

Section-G: Service Level Agreement (SLA)

This SLA describes the service levels that have been established for the services offered by the Vendor to LIC. The Vendor shall ensure that all services and systems perform without defect or interruption as the SLAs specified in RFP. The vendor has to ensure adherence to time-schedules given in this RFP. Non-adherence will attract penalties as given below:

1. Delay in delivery of products, services, On-Site support:

SN	Description	Penalty
1	Delivery, installation and integration (with the current set up) of the ordered equipment should be completed within 168 days from the date of issue of Purchase order. The DOA cases shall be dealt with in the allowed 168 days period from the date of issue of the purchase order.	0.2% of the cost of all the items ordered for that location, per day from the 169th day till the date of installation/integration subject to a maximum of 10% of the total cost of items for that location under the PO.
2	In case of a breakdown of appliances, hardware, hardware components accessories, systems software, and/or any products, the relevant defect should be attended immediately and rectified/replaced within 8 working hours of the receipt/notice of the complaint.	0.5% of the cost of all items ordered for that location per each hour of delay beyond 8 working hours or part thereof subject to a maximum of 10% of the total cost of items for that location under the PO.
3	In case of a malfunctioning of appliances, hardware, hardware components accessories, systems software, or any products, the relevant defect should be attended immediately and rectified within 8 hours of the receipt/notice of the complaint.	0.2% of the cost of all items ordered for that location per each hour of delay or part thereof subject to a maximum of 10% of the total cost of items for that location under the PO.
4	Failure to provide standby equipment in case of exclusions mentioned in the RFP within 8 working hours of receipt/notice of complaint.	0.5% of the cost of all items ordered for that location per each hour of delay or part thereof subject to a maximum of 10% of the total cost of items for that location under the PO.
5	In case a call remains unresolved more than 7-days then LIC reserves the right to get it repaired or hire such equipment.	The cost of such incurred towards the same will be adjusted against any amount payable or PBG. However, the Warranty will continue for such equipment.
6	In case of 3 consecutive failure of any equipment during the warranty period, the bidder will have to replace the equipment with an equal or higher configuration unconditionally at no extra cost within 15 days after the resolution of the equipment as per the Service Levels.	In case the bidder fails to replace the equipment, the cost of the equipment would be adjusted against any amount payable or PBG

7	The details of SDM are not communicated to LIC within 8 weeks of receipt of PO	Rs.500/- per day.
8	Delay in posting of on-site support Personnel beyond ten weeks from the date of issue of purchase order for onsite support.	Rs. 500/- per day
9	If CV and certified documents of the proposed candidates are not submitted within 8 weeks from date of Purchase Order (PO)	Rs.500/- per day per candidate.
10	Delay in providing complete escalation matrix for offsite support beyond 8 weeks from date of issue of PO	Rs.500/- per day.
11	If the first (introductory) meeting is not held within 4 weeks from the date of receipt of the first Purchase Order and/or escalation matrix is not submitted.	Rs.500 /- per day for the delayed part
12	If structured weekly meetings are not held (by the Service Delivery Manager) with ED(IT/BPR) / Chief (IT/BPR) / Secretary(IT/BPR) / Dy. Secretary (IT/BPR) / Asst. Secy.(IT/BPR), Network Section, CO, Mumbai.	Rs.500/- for each meeting not held.
13	Delay in providing details for offsite support beyond 10 weeks from date of issue of PO	Rs.500/- per day.
14	The on-site Personnel/designated substitute should be present in LIC's premises as per the RFP conditions.	Double the proportionate amount for the relevant onsite support charges will be deducted for any non-compliance.
15	If the on-site Personnel leaves before expiry of 1 year for reasons other than death and hospitalization.	5 % of the Annual on-site charges for the first incident, to be incremented by 2.5% for each repetition. The number of such occurrences shall be reckoned from the date of purchase order for on-site support. The Personnel may have to be changed, if LIC so requests. If LIC requests for a change, SI will be given a buffer of not more than 30days to suitably replace the Personnel.
16	In case vendor wants to change the onsite support person, minimum of one-and-half month (45 days) advance notice shall be given by the vendor to LIC. If not done, penalty will be imposed.	Penalty of Rs.500/- per instance.

17	In case vendor wants to change the onsite person, an overlapping period of at least 21 days has to be there between the new and old onsite support person. If not done, penalty will be imposed	5% per day of the relevant onsite support.
18	In case LIC wishes to get the onsite person changed, if replacement from the identified pool is not provided within 30 days.	5% per day of the relevant onsite support.
19	OEM Audit is not conducted within a month of receipt of communication from LIC	Rs.500/- per working day subject to maximum amount of Rs.1, 00,000/-.
20	OEM Audit report is not provided within 7 working days	Rs.500/- per working day subject to maximum amount of Rs.1, 00,000/-.
21	OEM Audit report is not complied within 30 working days	Rs.500/- per working day subject to maximum amount of Rs.1, 00,000/-.

Exclusions: In case of Partial/Full damage or loss of the equipment due to reasons beyond the control of LIC like (i) accident (ii) causes external to the equipment such as electrical power, fluctuations and failures etc. (iii) Theft, Fires, floods, windstorms, riots, strikes, acts of state or acts of enemy or negligence by LIC etc. the vendor would not be penalized. In case of disputes in the reason of failures, the onus of such proof will be on the vendor.

- (a) In all the above circumstances / cases also, the vendor has to provide a functional standby equipment/component with same or higher configuration and restore all the services of the particular location, **failing which** the penalties defined under SLA section will be imposed.
- (b) Fresh order will be placed by LIC with the vendor for the supply of the lost/damaged equipment as per the approved rates. Monthly rental as 5% of the LIC-approved-cost for that particular equipment/component will be payable by LIC to the vendor for the equipment supplied as standby in lieu of the Lost/Damaged equipment till the replacement of equipment on permanent basis is provided or the original equipment/s is/are re-installed after necessary repairs.
- (c) For damaged/lost/burnt/irreparable equipment, LIC shall claim insurance amount from the General Insurance Company, vendor may have to give quotation for the new equipment / components to LIC on their letter head and supporting documents (if any required) to facilitate smooth settlement of insurance claim. The quotation from vendor shall be given based on the LIC-approved-rates.
- (d) Any equipment will be considered burnt/irreparable, only when the vendor is able to show burnt marks on the equipment/circuit-board etc. to the onsite LIC-officials and the same is accepted by the General Insurance Company for settlement of claim to LIC.
- (e) In cases where vendor is reporting damages to the equipment due to external reasons, such as, power fluctuation etc. where such damages are not visually noticeable, in such cases the onus of proving the same will be on the vendor. Vendor has to submit necessary OEM-TAC number and report from the OEM certifying that the equipment is irreparable.

Penalty caps:

- ❖ The total penalty for delivery and installation shall not exceed 10% of the PO value.
- ❖ The total penalty for onsite and offsite support shall not exceed 50% of the quarterly charges payable for onsite and offsite support for reasons other than absence. In case of absence of onsite support, actual amount as per SLA will be deducted up to 100% of the quarterly charges payable.

All penalties deducted for violation of SLAs shall be invoked from the PBG/any amount payable to the vendor. It may also be required by vendor to deposit the penalty amount to LIC .

This section lists the minimum service level required to be maintained by the Bidder on award of the contract. The Bidder has to enter into a service level agreement with LIC before the award of the contract as per the format provided by LIC.

Defective equipment shall be replaced by the vendor at his own cost, including the cost of transport if any. The new releases (minor / major) IOS, versions, bug fixes etc. for the hardware and system software will be supplied to LIC at no extra charge, with necessary documentation.

Calls can be logged through e-mail/telephone call/web interface or any other methodology which may be mutually decided with the vendor.

All response times mentioned above includes travel time of Engineers also.

The Bidder shall provide to the engineer all normal toolkit and test equipment needed for the installation and support of the hardware.

To complete the work at the site / branch within the stipulated timeframe, Successful Bidder's/ Vendor's engineers have to visit the site multiple times at no extra cost.

The Bidders should keep spare units at appropriate locations to meet the Service Level Agreement (SLA) requirements. The address & number of units reserved should be indicated in the offer. This stock will be subject to periodic inspection by LIC. Non-compliance will invite penal action or disqualifications.

LIC reserves the right to levy / waive off penalty considering various circumstances at that point in time.