

## **Section-F: Revised (2nd) Payment Terms-**

The Central Office of LIC at Mumbai will place orders for the solution which is to be deployed centrally at Mumbai. However the users will be spread across the country and selected locations outside the country. Payments will be made by the Central Office for the orders placed .TDS will be deducted at source for any payment made by LIC, as per prevailing rules.

In the first instance PO for the hardware and minimum guaranteed license quantity will be placed for implementation of the solution. Once the solution is implemented and accepted, and after go live if any additional licenses are required the same shall be provided immediately. Report of the concurrent users per day has to be provided on weekly basis. At the end of the year/quarter number of users will be reviewed. The payment for the additional licenses used during the year will be made at the end of the year as per the rate of the slab in which it falls.

AMC for the additional licenses used during the year will be paid at the rate which is fixed in the beginning of the year. If the slab is changed during the year, the difference of the AMC as per the new slab will be adjusted in the next payment.

At the beginning of the next year the AMC rate will be decided for the year based on the total number of licenses used in the previous year which will be opening figure for the next year.

### **License**

- For the first year 100% of the license cost for the minimum guaranteed licenses and the hardware shall be paid after successful completion of the entire solution with end user acceptance test demonstrating all feature as per the RFP.
- 2<sup>nd</sup> year on wards: At the end of each year total number of licenses procured from the inception till the respective year end will be calculated to arrive at the slab in which it falls. The license cost of that slab will be applicable for the additional license procured during the year.

### **AMC**

- For First Year: AMC rate will be as per the rate of the minimum guaranteed licenses purchased. AMC cost will be paid quarterly in arrears after end of the quarter.
- For 2<sup>nd</sup> Year onwards: At the beginning of year the AMC rate will be decided for the year based on the total number of licenses used in the previous year. If the slab is changed during the year, the difference of the AMC as per the new slab will be adjusted in the next year. Payment for the AMC will be made quarterly in arrears.

### **Documents to be produced for release of payment for both software and hardware (separately):-**

#### **For first year:**

- Payment against installation, integration and acceptance testing as per the scope of work :

- Invoice (with reference of Purchase Order for execution, description of services delivered, quantity, unit price, total amount).
- The proof of payment of GST and other taxes (wherever applicable)
- Delivery Challans “Proof of Delivery” in original
- Delivery Certificates for Software licenses
- Acceptance letter of successful completion of the solution with end user acceptance test issued by Authorized LIC officials not below the rank of Assistant Secretary at CO.
- Verification of above deliverables and any other, if needed by Authorized LIC officials not below the rank of Assistant Secretary at CO/ZO.
- Certificate by the bidder that software licenses comply with OEM/OSD/OSO guidelines/requirements.
- Proof of back lining/warranty/back to back support by the OEM/OSD/OSO.
- Weekly report of number of concurrent users for the week.
- GST Details, NEFT details etc. for making payment

**For second year on wards for every year :**

- Invoice (with reference of Purchase Order for execution, description of services delivered, quantity, unit price, total amount) For additional licenses provided during the year.
- The proof of payment of GST and other taxes (wherever applicable)
- Delivery Challans “Proof of Delivery” in original
- Delivery Certificates for Software licenses
- Verification of above deliverables and any other, if needed by Authorized LIC officials not below the rank of Assistant Secretary at CO/ZO.
- Certificate by the bidder that software licenses comply with OEM/OSD/OSO guidelines/requirements.
- Proof of back lining/warranty/back to back support by the OEM/OSD/OSO.
- Weekly report of number of concurrent users for the week.
- GST Details, NEFT details etc. for making payment

**For AMC Payment:**

- Report of peak concurrent user for verification of SLA’s defined in the bid.

**In addition the following aspects may be noted:**

- a. No advance payment will be made by LIC.
- b. If Components are not delivered within the time schedule for delivery and installation, penalty will be applicable as per SLA.
- c. The total penalty for delivery and installation shall not exceed the total PO Value.
- d. LIC reserves the right to temporarily withhold payments and impose penalty, if it is not satisfied with progress made during that period or if there is a delay in activity timelines.
- e. LIC shall make payment in Indian Rupees (INR) on receipt of invoices, after deduction of penalties and applicable taxes at source from agreed price to the selected Vendor.

**For Payment against onsite/offsite Services:**

Payment for the Onsite Services will be done on quarterly basis at the end of each quarter on production of the following:

- Invoice for the amount payable quarterly in arrears.
- Performance Report of the onsite Personnel.
- The Performance report will be given by LIC administrators considering the various attributes of the Personnel related to the project deliverables.
- Verification of 'Service level agreements' defined in this bid.

The Amount against Penalties if any will be recoverable from any payment due to the vendor **OR** from performance Bank Guarantee.

**Deduction of Taxes at Source:-**

**LIC will deduct taxes from the amounts due and payable to the vendor wherever applicable. LIC will provide vendor with the statement of any taxes deducted by LIC on payments under the Contract. The vendor agrees to reimburse and hold LIC harmless from any deficiency including penalties and interest relating to taxes including recovery of any tax retrospectively that are its responsibility under this clause. For purposes of the contract, taxes shall include taxes incurred on transactions between LIC and the vendor.**