

The Scheduled Commercial Banks
(Except Foreign Banks and Regional Rural Banks)

Sub: **Request for proposed DBT Services to be implemented by Banks under Interest Subvention Scheme (VISVAS) of NSFDC/NBCFDC.**

National Scheduled Castes Finance & Development Corporation (NSFDC) & National Backward Classes Finance & Development Corporation (NBCFDC) propose to avail the services of Scheduled Commercial Banks (hereinafter referred as Banks) for transferring Interest Subvention benefits through DBT to selected eligible accounts of SC/OBC borrowers and Self Help Groups as per information to be submitted by the Lending Institutions of the two Corporations.

2. In this regard, the Banks are requested to submit their offers by **10.09.2020** based on the enclosed Terms of Reference (ToR) document complete with the Certificates/documents mentioned in the Pre-Qualification (PQ) criteria of experience as defined in Para IV of ToR. The responsive bidders, satisfying the Pre-Qualification (PQ) criteria will be evaluated on the basis of their commercial offers to be submitted in the prescribed format (duly filled, signed & stamped) which covers the following:

- (a) One time lump sum cost
- (b) Variable Cost/transaction (in case services offered as a part of Banks services, it may be shown as NIL)
- (c) Rate of Interest in Saving Banks Account accruable to Corporations' for the time period during which Corporations' funds are parked with the Banks i.e. from the time of receipt of funds in Bank account to the time of transfer to beneficiaries account.

3. The responsive bidders may be called for presentation and interaction with the nominated Committee of officers of NSFDC & NBCFDC in the Head Office of NSFDC at 14th Floor, SCOPE Minar, Laxmi Nagar, Delhi-92.

4. While this Request for Proposal (RFP) is being floated on behalf of both the Corporations (NSFDC & NBCFDC) by NSFDC, the successful bidder will require to sign a Service level Agreement with both the Corporations separately.

5. For any doubts/clarifications, an e-mail may be sent to nsfdcpd4@gmail.com and info@nbcfdc.gov.in by 02.09.2020.

Yours sincerely

(C Ramesh Rao)
General Manager

Terms of Reference

{For DBT by Banks under Interest Subvention Scheme (ISS)}

I. Background

National Scheduled Castes Finance & Development Corporation (NSFDC) and National Backward Classes Finance and Development Corporation (NBCFDC) are 'not for profit' Companies working under aegis of Ministry of Social Justice & Empowerment, Government of India for promoting the economic empowerment of the target group of Scheduled Castes and Backward Classes having annual family income of up to Rs.3 lakh. The detailed information about both the corporations is available on the website of NSFDC (www.nsfdc.nic.in) and NBCFDC (www.nbcfdc.gov.in)

II Objective

NSFDC and NBCFDC will be implementing an Interest Subvention Scheme for subvention of loans up to Rs.4 lakh per SHG registered with NRLM/NULM and NABARD having high concentration of SCs/BCs and up to Rs.2 lakh in case of individual loans given by Banks and other lending agencies. Interest Subvention of 5% will be available to regular accounts of the identified beneficiaries.

The Objective of the Terms of Reference is to assign work of Direct Benefit Transfer (DBT) to Scheduled Commercial Banks for passing on the subvention benefit to the beneficiaries belonging to the respective target groups along with certain customized services for transparency and tracking.

III Scope of Work

The Scope of work is to assign to the selected Scheduled Commercial Banks (hereinafter referred as Nodal Bank), job of transfer of Subvention Benefit based on data obtained from Public Sector Banks (PSBs), Regional Rural Banks (RRBs), Cooperative Banks, Cooperative Societies, NBFC-MFIs etc. (hereinafter referred as Lending Institutions) covering the following issues: -

- (i) The Interest Subvention Benefit is to be passed on to the concerned target group borrowers during the F.Y.2020-21 onwards on quarterly basis.

- (ii) The suggested Format of Beneficiary Data will be obtained by the Corporations from the Lending Institutions.
- (iii) Prompt passing of Interest Subvention Scheme benefit to beneficiaries normally within 72 Hrs.
- (iv) Beneficiary Data Validation Process of risk control mechanism to ensure data integrity and system-based controls for automatic elimination of incorrect entries from the database.
- (v) DBT Execution end to end process flow including confirmation of funds transferred in the targeted beneficiaries account (s) within 24 Hrs.
- (vi) Intimation to the beneficiaries about Interest Subvention amount through customized bilingual (English and Hindi) SMS on their registered Mobile Numbers.
- (vii) Generation of MIS Reports as per requirement of NSFDC/NBCFDC.
- (viii) Provision for a dedicated nodal resource person as a one-point contact for all issues related to Interest Subvention Scheme with dedicated/separate contact number and e-mail. Additionally a dedicated resource may required to be stationed at NSFDC & NBCFDC's Offices for execution of DBT work for first two quarterly disbursement cycles and thereafter as per need.
- (ix) The Nodal bank will make provision for on board training of Lending Institutions.
- (x) The Nodal Bank will require to put in place a dedicated Web Portal with following functionalities within around three weeks of issue of Letter of Award:
 - a. Nodal Bank will design, develop, host, operate and maintain the portal with full functionalities.
 - b. Entire Servers infrastructure, networking equipment, software licenses and other related requirements will also be arranged by Nodal Bank.

- c. The portal should maintain a dynamic real-time database of beneficiaries with appropriate data access controls to various users of NSFDC/NBCFDC.
- d. The portal should have functionality of uploading of Interest subvention claim by the Lending Institutions for reimbursement of the amount to beneficiaries through DBT mode.
- e. The portal should create and maintain virtual accounts for various downstream departments, divisions and approval authorities and these virtual accounts should have various limits assigned to them by admin of NSFDC/NBCFDC.
- f. The portal should provide separate workflow and functionality for annual budget allocation and partial funds release as per availability in the nodal account.
- g. The portal should provide separate workflows and authorizations matrices for financial and non-financial requests
- h. All funds should lie in the nodal bank account in the name of the Corporations and all benefits including interests on deposits should accrue to the said account.
- i. The portal should also provide UI-based user management module for easy update of user details by NSFDC/NBCFDC itself without contacting the software provider for changes
- j. Two factor authentications (password and OTP) for login and payments.
- k. Compulsory automated preliminary screening by software and compulsory 2 steps authentication by NSFDC/NBCFDC under maker checker mode.
- l. The Portal will be compatible with various payment gateways such as NPCI/RBI/PFMS/Aadhar Payment Bridge System (APBS) of National

Automated Clearing House (NACH) implemented by NPCI enabling payments to both individual and SHG accounts.

- m. Nodal Bank will provide real time status Dashboard of funds to the ministry/ Institution for monitoring purpose. The Dashboard shall have features to provide detailed analysis of State, District, Gender or Institution wise details of beneficiaries covered under the scheme.
- n. MIS report relevant to each level will be provided on the portal for easy download. The MIS report may be customized from time to time as per the requirement of ministry/institution.
- o. The bank will support all the payment authorization modes, i.e.- PPA, DSC and PAO.
- p. Bank will provide a dedicated helpdesk for query resolution for the client as well as for the end customers.
- q. Bank will also provide a mobile view of the Dashboard through Corporate Internet Banking module.
- r. Bank to provide daily transaction reconciliation and same day response feed.

(xi) Data Security:

The Nodal Bank will work for implementing the mechanism for secured data transmission and will abide by the relevant security standards/regulations/requirement/guidelines which would be applicable to the conduct of transactions for the said web-portal.

- a. Regulatory provisions as may be applicable from time to time.
- b. Security measures and resultant hardware/ software upgrades to comply with the payment mechanism and services provided by the nodal bank.

- c. Maintenance, Protection, confidentiality and such other requirements with respect to transaction data as may be imposed by any regulatory or standard authority, as applicable and any modifications to or replacement of such program that may occur from time to time.

IV Pre-Qualification Criteria:

- a.) Banks applying to act as Nodal Bank should be in existence for at least six years as on date of submission of offer (in case of merged/amalgamated entities the pre-merger/amalgamation period of existence shall be reckoned for this purpose) ,
- b.) The bank must mandatorily have prior experience in end to end system driven disbursement of Interest Subvention and/or other subject subsidies/grants paid through DBT mode to individual beneficiary account for Central Government Ministry/Department or State Government in last three years (beginning from financial year 2017-18). The details of all such projects including the agency/client name, amount disbursed, number of beneficiaries reached out to, period of engagement etc. may be submitted along with bid. Towards the same relevant Experience certificate/ Award/Recognitions, specific to the project handled from GOI/Ministries/institutions may be attached for such project (s) along with satisfactory performance/good standing certificates issued by the client

Considering the possibility of parking of Government funds in the account of the nodal bank, the bidders should additionally satisfy the following financial norms:

- c.) Net NPA must be less than 15% in at least 3 years out of last 6 years preceding Financial Year 2020-21 and,
- d.) The Bank must be in profit (net profit) for at least in 3 out of last 6 financial years preceding Financial Year 2020-21.

The bank may submit the details to confirm the compliance of above conditions as mentioned in para c.) and d.) duly signed by its authorized finance officer

The bids conforming to the above will be treated as responsive.

V Evaluation and Award of Work

The responsive bidders, satisfying the Pre-Qualification (PQ) criteria will be evaluated on the basis of their commercial offers to be submitted in the prescribed format (duly filled, signed & stamped) which covers the following:

- a. One time lump sum cost
- b. Variable Cost/transaction (in case services offered as a part of Banks services, it may be shown as NIL)
- c. Rate of Interest in Saving Banks Account accruable to Corporation for the time period during which Corporations' funds are parked with the Banks i.e. from the time of receipt of funds in bank account to the time of transfer to beneficiaries account.

The responsive bidders may be called for presentation and interaction with the nominated committee of officers of NSFDC & NBCFDC in the Head Office of NSFDC at 14th Floor, SCOPE Minar, Laxmi Nagar, Delhi-92.

The decision of the Competent Authority of NSFDC with regard to selection of the Nodal Bank will be final and binding on the bidders. The Corporations will initially issue Letter of Award in favor of selected Nodal Bank and thereafter sign Service Level Agreements with the selected bidder which will define the roles & responsibilities of the parties and terms & conditions of the work. This may include additional engagement for similar Schemes which may be entrusted to Corporations by the Government of India during the year.

VI Terms of Payment

The NSFDC/NBCFDC shall pay the Service Charges related to transaction/variable cost, if any, on quarterly basis. Service Charges related to one-time lump sum cost will be paid within 30 days from

the date of receipt of invoice by NSFDC/NBCFDC subject to development of the portal as per the terms and conditions mentioned herein and being properly operational for the intended purpose.

VII Time Period For Development Of Portal

Time is the essence of the contract. The successful bidder will require to develop the system within three weeks of issue of the Letter of Award.

VIII Period of Engagement

The initial period of engagement under the Interest Subvention Scheme will be up to 31.03.2021. Further extension, if any, will be subject to receipt of approval from Government of India for continuance of the scheme based on the evaluation study of the Scheme, and at the sole discretion of the Corporation.

Format for Submitting Commercial Offer

The commercial quote covering following details shall be submitted by the prospective bidders:

S. No.	Particulars	Terms offered
(a)	One time lump sum cost*	
(b)	Variable Cost/transaction *	
(c)	Rate of Interest in Saving Banks Account accruable to Corporations' for the time period during which Corporations' funds are parked with the Banks i.e. from the time of receipt of funds in Bank account to the time of transfer to beneficiaries account.	

*In case services offered as a part of Banks services, it may be shown as NIL