

INSURANCE REGULATORY AND DEVELOPMENT AUTHORITY OF INDIA
HYDERABAD

15-Mar-2019

Subject: Minutes of the IT Procurement Committee meeting held on 15-Mar-2019

Present:

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| (i) Shri. Nilesh Sathe, Member (Life) | - Chairperson |
| (ii) Shri. A. Ramana Rao, GM (F&A-Life) | - Member |
| (iii) Shri. T.S. Naik, GM (CAD) | - Member |
| (iv) Shri. A.R. Nithiyantham, CGM (IT) | - Member Convener |

Other Invitees:

- (i) Shri Randip Singh Jagpal, CGM (Brokers)
- (ii) Shri Vishesh Diwan, AM(Brokers)
- (iii) Smt Manoranjan Prusti, Assistant (Brokers)
- (iv) Shri Srihari Allamsetty, Manager (NL-Department)
- (v) Shri Utpalkumar Topare, AM(IT)
- (vi) Shri V. Chitra, Manager(IT)

Members of the committee were appraised of the following agenda items:

Agenda 1: BAP Implementation of change request - CCN-180: (Non-life Department):- (Effort: 16.632 man days: Cost: Rs. 1,98,000.00)

Non-Life department has initiated the change request in BAP to segregate returns of Reinsurance department from Non-life bunch as per circular "IRDAI/HR/ORD/PER/166/07/2017".

Brief requirements proposed by Nonlife department are as follows

1. New reinsurance module to be created in BAP
2. Reinsurance returns needs to be segregated from " Non-life" module
3. New module have L1,L2,L3 level access .



Summary of Changes:

- No. of forms to be moved from Non-life to reinsurance bunch = 9

The Committee noted that the initial CCN effort estimate submitted by LTI was 39.277 man days. After multiple rounds of meetings and deliberations with LTI and making scenario changes to existing effort estimation template, the effort estimates were brought down to 16.632 man-days and accordingly, the cost for implementation of CCN was brought down from INR 4,67,583.33/- to INR 1,98,000.00/-.

Various milestones of the CCN 180 are as follows:

CCN – issued on	11-Dec-2017
Requirement gathering	Completed
Design document sign off	Completed
Evaluation of effort estimation	Preliminary evaluation done by IT department.
TEC	Recommended

The Committee also noted that the Technical evaluation committee (TEC) in its meeting on 08-Jan-2019 has recommended implementation of the above CCN.

After deliberations, the committee recommended implementation of CCN 180 as per the revised proposal submitted by LTI, to the total cost of INR 1,98,000/-.

Agenda 2: CCN-179- Implementation of change request submitted by Brokers department: (Effort: 40.047 man days: Cost: Rs. 2,51,500/-)

Brokers department has initiated the change request to make changes to the existing Brokers module as per the following:

- Any other document option should be provided in the forms available under "changes during the licensing period".
- If any user is on leave, then HOD should be able to revoke the task and assign the same to another user.
- Standard report to display the list of valid brokers as well as not in-force brokers.

Various milestones of the CCN 179 are as follows:

CCN – issued on	17-Oct-2017
Requirement gathering	Completed
Design document sign off	Completed
Evaluation of effort estimation	Preliminary evaluation done by IT department.
TEC	Recommended

The Committee noted that Technical evaluation committee (TEC) in its meeting held on 08-Jan-2019 cleared implementation of the above CCN with the total cost of INR 2,51,500/- (39.277 man days)

After deliberations, the committee recommended to implement the CCN 179 as per the proposal submitted by LTI to the total cost of INR 2,51,500/- .

Agenda 3: BAP Implementation of change request - CCN-192: Brokers department-: (Effort: 22.078 man days: Cost: Rs.2,62,833.33/-)

Through this CCN, Brokers department desired to enable submission of provisional returns by the Insurance Brokers



Various milestones completed for this CCN are as follows:

CCN – issued on	10-Aug-2018
Requirement gathering	Completed
Design document sign off	Completed
Evaluation of effort estimation	Preliminary evaluation done by IT department.
TEC	Recommended

The said CCN was cleared by the Technical evaluation committee (TEC) in its meeting held on 08-Jan-2019.

The Chairman, Procurement Committee was of the opinion that it may not be necessary to enable to file all the annual returns as provisional returns. HOD (Int) has also felt that only those financial returns likes Cash flow statement, Balance sheet and profit & loss account are required to be enabled so that the same can be submitted as provisional returns

Chairman also suggested that instead of capturing the above set of returns as provisional returns, the user department may also think of designing a separate form/return to capture the important details required provisionally.

After deliberations, the committee advised the brokers department to re-consider the need for provisional returns and suggested department to come out with appropriate requirements after thorough analysis of the changes requested in the CCN.



Agenda 4:

IGMS - Renewal of AMC with WIPRO

The matter regarding renewal of AMC with WIPRO (with the revised financial terms proposed) was perused the Committee and the Committee observed the following:

1. The Annual Maintenance Contract with WIPRO has already expired on 2nd June 2018 and WIPRO has been supporting the application and providing hosting services for IGMS till the date.
2. IGMS is extensively used by the Industry (Insurers and Policyholders), IRDA Call center and Consumer Affairs department and hence, continuance of maintenance support is essential for proper upkeep of the portal.
3. Currently, IRDAI is paying Rs.37.84 lacs to WIPRO for Hosting, hardware AMC, Application an BAS support related IGMS.
4. WIPRO had initially submitted their AMC renewal proposal for Rs. 49.74 lacs with an escalation of 31.43%. The escalation was due to allocation of full-time resource, increase in support price from OEM, increased data center maintenance cost etc.
5. The said proposal was not agreeable by us and our proposal to extend the contract with the existing terms and conditions was not accepted by WIPRO.
6. Further to the meeting held on 28-01-2019 with the Head(BFSI), WIPRO has submitted its revised proposal for AMC with the following terms:
 1. Wipro will not provision^{de} a full time resource for AMC of IGMS and will provide and keep a IT resource on shared model,
 2. Wipro will provide Hardware warranty from its own resources and will not have back to back warranty support with OEM,
 3. The support will be provided on priority and best effort basis.



After detailed deliberations, the Committee was of the opinion that the reduction proposed by WIPRO is not significant in view of reduced service levels proposed by them. However, the Committee felt that it is essential to continue maintenance support with WIPRO till the RFP is finalized and a new vendor is selected for maintenance of IGMS.

In view of the above, the committee decided to accept the revised proposal submitted by WIPRO and recommended the renewal of AMC to the total cost of Rs. 45,41,196/- till 2nd June 2019. The Committee also suggested that the contract may be extended further, if necessary till Dec'2019 as per the revised financial terms stated above.

CGM (IT)

Member-Convener

GM (CAD)

Member

GM (F&A-Life)

Member

Member (Life)

Chairperson