

## **Section-F: Revised (3<sup>rd</sup>) 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 licenses 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 quarter, number of users will be reviewed. The payment for additional licenses used during the quarter will be made at the end of the quarter (reviewed based on weekly/monthly report) as per the rate of the slab in which it falls.

### **License**

- **Minimum guaranteed licenses-** 100 % of 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.
- **Additional licenses** – The payment for the additional licenses used during the quarter will be made at the end of the quarter (reviewed based on weekly/monthly report) as per the rate of the slab in which it falls.

### **AMC**

- AMC rate will be applicable as per the licenses procured and slab applicable to it. The slab will be discovered at the end of the quarter (based on weekly/monthly report), and AMC payment will be made quarterly as per new applicable slab.

### **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.**