

दक्षिण मध्य रेलवे/ SOUTH CENTRAL RAILWAY

महाप्रबंधक कार्यालय /General Manager's Office,
सतर्कता शाखा/Vigilance Branch,
सिकंदराबाद / Secunderabad.

सं. No. G.265/PC/2024/02/01258

दि/Dt.08/05/2024

All PHODs, CAO/Const.,
DRM/SC, HYB, GTL, BZA, GNT, NED
CWM/LGD, TPTY, RYPS, MFT

विषय:/Sub:- Guidelines for GeM Service Tenders and Service Level Agreement.

During the course of Vigilance checks, it has been noticed that SLA (Service Level Agreement) uploaded along with GeM Bid contains General Conditions of Contract applicable for the tender, including brief details of NIT (Notice inviting Tender), Instructions to the Bidders for online Bid submission, Bid Evaluation System, Disqualification of Bidders, Right of Railway to deal with Bids, Work Experience, Financial Standing, Undertaking for correctness of the document, evaluation of Technical/Financial bid, etc. which are not relevant for execution of SLA.

The provisions applicable for GeM Service Tenders with regards to SLA are as under:-

i) Important default condition in GeM Service Bid :-

*This Bid is governed by the **General Terms and Conditions**, conditions stipulated in Bid and **Service Level Agreement** specific to this Service as provided in the Marketplace. However, in case if any condition specified in General Terms and Conditions is contradicted by the conditions stipulated in Service Level Agreement, then it will over ride the conditions in the General Terms and Conditions.*

ii) Important Provisions of SLA as per GeM:-

Preface - Agreement representing a Service Level Agreement ("SLA" or "Agreement") between the Buyer and Service Provider has been uploaded in bid section. The purpose of the agreement uploaded is to facilitate implementation of Services intended by the Buyer. Each documents as uploaded by buyer should be read in totality to conclude the requirement of Custom e-Bid floated on portal.

Other important aspect covered in SLA requirement: Guiding Principle, Intended Objectives And Goals of SLA, Parties to the Agreement, Advisory With Respect To Scope Of Service etc.

Implementation of the instructions applicable for SLA as applicable in GeM Service Tenders will avoid irregularities in GeM Bids, finalization of Tenders and execution of the SLA.

In view of above and irregularities noticed during vigilance investigations, all concerned may be advised to ensure incorporation of suitable **Service Level Agreement** document copy in GeM Service Tender documents in compliance of instructions applicable for GeM Service Tenders as available in GeM Portal. SLA shall essentially clearly specify the expected service deliverables and quality from the supplier/service provider. Uploading of documents like Instructions to Bidders, Financial Standing, NIT and similar documents is not desirable in SLA.

The above guidelines are indicative only and concerned authorities shall use their own prudence for compliance of instructions available in GeM Portal in the interest of Railways.



(ARVIND MALKHEDE)

SDGM/SCR 08.05.2024

CI- Secy. To GM/SCR – for kind information of GM.

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The Agreement uploaded in bid section will generally contain the Scope of Work, (SOW), stakeholder's obligations, Special Terms and Conditions (STC) related to service delivery as formulated by the Buyer and Payment Terms etc of the service for mutual understanding of the stakeholders. The Agreement remains valid till completion of Scope of Services or end of contractual duration (whichever is earlier) unless either superseded by a revised agreement mutually endorsed by the stakeholders or terminated by either of the parties thereof.

Guiding Principle : The Services contracts placed shall be governed by following set of Terms and Conditions :

1. General Terms and Conditions for Goods and Services;
2. Buyer's Formulated Service Specific STC including the Service Level Agreement (SLA) for the service as uploaded with the bid in form of suitable matching document ,

The above terms and conditions are in reverse order of precedence. Service specific STC supersede GTC, whenever there are any conflicting provisions. The above set of terms and conditions along with scope of work and service level agreement as enumerated in the document shall be construed to be part of the Contract between Buyer and Service Provider.

Intended Objectives And Goals of SLA :The objective of Agreement (SLA) as uploaded in bid section is to ensure that all the commitments and obligations are in place to ensure consistent delivery of service to buyer by service provider. Generally The goals of an Agreement are to:

1. Provide clear reference to service ownership, accountability, roles and/or responsibilities of both parties
2. Present a clear, concise and measurable description of service offered to the buyer
3. Establish Terms and Conditions for all the involved stakeholders, it also includes the actions to be taken in case of failure to comply with conditions specified
4. To ensure that all the parties understand the consequences in case of termination of services due to any of the stated reasons
5. The agreement will act as a reference document that both the parties have understood the above-mentioned terms and conditions and have agreed to comply by the same. The agreement can also be revised/ modified on mutual consent of the stakeholders.

Parties To The Agreement

The main stakeholders associated with this agreement are:

1. Buyer: Buyer is responsible to provide clear instructions, approvals and timely payments for the services availed.
2. Service Provider: Service provider is responsible to provide all the required services in timely manner. Service provider may also include seller, any authorized agents, assignees, successors and nominees as described in the agreement

The responsibilities and obligations of the stakeholders have been outlined in this document. The document also encompasses service level /penalties in case of non-adherence to the defined terms and conditions. It is assumed that all stakeholders would have read and understood the same before signing the SLA document.

ADVISORY WITH RESPECT TO SCOPE OF SERVICE

Scope of Work (SOW) is the most important & crucial component of any bidding process. It is for this that the whole bidding process is entered upon to execute the scope of work and deliver outcomes that the Government strives for. Scope of work directly affects the performance of contract therefore utmost care should be taken to avoid ambiguity with respect to deliverable.

For example, in case of Complex / Intricate Consulting Services, Some key guiding principles for drafting scope of work may be as under:

- "Detailed" specification of requirements is extremely critical – please ensure that even standard assumptions on scope of work are laid down and described.
- Make sure that specifications are endorsed by key stakeholders.
- Identify mandatory and non-mandatory requirements in scope of work. It should clearly provide the outcomes expected from solution/service delivery.
- The scope of work should mention what the outcome is based upon – time or material?
- A check should be made that the final specification of requirements : (a) addresses the targeted outcomes and business objectives. (b) meets the agreed stakeholder needs (c) covers whole-of-life of the contract deliverables.
- The objective, structure and expected set of contents of each knowledge item/deliverable should be laid down, in as much detail as possible, rendering the best level of clarity to it.
- The coverage of services needed in the form of activities like client visits, geographies to be studied, stakeholder meetings / interviews / workshops to be conducted, must be detailed out to avoid delivery compromises.
- Buyer must ensure that the service provider complies with the Rule 144(xi) of General Financial Rules (GFR), 2017 and the product supplied, if any, must also comply with Make In India guidelines of DPIIT"

Important Note : Buyers authorities are advised to upload GAR report positively and without fail at appropriate place to ensure process complinace. Buyer may indicate about requirement Past Experience if so required by uploading the same at time of bid creation including approval of their competent authority. Service Providers's response may be assessed atime of technical evaluation.

Price Variation Clause:

"It is advisable to include Price Variation Clause in the long term contracts to take care of the increase/decrease in prices of various ingredients which majorly affect the overall price of the service. Buyers are therefore advised to include the Price Variation Clause (PVC) in the bid document through ATC for long term contracts. The additional payment, if any, on account of PVC can be done offline till such time online functionality is developed on GeM."