

State Bank of Bikaner and Jaipur

IT Services Department, Head Office
First Floor, Tilak Marg, 'C'- Scheme
JAIPUR – 302 005

Expression of Interest (EOI)

For implementing Biometrically enabled Smart Card based Financial Inclusion
in the Associate Banks of State Bank of India
(here in after referred to as 'the Banks')

1. State Bank of Bikaner & Jaipur (SBBJ)
2. State Bank of Patiala (SBP)
3. State Bank of Indore (SBIN)
4. State Bank of Mysore (SBM)
5. State Bank of Travancore (SBT)

EOI Reference __SMART CARD PROJECT

Last Date and Time for Submission of EOI : 02.05.2009 upto 12.30 PM

Address for Submission of EOI: The Dy. General Manager, IT Services Deptt.
State Bank of Bikaner & Jaipur
1st Floor, Head Office, Tilak Marg ,
'C' Scheme, JAIPUR - 302 005.

Phone No. 0141-5101436

Fax No. 0141-2227150

e-mail: dgmit@sbbj.co.in

Date and Time of opening of (EOI) : 02.05.2009 at 1.30 PM

Venue for Opening of EOIs:-

State Bank of Bikaner & Jaipur,
IT Services Department,
Head Office, Tilak Marg,
Jaipur – 302005.

FINANCIAL INCLUSION – SMART CARD PROJECT
EXPRESSION OF INTEREST

State Bank of Bikaner & Jaipur, on behalf of itself and other Associate Banks of State Bank of India as listed on the first page of this document, invites sealed EXPRESSION OF INTEREST (EOI) for providing an end-to-end solution for implementation of Smart Card Projects in Associate Banks of State Bank of India (herein after called the Banks). It will include but not limited to Supply, Customization, Installation, Operations and Maintenance of required Smart Cards and/or Plastic Cards, Devices, Hardware & Software, Network and Facility Management in addition to Delivery & Support for Banking & Financial Services in India.

Head Office and Website addresses of the Banks with respective areas of operation :-

S.No.	Associate Banks	Head office	Website / area of operation
1.	State Bank of Bikaner & Jaipur	Tilak Marg, Jaipur	http://www.sbbjbank.com RAJASTHAN
2.	State Bank of Indore	5, Y.N. Road, Indore	http://www.indorebank.org MADHYA PRADESH, CHATTISGARH
3.	State Bank of Mysore	Kempegowda Road, Bengaluru	http://www.statebankofmysore.co.in KARNATAKA
4.	State Bank of Patiala	The Mall, Patiala	http://www.sbp.co.in PUNJAB, HARYANA, HIMACHAL-PRADESH
5.	State Bank of Travancore	Thiruvananthapuram	http://www.statebankoftravancore.com KERALA, TAMILNADU

The Banks, which term or expression, unless excluded by or repugnant to the context or the meaning thereof, shall be deemed to include its Parent Bank (SBI), its successors and permitted assigns and merged entities.

1. Background :

The vast majority of the population in rural and remote areas has a very limited access to affordable banking and financial services such as savings, loans, remittance, insurance services, etc. The Banks plan to provide banking and other financial services in un-banked and under-banked centers, in rural and semi-urban areas under the Financial Inclusion initiative through this Smart Card project.

2. Project Strategy :

The proposed end-to-end solution should expressly provide the required structure, systems-architecture and processes with requisite hardware and software resources.

Smart card will be a contact-less chip-based smart card with biometric (fingerprint) identification facility, having provision to support multi accounts with total 15 accounts including deposit, loan and other accounts. The card would reside in a separate IT platform other than the Bank's normal Core Banking network. The card holders should be able to perform selected banking transaction in both off-line and on-line mode, through authorized business agents of Business correspondent (BCs). Enabled with tele-connectivity, these business agents of BCs will be available at Customer Service Points (CSP), a centrally located place in a conglomeration of 10 villages, to render basic banking services like savings, credit, remittance, insurance, pension, etc. to card holders at the CSP and as per their convenience.

- i) It has been targeted to cover villages in the operating areas of the banks. Accordingly it is expected to reach a cumulative volume of approx. 05 lakh cards by March, 2010 for the above Associate Banks.
- ii) Business Correspondents, who will be appointed by the Bank, would control a number of business agents. Business Correspondents will enroll customers with a laptop computer. The business agents would operate at CSP and put through transactions with hand held devices.
- iii) Customers who would be coming under the purview of financial inclusion would be provided with a contact-less smart card or a plastic card.

- iv) For a cluster of 10 villages or for 1000 (Max. 2500) customers, a business agent will be appointed.
- v) The number of branches which can handle Financial Inclusion would be decided by the Banks.
- vi) Issue of Smart Cards: Each of the smart cards would have minimum 32 K EEPROM memory, java enabled, PKI enabled and would contain the finger print template corresponding to a minimum of 6 fingers. In addition raw images would also be stored in the central site. Each card would have provision for at least 15 accounts and will contain particulars of the last 10 transactions for each account.
- vii) The vendor will provide an enrolment system for the Bank's appointed Business Correspondent. The system will have a laptop computer which will have a Fingerprint scanner and a digital camera for enrolling customers.
- viii) The vendor will provide software in the branch PC for storing the customer enrolment data from Business Correspondents and will facilitate viewing the same screen wise for the purpose of authorization of new customers.
- ix) Card Management system : The vendors will include card management system as part of their solution. The system will provide for issue of cards including personalization, inventory management of cards, Key Management and life cycle management. The entire activity with regard to card management will be handled by the vendor from either the premises of the Bank or the vendor but at a single location. All necessary hardware and software associated for the system would be provided by the vendor on BOT basis. At the end of five years, the vendor will transfer to the Banks the ownership of the equipment and solution. The bank has the right to take over from the vendor the activities relating to Card Management system and hand over the same to any other specialized agencies.
- x) Intermediate System: The data from the Customer Service Points would be received in Bank's centralized server via an intermediate system to be provided by the vendor. The entire data would be owned by the Banks and cannot be used by Service Provider for any other purpose. Maintenance and Operation of the Intermediate system would be done by the vendor. All the transactions from the fields as well as customer enrolment data from Business Correspondent will be

uploaded to the Intermediate System. The system should be in a position to validate the device uploading the data before accepting them.

- xi) Bank's Backend System: The Backend application for handling the transactions received from various sources would be provided by the Banks. Account under Financial Inclusion will be individually opened under the Bank's existing Core Banking System (CBS). At the end of the day the vendor will give daily transaction file in the format specified by the Bank for uploading the data in CBS in individual accounts. Similarly at the beginning of the day vendor will update the front end server with the transaction and balance file received from CBS for synchronization of balances.

3 Scope of Work

Under Financial Inclusion, the primary objective of the Banks is to deliver banking services at an affordable cost to the vast sections of disadvantaged and low-income groups as well as to the potential middle/high income group customers in unbanked or under-banked areas. In the Pilot phase, the vendor will implement the solution in districts identified by each Associate Banks and at Customer Service Points as decided by each of the Associate Banks. The Pilot is expected to run for 06 months and after its successful run, the solution will be replicated in other financially excluded areas identified by the Banks in their respective areas of operation.

The responsibility of the successful bidder will include, inter alia :-

- i) Issue of smart cards / plastic cards, Personalization of cards, card Management System and Key Management.
- ii) Supply and Maintenance of handheld devices with biometric configurations, for the use at fields along with the required application software capable of uploading / downloading online or through offline mode.
- iii) Supply, Maintenance and Operation of an Intermediate System capable of accepting transactions/Customer enrolment data from various devices deployed for the purpose of financial Inclusion.

- iv) Connectivity between CSP to Intermediate system and Intermediate system to Bank's backend system, both for batch processing and on-line interface.

4 Proposed Solution

The Proposed solution will support authentication of customers, secured communication, transaction processing through fingerprint matching, customer enrolment system, uploading/downloading of transactions/customer enrolment data through online or offline mode, generation of printed acknowledgement for completed transactions including speak out transactions, generation of Audit trail including failed transaction. The solution will provide for simple queries and various types of MIS reports based on various parameters. The Vendor should be in a position to implement a proven technology and should be able to roll out the systems at short notice. The system should be scalable and interoperable and work with different types of handheld devices and Contact less smart cards or plastic cards, as the case may be, provided by different vendors. The vendor should be ready to work with an alternate business model that may be suggested by the Banks.

5. Vendor Eligibility :-

- i) The vendor should be a reputed and financially sound organization, having a proven technology for the financial inclusion project.
- ii) The vendor must be fully aware of RBI guidelines on technology enabled Financial Inclusion as also on Financial Inclusion by Extension of Banking Services and Use of Business Facilitators and Business Correspondents;
- iii) The solution provider should have required infrastructure to undertake and execute large projects including hardware, software, networking, smart cards, system integration, connectivity through GPRS / CDMA / PSTN / Y-MAX systems, etc.

- iv) The solution provider should have countrywide infrastructure support to provide prompt and efficient services in the rural areas across the country.
- v) The bidder should not have been black-listed for deficiency in service by any organization in India, during the last 3 years.

6. **PRELIMINARY SPECIFICATIONS :-** The preliminary specifications are given here-under. However, the specifications will be finalized after the EOI process. The vendors are free to provide information about more advanced or suitable technologies that they may have. Final decision will however be taken by the Banks, who also reserve the right to change all or any of the specifications.

SMART CARD :- A contact-less card with 32 K EEPROM Memory, Java and PKI enabled, should conform, to ISO 14443, Java Card 2.2 and Global Platform specifications V 2.01 and should be of standard dimension, best quality material, durable and be able to withstand flexing/abrasion.static electricity/humidity/magnetic fields.

PLASTIC CARD :- a Non-electronic card with unique identification number, photo with name of the customer and with Bank's name and logo embossed / printed on the card

HAND HELD DEVICE :- It can be a single integrated system or in maximum of 2-3 components, should conform to ISO 14443 and ISO 18092 standards for contactless read and write operations and should have built in PKI support and capability to transmit data in secure SSL mode. It should be battery operated with several days in standby. It should support atleast 8 hours of continuous operations and chargeable with Car / Tractor battery. It should be voice enabled with language displays also in Hindi/English/Regional language.. Should support printing of reports with an integrated or interfaced impact/dot-matrix printer. Should support GPRS / CDMA / PSTN / Y-MAX, etc. connectivity. The device should be able to maintain a database of upto 2500 linked customer accounts and to transfer/upload the transactions in online or offline modes. The downloaded transactions from the backend should be written subsequently in the respective smart cards during the next visit of the customer.

ENROLMENT DEVICES :- The system will have a laptop computer with a fingerprint scanner and having an interface with an external digital camera and a digital camera for enrolment of the customers.

SERVERS :- Financial / Intermediate servers capable of handling approximately 100,000 transactions per day per server.

7. **APPROXIMATE REQUIREMENTS :-** The approximate requirements for various components, including for Pilot projects, for the year ending 31.03.2010 are expected to be as under :-

	<u>SBBJ</u>	<u>SBP</u>	<u>SBM</u>	<u>SBIND</u>	<u>SBT</u>
Smart Cards	75,000	75,000	160,000	100,000	30,000
Plastic Cards				150,000	
Handheld Devices	75	75	200	410	30
Enrolment Devices	15	15	30	100	08
F.I. Server	1	1	1	1	1

8. **Submission of E.O.I. :-** The interested vendors will submit their bids in a sealed envelope super-scribed “ Expression of Interest – Smart card based financial inclusion ., by POST / Hand delivery to :

**The Deputy General Manager
IT Services Department,
State Bank of Bikaner and Jaipur,
1st floor, Head Office, Tilak Marg,
JAIPUR – 302 005 (RAJASTHAN)**

The vendor will submit the proposed solution in detail covering various aspects alongwith the following supporting documents :-

- i) An introduction about the organization, its corporate structure, organizational chart and infrastructure details;
- ii) Annual reports of last three 3 years with copies of audited accounts;

- iii) Detailed proposal for financial inclusion solution covering different modules, proposed software, solution to be implemented, specifications of cards, hardware and other devices;
- iv) All detailed technical requirements, project architecture with implementation methodology;
- v) A list of direct offices in different states of the country for facilitating prompt and efficient services to the banks;
- vi) Details of similar financial inclusion projects, if any, implemented in other banks / financial institutions in India with Certificates of satisfactory performance from such banks / financial institutions;
- vii) Disaster Recovery and Business continuity plan.

9. **EOI validity :-**

The Expression of Interest submitted should remain valid for a minimum period of 180 days from the scheduled date of opening the bids.

10. **Opening of the EOIs :-**

The sealed envelopes containing the EOI bid will be opened on the specified date, time and venue as mentioned on page 1 of this notification. The authorized representatives of the vendors who have submitted the EOI, may also be present at the time of opening of EOIs, alongwith a letter of authorization from the company. Maximum of two representatives will be permitted to represent the company.

11. **Evaluation and short-listing of vendors :-**

- i) A Common Committee of the Banks will evaluate the responses of the vendors based on their capabilities. After evaluation, the vendors will be short-listed for presentation / demonstration of their proposed solutions before the banks;
- ii) The date, time and venue for making product demonstration will be intimated to the short-listed applicants separately. Such applicants will have to make their own arrangements at their own cost for reaching the

venue on the appointed date and time. The banks will not be liable for any expenses whatsoever incurred by such applicants in this behalf,

- iii) On the basis of selection after product demonstration, the qualified prospective vendors will be short-listed for the purpose of issuance of Request for Proposal (RFP) document;
- iv) Final selection of the vendors will be based on their responses in the Technical Bid and the indicative Commercial Bid pursuant to the RFP. The Commercial Bids will be decided as per the Reverse Auction Procedure to be conducted for this purpose;
- v) Banks are likely to select three vendors L1, L2 and L3 subject to rates quoted by L2 and L3 matching with those of L1.

12. Other Terms and conditions :-

- i) The Banks reserve the right to examine / verify the supportive documents / certificates / opinion reports furnished by the bidders by inspection/visits by its officials and/or any Technical consultants appointed by the Banks for the purpose of seeking information from the references made;
- ii) If any statement, certificate or documents submitted in response to this EOI is found to be wrong subsequently, the bidder will stand disqualified without any further notice;
- iii) The banks may reject any or all of the responses received without assigning any reasons whatsoever. The Banks also reserve the right to cancel the entire process at any stage.
- iv) Each page of the response to the EOI, alongwith supportive documents and certificates, must be numbered and signed on behalf of the bidder by an authorized signatory.
- v) This EOI notification is available on the websites of all the Associate Banks.

CHIEF GENERAL MANAGER
STATE BANK OF BIKANER AND JAIPUR.