

No. EI-D/GA/1-16/2009 (Vol. II)
ERNET India
(An Autonomous Scientific Society under Department of Information Technology, Govt)
10th Floor, Jeevan Prakash Building,
25, K.G. Marg,
New Delhi – 110 001.

Dated : 26th November 2011

To

M/s Reliance Communications Limited
5th Floor, Vijaya Building,
17, Barakhamba Road,
Connaught Place,
New Delhi – 110 001.
(Kind Attn. Sh. Pankaj Sharma)

**Subject : Provision of Bandwidth by Setting-up of MPLS Networks at various ERNET Pops
for Network Data Delivery to the Nearest ERNET Customers – reg.
(Sl. No. 099/2011-12)**

Sir,

Kindly refer to our purchase order dated 17.03.2010, 06.05.2010 & 08.06.2010 on the subject cited above. In this connection, a repeat order is place on your firm to undertake the work relating to provision of Bandwidth by Setting-up of MPLS Networks at Various ERNET PoPs for Network Data Delivery to the Nearest ERNET Customers at a total cost of **Rs.2,13,047/- (Rupees Two Lakhs Thirteen Thousand Forty Seven only)** on the following terms & conditions :

Sl. No.	Location	ERNET PoP to which Users Location to be Connected	Bandwidth Required	Total Cost (In Rs.)
01.	Contact Person : L.G.K. Naidu National Bureau of Sol Survey and Land Use Planning, Regional Centre, Hebbal Bangalore – 560 024.	Bangalore	2 Mbps Last Mile Media – Fiber	2,13,047/-
Total Amount :-				2,13,047/-

The above cost is inclusive of Service Taxes & all other taxes as may be applicable.

1. General Conditions :

- (a) Above price are valid for a period of one year. For subsequent year extension will be with reduction as per tender conditions for every next year onwards.
- (b) Acceptance of this PO shall bound RCIL for not approaching directly to the customers mentioned in this PO for any services provided by ERNET.

2. Delivery Time Schedule : -

- i) The RCIL shall be responsible for setting-up, installation and delivering of network services as ordered at all the sites and for making them fully operational at no additional charge within 12 weeks from the date of placement of the purchase order.
- ii) If the RCIL fails to deliver and/or install all the equipments ordered within the stipulated time schedule or by the date extended by ERNET, it will be construed as a breach of contract and suitable Liquidate Damages would be levied.
- iii) Appropriate insurance to cover the equipment for the transit period and till the time of its acceptance by ERNET India at the respective site is to be taken by the RCIL. At the sole discretion of ERNET India, there will be an acceptance

test conducted by the RCIL in presence of ERNET India officials and / or its nominated consultants after installation of complete equipment / network services. In case of serious discrepancy in hardware / software supplied and / or network service offered, ERNET India may cancel the entire purchase order and return the equipment back to the RCIL at RCIL costs and risks.

- iv) This is time bound and high priority project. It must be understood that the RCIL has made the proposal after fully considering all such factors, which may have any bearing on the time schedule. The RCIL will be required to supply, install and enable services at all the locations within 10 weeks from the date of placement of purchase order.

3. **Liquidated Damages and Penalties :** If there is any delay in the implementation of the system due to RCIL fault from schedule furnished by the RCIL and accepted by ERNET India, ERNET India will recover 2% on the total cost of the project from the RCIL for each week of delay. This recovery will be subject to an upper limit of 10%. At the end of the 5 week period the order will be cancelled and all committed payment terms from ERNET India's side stands abrogated.

4. **Installation and Acceptance :**

- i) The bandwidth must be supplied in full as per ordered specifications. Testing and acceptance will be done at ERNET and the user institutes where the bandwidth is installed. ERNET India reserves the right to reject the order if it is not conforming to the approved specifications. No payment will be made for the rejected items.
- ii) ERNET would be carrying out tests to see if the integration has happened with ERNET's infrastructure and the desired services and QoS have been successfully implemented by the service provider. The tests will check for trouble-free operation of the complete system. Since the nodes would be interdependent the service operator should be willing to provide testing and integration period of atleast a month for the complete migration and roll out of the services. There shall not be any charges payable by ERNET during this period. ERNET will start billing the system on successful completion of the above acceptance tests.

5. **Warranty and Service Availability Penalty Clause :**

- i. M/s RCIL is supposed to provide the smooth Internet linkage. M/s RCIL shall have to sign **Service Level Agreement (SLA)** to provide the minimum service availability of 99.5%. The uptime of the link shall be computed on monthly basis. This up time shall be computed separately for each link. If down time of any link exceeds uptime limit of 99.5%. Penalty towards provision of less than 99.5% will be calculated as per the order conditions.
- ii. If quality of Service (Qos) is not provided for any duration of time, the link shall be deemed to be down for such duration and penalty shall be imposed as per clause 5(i).

6. **Performance Bank Guarantee (PBG) :** Immediately after enabling the service and to enable ERNET India to make quarterly advance payment, M/s RCIL shall have to give an irrevocable and unconditional bank guarantee drawn on any Indian Nationalized Bank of the equivalent amount valid for a period of one year.

7. **Payment Terms :** Payment shall be made by ERNET India to RCIL quarterly in advance on per link basis. However, payment shall be made only after the successful execution and acceptance of all the links and submission of Performance Bank Guarantee (PBG) as mentioned in clause 18 – Section – B in tender document.

A pre-receipted bill shall be submitted in duplicate in the name of ERNET India for the location mentioned in the Work Order at the beginning of the service of every quarter (Jan-Mar, Apr-Jul, Jul-Sept, Oct-Dec).

8. **Termination Clause :** Either party i.e. ERNET India or M/s RCIL can terminate the service level agreement by giving three months notice in advance to other party. In

case, M/s RCIL stops service without notice, ERNET India has the right to encash the bank guarantee.

9. **Duration of the Order :** The duration of the order would be valid for a max. of three (3) years with annual reduction of 25% on the recurring charges after the completion of every year from the date of final acceptance letter issued by ERNET India. The RCIL must note that after acceptance of the desired MPLS architecture and connectivity up-to-end location on the required speed by ERNET, it has to be kept operational for three (3) year. The order can be further extended by another two years on mutual consent.
10. **Order Cancellation :** ERNET reserves its right to cancel the order in the event of one or more of the following situations :
- i) Delay in installation beyond 12 weeks from the date of acceptance of Purchase Order. However under extraordinary circumstances, the installation period can be extended if ERNET is satisfied that there is a genuine case.
 - ii) SLA parameters are not being met continuously for 3 months.
 - iii) Uptime drops below 99.5% in any month.
 - iv) In addition to the cancellation of Purchase Order, ERNET reserves the right to appropriate the damages from the EMD given by the RCIL or foreclose the Bank Guarantee given in lieu of EMD and / or foreclose the Bank Guarantee given by the supplier against the advance payment.
11. **Arbitration and Laws :**

Except where otherwise provided for in the contract, all questions and disputes relating to interpretation and application of the provision of the contract shall be settled mutually within thirty (30 only) days (or such longer period as may be mutually agreed upon) from the date that either party notifies in writing that such dispute or disagreement exists, under the Rules of India arbitration and Conciliation Act, 1996. The venue of Arbitration shall be New Delhi, India. The arbitration resolution shall be final and binding upon the parties and judgment may be entered thereon, upon the application of either party, by any court having jurisdiction. This contract shall be governed by the Indian laws.

12. **M/s Reliance Communications Limited (RCIL) shall provide, install and deliver the following:**
- i) To set up federated MPLS network localized at each ERNET PoP (as specified in this order) to provide connectivity to the existing as well as new clients through MPLS network cloud at desired speed.
 - ii) The RCIL must provide Ethernet over fiber connectivity in redundant mode in ring configuration through diverse path with MPLS configuration.
 - iii) The RCIL must provide the last mile connectivity on fibre / RF as per the terms & conditions of the tender / tender amendments.
 - iv) To establish connectivity upto end user location (as specified in this order) through MPLS cloud.
 - v) Supply, installation, integration with customer network and maintenance of network and equipments including CPE equipments at all locations.
 - vi) To install & integrate security information & event management system with NMS at all the locations as per tender requirement. The system must be installed & integrated to provide all the desired features & functionalities as specified in the tender.
 - vii) To ensure internet connectivity upto user location.

- viii) To create MPLS cloud at ERNET PoPs at Delhi & Guwahati for connecting the users
 - viii) To ensure connectivity across various MPLS clouds along with ERNET PoPs.
 - ix) MPLS cloud must be configured in hub & spoke topology.
 - x) RCIL must manage to aggregate all the subscribed bandwidth at any particular PoP for delivery at that PoP.
 - xi) All the hardware including router required at ERNET PoPs to install and commission the link shall be provide and managed & maintained by RCIL.
 - xii) All the installation, commissioning and integration cost shall be born by RCIL.
 - xiii) RCIL shall be completely responsible for monitoring of the commissioned links on 24x7x365 basis.
 - xiv) RCIL will provide all the network monitoring reports / statistics as per tender conditions.
13. **Security :** RCIL will submit a security policy at the time of award of the purchase order for consideration of ERNET. Based on feedback, security policy will be implemented by the RCIL.
14. **Setting up of Customer Premise Equipment (CPE) :** RCIL should supply, maintain and manage the Multiplexers, CPE, which includes L3 hardware (L3 switch / router) that is required for the user agencies to get connected.

15. **Service Level Agreement (SLA) :-**

15.1 **Conditions**

The RCIL must adhere to the following parameters to sign service level agreement :

15.1.1	Operation of Network	-	24X7X365 basis
15.1.2	Each Circuit Uptime % on Monthly basis	-	99.5%
15.1.3	Latency (max.) – If the distance is less than 500 Km -		20 ms on fiber and 60 ms for RF (RTT)
	If the distance is more than 500 Km - 100 ms (RTT) (From CPE to CPE in the same cloud)		
15.1.4	Average Time to Repair Link Failures	-	
	If the repair is of service nature then less then equal to 4 hours.		
	If the repair/replacement of CPE/MUX is required (as per ERNET observation)		
	then less then equal to 12 hours		
			(MTTR from Each link until CPE)
15.1.5	Packet Loss on each link	-	< 1 %
15.1.6	Average Maintenance Outage per month	-	One Hour (with prior notice and confirmation from ERNET)
15.1.7	Link Fail over / redundancy occurs	-	within 60ms

15.2 Calculation of Service Level Agreement :

15.2.1 Link uptime : the guarantee Uptime of 99.5% of each circuit will be calculated separately on monthly basis.

15.2.2 Uptime penalty in % of total monthly payment :

>= 99.5	-----	0
>99 to <99.5	-----	10
>98.5 to <99	-----	20
>98 to <98.5	-----	30
>95 to <98	-----	50
>90 to <95	-----	70
<90	-----	100

- i) In case of last mile link failure ERNET POP, all the locations connected to the cloud will be treated as down and penalty, as defined above, will be applicable till at the last mile connectivity is restored.
- ii) Down time due to the following situations will not be considered for the purpose of penalty calculation for downtime :
 - (a) Link down due to power failure and CPE (Customer Premises Equipments) switch off at the respective locations.
 - (b) Scheduled maintenance by the vendor, with prior intimation.

15.2.3 Latency : Latency will be randomly checked on daily basis from ERNET node to each institute connected. In case of no-adherence of SLA latency limit, the link will be considered as down with effect from time of detection till the time the SLA latency limit is restored.


15.2.4 MTTR, Packet loss and link failover will be calculated from NMS installed at ERNET side.

- 16. In the event of M/s RCIL or the concerned division of M/s RCIL being taken over / bought over by another company, all the obligations under the agreement with ERNET India should be passed on for compliance to the new company in the negotiations for their transfer.

All other terms & conditions not covered above will be as per tender conditions and subsequent amendments.

Please acknowledge the receipt of the above.

Yours faithfully,


(S.C. Aggarwal)
Registrar & CPO

Copy to ;

Dir(DS) / JSO(RPP) / CFO / Registrar & CPO / Master Folder