

## **Service Level Agreement Post Warranty for 8 Years.**

### **Service Level Agreement (Contract) For Maintenance Of MPDs Post Warranty (For 8 Years Period)**

#### **I. INTRODUCTION:**

This document stipulates the nature and level of service, support & maintenance required from the Supplier / Authorized Service Provider for the maintenance of MPDs procured through this tender and installed at BPCL Retail Outlets. This document includes the Payment Terms, Duration of the Contract and the penalty provisions for services not provided by the Supplier / Authorized Service Provider in terms of performance of the MPDs with respect to the response / repair time of the components as described elsewhere in this document.

#### **II. SCOPE OF THE SERVICE LEVEL CONTRACT :**

The scope of this contract includes:

- a. The contract will include breakdown maintenance and servicing of all mechanical, electrical, electronic components, sub-assemblies and replacement of faulty parts including Calibration of MPD along with Legal Metrology (Calibration fees to Legal Metrology shall be paid by BPCL). All materials / spare parts etc. required for maintenance of the equipment shall be done at the supplier's cost and no expenses will be borne by BPCL except for items mentioned under Clause VII. It will be supplier / authorized service provider's responsibility to replace such excluded spares from their inventory for which supplier / authorized service provider will be paid extra. However, this will be taken into down time calculation.
- b. Service requests/call logging will be done through BROMA. In case of some unavoidable circumstances complaint may be lodged telephonically or through e-mail However closure of complaint should be done through BROMA only and payment will be effected only after verifying the same
- c. All power handling devices including transformer and power correction / protection will be on separate board (Power/ SMPS card ) so as to enable replacement of only power/SMPS card in the event of any power related failures. BPC has installed high quality UPS at all their ROs, from which power is fed to electronics of MPDs. Hence warranty and post warranty AMC will cover all items including all electronics. In nut shell, all spares during post warranty AMC will be on vendor's account, regardless of the reason for such spares failure. All exceptions to this rule are listed in Clause VII (g).

#### **III. PBG REQUIREMENT / "ZERO" DATE OF AMC /DURATION OF**

##### **AMC:**

This Service Level Contract for maintenance will come into effect as and when the warranty period expires as per the Purchase Order of the MPDs procured through this tender. Please refer ---of Annexure ---- of the Tender --- dated----- for Guarantee /Warranty period and 'Performance Bank

Guarantee' requirement during Warranty period , post warrantee period of total 8 years and for "ZERO" DATE OF AMC post warrantee, for all MPDs supplied against the above tender. This AMC will be valid for 8 years after warranty period.

#### IV. PAYMENT TERMS

a. The maintenance charges will be payable per nozzle on monthly basis for nozzles in operation (UNDER USE) as follows:

1. Maintenance charges for total number of nozzles out of warranty as per the following rate on monthly basis.

i) For Initial 4 yrs post Warranty - Rs. -----/- Per Nozzle per month.

ii) Next 4 yrs - Rs. ----/- Per Nozzle per month

2. Taxes for AMC charges will be extra.

a. [The above maintenance would be carried out by ----- (Indian associate of M/s-----) through separate ARC/order. AMC would be entered into by Retail Engg.H.Q.

Regional Retail Engg./Territories on completion of jobs would release payment to M/s -----.]

b. The bill for maintenance charges will be raised on monthly basis and the payment will be made within 30 days of submission of the bill without any supporting documents. Contractor /service provider will raise bill in BROMA which in turn calculate penalty automatically.

c. The payment will be made within 30 days of submission of the bills. In case it is delayed, without any valid reasons, compensation to the extent of interest rate 1% per month will be payable by BPCL.

V. **PENALTY CHARGES** :The supplier / service provider shall ensure that the uptime for the MPD supplied is at least 99 % . Penalty charges will be recovered from the supplier /service provider at the rate of Rs 300 per nozzle day, if the down time exceeds 1%.

This will be calculated on quarterly basis for all the nozzles put together in a RO for the quarter and will be deducted from the bill.

Calculation will be as under;

Downtime ( % ) = (Total downtime of all the nozzles put together, for the RO in days for the quarter) x100

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Total no of nozzles at the RO x 90 days

Downtime means the time elapsed between logging a call /placing of service request and satisfactory resolution /rectification of nozzles from which sales is closed.

Please refer a case study “B” represented below for 20 nozzles at one RO” for calculating and recovering the penalty charges for the down time of Nozzles from the Supplier/Service Provider.

The concept of calculation and recovery of the penalty charges as shown in the case study “B” would be applicable during Service Level Contract for Maintenance of MPDs Post Warranty (for 7 years period) .

“B” - A Case study is represented below for 20 nozzles at one RO.

Permitted total down time ( i.e. 1 % ) for the quarter, put together for all the nozzles will be ( 20 x 90) /100 = 18 nozzle days

**Example 1 :**

Say- total down time for the quarter is 21 nozzle days.

Therefore, down time is more than 1 % and hence penalty of (21 – 18) x 300 = Rs 900/- will be recovered from the supplier/service provider for this particular RO.

**Example 2 :**

Say – total down time for the quarter is 17. Since it is less than permitted down time nozzle days of 18 days, no penalty will be levied for this particular RO.

**NON PERFORMANCE DURING AMC PERIOD**

- a. In the event of the supplier or their service providers performance level is not acceptable to BPCL, during AMC period, due to competency or down time parameters, BPCL reserves the right to get service done from any other agency. In the event of BPCL nominating the Service Provider agency, the supplier shall impart necessary training to the Service Provider personnel at their works/ in India at no extra cost to BPCL so that they have the required skill level and competency to provide good maintenance services and support to BPCL during AMC period.
- b. In the event of BPCL appointing the Service Provider for Maintenance of MPDs during the AMC period as explained under (a) above, the supplier is bound to supply the spare parts to our service provider at the same fixed price which is applicable to the Supplier’s Authorised Service Provider.
- c. In the event of BPC appointing Service Provider, as explained under (a) above, the extra cost i.e. over & above the rate quoted in AMC, if any, will be borne / paid by supplier.

**VI. CONTRACT EXCLUSIONS**

- a) Any work on equipment casings, including deterioration of glass, fiber acrylic panels, and routine painting of the exterior.

- b) Electrical cables external to the MPDs.
- c) Buried or inaccessible tanks, runs of pipelines and fittings including non availability of product.
- d) Testing of lines and tanks. All modifications to the equipment.
- e) All accident-damaged repairs arising as a result of vandalism and damage arising out of natural calamities.
- f) Weight & Measures appointments, fee, expenses and penalties, if any.
- g) Extended Hoses and reels, Nozzles & nozzles accessories, Breakaway couplings, Swivel, Shear Valves and flexible connectors, and printer consumable and CFL lamps/Tube lights.
- h) Repairs/Maintenance of Power Conditioners i.e. UPS.
- i) Printers and its spares, if MPD is exposed to Sun and rain.

## **VII. GENERAL TERMS AND CONDITIONS**

1. Electricity, water and compressed air if required for carrying out maintenance at the R.O. will be provided by Bharat Petroleum Corporation, free of cost.
2. The supplier will ensure that their service representatives while working at BPCL outlets will observe all safety rules and regulations and statutory acts of Central / State Governments/ Municipal Corporations or any other Government bodies. Supplier / Authorized Service Provider shall furnish all labour, material, equipment, tools and tackles required for the rectification / maintenance job.
3. 'BPCL' means Bharat Petroleum Corporation Limited' having its registered office at Bharat Bhavan, 4&6 Currimbhoy Road, Ballard Estate, P.B.No. 688, Mumbai – 400 001.
4. The 'Contract' means the documents forming the tender and acceptance thereof together with the documents referred to therein including these conditions, the specifications, bill of quantities and instructions issued from time to time by BPCL or any person authorized by the competent authority. All these documents taken together shall be deemed to form one contract and still be complementary to one another.
5. INCOME TAX :Will be deducted at source as per rules at prevailing rates, unless certificate, if any, for deduction at lesser rate or nil deduction from appropriate authority is submitted by Supplier / Authorized Service Provider to BPCL.
6. ARBITRATION :
  - a. Any dispute or difference of any nature whatsoever any claim, cross-claim, counter-claim or set off of the Corporation against the Contractor or regarding any right, liability, act, omission on account of any of the parties here to arising out of in relation to this agreement shall be referred to the Sole Arbitration of the Director (Marketing) of the Corporation or of some officer of the Corporation who may be nominated by the Director (Marketing). The Contractor will not be entitled to raise any objection to any such arbitrator on the ground that the arbitrator is an officer of the Corporation or that he has dealt with the matters to which the contract relates or that in the course of his duties as an officer of the Corporation he had expressed views on all or any other matters in disputes or difference. In the event of the arbitrator to whom the matter is originally referred being transferred or vacating his office or being unable to act for any reason, the Director (Marketing) as aforesaid at the time of such transfer vacation of office or inability to act may in the discretion of the Director (Marketing) designate another person to act as arbitrator in accordance with terms of the agreement to the end and intent that the original Arbitrator shall be entitled to continue the arbitration

proceedings notwithstanding his transfer or vacation of office as an officer of the Corporation if the Director (Marketing) does not designate another person to act as arbitrator on such transfer, vacation of office or inability of original arbitrator.

- b. Such persons shall be entitled to proceed with the reference from the point at which it was left by his predecessor. It is also a terms of this contract that no person other than the Director (Marketing) or person nominated by such Director (Marketing) of the Corporation as aforesaid shall act as arbitrator hereunder. The award of the arbitrator so binding on all parties to the agreement subject to the provisions of the Arbitration Act. 1940 or any statutory modification or reenactment thereof and the rules made there under for the time being in force shall apply to the arbitration proceedings under this clause.
- c. The award shall be made in writing and published by the Arbitrator within two years after entering upon the reference or within such extended time not exceeding further twelve months as the Sole Arbitrator shall be writing under his own hands appoint. The parties hereto shall be deemed to have irrevocably given their consent to the Arbitrator to make and publish the award with the period referred to herein above and shall be entitled to raise any objection or protect thereto under any circumstances whatsoever.
- d. The arbitrator shall have power to order to and direct either of the parties to abide by, observe and perform all such directions as the arbitrator may think fit having regard to the matters in difference i.e. dispute before him. The arbitrator shall have all summary powers and may take such evidence oral and / or documentary, as the arbitrator in his absolute discretion thinks fit and shall be entitled to exercise all powers under the Arbitration Act 1940 including admission of any affidavit as evidence concerning the matter in difference i.e. dispute before him.
- e. The parties against whom the arbitration proceedings have been initiated, that is to say, the Respondents in the proceeding, shall be entitled to prefer a cross-claim, counter-claim or set off before the Arbitrator in respect of any matter an issue arising out of or in relation to the Agreement without seeking a formal reference of arbitration to the Director (Marketing ) for such counter-claim , or set off and the Arbitrator shall be entitled to consider and deal with the same as if the matters arising there from has been referred to him originally and deemed to form part of the reference made by the Director (Marketing).
- f. The arbitrator shall be at liberty to appoint, if necessary any accountant or engineering or other technical person to assist him, and to act by the opinion so taken.
- g. The arbitrator shall have power to make one or more awards whether interim or otherwise in respect of the dispute and difference and in particular will be entitled to make separate awards in respect of claims or cross-claims of the parties.
- h. The arbitrator shall be entitled to direct any one of the parties to pay the costs of the other party in such manner and to such extent as the arbitrator may in his discretion determine and shall also be entitled to require one or both the parties to deposit funds in such proportion to meet the arbitrators expenses whenever called upon to do so.
- i. The parties hereby agree that the courts in the city of Mumbai alone shall have jurisdiction to entertain any application or other proceedings in respect of anything arising under this agreement and any award or awards made by the Sole Arbitrator hereunder shall be filed in the concerned courts in the city of Mumbai only.

**IX. TERMINATION OF CONTRACT**

In the event of Supplier / Authorized Service Provider failing to carry out the job to the satisfaction of BPCL, BPCL reserves the right to terminate this Contract by giving three months notice.

Notwithstanding above, BPCL reserves the right to foreclose the contract without assigning any reason with three months prior notice.

**X. ACCEPTANCE**

I hereby accept terms and conditions of this Contract to commence.