भारतीय जीवन बीमा निगम
LIFE INSURANCE CORPORATION OF INDIA

Investment /Risk Management & Research Department, Central Office, Mumbai.

Ref: INVR/ERM Cell/2019-20/Corrigendum-3 Date :24.10.2019

Re: RFP for Selection of vendor for IT solution for ERM
Ref: LIC/CO/INVR/ERM-SV/RFP/2019-20 dated 13.08.2019

This has reference to the RFP released by the Life Insurance Corporation of India as per reference captioned above. The following conditions stand modified as given herein under:

S. No.	Clause of RFP	Existing Condition	Modified condition
1	Annexure 1 : Eligibility Criteria (Sr . No. 2)	The Bidder should have a minimum turnover of **Rs. 100 crore** per annum for each of the following financial years (2016-17 and 2017-18, 2018-19).	The Bidder should have a minimum turnover of **Rs. 70 crore** per annum for each of the following financial years (2016-17 and 2017-18, 2018-19).
2	Annexure 1 : Eligibility Criteria (Sr . No. 2)	Applicant should have successfully set up ERM System in atleast three firms (with minimum 1 in Insurance firm) in India in the last 7 years.	Applicant should have successfully set up ERM System in atleast three firms (with minimum **1 in Insurance or Banking firm**) in India in the last 7 years.
3	7.9 Project Schedule, Point 1	The vendor shall complete the entire activity within **6 months (180 days)** from date of PO	The vendor shall complete the entire activity within **10 months (300 days)** from date of PO , please refer revised annexure-2
4	Annexure 11 7) General Term point 7.1	The agreement shall be in force for a period of **5 years and 180 days.**	The agreement shall be in force for a period **of 5 years and 300 days.**
5	Annexure 12 : Performance bank Guarantee (PBG)	This unconditional and irrevocable Bank Guarantee will be valid for a period of **five and a half years** or up to the completion of contractual obligations, whichever is later.	This unconditional and irrevocable Bank Guarantee will be valid for a period of **five years and 10 months (300 days)** or up to the completion of contractual obligations, whichever is later.
6	6.23 Contract Period	The contract tenure will be for **5 and a half years,** from the date of signing the contract unless otherwise mutually agreed upon between LIC and the selected Bidder, broken down as follows:	The contract tenure will be for **5 years and 10 months,** from the date of signing the contract unless otherwise mutually agreed upon between LIC and the selected Bidder, broken down as follows:

		a. Implementation: **6 months.** b. Post go live support: 5 years from the system go-live stage.	a. Implementation: **10 months.** b. Post go live support, **hardware AMC and technical support for software :** 5 years from the system go-live stage.
7	8. PROJECT TIMELINES	LIC expects to implement the proposed ERM system within **6 months** of signing of contract. The vendor should plan execution of all phases in line with the phase wise timelines as defined in **Annexure – 2** (Project Schedule).	LIC expects to implement the proposed ERM system within **10 months** of signing of contract. The vendor should plan execution of all phases in line with the phase wise timelines as defined in **Revised Annexure – 2** (Project Schedule).
8	5.18.3 Normalization of Bids 10. Online reverse auction (s)	Within 21 days of notification of award from LIC, the Bidder will furnish Performance Bank Guarantee, valid for the period of **five and a half years** or up to the completion of contractual obligations, whichever is later. After the submission of Performance Bank Guarantee by the successful Bidder, the Bidder will be required to enter into a contract with LIC.	Within 21 days of notification of award from LIC, the Bidder will furnish Performance Bank Guarantee, valid for the period of **five years and 10 months** or up to the completion of contractual obligations, whichever is later. After the submission of Performance Bank Guarantee by the successful Bidder, the Bidder will be required to enter into a contract with LIC.
9	7.3 Hardware and Software Requirements IT architecture requirements for ERM Solution-paragraph 3	Given that the estimated number of users are **6000**, the ERM tool should have a centralized architecture and should support future consolidations, scale and network requirement.	Given that the estimated number of users are **10000** and **1000 concurrent** users, the ERM tool should have a centralized architecture and should support future consolidations, scale and network requirement.
10	Section 7.6 of RFP Users	Approximately number of users including core and end users will be **6000.**	Approximately number of users including core and end users will be **10000**.
11	Section 7.5 Post go live support Point 4	"Incorporate relevant changes in the system to comply with the Solvency II requirements as and when notified by IRDAI for Indian Insurers".	"Incorporate relevant changes in the system **on request as and when required** and also to comply with the Solvency II and other requirements as and when notified by IRDAI for Indian Insurers". **"Change Request" cost separately to be**

			given in Annexure 3 , part –D. (If there are any bugs /defects found in the solution/programs it will not be considered as change request.)
12	Annexure 3 : financial Proposal Proforma	Section A : Software License Section B: Hardware Section D : Annual maintenance/Support/Additional Costs	**In Section A,B,D 6th year Cost added.** **Section D-Annual Maintenance (AMC)/ Annual Technical support (ATS)/ Additional costs.**
13	Annexure 3 : financial Proposal Proforma	Note: 1. Yearly payments for Annual Maintenance/Support activities will be made at end of the year as arrears. 2. Yearly payments for Software components will be made at the start of the year	These two points of the Note are to be removed.
14	Annexure 3 : financial Proposal Proforma	For annual payments, Net Present Value (NPV) of yearly costs should be calculated at discount rate of 10% per annum and added to arrive at the Total Cost. For yearly payments, pay-outs will be made at the end of the year.	For annual payments, Net Present Value (NPV) of yearly costs should be calculated at discount rate of 10% per annum and added to arrive at the Total Cost.
15	New Annexure	Not Included	Annexure 19 – Manufacturer's Authorization form (MAF).
16	Section 7.9 Project Schedule Point 3	"a penalty of 1% of the contract value will be levied for each week of delay from the timelines as defined in the signed agreement with the vendor".	"a penalty of 1% of the contract value will be levied for each week of delay from the timelines as defined in the signed agreement with the vendor subject to maximum **10% of contract value".**
17	6.36 : Termination 1)Right to terminate	If Bidder fails to comply with the Performance Assessment and, if any part of the service does not meet the specifications on three or more occasions, LIC may (in addition to its other remedies) terminate the Contract immediately by giving the Bidder written notice of **15 days**.	If Bidder fails to comply with the Performance Assessment and, if any part of the service does not meet the specifications on three or more occasions, LIC may (in addition to its other remedies) terminate the Contract immediately by giving the Bidder written notice of **30 days.**
18	6.36 : Termination-Point 3 , paragraph 1 ---Termination by LIC for default	LIC may, without prejudice to any other remedy for breach of contract, by written notice of default sent to the Bidder, terminate the Contract in whole or part.	LIC may, without prejudice to any other remedy for breach of contract, by **30 days** written notice of default sent to the Bidder, terminate the Contract in whole or part

19	6.36 : Termination Point 3 , paragraph 2 Termination by LIC for default	In the event of LIC terminating the Contract in whole or in part, LIC may procure, upon such terms and in such manner as it deems appropriate, Systems or Services like those undelivered, and the Bidder shall be liable to LIC for any excess costs for such similar systems or Services. However, the Bidder shall continue the performance of the Contract to the extent not terminated.	In the event of LIC terminating the Contract in whole or in part, LIC may procure, upon such terms and in such manner as it deems appropriate, Systems or Services like those undelivered, and the Bidder shall be liable to LIC for any excess costs for such similar systems or Services**. In such case excess cost to be paid by Bidder, will be 110% of cost of undelivered system or services.** However, the Bidder shall continue the performance of the Contract to the extent not terminated.
20	Section 7.2 B-18 Cloud/in premises	ERM system data will be maintained in the premises or in private cloud environment.	ERM system will be maintained in LIC's private cloud environment. No hardware is required to be procured by the vendor except staging server if necessary for their proposed solution.
21	7.3 Hardware and Software Requirements IT Architecture as existing in LIC's Private Cloud which would be made available for ERM IT Solution.	Not mentioned	ERM system will be maintained in LIC's private cloud environment. Following is the infrastructure configuration available 1) CPU - Intel Xeon Platinum processor. 2) RAM - DDR4 R-DIMM. 3) Storage All Flash(SSD- 4TB) provided 4) The Cloud setup is based on VMware ESXi 6.5 Hypervisor. 5) The Cloud Setup is kept at Vile Parle. It is connected to the core router with 1Gbps connectivity. The internal(within rack connectivity) is at 10Gbps SFP connectivity. 6) The OSs, Application proposed by the Bidder should be compatible with the Hypervisor layer, ie, it should be supported for hosting on VMware ESXi 6.5 . 7) Connectivity to the LIC network has to be ensured by the Bidder, but the passive cabling from the Rack where the Staging server will be kept to the Network backbone will be done by LIC, ie, Network Team.

22	7.3Hardware and Software Requirements **Server Operating Systems** Staging Server	Minimum of 1 database, 1 application and 1 web server would be required. Vendors to specify in their solution whether 1 or more servers can be merged. Vendor should evaluate requirement of staging server and include the relevant costing for the same (if applicable) in the Financial Estimates. **IT SHOULD BE NOTED THAT LIVE DATA OF LIC SHOULD NOT BE TOUCHED.**	**Staging Server**, (if proposed in the IT solution by the bidder) : in such case bidder should provide separately **cost** of all its related Hardware and Network related parts/components in the Annexure -3 part B. (if applicable) in the Financial Estimates. **IT SHOULD BE NOTED THAT LIVE DATA OF LIC SHOULD NOT BE TOUCHED.**
23	7.2Non-Functional requirements B-20 (D-56) (2nd Paragraph modified)	The final selected Vendor is also expected to provide the final source code along with detailed source code documentation (including data structure) of the system to LIC. This has to be duly reviewed by an external independent organization.	While signing off the post go live support at the end of fifth year, the vendor has to provide the source code of the complete package along with detailed source code documentation (including data structure) of the customized ERM system to LIC. The PBG will be returned only after fulfilling this requirement.
24	7.10 Payment terms	Payment terms **1) 10%** After completion of successful UAT of the entire ERM Solution (UAT will be considered as complete on proper sign-off given by the LIC based on the review of UAT Scenarios, UAT Methodology, expected & actual Results and its Complete Documentation by the Vendor, UAT completion certificate). 2) 20% On completion of live implementation of the ERM System (Live Implementation implies ERMS has been fully implemented across the enterprise supported by Software deployment certificate). **3) 30%** On the completion of trainings, manuals and training materials. 4) 40% During post-implementation support period of 5 years from golive stage, 8% payable at the end of each year.	Payment terms **1) 20%** After completion of successful UAT of the entire ERM Solution (UAT will be considered as complete on proper sign-off given by the LIC based on the review of UAT Scenarios, UAT Methodology, expected & actual Results and its Complete Documentation by the Vendor, UAT completion certificate). 2) 20% On completion of live implementation of the ERM System (Live Implementation implies ERMS has been fully implemented across the enterprise supported by Software deployment certificate). **3) 20%** On the completion of trainings, manuals and training materials. 4) 40% During post-implementation support period of 5 years from golive stage, 8% payable at the end of each year.
25	ANNEXURE 4a: BID EVALUATION METHODOLOGY	Scoring Methodology part of ANNEXURE 4a	Please refer revised ANNEXURE 4a

26	Annexure 4b: Overall Bid Evaluation Methodology Clause (iii)	Bidders securing a minimum of 42 marks (i.e. 60% of maximum 70) for "Functional/Non-functional" requirements and **18 marks** (i.e. 60% of maximum 30) for "People and Credentials" requirements will be considered for technical qualification. Additionally, bidders must secure overall **75 marks (out of maximum 100 overall)** as per evaluation criteria given above to be considered as technically qualified.	Bidders securing a minimum of 42 marks (i.e. 60% of maximum 70) for "Functional/Non-functional" requirements and **12 marks (i.e. 60% of maximum 20) for "People and Credentials"** requirements will be considered for technical qualification. Additionally, bidders must secure overall **65 marks (out of maximum 90 overall)** as per evaluation criteria given above to be considered as technically qualified.
27	Annexure 4b: Overall Bid Evaluation Methodology Clause (iv)	Proof of Concept (POC)/ Product Demonstration: Proof of Concept (POC)/ Product Demonstration shall be conducted for vendors who have qualified the "Technical Evaluation" as per criteria mentioned in point (iii) above Hardware provisions required for POC are to be procured by vendor for POC. POC shall be conducted as per the criteria mentioned in the table in RFP	Proof of Concept (POC)/ Product Demonstration: Proof of Concept (POC)/ Product Demonstration shall be conducted for vendors who have qualified the "Technical Evaluation" as per criteria mentioned in point (iii) above. **Maximum 10 marks will be alloted for Proof of concept (POC), minimum 6 marks to be secured for qualification**. Hardware provisions required for POC are to be procured by vendor for POC. POC shall be conducted as per the criteria mentioned in RFP .
28	Annexure 4b: Overall Bid Evaluation Methodology Clause (v)	In case less than 3 applicant bidders get qualified as per evaluation criteria given in point (iii) above, then LIC may select Applicant(s) with the next highest scores in descending order subject to having obtained overall 65 marks (out of 100). Please note that the criteria of securing minimum of 42 marks (i.e. 60% of maximum 70) for "Functional/Non-functional" requirements and 18 marks (i.e. 60% of maximum 30) for "People and Credentials" requirements will have to be met too.	In case less than 3 applicant bidders get qualified as per evaluation criteria given in point (iii) above, then LIC may select Applicant(s) with the next highest scores in descending order subject to having obtained overall **60 marks (out of 90).** Please note that the criteria of securing minimum of 42 marks (i.e. 60% of maximum 70) for " Functional/Non-functional" requirements and 12 marks (i.e. 60% of maximum 20) for "people and Credentials" requirements will have to be met too.
29	Annexure 3	Indicative Financial Bid Proforma	Revised Annexure-3 Indicative Financial Bid Proforma is attached.

Executive Director (INVR/CRO)