implications.

- a) The RFP document is available at website www.hsrlm.gov.in
- b) All Bidders are advised to check for any further clarifications and corrigendum related to this project at the website www.hsrlm.gov.in
- c) The Bids will be opened in the presence of Bidder’s representatives, who choose to attend, at the venue, date and time mentioned in the above table.
- d) In the event of date specified for Bids opening being declared a holiday for HSRLM, Haryana office then the due date for opening of Bids shall be the following working day at the appointed time

Invitation

- a) Through this Request for Proposal (RFP), the Haryana State Rural Livelihood Mission, Haryana (HSRLM) intends to invite Technical & Financial Proposals for selection of Agency “Digitization of Collection and Repayments in SHGs using Smart Card” for the State of Haryana.
- b) No proposal in consortium shall be accepted.
- c) The RFP document can also be downloaded from the website and submitted before the due date in the prescribed format along with cost of RFP document in the form of Banker’s Cheque/Pay Order or Demand Draft.
- d) The HSRLM, Haryana may, at its own discretion can extend the date for submission of proposals. In such a case, all rights and obligations of the HSRLM, Haryana and bidders previously subject to the deadline will thereafter be subject to the deadline as extended.
- e) The Proposal can be sent through Registered Post/Speed Post/Courier or submitted personally so as to reach HSRLM, Haryana office at designated date and time as per RFP.
- f) All Bankers Cheque or Demand Draft should be in Indian Rupees and drawn on any Scheduled Bank in favor of “CEO, Haryana State Rural Livelihood Mission, Haryana” payable at Chandigarh.

Eligibility Criteria

Sr. No.	Eligibility Criteria	Documentary Evidence
1.	The bidder should be a single Business Entity. (Any kind of consortium is not allowed) For the purpose of this Invitation for RFP document, a Business Entity shall mean a company registered in India under the Companies Act 1956 and operating for the last 100 years in Financial Technology space as of March 31, 2019.	Certificates of Registration/ Incorporation.
2.	The bidder should have an average annual turnover of INR 50 Crores in the previous three financial years (FY 2016-17, 2017-18 & 2018-19)	Certificate from Statutory Auditors for the last 3 years
3.	The bidder should have net worth of INR 10 Crores in each of the previous three financial years (FY 2016-17, 2017-18 & 2018-19)	Certificate from Statutory Auditors for the last 3 years
4.	The Bidder(s) should have prior experience of working on digital transformation of financial services projects in last 5 years as on date of submission of the proposal.	Signed Work Order or Agreement should be provided as the evidence

5.	The bidder should not have been blacklisted by any State / Central Government in India/PSUs as on bid submission date for corrupt, fraudulent or any other unethical business practices or for any other reason.	Self-certification from the Authorized Signatory
6.	The Bidder(s) should have minimum 2 years of prior experience of digitizing payment and loan repayments	Signed Work Order or Agreement should be provided as the evidence
7.	The company may have an already developed solution for digitization to curtail the software development time and to ensure timely delivery.	Copy of the order and Certificate of completion of the work to be attached alongwith.
8.	Bidder should have more than 75 individuals in India on its payroll.	Self-certification from the HR Head or Authorized Signatory
9.	Bidder should have valid PPI license from RBI	Copy of the certificate

Technical Evaluation Criteria

Sr. No.	Eligibility Criteria	Documentary Evidence
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1.	Average Annual Turnover	<p>10 Marks</p> <p>Greater than 75 Cr – 0 marks 100 Cr – 1 mark 110 Cr- 2 marks 120 Cr – 4 marks 130 Cr – 6 marks 140 Cr – 8 marks 150 Cr and above – 10 Marks</p>
2.	Experience of providing similar services on digital transformation of financial services.	<p>20 Marks</p> <p>1 Project – 2 Marks 2 Project – 4 Marks 3 project – 6 Marks 4 Project - 8 Marks 5 Projects – 10 Marks</p>
3.	Experience of providing similar services on digital transformation of financial services to Central/State/PSUs/Scheduled Commercial Banks and other Government Department with contract value greater than 5 Crore.	<p>20 Marks</p> <p>1 Project – 2 Marks 2 Project – 4 Marks 3 project – 6 Marks 4 Project - 8 Marks 5 Projects – 10 Marks</p>
4.	Approach & Methodology	<p>25 Marks</p> <ul style="list-style-type: none"> • Understanding of the project context – 5 Marks • Approach & Methodology proposed and work plan in the Technical

		<p>Proposal - 5 Marks</p> <ul style="list-style-type: none"> • Work schedule - 5 Marks • Technical Presentation – 10 Marks
5.	<p>Skill-sets of the team</p> <p>Note: CVs of all professionals' submitted need to be countersigned by official authorized to sign the bid. CVs to include consent from the resource highlighting the willingness to work on the project. All resources proposed should attach the copy of the certificate of qualifying education qualification. Experience of the resources will be counted after the attainment of the qualifying education qualification. Experience of professionals will be counted for completed years after highest qualification degree only. (Example – a professional who has experience of 4 years 8 months will be counted as 4 years only for evaluation purposes)</p>	<p>25 Marks</p> <p>1) General qualifications (general education, training, and experience): 20%</p> <p>2) Adequacy for the Assignment (relevant education, training, experience in the sector/similar assignments): 75%</p> <p>3) Relevant experience of working with Central/State/PSUs/Scheduled Commercial Banks and other Government Department organization, etc.): 5%</p>

Financial bids will be opened for Agencies which achieve the minimum qualifying marks (75%) required in the technical evaluation.

SECTION 2: INSTRUCTIONS TO BIDDERS (ITB)

Cost of RFP

- a) The cost of RFP /Bid document is Rs. 25,000/-, which has to be deposited in shape of Banker's Cheque /Pay Order or Demand Draft with bid document.
- b) The Bidder shall bear all costs associated with the preparation and submission of its RFP and Haryana State Rural Livelihood Mission, (HSRLM), Haryana (hereinafter referred to as "the Mission"), will in no case be held responsible or liable for these costs, regardless of the conduct or outcome of the Bidding process.
- c) This tender document is only available on the web site "<http://www.hsrlm.gov.in>" to enable the Bidders to use this document for submitting their Bids on the last date and time mentioned in tender notice/ tender document against this tender. The Bidders will submit Earnest Money Deposit (EMD) amounting Rs 10,00,000-(Rupees Ten Lakhs only) in the form of Demand Draft from any of the Scheduled Bank in favour of "CEO, Haryana State Rural Livelihood Mission, Haryana, " payable at Chandigarh.

Definitions

Unless the context otherwise requires, the following terms wherever used in this RFP have the following meanings:

- a) “Bidder” means firm/company/Agency, who submits proposal in response to RFP document.
- b) “Agency” means firm/company, who intends to provide requisite services and submit proposal in response to RFP document.
- c) “RFP” means Request for Proposal.
- d) “Committee” means tender committee(s) constituted for evaluation of Proposals.
- e) “Contract” means the Contract executed between HSRLMH and firm/company/Agency/institution for selection of agency for ‘Digitization of Collection and Repayments in SHGs and its higher level institutions using Smart Card’ for the State of Haryana in line with the guidelines of the DDUGKY program of the Ministry of Rural Development, Government of India along with the entire documentation specified in the RFP.
- f) “HSRLM,” means Haryana State Rural Livelihood Mission-Haryana.
- g) “GCC” means General Contract Conditions.
- h) “ITB” means Instructions to Bidders.
- i) “IFP” means Invitation for Proposal.
- j) “Personnel” means professional and support staff of Agency/Bidder.
- k) “Proposals” means proposal submitted by bidders in response to the RFP issued by the HSRLM, Haryana.

- l) “Services” means the work to be performed by firm/
company/Agency/institution in pursuance to this RFP and to the contract
executed between the parties.
- m) “TOR” means Terms of Reference.

Contents of Tender Document

- a) Through this Request for Proposal (RFP), the Haryana State Rural Livelihood Mission, Haryana (HSRLM) intends to invite State Technical & Financial Proposals through double envelope system for selection of State Technical Support Agency for the State of Haryana in line with the guidelines of the Ministry of Rural Development, Government of India.
- b) The invitation for Bids is for selection of Agency for “Digitization of Collection and Repayments in SHGs using Smart Card” for the State of Haryana.
- c) Bidding Procedures and Contract terms and conditions are prescribed in the RFP document.
- d) The Bidder is expected to examine all instructions, forms, terms and specifications in the RFP Documents. Failure to furnish all information required as per the RFP Documents or submission of a Bid not responsive to the RFP Documents in every respect will be at the Bidder’s risk and may result in rejection of his Bid.

Language of Bid

The Bid prepared by the Bidder, as well as all correspondence and documents relating to the Bid exchanged between the Bidder and the Mission shall be written either in Hindi or English language. The correspondence and documents in Hindi must be accompanied by embedded/separate Hindi font files. Only English numerals shall be used in the Bid.

Supporting documents and printed literature that are part of the Proposal may be in another language provided they are accompanied by an accurate translation of the relevant passages in English, in which case, for the purposes of interpretation of the Proposal, the translated version shall govern

The Bidder/Contractor shall bear all costs associated with the preparation and submission of its Proposal. The HSRLM shall not be responsible or liable for those costs, regardless of the conduct or outcome of the bidding process.

Documents Constituting the Bid

The Bid prepared by the Bidder shall comprise the following components:

- Eligibility Documents
- Implementation Plan
- Commercial Proposal
- Business Proposal

Bid Submission

The bids will be submitted in two parts, Technical Bid and Financial Bid in two separate sealed envelopes and both these sealed envelopes will be sealed in a single envelop. The outer envelope should have 'BID FOR DIGITIZATION OF COLLECTION AND REPAYMENTS IN SHGs USING SMART CARD' and the Technical and Financial Bids should have 'TECHNICAL BID FOR DIGITIZATION OF COLLECTION AND REPAYMENTS IN SHGs USING SMART CARD' and 'FINANCIAL BID

FOR DIGITIZATION OF COLLECTION AND REPAYMENTS IN SHGs USING SMART CARD' written on the envelopes

The Technical Bid must accompany the following documents:

- i. Covering Letter in the Prescribed Format Form-1
- ii. The company will have to submit a detailed Presentation about the Scope of Work, their understanding and the execution plan for the Portal.
- iii. The Financial Bid must be submitted in prescribed format Form-2 only
- iv. The bids not submitted in prescribed formats shall be rejected summarily

Delivery Period

The project shall be executed as per the following schedule:

S No	Item	Time frame
1.	Requirement study/ analysis of processes to be digitized	Within a 15 days of the purchase order
2.	Approval of process documents	With a 30 days of submission of the document
3.	Development and Deployment of payment system	Within 2 months of the finalization of process Documents
4.	Security Audit of the payment system (Submission of Certificate from Reserve Bank of India empaneled auditors)	Annually
5.	Final Sign Off and Launching of system in HSRLM	Within a 15 days of the Security Audit and Hand over

Discipline

- A. The Bidder shall make sure that all the services being delivered by Bidder are as per rules & regulations of HSRLM conveyed by HSRLM from time to time.
- B. HSRLM shall always have the right and liberty to do random inspection at its site through any of its officer.
- C. The Services rendered by the Bidder under this Agreement shall be under close supervision, co-ordination and guidance of the HSRLM. The Bidder shall frame appropriate procedure for taking immediate actions as may be advised by the CEO, HSRLM from time to time

Agreement and Nature of Agreement

An agreement shall have to be signed between the two parties strictly as per the provisions of the RFP Document of the Empanelment of the Companies by the State Government.

Scope of Activities as per Empanelment

The selected vendor shall have to carry out the following activities for the mentioned scope of work:

- a) Requirement study/ analysis of processes
- b) Development and Deployment of various software modules including mobile application development (if any)

- c) Performing all forms of testing
- d) Comprehensive Training of Employees
- e) Security Audit of the Software
- f) Final Sign Off

Term

- A. The Agreement shall be effective for a period of 5 years and can be extended further on such terms and conditions as may be deemed fit and proper by HSRLM and mutually agreed by both the parties on the written request of the Vendor. The Agreement shall be extendable on annual basis as per the mutually agreed charges.
- B. The Agreement shall be renewable at the end of the current term for a successive term of 1 year unless either party gives written notice of its intention not to renew at least 1 month before expiration of the current term.
- C. In the event that either party believes that the other party materially breached any obligations under this Agreement, such party shall so notify the breaching party in writing. The breaching party shall have 60 days from the receipt of notice to cure the alleged breach and to notify the non-breaching party in writing that cure has been effective. If the breach is not cured within the 30 days, the non-breaching party shall have the right to terminate the Agreement without further notice.

- D. In the event of early termination permitted by this Agreement, the Vendor shall be entitled to a payment of any remaining period of the Agreement.
- E. This Agreement is subject to termination by either party upon at least 90 days' notice prior to the end of the then-current contract period.

Composition and Address of Vendor

- A. The Vendor shall furnish to HSRLM all the relevant papers regarding its constitution, names and addresses of the management and the other key personnel of the Vendor and proof of its registration with the concerned Government authorities for running such a business of Vendor.
- B. The Vendor shall always inform HSRLM in writing about any change of its address or the names and the address of its key personnel

Right to accept or reject Proposal(s)

The Chief Executive Officer, HSRLM reserves the right to annul the RFP process, or to accept or reject any or all the Proposals in whole or part at any time without assigning any reasons and without incurring any liability to the affected bidder(s) or any obligation to inform the affected bidder(s) of the grounds for such decision.

Clarifications and amendments of RFP

During process of evaluation of the Proposals, the Chief Executive Officer, HSRLM may, at its discretion, ask Bidders for clarifications on their proposal. The Bidders are required to respond within the prescribed time-frame.

The Chief Executive Officer, HSRLM may for any reason, modify the RFP from time to time. The amendment(s) to the RFP would be clearly spelt out and the bidders may be asked to amend their proposal due to such amendments.

Award of Contract

The Chief Executive Officer, HSRLM will notify the successful bidder in writing for finalizing the contract conditions. The successful bidders will be asked to sign the Contract Agreement within 7 days of the notification. After signing of the Contract Agreement, no variation in or modification of the terms of the Contract shall be made except by written amendment signed by the parties

Confidentiality

- a) Information relating to the examination, clarification and comparison of the Proposals shall not be disclosed to any Bidder or any other persons not officially concerned with such process until the selection process is over. The undue use by any Bidder of confidential information related to the process may result in rejection of its Proposal.
- b) Confidential information shall mean and include any and all confidential or proprietary information furnished, in whatever form or medium, or

disclosed verbally or otherwise by the Bidder and/ or the Chief Executive Officer, HSRLM to each other including, but not limited to, the services, plans, financial data and personnel statistics, whether or not marked as confidential or proprietary by the parties.

SECTION 3: SCOPE OFWORK

An illustrative but not limited to, list of requirements given below:

Functional Requirements	
	User Management
1	On-Boarding through assisted channel by field agent using the smartphone based acquisition application
2	Capability to acquire customers in offline mode through Android smartphone acquisition application
3	Ability to upload application for approval
4	Ability to capture KYC documents digitally through application
5	Capability to review and approve customer application through web interface
6	Ability to edit / update customer application through smartphone application and web-interface
	Transactions and PIN Management

7	Solution should have ability to transact (make payment in offline mode) with minimal use of internet or other digital infrastructure
5	Every transaction should be secured using customer's PIN / Password authentication, as per payment industry standards
6	System should have ability to reset / regenerate PIN for Smart card
7	PIN should be issued and managed by user and all the communications between host and server should be encrypted
8	User defined PIN shall be numeric between 4 to 6 digits
9	There shall be policies around PIN/Password data to achieve higher level of security such as user should be forced to change PIN prior to first use.
10	User should be forced to change PIN every 60 days (This duration should be configurable)
11	PIN/Password should be encrypted in database
12	Robust PIN management and administration is key requirement from payment solution. First time PIN shall be sent through mailer and subsequent PIN changes should be at payment acceptance device or website with proper authentications/controls.
13	User should be able to change / reset PIN both in Offline and online mode
	KYC and AML Norms

14	Solution should address KYC and AML norms and guidelines published by RBI for payment solution
15	System should provide mobile application for smart card related activities for self-service by SHG group leader
	Checks and Limits
16	System should provide ability to set PIN authorization limit through smartphone application
17	User should be able to define set PIN based authorization for every transaction or never as per his convenience and faster transaction
18	System should have capability to define user customizable transaction limits <ul style="list-style-type: none"> - Maximum number of transaction per day - Maximum number of transaction per month - Maximum amount of transaction per day - Maximum amount of transaction per month
19	System should have capability to configure monthly or annual transaction limits
	Balance check and Transaction History
20	System should provide facility to check offline balance of smart card
21	System should provide facility to check mini statement / last 10 transactions performed by smart card holder

22	Payment acceptance device should be capable of storing account statement / transaction history in offline mode
	Customer Experience
23	Solution should be easy to use and should not require much complex infrastructure
24	System should require minimal digital literacy for operations by SHG women
25	Solution should be have color coded operations which provide convenient and easy mode of operations for SHG members
	Fraud Management
26	System should have real time fraud management on transaction.
27	Payment system should have logic to rationalize the loan within SHG
	Credit scoring
28	System should have option to drive credit score for SHG members basis the transaction and other available demographic information

Recording of Payment Heads for Transaction	
29	System should be able to capture payment separately for a VO meeting or SHG meeting
30	System should be able to capture payment type i.e. Savings /

	Loan repayment / Penalty/Inter group loan during collection transaction by SHG i.e. whether it is Loan repayment or Savings of SHG member or penalty payment etc.
31	System should be able to capture payment heads within collection transaction by SHG i.e. whether it is Bank Loan or Loan from Village Organization
32	System should be able to capture type of loan repayment within collection transaction by SHG i.e. what type of Village Organization loan user has availed and is making payment against e.g. Payment is collected under CEF (Community Enterprise Funds) or CIF (Community Investment Fund)
33	System should be capable enough to capture principal repayment and interest repayment separately in collection transaction
34	User should be able to deposit the amount collected in VO meeting or SHG meeting in his online account
35	User should be able to withdraw the amount received in his online account into offline mode
36	System should be able to configure multiple bank accounts with SHG member account or Self Help Group or Village Organization account
37	System should be able to identify the Bank account i.e. whether it is savings Bank account or loan account
38	System should instantly transfer funds into Savings / loan account of SHG

39	SHG member should be able to make payments for utility bills e.g. water, electricity, LPG etc. through his smart card
40	Bidder shall build digital ecosystem of merchants (who should accept payment digitally) and Agents (who can help load money in SHG smart card) to promote digital payment
41	SHG member should be able to make payments to merchants in offline mode
42	SHG member should be able to make payment for the DTH or mobile recharges in offline mode using their smart card
43	SHG member should be able to load money in their smart card through at any of the agent location

Smart Card and Device Management	
1	Service provider should undertake the complete fulfillment activity including procurement of suitable blank cards, printing / personalization, dispatch
2	System should be able to blacklist or hotlist a smart card
3	System should have capability to replace a damaged card instantly
4	System should have capability to issue add-on / additional card to user
5	The payment acceptance device should be capable enough to run

	without power for at-least 3 months
6	Payment acceptance device should be water and dust resistant
7	Hardware devices (payment acceptance device) should be able to run smoothly in rural working conditions
8	Payment acceptance device should be CE compliant
9	System should have hardware secure element embedded into it to store data in offline mode

Customer Grievance & Feedback	
1	Service provider should provide system for Voice based Call-center Management for resolving customer queries/issues
2	Service provider should provide Customer grievance /feedback management

Reporting & Dashboard Capabilities	
1	System should provide monthly and quarterly MIS and a dashboard to view the performance of SHGs and individual members, to do better planning, decision making and strengthening the program activities
2	MIS reporting should be in multi-tier structure i.e. Institutional

	Admin along with other end users having rights to view and generate reports
3	MIS application should be available over Web or mobile platform
4	Service provider should be able generate any other report as required by HSRLM
5	System should have capability to generate and send daily EOD report of transaction / operations done by SHG, individual members, VO (Village Organization)

Compliance to regulatory framework	
6	System should comply to prevailing RBI guidelines in respect to issuance and operations of Prepaid instruments in India
7	System should comply to KYC guidelines published by Reserve Bank of India
8	Implementation of new regulatory guidelines without any additional cost to HSRLM

Technical Requirement	
1	Solution should be robust enough to handle 3 lakhs SHG members for online as well as offline transactions
2	Application should also support Key Management and encryption

	within application and with other interfaces
3	Application should support ECC encryption or equivalent
4	All communication with system should be over secure channel and encrypted communication
5	Payment acceptance device should be NFC and / or BLE capable

Security Requirements	
1	Data security and integrity of transactions should be of highest standards and should meet the existing banking industry norms/ policies and upgradable in future
2	The end-to-end system design and implementation of payment system should be well engineered and the security should be the main goal
3	Each payment acceptance device should be provisioned with its own set of cryptographic keys in order to distribute the risk in case of a compromise of SHG device
4	The sensitive user data should be securely personalized over the Internet and stored in the payment acceptance device with a change control for data integrity
5	The online and offline transactions of the payment acceptance device should possess following properties: <ul style="list-style-type: none"> • All the flows are securely controlled internally and externally

	<ul style="list-style-type: none"> • All the data in-transit should be encrypted and hashed by the unique device keys to maintain the confidentiality and integrity of the transaction data • Individual secure keys in the device should be replaced in case of a compromise, and updated in case of overuse; • Individual certificates in the device should be updated with new certificates when expired or compromised; • Individual PIN of the payment acceptance device should be securely stored and protected. • More than one PIN retrieval mechanisms should be available in case the payment acceptance device is locked or blocked;
6	Regulatory rules and individual financial settings should be securely stored and protected
7	Multiple violations of the rules or the transaction flows should result in the payment acceptance device entering the Lock or Block phase
8	The Locked and Blocked payment acceptance device should be restored to the Operation phase following certain security procedures;
9	<p>The digital currency should be securely generated and issued to a device, and securely used during an offline transaction:</p> <ul style="list-style-type: none"> • Each payment acceptance device should have its own unique certificate that is signed from the root private key;

	<ul style="list-style-type: none"> • Each digital currency should be signed with an issuer private key; • The receiver device and payer device should mutually authenticate each other for each transaction; • The payer device should sign and store the paid digital currency, and send it to the receiver device; • The receiver device should verify the received digital currency and store it; • The payer device and the receiver device should send the stored digital paid and received currencies to the server when they go online;
10	The transaction history should be stored on each device and brief log should also be stored on device for failed transactions for tracking purpose;

Training	
1	Bidder shall provide solution specific training manual and Operational procedural manual
2	Bidder shall provide user manual for payment acceptance device and smart card for smooth operations of solution by Self Help Group members
3	Bidder shall provide end user training shall include application

	operations related training, training on devices
4	Bidder shall provide end user training in centralized environment or at location of Self Help Group members
5	Bidder shall provide handholding and troubleshooting of user issues at customer's location

SECTION 4: Forms

Form 1: Covering Letter

Date:

Reference No. :

[Bidders are required to submit the covering letter as given here on their letterhead]

To,

The Chief Executive Officer,
HSRLM, SCO No 19, Sector 16,
Panchkula.
Phone 0172-2587590

Sub: Proposal for Selection of Vendor for Digitization of Collection and Repayments in SHGs using Smart Card

Dear Sir,

1. We, the undersigned, having carefully examined the referred RFP and offer to Propose for the selection as Vendor, in full conformity with the said RFP.
2. We have read the all the provisions of RFP and confirm that these are acceptable to us.
3. We further declare that additional conditions, variations, deviations, if any, found in our proposal shall not be given effect to

4. We agree to abide by this Proposal, consisting of this letter, our Financial Proposals, and all attachments, for a period of 90 days from the date fixed for submission of Proposals as stipulated in the RFP and modifications resulting from contract negotiations, and it shall remain binding upon us and may be accepted by you at any time before the expiration of that period
5. Until the formal final Contract is prepared and executed between us, this Proposal, together with your written acceptance of the Proposal and your notification of award, shall constitute a binding contract between us
6. We hereby declare that all the information and statements made in this proposal are true and accept that any misrepresentation or misinterpretation contained in it may lead to our disqualification
7. We understand you are not bound to accept any proposal you receive, not to give reason for rejection of any proposal and that you will not defray any expenses incurred by us in bidding

Signature.....

In the capacity of.....

Duly authorized to sign Proposal for and on behalf of.....

Date.....

Place.....

Form 2: Technical Bid Format

[To be submitted by the bidder as per the format given below on their letterhead]

Date:

Reference No. :

S.No	Item	Status/Remarks
1	The bidder should be a single Business Entity. (Any kind of consortium is not allowed) For the purpose of this Invitation for RFP document, a Business Entity shall mean a company registered in India under the Companies Act 1956, and operating for the last 20 years in Financial Technology space as of March 31, 2019.	
2	The bidder should have a minimum annual turnover of INR 75 Crores from Indian operations in financial services in each of the previous three financial years (FY 17,18 and 19)	
3	The bidder should have a net-profit of more than 10 crore consistently across last five years	
4	The Bidder(s) should have prior experience of working on digital transformation of financial services projects in last 5 years as on date of submission of the proposal.	
5	The bidder should not have been blacklisted by any State / Central Government in India/PSUs as on bid submission date for corrupt, fraudulent or any other unethical business practices or for any other reason.	
6	The Bidder(s) should have minimum 2 years of prior experience of digitizing payment and loan repayments	
7	The company may have an already developed solution for digitization to curtail the software development time and to ensure timely delivery.	

Form 3: Financial Bid Format

[To be submitted by the bidder as per the format given below on their letterhead]

Date:

Reference No. :

S No	Item	Amount (INR)
Digitization of Collection and Repayments in SHGs using Smart Card		
1	Requirement study/ analysis of existing payment and collection processes to be documented	
2	Cost of infrastructure <ul style="list-style-type: none"> • Payment device • Smart card (per customer) • IT Infrastructure (server) • Managerial resources • Service charges 	
Annual Maintenance, Updation Data Management and Project Management (Per annum)		
1	Annual Maintenance, Customization, Updation, Maintenance of the system	

GST shall be extra as applicable