LIFE INSURANCE CORPORATION OF INDIA

## 7. Evaluation process

The evaluation will be a *three-stage* process:-

- Stage 1 – Eligibility Criteria evaluation
- Stage 2 – Technical Bid evaluation
- Stage 3 – Commercial Bid Evaluation

Note :LIC's decision in respect of evaluation methodology and short-listing Bidders will be final and no claims whatsoever in this respect will be entertained.

### 7.1. Stage 1 - Eligibility Criteria Evaluation

The Bidder needs to comply with all the eligibility criteria mentioned to be evaluated in Stage 1. Non-compliance to any of the eligibility criteria would result in outright rejection of the Bidder's Bid. The Bidder is expected to provide proof for each of the points for eligibility evaluation. Any credential detail mentioned in Annexure III - Eligibility Criteria and not accompanied by relevant proof / documents to the satisfaction of LIC may not be considered for evaluation. LIC may require the bidder to submit confirmations/clarifications on their submission.

All credential letters should be appropriately bound, labeled and segregated in the respective areas. There is no restriction on the number of credentials a Bidder can provide. The documentation furnished by the bidder will be examined prima facie to see if the technical skill-base and financial capacity and other attributes claimed by the bidder therein are consistent with the requirements of the project undertaken under RFP and meet the eligibility (pre-qualification) criteria as specified in this RFP.

LIC may at any stage ask bidder(s) for additional information, visit to bidders site and/or arrange discussions with their professional, technical faculties, clients to verify the claims made in bid documentation.

Bids not complying with the requirements of the eligibility criteria (pre-qualification) will not be processed further.

The decision of LIC would be final and binding on all the Bidders to this document. LIC may accept or reject an offer without assigning any reason whatsoever.

### 7.2. Stage 2 – Technical Bid Evaluation

The proposal submitted by the Bidder will be evaluated for this stage only if they fulfill the eligibility criteria. **Bidder needs to meet the Criteria in the individual capacity unless stated otherwise**. LIC, at its sole discretion and determination, may add any other relevant criteria for evaluating the proposals received in response to this RFP. Such modifications shall be declared well in advance.

Bidder will be called to give a presentation and demonstration to the Evaluation Committee. Demonstration will involve representative use case scenarios demo on the proposed platform.

**Based on the documents submitted and the presentation, the bidders will be scored as demonstrated in the Technical Score Sheet. Bidders securing minimum 75 on the Technical proposal will be declared Technically Qualified Bidders for further evaluation of Commercial bids (Indicative Price) subject to the following condition:**

a) **At least two bidders should be Technically Qualified as an outcome of the technical evaluation, failing which the RFP process of selection of Payments Gateway Aggregator shall be scrapped forthwith.**

**TECHNICAL SCORE SHEET**

| S. No. | Technical Criterion | Scoring rate ( Points awarded) | MIN Score for adding up to the total score of the bidder | MAX Score |
|---|---|---|---|---|
| 1 | Tie up for payment gateway services for net banking as at 31-03-2017 with Banks<br>Refer Annexure V : no. 4(ii) | 1 point per three banks in the list | 10 | 15 |
| 2 | Number of transactions routed through net banking on payment gateway in the year 2016 – 2017.( ref: Annex V) | 5 to 10Crores — 5<br>>10Croresupto15 Crores — 10<br>>15 Croresupto 20 Crores — 15<br>More than 20 Crores — 20 | 5 | 20 |
| 3 | Number of years of Experience in providing payment gateway services .( including cards, net Banking ) ref : Annexure V | 3 points for each Financial year 2016 – 2017 and earlier. | 6 | 15 |
| 4 | Tie ups with PSUs / Government Sector for providing electronic PG Services as at March 2017 | Number — Points<br>Upto10 — 5<br>>10 Up to 15 — 10<br>>15 Up to 25 — 15 | 5 | 15 |
| 6 | Number of digital payments transactions routed for all channels on board ( through payment gateway ONLY) in 2016-17 | Number — Points<br>30 Crores to 40Crores — 5<br>>40 Croresupto 50Crores — 10<br>>50Crores upto 60Crores — 15<br>>60 Crores — 20 | 5 | 20 |

<table>
<tr><td>7</td><td>Technical Presentation</td><td><table><tr><td>Line item</td><td>Score</td></tr><tr><td>DR AND BCP</td><td>5</td></tr><tr><td>Technical Certifications</td><td>5</td></tr><tr><td>UAT API and demo of use case scenarios</td><td>5</td></tr></table></td><td>15</td><td>15</td></tr>
<tr><td></td><td>TOTAL SCORE</td><td></td><td>Applicable as a minimum score against each line item listed 1 through 7 in the TABLE</td><td>100</td></tr>
</table>

### 7.3. Stage 3 - Commercial Bid Evaluation:

A) The commercial bid as per **Annexure- XIII revised Commercial Bid template (indicative prices)** should be submitted in separate sealed cover. The Per Transaction Rate quoted for each item fixed under the ongoing payment gateway services agreement are mentioned in TABLE A for reference given below. All rates quoted will be excluding government taxes and levies.

**TABLE A**

<table>
<tr><td>#</td><td>Description</td><td>Per Transaction Rate in the existing agreement<br>(in INR excluding GST and other levies of government if any, except for line items 1 and 5)</td><td>Per Transaction Rate (rounded to two decimals excluding GST and other Government levies) called for in Commercial Bid</td></tr>
<tr><td>1</td><td>Net-Banking Transactions (Flat fees will be borne by LIC)</td><td>2.90 ( inclusive of taxes and levies)</td><td>To be quoted by bidder</td></tr>
<tr><td>2</td><td>Merchant Discount Rate for credit card-based (VISA / MasterCard ) transactions<br>(Flat Fees per transaction collected directly from policy holders)</td><td><table><tr><td>Transaction Slab</td><td>Flat Convenience fee</td></tr><tr><td>Upto 5000</td><td>20</td></tr><tr><td>5001 - 10000</td><td>35</td></tr><tr><td>10001 - 25000</td><td>80</td></tr><tr><td>25001 - 50000</td><td>190</td></tr><tr><td>50001 - 100000</td><td>350</td></tr></table></td><td>Fixed Rate of 0.6 % [interchange MDR of 0.5%with no upper limit to transaction volume (agreement of LIC with VISA and MasterCard) + 0.1 % fee to issuer bank] will be collected directly from the customer. No other charges are to be raised by the service provider.</td></tr>
</table>

| | | | |
|---|---|---|---|
| 3 | AMEX CARD<br>**(Slab wise Flat Fee per transaction to be collected directly from customers )** | <table><tr><td>Transaction slab</td><td>FEE*</td></tr><tr><td>Upto Rs.5000</td><td>Rs18.00</td></tr><tr><td>>Rs. 5000</td><td>Rs. 35.00</td></tr></table> | *Current Rate fixed under agreement with AMEX will be collected directly from the customer. No other charges are to be raised by the service provider. |
| 4 | Merchant Discount rate for debit card based ( VISA/ MasterCard / RuPay) transactions<br>**( Flat fee per transaction to be absorbed by LIC)** | Rs 8.00<br>( Rs6.00 flat fee plus Rs 2.00 service charge per transaction) | Rate to be quoted by bidder for service charge ONLY. |
| 5 | Prepaid Cards, Cash Cards , Payment Wallets **(Flat fee per transaction to be borne by LIC )** | 2.90( inclusive of taxes and levies) | Rate to be quoted by bidder. |
| 6 | UPI ( **Flat fee per transaction to be borne by LIC)** | Presently no payment is being made by LIC<br>The total transaction fee will be calculated as standard NPCI transaction rate for LIC + Service charge | Rate to be quoted by bidder for service charge ONLY |

B) The Bidder has to specify both in Figures and Words for all the rates quoted in the commercial Bid (Indicative Price) Refer :**Revised ANNEXURE XIII** : Commercial Bid ( Indicative Price)

C) The Commercial Bids (Indicative Price) of technically qualified bidders will be opened on the prescribed date in the presence of bidders/representatives. Thereafter, these bidders need to participate in Online Reverse Auction for which web based platform will be made available by LIC.

D) **Online Reverse Auction**: After the opening of commercial Bid (Indicative Price) of Technically Qualified bidders Online Reverse Auction will be held.

i. The Date, time, platform and process of online reverse auction will be communicated to all the technically qualified bidders.

ii. LIC shall conduct the ORA process for L1 bid price determination.

iii. LIC shall determine the start price and other parameters for the ORA :

a) on its own and/ or ,

b) evaluating the price band information available in the commercial bid(Indicative Price) of the technically qualified bidders and /or ,

c) Based on the lowest quote receipt in commercial bid (Indicative price)

iv. The price quoted by the bidders at the end of ORA will be taken as the Final Commercial quote for the evaluation of that bidder.

v. The Bidder with the lowest **Average net Transaction rate** at the close of ORA will be declared as L1 bidder.

vi. The L1 bidder's per transaction rate for each mode of payment channel rates finalized through ORA will be termed as the **"L1 rates".**

E) LIC may at its sole discretion declare more than one technically qualified bidder(s) as successful to provide the services of PGA as described in this RFP.

F) LIC reserves the right to modify / amend the evaluation process at any time during the Bid process, without assigning any reason, whatsoever. At any time during the process of Bid evaluation, LIC may seek specific clarifications from any or all Bidders. Further, LIC may opt not to avail any or all of the services for which the prices have been quoted by the bidder in the commercial bid. LIC will not be liable to pay any cost to the bidder for the services which LIC opts not to avail.