

**REQUEST FOR PROPOSAL (RFP) FOR  
INFORMATION SYSTEMS AUDIT  
2011-12**

**भारतीय लघु उद्योग विकास बैंक**

**Small Industries Development Bank of India**

**Internal Audit Department**

**4TH FLOOR, SIDBI TOWER,**

**15, ASHOK MARG,**

**LUCKNOW - 226001**

**Website : [www.sidbi.in](http://www.sidbi.in)**



**Tender No : 314/2012/818/HO1 Dated October 31, 2011**

THE INFORMATION PROVIDED BY THE BIDDERS IN RESPONSE TO THIS TENDER DOCUMENT WILL BECOME THE PROPERTY OF SIDBI AND WILL NOT BE RETURNED. SIDBI RESERVES THE RIGHT TO AMEND, RESCIND OR REISSUE THIS TENDER DOCUMENT AND ALL AMENDMENTS WILL BE ADVISED TO THE BIDDERS AND SUCH AMENDMENTS WILL BE BINDING ON THEM.

*(THIS DOCUMENT SHOULD NOT BE REUSED OR COPIED OR USED  
EITHER PARTIALLY OR FULLY IN ANY FORM)*

## **Critical Information Summary**

- 1) The RfP is posted on SIDBI website [www.sidbi.in](http://www.sidbi.in). SIDBI reserves the right to change the audit requirements. However, any such changes will be posted on web site.
- 2) Bidders are advised to study the tender document carefully. Submission of bids shall be deemed to have been done after careful study and examination of the tender document with full understanding of its implications.
- 3) Any clarifications from bidder or any change in requirement, will be posted on SIDBI website. Hence before submitting bids, bidder must ensure that such clarifications / changes have been considered by them. SIDBI will not have any responsibility in case some omission is done by any bidder.
- 4) In case of any clarification required by SIDBI to assist in the examination, evaluation and comparison of bids SIDBI may, at its discretion, ask the bidder for clarification. The response / Clarification shall be in writing and no change in the price of substance of the bid shall be sought, offered or permitted.
- 5) Please note that all the information required as per the bidding document needs to be provided. Incomplete information in these areas may lead to non-selection.
- 6) Modification And/Or Withdrawal of Bids:  
Bids once submitted will be treated, as final and no further correspondence will be entertained. No bid shall be modified after the deadline for submission of bids. No bidder shall be allowed to withdraw the bid, if bidder happens to be the successful bidder.
- 7) SIDBI has the right to reject any or all tenders received without assigning any reason whatsoever.

**NOTE:**

SIDBI SHALL NOT BE RESPONSIBLE FOR NON-RECEIPT / NONDELIVERY OF THE BID DOCUMENTS DUE TO ANY REASON WHATSOEVER.

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## Schedule of events :

S.N. Bid Reference - 314/2012/818/HO1 Dated October 31, 2011		
1	Purpose	<b>Information Systems Audit - 2011-12</b>
2	Cost of Tender	₹ 500/-
3	EMD	₹ 20,000/- To be submitted as Demand Draft in favour of SIDBI, payable at Lucknow. The above 2 amounts can be paid by a single DD for ₹20,500/-
4	No. Of Envelopes (Non window, sealed) to be submitted	Two (2) Envelopes <b>Envelope 1 containing:</b> 1. Technical Bids as per Section 5 (Submit 1 hard copy and 1 soft copy in CD) 2. DD towards cost of tender & EMD.  <b>Envelope 2 containing:</b> Commercial Bid as per Section 6 (Only one bid to be kept)
5	Last Date of Submission of Bids	<b>November 21, 2011</b> by 3:00 pm
6	Venue, Date and time of opening of Bids, except Commercial Bids.	At 4:30 PM, on last date of bid submission, at the address given at Sr. no. 10
7	Pre-bid meeting	<b>November 14, 2011</b> at 3.00 PM
8	Response to clarification / pre bid meeting to be put on web site	<b>November 17, 2011</b>
9	Bid Validity	90 days from the last date of submission
10	Address for submission of Bids	The Chief General Manager Internal Audit Department SIDBI, 4th Floor SIDBI TOWER, 15, ASHOK MARG, LUCKNOW - 226001 Ph : 0522-2288546-50 Fax: (0522)2288457
11	Contact Persons	
	<b>Name &amp; Designation</b>	<b>Phone</b>
		<b>E-mail</b>
	N Uma, AGM (Systems)	0522-2288546-50
	Vinay S Hedao, GM	0522-2288941
		numa@sidbi.in
		hedao@sidbi.in

## **1. Introduction and Disclaimers**

### **1.1. Purpose of RfP**

The purpose of RfP is to short list Auditor for conducting Information Systems (IS) Audit for IT Control Review based on 1) Minimum Eligibility Criteria 2) Technical bid and 3) Commercial bid.

### **1.2. Information Provided**

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

### **1.3. Disclaimer**

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

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

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

### **1.5. No Legal Relationship**

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

### **1.6. Recipient Obligation to Inform Itself**

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

### **1.7. Evaluation of Offers**

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

### **1.8. Errors and Omissions**

Each Recipient should notify SIDBI of any error, omission, or discrepancy found in this RfP document.

## 1.9. Acceptance of Terms

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

## 1.10. Lodgment of RfP

### 1.10.1. RfP submission:

RfP document submission is required to be done as under:-

***1 hard copy along with 1 soft copy (Of Technical Bids) at the following address in a single sealed envelope.***

The Chief General Manager,  
Internal Audit Department  
SIDBI, 4th Floor  
SIDBI TOWER,  
15, ASHOK MARG,  
LUCKNOW - 226001

Ph : 0522-2288546-50 Fax: (0522)2288457

Copies of the RfP must be submitted before the aforementioned closing date and time mentioned in Critical Information Summary.

Faxed copies of any submission are not acceptable and will be rejected by the Bank.

**All copies of RfPs and attachments must be provided in a sealed envelope.**

If the submission does not include all the information required or is incomplete, the proposal is liable to be rejected.

All submissions, including any accompanying documents, will become the property of SIDBI. Recipients shall be deemed to license, and grant all rights to SIDBI to reproduce the whole or any portion of their submission for the purpose of evaluation, to disclose the contents of the submission to other Recipients and to disclose and/or use the contents of the submission as the basis for any resulting RfP process, notwithstanding any copyright or other intellectual property right that may subsist in the submission or accompanying documents.

### 1.10.2. RfP Validity Period

The proposal must remain valid and open for evaluation according to their terms for a period of at least three (3) months from the time the RfP closes on the deadline for lodgment of RfP.

## 1.11. Requests for Proposal

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

Contact : Smt. N Uma  
Position : Asst. General Manager (Systems)  
Email : numa@sidbi.in  
Telephone : +91 - 0522-2288546-50  
Fax : +91 - 0522 - 2288457

SIDBI will not answer any communication initiated by Respondents later than five business days prior to the due date for lodgment of RfPs. However, SIDBI may, in its absolute discretion, seek additional information or material from any Respondents after the RfP closes and all such information and material provided must be taken to form part of that Respondent's response.

Respondents should provide details of their Fax, email and full address(s) to ensure that replies to RfP could be conveyed promptly.

If SIDBI, in its absolute discretion, deems that the originator of the question will gain an advantage by a response to a question, then SIDBI reserves the right to communicate such response to all Respondents.

SIDBI may, in its absolute discretion, engage in discussion or negotiation with any Respondent (or simultaneously with more than one Respondent) after the RfP closes to improve or clarify any response.

### **1.12. Notification**

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

### **1.13. Disqualification**

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

## **2. Background**

### **2.1. About SIDBI**

Small Industries Development Bank of India (SIDBI) was established in April 1990. The mission of SIDBI is to empower the Micro, Small and Medium Enterprises (MSME) sector with a view to contributing to the process of economic growth, employment generation and balanced regional development having objective to serve as a single window for meeting financial and developmental needs of MSME sector.

The four basic objectives set out in the SIDBI Charter are Financing, Promotion, Development and Co-ordination for orderly growth of industry in the MSME sector. The Charter has provided SIDBI considerable flexibility for adopting appropriate operational strategies to meet these objectives. The activities of SIDBI, as they have evolved over the period of time, now meet almost all the requirements of sector which fall into a wide spectrum constituting modern and technologically superior units at one end and traditional units at the other.

The Bank provides its services through a network of around 103 locations/offices located all over India. Detailed information on the functions of the bank is provided on the website, [www.sidbi.in](http://www.sidbi.in).

### **2.2. Present IT setup:**

SIDBI has been using Information Technology (IT) extensively for its day to day business operations. The Information Services Department (ISD) is located at Mumbai. A centralised Data Centre (DC) has been set up at Mumbai having centralised database [Oracle 10g/9i RDBMS] for all the applications for its Branch offices [BOs]. All BOs are connected to the DC through MPLS VPN based WAN with ISDN as backup. These offices use Citrix Metaframe software to connect to the DC at Mumbai and access the application software hosted on application server (Citrix). The DC is having around 46 servers [2 IBM AIX, 2 HP UNIX and 42 Intel (with Windows 2000/2003/2008/ Linux OS)]. Lotus notes is used as the mail messaging system for all the offices of SIDBI. Some of the application software implemented at SIDBI are Core Banking Solution, Direct Finance System, Refinance System, Bills finance System, Payroll etc. In addition, there are many corporate level application software, being used only at Mumbai. The Bank has also set up of Disaster Recovery Site at Chennai [one IBM AIX, one HP-UX server and 9 Intel servers with Windows 2000/2003]. The IT Security Policy [ITSP] and Information Technology Procedure Manual [ITPM] is already in place for SIDBI, which forms the basis of day to day IT Operations.

### 3. Requirements

#### 3.1. Objective

SIDBI plans to carry out following Information Systems (IS) Audit by outsourcing:

**Project 1: IS Audit – Application Software Audit (ASA)**

**Project 2: IS Audit – IT Control Review (ITCR)**

**Project 3: IS Audit – Network & Security Audit (N&SA)**

**Project 4: Review of IT Security Policy and IT Procedure Manual**

Project	Area to be covered	Locations
1	Application Software Audit (ASA)	Mumbai
2	IT Control Review (ITCR) (for 2 locations)	Data Centre at Mumbai, DR site at Chennai
3	Network and Security Audit (NSA) (for 2 locations)	Data Centre at Mumbai, DR site at Chennai
4	Review and updation of IT Security Policy and IT Procedure Manual	Mumbai.

**The detailed scope of work, terms and conditions, bid format etc are part of this document. Accordingly, SIDBI invites proposal in two separate envelopes (One for technical bid and other for commercial bid) for the above projects.**

The audit firm will be required to submit technical and commercial quotation in separate envelopes for the audit exercise. The selected audit firm will be awarded the audit exercises as per RfP.

#### 3.2. Scope

The scope of the proposed audit exercise is as given below:

##### 3.2.1. Scope of Application Software Audit (ASA)

- i. The Application Software Audit shall involve critical evaluation of confidentiality, integrity and availability of the applications and their interfaces which are under the purview of the audit.
- ii. A list of applications to be covered under the Audit is given below:
  1. Single Sign On (SSO),
  2. Customer Information File(CIF),
  3. Loan Accounting (Flexcube & DFS),
  4. General Payment Processing System (GPPS),

5. Payment & Collection (P&C),
  6. Admin – Staff Reimbursements/Staff Loans,
  7. Resource Raising – Fixed Deposit.
- Details of the above Applications is given in Annexure III

iii. A non-exhaustive scope for the IS Audit is tabulated below:

Sr. No.	Activity
<b><u>Functional Review</u></b>	
1	Functionality implemented vis-à-vis the Bank's requirements
2	Input, processing and output controls across various schemes.
3	Accuracy, adequacy and integrity of data in reports and MIS
4	Accuracy and effectiveness of audit logs
5	Adherence of reporting to legal and statutory requirements
6	Automated batch processing, scheduled tasks, critical calculations etc.
7	End of Day, Start of Day, period closure operations including End of Month, End of Quarter and End of Year operations
<b><u>Application security review</u></b>	
1	Controls for performing parameter setup of functionality across applications
2	Segregation of duties
3	Logical Access Controls to different functions automated processing, view/generation of reports, logs.
4	Process of customization and controls during Software Development Life Cycle (SDLC)
5	Controls in place for migration of changes from testing to production environment.
6	Password policy and implementation
7	Database security controls
8	Operating system security Controls

### 3.2.2. Scope of IT Control Review (ITCR)

Sr. No.	Activity	Mumbai	Chennai DR Site
1	IT Management	Y	N
2	Branch IT Management Issues	N	Y
3	Departmental setup	Y	N
4	IT Purchase	Y	N
5	Review of AMC and Facility Management Services, Help Desk	Y	Y
6	Physical access and Environmental controls	Y	Y
7	In house Application development, maintenance, application roll out and training.	Y	N
8	Outsourced development / purchase of application software	Y	N
9	Change Management Procedure	Y	N
10	Review of IT Infrastructure operations - Hardware, IT Asset Management	Y	Y
11	Risk assessment of IT Infrastructure	Y	Y
12	Physical access and Environmental controls	Y	Y
13	User id / password management and Logical access controls	Y	Y
14	Backup Procedure wherever applicable	Y	Y
15	Antivirus Measures	Y	N
16	End User Computing wherever applicable	Y	Y
17	Call logging in DC Support, Problem escalation, resolution	Y	Y
18	WAN Management and Network Administration – Issues at branch level	N	Y

**Y : Indicates 'Applicable' N: Indicates ' Not Applicable'**

- A detailed risk assessment of the IT infrastructure at Mumbai and Chennai is to be carried out.
- The risk assessment process should include identification and classification of potential threats and vulnerabilities, quantify loss exposures based on estimated frequencies.
- Recommendations on allocation of resources to mitigate risk involved so as to minimize total exposure.
- A draft report on the risk assessment including risk mitigation measures is to be submitted for review by SIDBI and acceptance.

### 3.2.3. Scope of Network and Security Audit (N&SA) :

Sr. No.	Activity	Mumbai	Chennai DR Site
1	Network issues – Performance monitoring of routers (CPU, Memory etc.), Latency measurement, CoS Implementation checking, Availability of Backup link, Network Availability, Capacity / Bandwidth utilization, Security – Encryption of data and physical security, Network documentation, Internet usage policy.	Y	N
2	Error logging and monitoring, Network monitoring, Bandwidth utilization and monitoring, Firewall Policy, Squid Proxy Server	Y	N
3	Citrix Configuration and Management	Y	N
4	Lotus Notes Administration	Y	N
5	Internet and SIDBI Website	Y	N
6	Windows 2000/2003/2008 System Oracle Database Administration	Y	Y
7	Enterprise backup system / Backup plan and procedure	Y	Y
8	Logical controls with emphasis on management of administration and powerful passwords of Unix (AIX, HP Unix and Linux) Windows 2000/2003/2008 Servers, Routers, Firewalls Ironport.	Y	Y
9	Review of Services and Daemons in Windows 2000/2003/2008, Routers, Firewall etc.	Y	N
10	Review of Security Audit of NDS System (RBI)	Y	N
11	Review of logs in Oracle database, Lotus Notes, Windows 2000/2003/2008 servers, Routers, Firewalls and Ironport.	Y	N
12	Review of IIS Server used for hosting HRMS	Y	N
13	Disaster Recovery Plan & effectiveness	Y	Y
14	Vulnerability Analysis (VA) and Penetration Testing (PT)	Y	N

Y : Indicates 'Applicable' N: Indicates ' Not Applicable'

Location wise list of Servers and Network Equipments for Network & Security Audit is given in Annexure II

**The focus of the audit exercise will be on configuration, deployment, administration, access control, User Id, Password management, performance tuning, Service pack / patch updation, logging and back up and security aspects.**

### 3.2.4. Review and updation of ITSP and ITPM

The Audit firm is required to review the IT Security Policy (ITSP) and IT Procedure Manual (ITPM) currently available in SIDBI and submit a draft report of revised ITSP and ITPM for review by SIDBI and acceptance.

### 3.3. Expected Deliverables

The selected audit firm will be required to submit the following documents after the audit exercise for each location / office, as mentioned below.

<b>Deliverables</b>		
<b>Sr No</b>	<b>Audit Projects</b>	<b>Report</b>
1	Application software audit	1. Executive Summary
		2. Audit Report
		3. Check list
		4. Quarterly Compliance Progress
		5. Summary compliance report (At the end of each quarter)
		6. Final Compliance report (After all observations complied).
		7. Risk assessment report
2	IT Control Review	1. Executive Summary
		2. Audit Report
		3. Check list
		4. Quarterly Compliance Progress
		5. Summary compliance report (At the end of each quarter)
		6. Final Compliance report (After all observations complied.)
		7. Risk assessment report on IT Infrastructure
		8. Persistent and recurring problems report
3	Network & Security Audit	1. Executive Summary
		2. Audit Report
		3. Check list
		4. Quarterly Compliance Progress
		5. Summary compliance report (At the end of each quarter)
		6. Final Compliance report (After all observations complied).
		7. Persistent and recurring problems report
		8. Risk assessment report
4	Review of IT Security Policy and IT Procedure Manual	1. Separate draft report for ITSP and ITPM indicating the changes.
		2. Separate final updated report for ITSP, ITPM after vetting of draft report by SIDBI

The audit firm will submit detailed reports on the risk assessment and review of the projects undertaken both at Mumbai and Chennai offices. One set of hard copy and softcopy (in MS Word format) of all audit reports including Executive Summary have to be submitted.

### 3.4. Follow-Up and Compliance

The Audit firm will submit quarterly compliance reports, summary compliance report (furnishing total number of points, complied and pending status as per format given by the bank) at end of each quarter and a final compliance report

after all observations are complied for the projects separately or one year from the date of commencement of the Audit.

### **3.5. Terms and conditions**

The terms and conditions of the work are given at point No. 7. SIDBI reserves the right to modify them if required, at time of issue of order.

The audit firm must also submit specific suggestions/ recommendations and other detailed steps for enhancing the Facility Management Services, Environmental controls, Logical access controls & End User Computing, based on the best industry practices.

### **3.6. Time frame of the deliverables**

- SIDBI will be placing the order for various projects mentioned above at different periods but before February 29, 2012. The selected audit firm will be required to start the project within 7 days from the date of placing the order for the audit.
- The actual audit exercise must be completed within 30 Calendar days of placing the individual order in case of ITCR and Network & Security Audit and within 3 calendar months in case of application software audit.
- All the draft reports of the agreed deliverables should be submitted by the firm within 50 days of the commencement of the audit. After submission of the draft reports, a meeting with IAD/ISD officers will be held for discussing and finalizing the reports. The Project Leader along with key members of the audit team involved in the audit should attend the meeting at Mumbai Office.
- The final reports of the deliverables should be submitted by the firm within two weeks of receiving feedback from SIDBI on draft reports.
- The audit, as mentioned above, has to be completed within timeframe specified. It is expected that the audit firm may deploy multiple teams to complete the audit projects within given time frame.
- The Audit period including Compliance will be for one year starting from date of commencement of Audit. IS auditor will be required to send the final report to Internal Audit Department, SIDBI, Lucknow for compliance. Follow-up activity will be carried out by auditor using normal mode of communication i.e. Letter/ e-mail/ phone/ fax etc. It is not required to visit branches for verifying compliance. However, written and signed communication of compliance from branches have to be analysed by Audit firm for compliance and acceptance.

## 4. Selection Criteria

### 4.1. Tender Methodology

- a) The tender methodology adopted is “Two Bid System” i.e., Technical Bid and Commercial Bid.
- b) The Technical Bid should be placed in a non-window sealed cover super scribed with “RfP No. \_\_\_\_\_ “Technical Bid for IS Audit“.
- c) The envelope containing Technical Bid should also contain One Demand Draft for ₹20,500/- (Rupees Twenty Thousand Five Hundred Only). [₹ 20,000/- towards EMD (refundable) and ₹ 500/- towards Application Fee (Nonrefundable) ]
- d) The DD should be drawn in favour of “Small Industries Development Bank of India [SIDBI], payable at Lucknow “.
- e) The Commercial Bid should be placed in Non-Window sealed cover super scribed with “RfP No. \_\_\_\_\_ “, “Commercial Bid for IS Audit“.
- f) All the covers thus prepared should also indicate clearly the Name and Address of the Audit firm.
- g) The bidder shall bear all the costs associated with the preparation and submission of the bid and SIDBI will in no case be responsible or liable for those costs, regardless of the conduct or the outcome of the tendering process.
- h) Bids submitted without EMD and Application Fee Demand Draft will not be considered for evaluation.
- i) Bids sent by fax or e-mail will not be considered for evaluation.

### 4.2. Selection process

All bids shall be evaluated by an Evaluation Committee set up for this purpose by the Bank. The evaluation shall be on the basis of Technical evaluation and the price quoted. The Technical and the Commercial Assessment shall have weightages of 70% and 30% respectively for evaluation, and these weightages shall be taken into consideration for arriving at the L1 price. Arithmetical errors will be rectified on the following basis. If there is a discrepancy between the unit price and the total price that is obtained by multiplying the unit price and quantity, the unit price shall prevail, and the total price shall be corrected. If the Successful Bidder does not accept the correction of the errors, its Bid will be rejected, and its Bid security may be forfeited. If there is a discrepancy between words and figures, the amount in words will prevail.

**Phase I :** Envelope I containing the technical bids will be opened and bidders meeting the eligibility criteria will be short-listed. Short listed bidders will be advised to give a presentation on the requirement. The bidders need to explain their understanding of the project clearly in their Technical proposal and also explain during the presentation. All bidders scoring more than 70 marks (in technical criteria) will be selected as the Technically Qualified Bidders. In case, less than three bidders get more than 70 marks in the technical criteria, the top three bidders getting the maximum marks in

Technical Capability will be given preference, subject to them getting at least 60 marks.

**Phase II :** The Commercial proposals for short listed bidders after Phase I, will be opened. Based on overall assessment calculation of L1 vendor given below, selection of L1 vendor will be done.

#### Vendor Assessment methodology

##### Technical Assessment (70% weightage)

- 1) Full marks i.e. 100 (absolute value) will be awarded to the bidder scoring the highest marks as per Ranking methodology for Technical evaluation (Section 5.2).
- 2) Proportionate marks will be awarded to the other bidders as a percentage of the highest marks received in Section 5.2.
- 3) Full 70 marks will be awarded to the bidder getting the highest marks.
- 4) Similarly proportionate marks will be awarded to the other bidders. (as per calculation (ii) shown under item b – Example)

##### Commercial Assessment (30% weightage)

- 1) Full marks i.e. 100 (absolute value) will be awarded to the bidder quoting the lowest price i.e. Total Contract Value as per Commercial bid.
- 2) Proportionate marks will be awarded to the other bidders as a percentage (as per calculation (i) shown under item a – Example) of the lowest quote.
- 3) Full 30 marks will be awarded to the bidder quoting the lowest price i.e. 30% of 100 i.e. 30. Similarly proportionate marks will be awarded to absolute value quoted by other bidders (as per calculation (ii) shown under item a– Example)

#### Overall Assessment for calculation of L1:

- 1) Marks scored in Technical Assessment and Commercial Assessment will be added.
- 2) The bidder scoring the highest marks will be L1.

#### Example:

Bidder	X	Y	Z
<b>(A) Technical evaluation Marks</b>	85	100	95
Base is 100% of the highest scoring bidder	85	100	95
Calculation	$(85/100) \times 70 =$ <b>59.50</b>	$(100/100) \times 70$ <b>=70</b>	$(95/100) \times 70 =$ <b>66.50</b>
<b>Marks (A) Out of 70</b>	<b>59.50</b>	<b>70</b>	<b>66.50</b>

<b>(B) Commercial evaluation Price in ₹.</b>	1000	1100	1200
Calculation (i)	$(1000/1000) \times 100 = 100$	$(1000/1100) \times 100 = 90.90$	$(1000/1200) \times 100 = 83.33$
Base is 100% of the lowest bidder	100	<b>90.90</b>	<b>83.33</b>
Calculation (ii)	$(100/100) \times 30 = 30$	$(90.90/100) \times 30 = 27.27$	$(83.33/100) \times 30 = 24.99$
<b>Marks (B) Out of 30</b>	<b>30</b>	<b>27.27</b>	<b>24.99</b>
<b>Total Marks (A+B) Out of 100</b>	<b>89.50</b>	<b>97.27</b>	<b>91.49</b>
<b>Ranking of Bidder</b>	<b>L3</b>	<b>L1</b>	<b>L2</b>
Y is the L1 bidder with highest cumulative marks.			

**Evaluation process as decided by the Bank will be binding to the bidder.**

SIDBI in its sole/absolute discretion can apply whatever criteria deemed appropriate in determining the responsiveness of the proposal submitted by the respondents. SIDBI may reject any / all proposal(s) at any stage without assigning any reason thereof.

## 5. Technical Bid

Firms meeting the eligibility criteria as described in the following sections will be considered for evaluation.

The Bank reserves the right to change or relax the eligibility criteria to ensure inclusivity.

### 5.1. Eligibility Criteria

S. No	Requirements	Compliance	Details
1	The bidder should be a government organization/ Public sector unit/ partnership firm / Limited Company/ Private Limited Company having its Registered Office in India. (Relevant documents of the same are to be submitted.)	Yes/No	
2	Existence in Last 5 years and carrying out Information Systems Audit services since then. (Provide necessary proof like certificate of Incorporation / Deed of partnership )	Yes/No	
3	The bidder should have a minimum turnover of at least 3 cores in the past 3 years (2011-10, 2010-09, 2009-08)	Yes/No	
4	The bidder should be maintaining / having positive networth and cash profit (i.e. no cash loss) in 2 years out of last 3 years. @	Yes/No	
5	The bidder must warrant that there are no legal actions being taken against it for any cause in any legal jurisdiction. If such an action exists and the bidder considers that it does not affect its ability to deliver the requirements as stated in this RFP, an undertaking specifying the nature of the legal action and the reasons why this shall not affect the bidder's ability to deliver shall be provided.	Yes/No	
6	The Bidder should not have been black-listed by any Public Sector Bank, RBI or IBA or any other Government agencies.	Yes/No	

S. No	Requirements	Compliance	Details
	Bidder must certify to that effect.		
7	The Bidder must be having on their rolls, on permanent employment basis, a minimum of five (5 nos.) professionals who hold professional certifications like CISA/ CISM/ CISSP/ CEH/)	Yes/No	
8	The bidder must warrant that all team members proposed from the prime bidder organization must be permanent employees on the rolls on the organization.	Yes/No	
9	To ensure audit independence, the bidder should not have provided any IT services, including program management, systems integration, requirements specification, etc., excluding similar IS Audits, either directly, or indirectly through a consortium, in the past three years to Bank.	Yes/No	
10	Should deploy minimum 2 number of Technical manpower (CISA/ CISM /CISSP/ BS7799 LA/ ISO27001 LA) qualified professionals (who are regular employees of the firm) for the ITCR and N&SA Audits. (Proof of Certification should be attached)	Yes/No	
11	The team must include members who are conversant in Core Banking Solutions, preferably with experience in IS audit of CBS for application software audit. (The relevant proof should be submitted as part of the proposal).	Yes/No	
12	Experience of conducting similar IS Audit as proposed by SIDBI. A minimum of 2 audit projects in Banks or Financial Institutions in India, having centralised Data Centre operations with network, database setup for IT Control review and Network & Security Audit.	Yes/No	
13	The bidder should have been involved in carrying out end to end application audit of core banking system and other related systems for at least 2 schedule banks out of which at least one should be PSU bank. Preference would be given to firms who have conducted the CBS audit for FLEXCUBE (Project. Completion certificate to be attached).	Yes/No	
14	IS Audit must either be a core activity of the firm or carried out by a regular departmental set up of the firm	Yes/No	
15	Organisation should be a valid member of Panel of IT Security Auditors empanelled by CERT-In as per present list) Documentary evidence of the same enclosed.	Yes/No	

- @- Provide Annual report or CA certificate for last three years mentioning the turnover, net worth and cash profit.

## 5.2. Ranking methodology for Technical evaluation

Sr No	Particulars	Score Criteria	Score	Max score
<b>Experience (45 Marks )</b>				
1	Number of Information systems Audit project done for Public Sector / Private Sector Banks or Public Financial Institutions in	End to End application Audit > 5	20	20
		End to End application Audit 3 to 5	15	

Sr No	Particulars	Score Criteria	Score	Max score
		End to End application Audit 1 to 2	10	
		VA – PT services towards Internet Banking for at least 2 banks or Public Financial Institutions in India	5	5
2	Total Number of Employees on the payroll of the company	More than 100 Employees	10	10
		Between 50 – 100 Employees	8	
		Below 50 Employees	4	
3	Expertise / Skill Set – Resources should be on the Payroll of the company (CISA / CISSP/ CISM/ CEH certified Professionals)	Above 10 professionals	10	10
		Between 6 – 10 professionals	8	
		5 professionals	4	
<b>Approach &amp; Methodology ( 55 Marks)</b>				
4	Approach & methodology (submitted / Presentation )		20	20
5	Scope of Audit with Deliverables (submitted / Presentation) (More elaborate scope mentioned will be given preference)		20	20
6	Financial Strength of the company	Turnover of More Than 5 Cr in past 3 years ending March 2011.	10	10
		Turnover Between 3 – 5 Cr in past 3 years ending March 2011	5	
7	Profitability of the Company Positive network and cash profit (i.e. no cash loss)	Profit making in last 5 years	5	5
		Profit making in last 3-4 years	3	
		Profit making in 2 years out of last 3 years.	2	
<b>Total</b>				100

**The maximum score in the technical evaluation is 100.**

**Bidders scoring 70 or more will be short listed for Phase II.**

In case, less than three bidders get more than 70 marks in the technical evaluation criteria, the top three bidders getting the maximum marks will be short listed, subject to them getting at least 60 marks.

### 5.3. Audit Firm Details:

S.No.	Description	Vendor Response
1	Name of the IS Audit Firm / Company	
2	Year of establishment of the audit firm	
3	Year of starting IS Audit Activity No. of years of IS Audit	
4	Contact details: (indicate contact person name, Telephone No., Fax No., e-mail address, etc.)	
5	No. of employees in the Firm/Company	No of CISA/ CISM/ CISSP/ ISO 27001 LA/ BS 7799LA/ ISO27001 LA) :  Others:-
6	Technical Manpower (CISA/ CISM/ CISSP/ ISO 27001 LA/ BS 7799LA/ ISO27001 LA) deployed	No of CISA/ CISM/ CISSP/ ISO 27001 LA/ BS 7799LA/

	for SIDBI IS Audit project.	ISO27001 LA) : Others:-
7	Describe Project Management clearly indicating about the composition of various teams.	
8	Describe Audit Methodology and Standards to be used.	
9	Indicate Project Plan with milestones and the time frame of completion of different activities.	
10	List of deliverables vis-à-vis the timeframe of the deliverables as per the scope of the project in Section 3.	
11	Role and responsibility of SIDBI and the Audit firm. Explain other requirements from SIDBI, if any.	
12	Briefly mention about a minimum of 4 IS audit projects with details of scope, duration & size (in the order of size/duration) related to the above project carried out in Banks / Financial Institutions in India since last three years. Of which, at least 2 projects should be related to application software audit carried out in CBS environment)	
14	Include Job / Experience / qualifications profile of the Project Manager and other key personnel to be involved in the project. (Please note that involvement of CISA/ BS7799 LA/ ISO27001 LA professionals are a must in each team).	
15	Any other related information, not mentioned above, which the audit firm wish to furnish.	
16	Declaration of commercial terms and conditions, if any. It is expected that the firm will accept the conditions as stipulated by SIDBI. In case, some conditions are not acceptable or any additional conditions stipulated, the same may be indicated here.	

**Note: All the relevant details & documentary evidence are to be furnished**

<b>Additional Information :</b>			
<b>IS Audit Experience in</b>			
a.	Wide Area Network (IP based network with CISCO router, switch etc)	Yes/No	
b.	Security assessment: - Firewall , IDS, IPS, using network such as MPLS, leased lines, ISDN , dialups etc.	Yes/No	
c.	Operating Systems ( Unix, Windows 2000 / 2003 etc)	Yes/No	
d.	Database (Oracle, MS SQL etc.)	Yes/No	
e.	Centralised Data Centre operations with network, database setup	Yes/No	
f.	Penetration Testing	Yes/No	
g.	Application Software Audit – Core Banking Solutions and surrounded applications	Yes/No	

**5.4. Contact Details:**

a)	Name of the company	
b)	Company's address in India	
c)	Contact person	
d)	Telephone no.	
e)	Fax	
f)	E-mail address	

**5.5. Details of IS Audit Projects done in previous 3 years in Banking domain:**

S.N	Client Name	Contact Person	Contact No.	E-mail	Scope of Audit	Audit Period
1						
2						
3						
4						

### **Declaration**

We hereby declare that the information submitted above is complete in all respect and true to the best of our knowledge. We understand that in case any discrepancy or inconsistency or incompleteness is found in the information submitted by us, our application is liable to be rejected.

Date:

Authorised Signatory.

## 6. Commercial Bid

The commercial Bid should contain the Total project cost, on a fixed cost basis. SIDBI will neither provide nor reimburse expenditure towards any type of accommodation, travel ticket, airfares, train fares, halting expenses, transport, lodging, boarding etc.

The format for the commercial bid is given below:

Name of the Projects	Total Cost [₹]	Taxes, if any [₹]	Net Cost [Inclusive of all taxes, etc] [₹]
Project 1- Application Software Audit (ASA)			
Project 2 - IT Control Review (ITCR) (for 2 locations)			
Project 3 - Network and Security Audit (NSA) (for 2 locations)			
Project 4 - Review and updation of IT Security Policy and IT Procedure Manual			
IS Audit 2011-12 (Project 1 + Project 2+ Project 3 + Project 4) (inclusive all fees and expenses)			

---

Date

Signature of  
Authorised Signatory -

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Place

Name of the Authorised Signatory -  
Designation -  
Name of the Organisation -  
Seal -

## 7. Terms & Conditions:

### 7.1. Special Terms & Conditions:

- 1) The audit firm will offer commercial quote, based on fixed cost, inclusive of taxes, if any. SIDBI will not pay any additional amount other than indicated in the offer.
- 2) Payment terms will be as follows:
  - a) 50% on submission of draft Audit reports for each project as per the scope.
  - b) 40% on acceptance and finalisation of all the reports i.e. on completion of all reports for each project.
  - c) 10% on submission of Final Compliance report for each project or one year starting from date of commencement of Audit which ever is earlier.

TDS will be deducted at source for any payment made by SIDBI, as per rules of Government of India.

- 3) SIDBI will neither provide nor reimburse expenditure towards any type of accommodation, travel ticket, airfares, train fares, halting expenses, transport, lodging, boarding etc.
- 4) SIDBI may impose penalty, in case of delay of any deliverables at the rate of 1% per week delay, either for completion of audit exercises or submission of draft final report, subject to a maximum of 5% of the total cost, for all delays attributable directly to the Audit firm.
- 5) The audit firm will not sub contract part or complete assignment to any other agency or individual. In case of such unavoidable circumstances, the audit firm has to take prior written permission from SIDBI for engaging such agency or individual.
- 6) The audit firm shall keep information related to SIDBI confidential and will not divulge to outside agencies without written consent from SIDBI.
- 7) The audit firm upon selection shall sign the declaration as given in the Annexure I, before commencement of the audit.

## 7.2. General Terms and Conditions:

(These terms and conditions are generic in nature, which have been mentioned for the knowledge of the Audit firms and may be changed to specific terms and conditions with necessary changes with each Work Order as and when applicable)

### i. Definitions

In this Contract, the following terms shall be interpreted as indicated:

- a) "The Bank " means Small Industries Development Bank Of India (SIDBI);
- b) "The Contract" means the agreement entered into between the Bank, represented by its Head Office / Zonal Offices and the Supplier of goods and services, as recorded in the Contract Form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein;
- c) "The Contract Price" means the price payable to the Supplier under the Contract for the full and proper performance of its contractual obligations;
- d) "The Goods" means all of the materials which the Supplier is required to supply to the Bank under the Contract;
- e) "The Services" means IT and IT related services, provision of technical assistance, training and other such obligations of the Supplier as applicable under the Contract;
- f) "TCC" means the Terms and Conditions of Contract contained in this section;
- g) "The Supplier" or "the Vendor" or "the Audit Firm" means the individual or firm supplying or intending to supply the Goods and Services under this Contract; and
- h) "The Project Site" means various Head Office/Branches/Administrative offices of Small Industries Development Bank of India.

### ii. Use of Contract Documents and Information

The Supplier shall not, without the Bank's prior written consent, disclose the Contract, or furnish any provision thereof, or any specification, plan, drawing, pattern, sample or information, website contents, applications furnished by or on behalf of the Bank in connection therewith, to any person other than a person employed by the Supplier in the performance of the Contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.

The Supplier will treat as confidential all data and information about the Bank, obtained in the execution of his responsibilities, in strict confidence and will not

reveal such information to any other party without the prior written approval of the Bank.

### iii. Governing language

The Contract shall be written in English. All correspondence and other documents pertaining to the Contract, which are exchanged by the parties, shall be written in English.

The technical documentation involving detailed instruction for operation and maintenance, users' manual etc. is to be delivered with every unit of the equipment supplied. The language of the documentation should be English.

### iv. Commercial Terms

All Payments will be made to the Audit firm in Indian rupee only.

The Audit firm must accept the payment terms proposed by the Bank. The financial bid submitted by the Audit firm must be in conformity with the payment terms proposed by the Bank. Any deviation from the proposed payment terms would not be accepted. The Bank shall have the right to withhold any payment due to the Audit firm, in case of delays or defaults on the part of the Audit firm. Such withholding of payment shall not amount to a default on the part of the Bank..

Once a contract price is arrived at, the same must remain firm and must not be subject to escalation during the performance of the contract due to fluctuation in foreign currency, change in the duty/tax structure, changes in costs related to the materials and labour or other components or for any other reason.

### v. Applicable laws

The Contract shall be interpreted in accordance with the laws prevalent in India.

Compliance with all applicable laws: The Audit firm shall undertake to observe, adhere to, abide by, comply with and notify the Bank about all laws in force or as are or as made applicable in future, pertaining to or applicable to them, their business, their employees or their obligations towards them and all purposes of this RFP and shall indemnify, keep indemnified, hold harmless, defend and protect the Bank and its employees/ officers/ staff/ personnel/ representatives/ agents from any failure or omission on its part to do so and against all claims or demands of liability and all consequences that may occur or arise for any default

or failure on its part to conform or comply with the above and all other statutory obligations arising therefrom.

Compliance in obtaining approvals/ permissions/ licenses: The Audit firm shall promptly and timely obtain all such consents, permissions, approvals, licenses, etc., as may be necessary or required for any of the purposes of this project or for the conduct of their own business under any applicable Law, Government Regulation/Guidelines and shall keep the same valid and in force during the term of the project, and in the event of any failure or omission to do so, shall indemnify, keep indemnified, hold harmless, defend, protect and fully compensate the Bank and its employees/ officers/ staff/ personnel/ representatives/agents from and against all claims or demands of liability and all consequences that may occur or arise for any default or failure on its part to conform or comply with the above and all other statutory obligations arising therefrom and the Bank will give notice of any such claim or demand of liability within reasonable time to the Audit firm.

## vi. Patent Rights

In the event of any claim asserted by a third party of infringement of copyright, patent, trademark, industrial design rights, etc. arising from the use of the Goods or any part thereof in India, the Supplier shall act expeditiously to extinguish such claim. If the Supplier fails to comply and the Bank is required to pay compensation to a third party resulting from such infringement, the Supplier shall be responsible for the compensation including all expenses, court costs and lawyer fees. The Bank will give notice to the Supplier of such claim, if it is made, without delay.

## vii. Force majeure

If the performance as specified in this order is prevented, restricted, delayed or interfered by reason of Fire, explosion, cyclone, floods, War, revolution, acts of public enemies, blockage or embargo, Any law, order, proclamation, ordinance, demand or requirements of any Government or authority or representative of any such Government including restrict trade practices or regulations, Strikes, shutdowns or labour disputes which are not instigated for the purpose of avoiding obligations herein, or Any other circumstances beyond the control of the party affected, then notwithstanding anything here before contained, the party affected shall be excused from its performance to the extent such

performance relates to prevention, restriction, delay or interference and provided the party so affected uses its best efforts to remove such cause of non-performance and when removed the party shall continue performance with utmost dispatch.

If a Force Majeure situation arises, the Audit firm shall promptly notify the Bank in writing of such condition, the cause thereof and the change that is necessitated due to the conditions. Until and unless otherwise directed by the Bank in writing, the Audit firm shall continue to perform its obligations under the Contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the Force Majeure event.

### viii. Forfeiture of performance security

**The bid security [EMD] may be forfeited:**

- if a Audit firm withdraws its bid during the period of bid validity specified by the Audit firm on the Bid Form;

Or

- in case of the successful Audit firm, if the Audit firm fails to accept the order / sign the Contract Or furnish Performance Guarantee.

The Bank shall be at liberty to set off/adjust the proceeds of the performance security towards the loss, if any, sustained due to the supplier's failure to complete its obligations under the contract. This is without prejudice to the Bank's right to proceed against the Supplier in the event of the security being not enough to fully cover the loss/damage.

### ix. Termination

The Bank may at any time terminate the contract by giving written notice to the Audit firm if the Audit firm becomes bankrupt or otherwise insolvent. In this event, termination will not prejudice or affect any right of action or remedy, which has accrued or will accrue thereafter to the Bank.

The Bank reserves the right to cancel the contract in the event of happening one or more of the following Conditions:

- Failure of the successful Audit firm to accept the contract and furnish the Performance Guarantee within specific days of receipt of purchase contract as stated in the Purchase order;
- Delay in offering services

- Delay in completing installation / implementation and acceptance tests / checks beyond the specified periods;

In addition to the cancellation of purchase contract, Bank reserves the right to appropriate the damages through encashment of Bid Security / Performance Guarantee given by the Audit firm.

## x. Resolution of Disputes

It will be the Bank's endeavor to resolve amicably any disputes or differences that may arise between the Bank and the Audit firm from misconstruing the meaning and operation of the RFP and the breach that may result.

In case of Dispute or difference arising between the Bank and a Supplier relating to any matter arising out of or connected with this agreement, such disputes or difference shall be settled in accordance with the Arbitration and Conciliation Act, 1996. The Arbitrators shall be chosen by mutual discussion between the Bank and the Supplier OR in case of disagreement each party may appoint an arbitrator and such arbitrators may appoint an Umpire before entering on the reference. The decision of the Umpire shall be final.

The Audit firm shall continue work under the Contract during the arbitration proceedings unless otherwise directed in writing by the Bank or unless the matter is such that the work cannot possibly be continued until the decision of the Arbitrator or the umpire, as the case may be, is obtained.

Arbitration proceedings shall be held at Mumbai, India, and the language of the arbitration proceedings and that of all documents and communications between the parties shall be English;

Notwithstanding anything contained above, in case of dispute, claim & legal action arising out of the contract, the parties shall be subject to the jurisdiction of courts at Mumbai, India only.

Any notice given by one party to the other pursuant to this Contract shall be sent to the other party in writing or by fax and confirmed in writing to the other party's specified address. The same has to be acknowledged by the receiver in writing.

A notice shall be effective when delivered or on the notice's effective date, whichever is later.

\*\*\*\*\*

**Annexure I**

**Declaration to be signed by the  
third party vendors / service provider**

(to be filled in by authorised signatory of the vendor  
/ service provider while accepting the order)

**In case of a limited company**

I, Shri \_\_\_\_\_, son / daughter of Shri \_\_\_\_\_,  
aged about \_\_\_ years, Indian inhabitant residing at \_\_\_\_\_, do hereby  
solemnly declare and state as follows:

(i) I am a Director/ the Managing Director / \_\_\_\_\_ (designation) of  
\_\_\_\_\_ Ltd., a Company within the meaning of the Companies Act,  
1956 and having its Registered Office at \_\_\_\_\_ (hereinafter called "the  
Company") and I am duly authorised by the Company to make this declaration for and  
on behalf of the Company.

**In case of a partnership firm.**

We,

1. Shri \_\_\_\_\_, son / daughter of Shri \_\_\_\_\_,  
aged about \_\_\_ years, Indian inhabitant residing at \_\_\_\_\_,  
2. Shri \_\_\_\_\_, son / daughter of Shri \_\_\_\_\_, aged  
about \_\_\_ years, Indian inhabitant residing at \_\_\_\_\_,  
3. Shri \_\_\_\_\_, son / daughter of Shri \_\_\_\_\_,  
aged about \_\_\_ years, Indian inhabitant residing at \_\_\_\_\_,  
the partners of \_\_\_\_\_, a partnership firm carrying on its  
business at \_\_\_\_\_ (hereinafter referred to as "Firm") do hereby  
solemnly declare and state as follows:

(i) We say that we are the partners of the firm.

**In case of a proprietary concern.**

I, Shri \_\_\_\_\_, son / daughter of Shri \_\_\_\_\_,  
aged about \_\_\_ years, Indian inhabitant residing at \_\_\_\_\_ do hereby  
solemnly declare and state as follows :

(i) I say that I carry on business in the name and style as M/s \_\_\_\_\_  
as a Sole Proprietary Concern at \_\_\_\_\_,



1(ii) I / We will keep information related to SIDBI confidential and will not divulge to any outside agency or person without written consent from SIDBI. This shall include passwords, access codes, pass phrases used by the personnel of my company. I / We will ensure that any user ids / manuals / SIDBI related information in printed / soft form / hardware items used by the personnel of my company shall be returned / handed over to the concerned person in SIDBI upon the completion of the task assigned to the company or as per the guidelines issued by SIDBI.

(iii) I / We shall also indemnify and keep SIDBI indemnified against all losses, damages, costs, claims and expenses whatsoever which SIDBI may suffer, pay or incur by reason of or in connection with any such default on the part of the \_\_\_\_\_(firm /company).

Signature

Date:

Place:

**Declaration to be signed by employees  
of the third party vendor / service provider**

(to be filled in by each vendor / service provider personnel)

I \_\_\_\_\_, representative / service engineer of M/s \_\_\_\_\_ do hereby declare that I will faithfully, truly and to the best of my knowledge and ability, execute and perform the duties required by me for Small Industries Development Bank of India (SIDBI) as per the terms & agreement of SIDBI entered into with the vendor / service provider - M/s \_\_\_\_\_.

I further declare that I will not communicate or allow to be communicated to any person not legally entitled thereto any information relating to the affairs of SIDBI and its affiliates. I will hand over any user ids / manuals / SIDBI related information in printed / soft form in my possession / hardware items used by me to the concerned person in SIDBI upon the completion of my task. I will not divulge passwords, access codes, pass phrases used for discharging my duties to any person not legally entitled thereto.

I also do hereby declare that I agree to abide by the instructions / guidelines given by SIDBI from time to time.

Signature

Date:

Place:

**Annexure II**

<b>Location wise list of Servers and Network Equipments for (Network Security Audit)</b>		
<b>Location</b>	<b>Hardware Details</b>	<b>No of items</b>
<b>Mumbai</b>	Windows 2000 Server	11
	WIN 2003 R2 STD	15
	WIN 2008	12
	Linux Server	4
	IBM AIX Server	2
	HP Unix	2
	<b>Router</b>	
	Cisco 3800 Series	2
	Cisco 1800 Series	1
	Cisco 2800 Series	2
	<b>Security Devices</b>	
	Ironport Web Gateway Security	2
	NIPS 4240	1
	PIX	2
	HIPS	1
	Fortigate	1
	<b>Switches</b>	
	Cisco 4500 Series	1
	Cisco 2900 Series	16
Dlink 3226	1	
<b>Chennai</b>	WINDOWS 2000	1
	WINDOWS 2003	8
	IBM AIX Server	1
	HP-UX	1
	<b>Router</b>	
	Cisco 1800 Series	2
	<b>Switches</b>	
	Cisco 2900 Series	2
	Dlink 3526	1

## Details of Application Software

## Annexure III

### 1. Single Sign On (SSO),

#### 1.1 Basic Business Need

SIDBI's Intranet Portal hosts all the applications and products developed under SIDBI Enterprise Architecture. Intranet Portal acts as a single window to the end users and Users need to login to Intranet Portal with User Id and Password to access any application available on the Intranet Portal. The following is required by the user to login.

- User Id and Password
- Applications which user can access
- Roles and Privileges defined in an application for that user

SSO Admin application will facilitate IT-Admin/ Branch Admin to

- Create users, define passwords, etc
- Assign Users to Applications
- Define Users role in applications
- Manage users logging to Intranet by locking/ unlocking/ activating/ inactivating/ deleting etc

Once IT-Admin/ Branch Admin creates the users and makes the above data ready using SSO Admin, the users can start logging in to Intranet and use the applications assigned to them. The basic business need of SSO Admin is to facilitate SIDBI IT-Admin/ Branch Admin to manager users, applications, roles and privileges in ESA landscape. This enables users to login to Intranet and access the authorized applications. Apart from the above SSO-Admin also have additional facilities like Self Service module, The Self service module provides various options for users to submit their request on Branch transfer/ Application access/ Changing Self details etc.

#### 1.2 Functionality and Process Flow in brief

The features of the applications are categorized into four groups.

- IT-Admin Services
- Branch Admin
- Self Service
- Audit Reports

##### **IT-Admin Services**

IT Admin services is made available only to "IT Admin/ IT Coordinator"  
 To maintain the users, their details and their status,  
 To maintain Applications and assign to Branches

##### **Branch Admin Services**

Branch Admin services is made available to only Branch Admin  
 To facilitate assigning users with their roles and privileges in all  
 the application/ serving their requests etc

##### **Audit Reports**

Helps to generate various reports

##### **Self Service**

---

This feature provides the user to raise the requests like branch transfer, application access and designation change request. The feature is available for all users irrespective of their category. The above features are explained in details in “Functional Details” section.

## **2. Customer Information File(CIF),**

### **1.1 Basic Business Need**

Single source to create and maintain customer details.

### **1.2 Functionality and Process Flow in brief**

CIF is having following functionality.

- (1) Single source to create and maintain customer details.
- (2) Store KYC information.
- (3) Store various Address details
- (4) The same is having interface with all other application to provide customer master data.
- (5) Some master data like Industry master, Customer category, community master etc are part of this module
- (6) Customer settlement account/class creation and maintenance.

### **3. Loan Accounting (DFS), 1. DIRECT FINANCE SOFTWARE (DFS)**

#### **1.1 Basic Business Need**

Direct Finance Software is used for Management of Loans under Direct Lending. This software is being maintained in-house since 1996. It is implemented across all branches of SIDBI. The software is centrally installed at Mumbai datacenter and offices operate the software thru Citrix.

The software has the following functionalities. These functionalities are only indicative and not exhaustive as there are various validations and features involved based on the requirement of various schemes handled thru the software.

1. Inwarding & Tracking of pending applications.
2. Entry of Sanction details
3. Entry of LOI/LA/Documentation details
4. Creation of Loan a/c and entering of various loan account parameters.
5. Security and Insurance details entry
6. Handling of Normal Loans / EMI Loans / Working capital & Guarantee schemes
7. Working Capital Parameters module – Setting of DP and operating Limits, Uploading of data from IDBI under W/C arrangement.
8. Handling of Channel Partner loans
9. Guarantee issuance/correction/amendment module
10. Entry of SFMC application details
11. Disbursements entry with automatic voucher generation. Capture of repayment schedule during first disbursement entry
12. Demand Advice / Interest / Overdue calculations.
13. Option to send mail to customers with/without attachments including demand advices.
14. Appropriation of dues - auto and user-defined modes and approval of appropriation.
15. Bulk appropriation for channel partner accounts
16. Contra for disbursement & repayments.
17. Provision for Re-schedulement / Waiver / Correction / Adjustment of Dues.
18. Fixed - Floating interest rate options
19. Interest rate / Spread rate / interest frequency changes modules
20. Handling of Prepayment / Subsidy.

21. Automatic NPA marking
22. Provision of transfer of cases across branches
23. One Time Settlement & Funding of Cases.
24. Closure of account.
25. Reports module to generate various operational, statistical, MIS and closing reports and annexures.

### **1.2 Functionality and Process Flow in brief**

First the applications are inwards. Details regarding the sanction / rejection are entered in the sanction module. Once sanctioned, the documentation details are entered in the documentation module. Before disbursement, the loan account has to be created and various parameters have to be entered. Security & insurance details are entered using the respective modules. Once disbursement is done, interest calculation is started and demand advice is generated by the system. Demand advices are sent to customers for calling up the dues. On receipt of repayments, appropriation is done in the system. Various other special modules are there in the system which has been outlined above. On complete repayment of the loan dues, account can be closed.

#### **Interfaces :**

1. Flexcube GL
2. RNMS
3. MIS
4. ALM

### **3. Loan Accounting (Flexcube), 2. FLEXCUBE LOANS (LD)**

#### **1.1 Basic Business Need**

Flexcube is implemented as part of core-banking solution under ESA implementation. Various modules under Flexcube are as under:

1. Customer Information File (CIF)
2. General Ledger (GL)
3. Loans and Deposits (LD)

This software was implemented during November 2009 and data was migrated from the DFS to LD. The software has the following functionalities. All the modules have maker – checker concept.

1. Creation of Limit details
2. Creation of Loan a/c (contract creation) and entering of various loan account parameters.
3. Security and Insurance details entry
4. Handling of Normal Loans
5. Disbursements entry. Capture of repayment schedule
6. Demand Advice / Interest / Overdue calculations.
7. Appropriation of dues - auto and user-defined modes.
8. Contra for disbursement & repayments.
9. Provision for Re-schedulement / Waiver / Correction / Adjustment of Dues.
10. Fixed - Floating interest rate options
11. Interest rate / Spread rate / interest frequency changes modules
12. Handling of Prepayment / Subsidy.
13. Automatic NPA marking
14. Reports module

#### **1.2 Functionality and Process Flow in brief**

Details regarding the sanction are entered in the limits module. During first disbursement, the loan contract has to be created and various parameters have to be entered. Repayment is entered during each disbursement. Security & insurance details are entered using the respective modules. Once disbursement is done, interest calculation is started. Demand advices are sent to customers for calling up the dues by way of reports. On receipt of repayments, appropriation is done in the system. Various

other special modules are there in the system which has been outlined above. On complete repayment of the loan dues, account is closed automatically.

**Interfaces :**

1. RNMS
2. MIS
3. PnC
4. GPPS
5. ALM

## 4. General Payment Processing System (GPPS),

### 1.1 Basic Business Need

The new application shall be used by all SIDBI users in its day to day expense processing of payments. The application will capture the details from invoice to initiate the payment, capture the vendor and the purchase order wherever applicable, Validate the payments against Purchase order wherever PO is chosen, calculate TDS if applicable and send the payment to Cheque printing and GL entry.

#### Features

Capturing of PO details, approval process and Invoice capturing will be system driven. Currently Vendor Payment activity is carried on manually and due to implementation of GPPS, same will be system driven.

### 1.2 Functionality and Process Flow in brief

The application can be broadly classified into three sections

Master Maintenance – Maintaining masters

Expense Processing – Processing Day to day transactions

Reports – Generating reports.

**Master Maintenance:** Following are the different modules which are available in Master Maintenance.

- Vendor
- TDS
- GL Head Mapping – TDS
- GL Head Mapping
- Narration
- Expense Category

**Expense Processing:** Following are the different modules which are available in expense processing.

- Capture Purchase Order
- Capture Invoice
- Payment Processing
- Narration
- Expense Category

**Reports:** Following reports can be generated in new application.

- Vendor Report
- Purchase Order Report
- Invoice Pending for Payment
- Payment Report
- TDS Report

## **5. Payment & Collection (P&C),**

### **1.1 Basic Business Need**

P&C Support the process of maintaining records of instrument deposit to bank and instrument issuance from different bank account maintained by SIDBI. P&C Application facilitates SIDBI in reconciling their bank accounts which they maintain with different banks like IDBI, SBI etc. This application shall act as one point interface with all the financial application so that users can maintain information of instrument receipt and issuance at a common place .This application shall be interfaced with all the business applications and information shall flow to and from all the business applications to the payment & collection.

#### **Features**

Following are the main features of the Payments & Collection Application

1. Collection – In-warding of Customer as well as non-customer (GL) transaction and automation of GL entries
2. Payments - Cheque Printing and automation of GL entries.
3. Daily Fund Management –Automation of Fund Requirement & Remittance from Branch to HO and vice-a-versa on daily basis
4. Bank Reconciliation – Provision for uploading a bank statement, duplicate entry check, manual reconciliation and generation of BRS statement
5. Reports
6. Master maintenance

### **1.2 Functionality and Process Flow in brief**

P&C is an application which will be used by all SIDBI users in its day to day functioning of Payment and Collection of instrument and reconciliation of bank account.

Master Maintenance is used to create the Master records which will be used in Collection, Payments, cheque printing, and reports. Following Masters are available for Master Maintenance Module.

- Customer Bank
- Nostro Bank
- Transaction Code
- Cheque Return Reason
- Account Matrix
- Instrument Type

- 
- Instrument Status
  - Clearing Days
  - Clearing Type
  - Cheque Layout

## 6. Admin – Staff Reimbursements/Staff Loans

### Staff Reimbursements

#### 1.1 Basic Business Need

The system provides a comprehensive application to cater to administration related activities within SIDBI. This will reduce a lot of manual involvement and lead to a paper-less office concept.

There are 21 types of reimbursements available in Admin application:

1. Foreign Travel
2. Briefcase
3. Periodical
4. RVME Insurance
5. Car Washing
6. Out of Pocket
7. TLDC
8. Medical
9. Hospitalization
10. Credit Card
11. Professional Course Fee
12. Curtain
13. TAHA
14. Catering
15. Facility
16. Car Hire
17. VOF
18. Event Management
19. Holiday Home
20. Travel Arrangements
21. LFC (Leave Fare concession)

#### 1.2 Functionality and Process Flow in brief

The different users for the Reimbursement are

- a. Normal user – Employee  
The normal users are the employee of the SIDBI who can raise request for the reimbursement.
- b. Verifier – Admin dept.  
Verifiers are SIDBI employees who belong to Admin department and verify the request raised by the employee and pass it to next level for approval / Verifier for further verification. Apart from this once the reimbursement requests are approved, disbursement will be handled by the same users (Admin Dept).
- c. Approver  
Approvers are the SIDBI employees who have the privileges to approve the reimbursement request depending on the DOP.
- d. Disbursement  
Approver can view all the accepted as well as rejected requests. He can approve the requests.

Actions performed by the normal users are -

- Request for a reimbursement.

Actions performed by the verifier are

- Verify the request of reimbursement and forward it to next level.
- Send it back for the rework
- Reject the reimbursement request.

Actions performed by the Approvers are –

- Approves the reimbursement request.
- Send it back for the rework.
- Reject the reimbursement request.

### **Masters for Reimbursement**

Below are the master maintenance for the reimbursement. Master maintenance is achieved through 4 eye principle (maker and checker). A maker is the person who will create the record. And checker will approve the record.

#### Eligibility criteria maintenance

In Reimbursement module there are some eligibility criteria to be defined, which will be used to check the eligibility criteria of the employee. This master will be used to define the eligibility criteria for different facility. A unique eligibility criteria for all the facility will be identified and maintained in the parameter table. A static data will be maintained where in we will be defining the table name and column name to be referred for these unique criteria. In the master screen, with the available criteria will be used and the criteria (where clause) will be formed. While checking the eligibility criteria for the employee, these criteria (where clause) will be checked and if the employee is not eligible the same will be displayed on the screen.

The screen details are as provided in the UI document (Refer document reference). The data model is provided as per the database design document for the Admin.

#### Service Provider maintenance

For Reimbursement module there is different service provider which needs to be maintained. To maintain these a master is requires maintaining these. The screen details are as provided in the UI document (Refer document reference). The data model is provided as per the database design document for the Admin.

#### Vendor maintenance

For Reimbursement module there is different vendors which needs to be maintained. To maintain these a master is requires maintaining these. The screen details are as provided in the UI document (Refer document reference). The data model is provided as per the database design document for the Admin.

## **6. Admin – Staff Reimbursements/Staff Loans**

### **Staff Loans**

#### **1.1 Basic Business Need**

The system provides a comprehensive application to cater to administration related activities within SIDBI and will have strong workflow related capability for various employee related approvals such as Travel, Employee Benefits, etc. This will reduce a lot of manual involvement and lead to a paper-less office concept. The Admin application has to perform the different functionality depending on the requirement. At a high level the applications are broken down into four modules.

- a. Advances & Loans
- b. Admin Accounting for Loans & Advances
  - i. Accounting
  - ii. Interest Calculation
  - iii. Prepayment
  - iv. Tax Declaration
- c. Reimbursements
- d. Expense Accounting
  - i. Expense processing
  - ii. Service tax & Tax declaration (TDS)

The Admin Loans & Advances workflow module handles the entire cycle of processing of loan application of employees/officials from applying, validating, approving and other various validation as per individual facility, eligibility, criteria applicable business rule and so on built in that module up to the sanction and ready for disbursement level.

This module will be integrated in to admin loans and advances work flow to complete the cycle of loans and advances from the ready for disbursement level to completion of disbursement, Folio Creation, accounting, posting to GL, Update in master, payroll intimation and Employee intimation

The basic and inherent functions of Admin accounting loans and advances module are

- Creation of Folio employee/facility wise
  - Precondition for creation of folio would be cheque printing successfully.
  - Post successful cheque printing the transaction flows for generation of folio as also to post the transactions to folio

- Successful post transactions to folio the transactions moves for GL Hand off
- In the event of cancellation of cheque after printing of the cheque, the folio has to be closed manually as pre payment closure as the accounting entries to GL would have completed.
- Maintain transactions in the folio and post transactions for disbursement, recovery and interest application
- Calculate interest on the outstanding balance of each folio at given intervals at the specified interest rates periodically
- Interface with GL of Flex-cube for GL Handoff
  - Posting of disbursement transactions
  - Prepayment transactions
  - Payroll recovery transactions
  - Interest application transactions
  - Interest Accrual Transactions.
- Interface with Payment & Collections Module
  - Disbursement and Cheque printing
  - Prepayment appropriation
- Interface with Payroll
  - Appropriating the monthly salary recovery to the folio from the employees
  - Advise payroll for recovery of loans sanctioned periodically
  - Declare additional PF Contribution and Advise payroll for recovery
- Miscellaneous Functions
  - Calculation of Provisional interest certificates on housing loans for IT Purpose
  - Calculation of perks on differential interest component for IT Purpose
  - Self declaration of savings towards Income Tax rebate by employees
  - Generation of statements, interest certificates, balance certificates, repayment certificates and many more reporting & view utilities

The accounting flow from workflow application can be achieved in many ways, There are 19 types of loans and advances available in Admin application:

1. PC Advance
2. Vehicle Advance
3. Bicycle Advance
4. White Goods
5. Winter Clothing

6. PF Advance
7. PF withdrawal
8. Festival advance
9. Natural Calamity Advance
10. Consumer Article
11. Fan Advance
12. Housing Loan
13. SWF - Excellence in Sports
14. SWF - Rewards for Academic Excellence
15. SWF - Mentally/ physically Handicap
16. SWF - Education Loan
17. SWF - PC Advance
18. SWF - Travel
19. SWF –Medical

### **1.2 Functionality and Process Flow in brief(PC ADVANCE)**

Eligible employees can request for **PC Advance** using electronic form. Request will be validated using HRMS, Payroll and PF systems as per existing business rules. A unique request ID will be generated for a valid request. Depending upon PF balance of the applicant, electronic workflow for sureties will be initiated. After acceptance of all the sureties, application will be forwarded for verification along with the quotation from the vendor manually or attaching the scanned one. After receiving the email-notification for verification, the Admin-Verifier verifies the application. Admin Verifier has the capability to send the application back to the employee for any modification (if requested by the employee).

The Admin-Approver receives an e-mail notification for sanctioning the advance. Approver has the option to approve or send it back to the employee for rework/modification (if requested by the employee). If approved/sanctioned, an email notification is sent to the employee. The employee will accept the disbursement of the sanctioned amount. If rejected, the request is cancelled and an email notification is sent to the employee as well as to the Admin department. If accepted, the request will be forwarded to the admin-approver for disbursement approval. Admin-approver approves the disbursement request and disbursement details will be passed to the Flexcube for further process and an email notification is sent to the employee.

If at any level, the employee wants to modify/alter the submitted application, he/she has to send intimation to the verifier/approver to send back the application form for modification. Modification is possible only before the application been sanction. "Modify functionality" will be provided on the form for each level of approval process. When there is a request by the creator of the process (Employee) for any changes in the submitted application form, the verifier/approver (wherever the application is laying at that time) will have to send the application for modification. The application will be

sent back to the employee for modification and the status of the application will be updated to "Modify". The employee will resubmit the application after necessary modifications and the approval process will start again.

In case the employee has not submitted the bills for purchase in 30 days, system will trigger intimation to admin for recall of the money from the employee. After the end of 30 days of sanction of amount, the system will send two notifications, first on 15<sup>th</sup> day after 30 day period and next on 30<sup>th</sup> day. The employee submits the bill details along with scanned/physical bills for verification. Then the verifier verifies the bills online/offline and approves the same. On approval of bills, system will generate and send the hypothecation to the employee and he will submit it to the admin department in physical form. The verifier should be able to update the application form, checking the recipient of hypothecation from employee. However he would mark through the workflow to mark off the pending status. This would enable the admin to keep track of the end to end process.

## **7. Resource Raising – Fixed Deposit (RR-FD) Application**

### **1.1 Basic Business Need**

RR-FD application is being used for entering Fixed Deposits received from customers – both corporate and individuals by the branches and Mumbai Office. Main features of the application are as below:

- Supports the process of raising finances from investors
- Automates the maintenance of liability ledger.
- Automated Interest Accrual / Compounding.
- Investor-wise TDS calculation, tracking and deduction.
- Payment calculation and scheduling.
- Tracking payment due dates.
- Configurable interest payment schedule
- Generation of TDS & FD certificate
- User defined Fee calculation Structures.
- Interface with GL application for accounting entries.
- Auto renewal on Fixed Deposit.
- Manual renewal on Fixed Deposit
- Lien marking on Fixed Deposit.
- Garnishee order on Fixed Deposit
- Brokerage Fee calculations.
- Alerts – on interest/maturity due payments.
- Reporting (Statutory and Internal).
- Provision for User to define/configure multiple schemes

### **1.2 Functionality and Process Flow in brief**

RR - FD application has the provision for maintaining Instrument master, TDS master, Interest Rate master, linking of TDS rates to Investor Categories. The application also has provision for entering new deposits, updating TDS flag, carrying out Auto-Renewal, marking of Lien, doing a Deal Contra transaction etc. There are various Masters that are defined by the Head Office for each Financial Year. Deals are entered by the branches. TDS is deducted on each compounding of Interest, Maturity payment and Year-end. For processing interest payment (for Income schemes) in advance, option for Interest payment through PDC is there. Payment voucher is generated automatically on the actual date of payment.

RR - FD application is having Interfaces with following applications:-

- Flexcube
- Payments and Collections
- SSO Admin
- Single Sign On (SSO)