

**INSURANCE REGULATORY AND DEVELOPMENT AUTHORITY OF INDIA
HYDERABAD**

5nd January 2018

Subject: Minutes of the ⁹7th IT Procurement Committee held on 02 January 2017

Present:

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| (i) Shri. Nilesh Sathe, Member (Life) | – Chair Person |
| (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. M.P. Tangirala ED (IT)
- (ii) Shri. K. Mahipal Reddy DGM (Non-Life)
- (iii) Shri. Mahesh Agarwal DGM (IT)
- (iv) Shri. Marimuthu P AM (Surveyor)
- (v) Shri. UtpalKumar M Topare AM (IT)
- (vi) Shri. Akshat S Patel AM (IT)

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

Agenda 1: BAP Implementation of change request (Cost INR 4,17,250.00/-) vide CCN 173.

The Non-Life department has initiated the change request on the base of circular “Offering Existing General Insurance Products that are in Compliance with IRDAI (Micro Insurance) Regulations, 2015 as General Micro Insurance Products” dated 10-03-2017 providing a facility to convert the existing non-life product to micro insurance product. Further, this CCN also makes provision to file the micro insurance products, with the existing process of product filing module, with LOB as Micro.

As per the estimate submitted by LTI, 50.07 man days of effort was required to complete this task. After applicable discounts as per the effort estimation methodology agreed by



PMU and Steering Committee, the final effort comes to 35.049 man days which costs Rs. 4,17,250/-.

CGM(IT) made a detailed presentation on the design document and effort estimation sheet submitted by LTI. It was also confirmed that the effort estimation was formally cleared by IT Consultant. The operational department also explained the need for implementing these changes and the methodology for uploading the details of existing micro insurance products in the database.

After deliberations, the committee recommended to implement the CCN 173 as per the proposal submitted by LTI to the total cost of INR 4,17,250.00 /-

Agenda 2: 70% milestone payment approval (Cost INR 5,47,854.29) vide CCN 75.

Surveyor department had initiated the change request CCN 75 on 30-Jul-2015. After due discussions with user dept. and LTI the requirement gathering got completed and the CCN was placed for approval in the 43rd procurement committee meeting held on 24-Nov-2016. After receiving the in-principle approval from the committee subsequently the administrative approval for CCN 75 for **INR 11,42,666.68** was obtained from the competent authority on 04-Jan-2017.

As agreed in the 13th PMU meeting held on 25-Nov-2016 change request payments were agreed to be made on milestone basis as follows:

Table 1

S.no	Milestone	Percentage of Total CR Cost
1	FSD and Design documentation completion	30%
2	On completion of implementation in Quality	50%
3	On movement to Production	20%

As per the above table, 30% payment amount of INR 3,39,145.72 towards FSD completion had already been paid to the Implementing Agency vide office note IRA/ITD/ON/2017/75 dated 02-Mar-2017.



Post release of 30% payment for CCN 75, CR 437 was dropped by surveyor department after discussion with IT department and some minor requirement changes were done in CR 301 and CR 417 on 01-Dec-2017. The effort estimated for the CCN were thus revised and submitted by LTI which had certain discrepancies and they were noticed by the dealing IT officer and communicated to LTI vide e-mail dated 17-Feb-2017.

Thus after deducting the cost for dropped CR 437 (dropped CR cost – INR 2,51,142.86) and incorporating the changes requested for CR 301 and 417 in the total efforts for CCN 75 for remaining 70% payment, the balance amount to be paid to LTI for completing milestones 2 & 3 as per table 1 for regarding implementation of CCN 75 is INR 5,47,854.29


Thus, the total cost for implementing CCN 75 for 30% milestone payment and 70% milestone payment is INR 8,87,000.01 (INR 3,39,145.72 + INR 5,47,854.29) after adjusting 30% amount paid for CR 437.

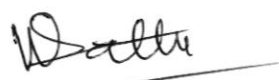
ITPC noted that LTI has completed the works related to CCN-75 and the code has already been moved into production.

As there was a revision in the amount already approved by ITPC, the matter was placed before ITPC for ratification. The officials from user department also explained the background for dropping the CR. After deliberations, the committee approved the revision and recommended to pay the balance 70% payment for CCN 75 to LTI which is INR 5,47,854.29.


CGM (IT)
Member-Convener


GM (CAD)
Member


GM (F&A-Life)
Member


Member (Life)
Chairperson