

## **Section-F: Payment Terms**

### **Payment terms for Purchase orders:**

- (a) No advance payment will be made by LIC.
- (b) The payments will be made by the Central Office for the orders placed in the state of Maharashtra and the remaining payments shall be made by nodal Divisional Offices of LIC for respective states for where the goods and services are being provided.
- (c) After complete delivery/installation (including SNR cases) under a particular PO, payment will be made by CO/ZO/ Nodal Divisional Offices for such purchase order as a whole and not in piecemeal.
- (d) Efforts will be made to settle all payments within 30 days, for orders for which complete set of invoices along with supporting requirements are submitted.
  - i. 80% of the payment will be made on Delivery of the equipment/components and submission of Invoice cum delivery Challan, GST, Taxes (if any) etc. and Delivery Report (DR).
  - ii. Balance 20% payment will be made against installation, integration and acceptance testing as per the scope of work, including SNR.
  - iii. 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.
  - iv. LIC shall make payments in Indian Rupee (INR) on receipt of invoices, after deduction of penalties and applicable taxes at source from the agreed price

### **Documents to be produced for release of payment:**

#### **(a) For 80% Payment against delivery:**

- (i) Invoice printed on Vendor's own letterhead (with reference of Purchase-cum- Work Order / advice for execution, description of goods / services delivered, machine serial number, quantity, basic equipment price, Taxes, total amount).
- (ii) Invoice cum delivery Challans for each of the concerned sites signed by the respective LICs official with name, designation, date and stamp etc.
- (iii) Proof of payment of Taxes/GST.
- (iv) Proof of back lining of equipment with the OEM
- (v) Proof of warranty.
- (vi) GST Details, NEFT details etc. for making the payment.

#### **(b) For balance Payment against installation, integration and acceptance testing as per the scope of work**

- o Letter/Invoice for claiming the balance amount.
- o Satisfactory Proof of Commissioning verified by LIC official.
- o Verification of above deliverables and any other, if needed by Authorized LIC officials not below the rank of Assistant Secretary.
- o Certificate by the bidder indemnifying the Corporation against Violation of Copyright and Patents etc.to be submitted at Central Office.
- o OEM Audit Report along with remediation of the recommendations made through the report immediately after installation.
- o In case of SNR cases , Site Not Ready Report as **Annexure-XIV**, proof of complete delivery and POST
- o Receipt of Installation certificate & sign-off duly signed and stamped by the Bidder, and counter-signed by the officials of IT dept., LIC Central Office.

**For Payment against Onsite 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.
- Performance Report of the onsite Personnel.
- The Performance report will be given by LIC officials considering the various attributes of the Personnel related to the project deliverables.
- Verification of 'Service level agreements' defined in this RFP.

**For Payment against yearly OEM Report:**

- Invoice for the amount payable.
- Compliance to the Audit report

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