

Opportunity to become Partner with BSNL for providing integrated prepaid payment option for BSNL customers across India on Non- exclusive basis.

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BSNL invites proposal, on revenue share basis, from interested payment gateways service providers (PGSPs) on non exclusive basis, with portal benefitting BSNL customers.

BSNL is currently operating in various telecom services viz. Landline, GSM , Broadband, Leased Line Services, and other Enterprise Business new business etc. across the India except in Delhi and Mumbai and has a mass subscriber base of more than 120 million.

Due to increased volume and value of cashless transactions, it is the intention of BSNL to provide comprehensive payment preference to customers extending benefits of saving over wallets along with safe and secure solution to transact online. The gateway shall be low cost payment option through prepaid cards issued by multiple banks enabling real-time settlement of transactions, with least financial risk & enhanced data security.

It is expected that the PGSPs approaching BSNL for partnership in this business shall be in the know of the revenue stream / cost involved/of this business and shall have sufficient knowledge and resources to operate the **desired** services.

OBJECTIVES:

- a) Issue of prepaid card to BSNL customers.
- b) Prepaid card payment option on the BSNL billing portal facilitating faster payment (online /offline) and seamless top up transactions.
- c) Top up transaction through point of sales device at outlets of BSNL & Independent outlets.
- d) Loyalty programs to ensure repeat customers.
- e) Adequate publicity to be carried out in structured manner by branding and awareness through print , electronic, radio, posters, banners ,brochures, hoardings etc

To provide comprehensive payment option to the customers introducing lower financial risk, enhanced data security and thus directly helping merchant to capture more business and enabling regular cashless transactions in a more secure and low cost format.

The salient points regarding eligibility conditions, documents required and major terms & conditions are provided below:

1. Eligibility Criteria for intended PGSPs

- 1.1 Intended PGSPs proposing to operate payment system and involved in the issuance of pre-paid payment instruments shall seek authorization from department of payment and settlement systems, Reserve Bank of India (RBI) under the payment and settlement system Act 2007. **The PGSP should have been authorized by Reserve Bank of India (RBI) to provide **desired service** (Relevant documentary proof should be attached).**

- 1.2 **The PGSP's "Average turnover of the PGSP should be at least R.75 crores over period of last three financial years. i.e. 2014-15, 2015-16, 2016-17.", from electronic payments business and should be a Profit making organization in the last Three financial year. Attach Annual Report containing, inter alia, Balance Sheet and P & L Account for the last Three Financial years i.e. 2014-15, 2015-16, 2016-17.**
- 1.3 **As on 31st March 2017, the PGSP should have provided or be providing desired service to any three public utility services (for last Three Years i.e. 2014-15, 2015-16, 2016-17) that are having yearly turnover of above Rs. 1000/-Crore. Certificates from Chartered Accountant to the effect is to be furnished (for last Three Years i.e. 2014-15, 2015-16, 2016-17).**

2. List of documents to be submitted as part of the proposal

- 2.1 Self Attested copy of the Memorandum of Association and Articles of Association of the company
- 2.2 Certified True copy of Board's/ Management's resolution in favor of authorized signatory.
- 2.3 Specimen signature of the authorized official duly attested by Company's/authorized signatory's Banker along with PAN card.
- 2.4 Non-refundable processing fees of **Rs. 1000000/- (Rs. Ten Lakhs only)** in the form of DD drawn in favor of AO (Cash), BSNL, New Delhi shall be submitted along with the proposal.
- 2.5 Non-Disclosure undertaking, duly notarized on non judicial stamp paper of **Rs.50/-** .
- 2.6 Technical details of the solution and business plan.
- 2.7 Contact details i.e. Name, mail id, phone no., mobile no., fax no. of a responsible person for liasioning in this matter.
- 2.8 The company shall submit an irrevocable undertaking duly signed by it for due performance of the contract, failing which it shall be liable to be barred from having any business dealing with BSNL for a period of three years.
- 2.9 Commitment / undertaking to submit Performance Bank Guarantee of **Rs. 10000000/- (Rs. One Crore only)** at the time of signing the agreement.
- 2.10 Undertaking (signed by Authorized signatory) that the company has never been barred, blacklisted or banned from having business dealings with / by any of the Government agency / Company/ PSU.

3.1 Scope of work for PGSPs/Process Overview:

BSNL intends to provide prepaid card service to all its customers. The following broad scope of work is only indicative / tentative and may differ on case to case basis at the time of discussions with the company based on proposal and responsibility matrix. The actual SOW shall be made part of agreement in each case to case basis. The detailed scope of work shall be captured in the Agreement with the selected PGSPs.

The company shall be responsible for due performance of the contract including continued post execution support of the project. It shall remain responsible for non performance inter alia any other act that may lead to barring of business dealing with the company or banning business with them.

TECHNICAL REQUIREMENTS FOR INTENDED PGSPs

1. **Customer Acquisition:** *Contacting customers and offering physical cards using SMS, emails , Online marketing campaigns and offline terminals. Share of acquisition fees shall be paid to BSNL only for BSNL customers. **There shall be a mechanism to identify, whether the customer is acquired by BSNL or service provider.***
 2. **Provision of hardware/software-***Relevant equipment & software licenses, applications to perform intended activities shall be proven. Cards issued to customers shall be pre printed & non personalized. Outlets shall be mapped to particular bank branch and its code.*
 3. **E-KYC Process:***Enrollment of customers shall be done at specific locations through camps operated by PGSPs representatives and bank branch official. **KYC shall be the sole responsibility of the service provider and not of BSNL.***
 4. **Operations:** *PGSP shall also be responsible for operation and maintenance of all equipments and application/ solution/ servers on 24x7x365 basis by a team at its own cost. It will also include execution and monitoring of defined rules and day to day operations, configuring commission, tariff charges of the services. Self care,, operation and maintenance related to website development, automatic generation of MIS report and its reconciliation. **All incidental expenses (including promotional expenses) to be borne by the service provider.***
 5. **Integration:** *Integration with BSNL network and customer care portal. To put up a disaster recovery setup at a geographically different location from day one as per the satisfaction of BSNL and norms & regulations of TRAI.*
- PGSP shall be Responsible for any loss of money due to any technical problem/ incapability / security lapse which will be attributable to said platform or its officials or its partner. If any action is brought against BSNL , PGSP shall defend the same at its own cost and consequences and shall indemnify BSNL all cost and other expenses that BSNL may incur in this regard. PGSP shall indemnify BSNL in all such cases.***
6. **Testing-** *Responsible for providing key resource personnel for the service and 100 % testing before launch complying with all legal requirements related to operations. **Testing & Technical feasibility assessment is a pre-requisite and will be done by ITPC beforehand.***
 7. *BSNL Recharge and bill payment through outlets or website/application along with Balance Enquiry / Mini statement facility.*
 8. **Security:** *The solution shall ensure handling & prevention of all kinds of fraud scenarios viz hacking or any other security threat. Realtime reconciliation and*

*settlement of all successful transactions. **Privacy of BSNL customers shall be ensured by PGSPs.***

9. Customer support services- *PGSP will establish call centre for providing additional services to customers like reversals, refunds, chargebacks, change of passwords/PIN, complaints etc.*

10. *PGSP shall also be responsible for operational support including on going changes to the User interface, service management ,technical support, bug fixing, maintenance and its upgradation.*

3.2 Performance Bank Guarantee

The PGSP shall submit a Performance bank guarantee of **Rs. 10000000/- (Rs. One Crore only)** to BSNL which shall be valid for the entire duration of 5 years of agreement plus 6 months. BSNL shall reserve the right to encash the PBG in case of violation of terms and conditions of the agreement without prejudice to other rights and remedies available to BSNL.

3.3 Branding:

The mentioned service shall be co branded.

4. BSNL's responsibilities:

- i.** Interacting with DoT/ TRAI
- ii.** Provision of Space, Infrastructure/ power & local connectivity etc. if any required on chargeable basis.
- iii.** **BSNL shall provide various short/long codes, Access Point Names (APNs) for SMS, USSD, IVR etc as per the requirement of the service, however the decision of BSNL shall be final. All costs to be met by PGSP.**
- iv.** **Push SMS capacity as per requirement, however the decision of BSNL shall be final.**
- v.** **BSNL will do the revenue collection and share the revenue.**
- vi.** Primary integration with BSNL Billing system.
- vii.** BSNL to provide customer data as per confidentiality.

5. Empanelment method /Signing of Agreement:

BSNL shall sign an agreement with the selected service provider later on. The agreement shall be non-exclusive and shall not be construed to prevent either party from entering into a similar agreement with any other party or to restrict such party from directly engaging in related activities. The terms and conditions defined in this document shall form an integral part of the agreement.

6. Cost to be borne by PGSPs on its own only :

- i.** Travel
- ii.** Admin expenses

7. Marketing

- **PGSP** will market/promote its services.
- **Service provider** shall mention BSNL's applicable brands in all its promotions specific to the services.

- BSNL and service provider may work out special promotion schemes etc. on mutually agreed basis.

- 8. Duration of agreement:** 5 years initially and thereafter on mutual negotiations.
- 9. Payment Terms & conditions and invoicing:** The accounting mechanism for timelines of payment and other details about raising invoice, periodicity of payment, Pricing/ commercial / business model of services etc. shall be decided once agreement is signed with the provider. A separate addendum/ supplementary agreement will be signed in respect of accounting mechanism which will form / be treated as part of the agreement.
- 10. Revenue share:** Revenue share between BSNL and PGSP should include a fixed as well as varying component. **PGSP shall share monthly data of all customers added and deleted.**