

IGNOU

MINUTES OF THE TWENTY - SEVENTH MEETING OF THE PURCHASE COMMITTEE HELD ON 22ND NOVEMBER, 2002 AT 11:00 A.M. IN THE BOARD ROOM, BLOCK - 8, IGNOU CAMPUS, MAIDAN GARHI, NEW DELHI - 110 068.

The following were present:

1. Prof. H.P. Dikshit, Vice-Chancellor - Chairman
2. Shri D.C. Pant, Pro Vice-Chancellor - Member
3. Prof. Kapil Kumar - Member
4. Prof. B.S. Saraswat - Member
5. Prof. B.B. Khanna - Member
6. Shri Vikram Chandra - Member/Member-Secretary
Finance Officer/Registrar

Shri L.N. Jhunjhunwala could not attend the meeting.

Prof. S.C. Garg, Pro Vice-Chancellor, Dr. R. Sreedher, Director, EMPC and Dr. V.S.P. Srivastava, Head, Computer Division attended the meeting as Special Invitees.

Shri R. P. D. Singh, Assistant Registrar (Governance) was present to assist the Committee.

The following items were considered:

ITEM NO. 1 TO CONFIRM THE MINUTES OF THE 26TH MEETING OF THE PURCHASE COMMITTEE HELD ON AUGUST 24, 2002

PC 27.1.1 The Committee considered the Minutes of the 26th Meeting of the Purchase Committee held on August 24, 2002. As there were no comments on the Minutes, the minutes were confirmed. Further, the Committee noted that the minutes of the 26th Meeting of the Purchase Committee were placed before the 73rd Meeting of the Board of Management and same were approved.

ITEM NO. 2 TO CONSIDER THE PROCUREMENT OF 14 TRANSMITTERS FOR GYAN VANI FM RADIO STATIONS

PC 27.2.1 The item was taken up for discussion with a presentation by Shri D.C. Pant, Pro Vice-Chancellor. He informed the Committee that one of the bidders, M/s. Nautel, Canada has filed a petition before the Hon'ble High Court of Delhi, challenging the decision of the University for rejecting their bid. The matter was listed for hearing by the Hon'ble Court for 2 November, 2002 but the hearing did not take place and is likely to come up today. However, no injunction or stay has been granted by the Court. It was for the Committee to either consider the matter subject to the outcome of the Court verdict, or defer the same.

PC 27.2.2 The Committee decided to consider the matter. As no injunction or stay has been granted by the Court, there was no bar for the Committee to deliberate on the item. Accordingly, the item was taken up for discussion with the resolve that the decision of the Committee will be subject to the direction of the Court.

PC 27.2.3 It was explained that tenders were issued in the leading national newspapers calling for bids for supply of 14 numbers of 10KW FM transmitters. In all 13 offers were received which were evaluated by the Technical Evaluation Committee. The Committee short-listed 4 offers as technically suitable for opening of commercial bids. The 4 companies recommended for opening of commercial bids were:

1. M/s. Harris Corporation, USA
2. M/s. Bharat Electronics (BEL)
3. M/s. Broadcast Engineering Consultant India Ltd. (BECIL)
4. M/s. Thales, France

The Purchase Committee noted that the offer of M/s. Harries Corporation, USA listed at S. No. 1 above was lowest, after considering the lump sum discount offered by them. But, the offer could not be considered for the following reasons:

- (i) The commercial offer of the bidder was valid only for one month, i.e., up to 25th July, 2002 while the commercial bids were opened by the University on 22nd October, 2002 by which time the validity of the

offer of M/s. Harris Corporation, USA had already lapsed. However, as a representative of this firm attended the Opening of the bids, it could be presumed that it has kept the offer valid till date for acceptance.

- (ii) The offer of M/s. Harris Corporation was conditional in so much so that supply orders were required to be issued on them for all the 14 Transmitters to qualify for the lump sum discount of US \$ 399426 offered by them on the price of the transmitters and auxiliary items provided in their quotation costing US\$15,74,258. However, this works out to US\$ 3849920.16 on the 14 transmitters and auxiliary equipments as per the NIT. The offer of the bidder was thus conditional. As per the established tender practices, conditional offers are not to be accepted.
- (iii) The Committee also noted that M/S. Harris Corporation have demanded 33 percent advance payment on receipt of the order which is not as per tender conditions.
- (iv) The Purchase Committee further noted that as per Note 1 & 2, (page 3 of NIT), (**Appendix - 1**) the University could reduce and also split the Purchase order amongst 2 or 3 prospective tenderers. This is not possible in case bulk discount is to be considered.
- (v) It was not possible for the University to carry out installations in case, all the 14 Transmitters were ordered and supplied at one stretch.
- (vi) Release of the funds by Government in one lump sum could also not be guaranteed..
- (vii) Receipt of the Transmitters in batches would ensure the quality / performance of the Transmitters.
- (viii) The terms and conditions offered by M/s. Harris Corporation also stipulate that “it can make price adjustments on receipt of order at their office and such adjustment may be necessary due to changes in price subsequent to our quote to you”. This, in effect, means the Company’s price is not fixed; but variable due to escalation in cost.

PC 27.2.4

The Purchase Committee further noted that the offer of M/s. Bharat Electronics (BEL), is second lowest, if the discount offered by M/s. Harris Corporation was taken into account for evaluation purpose. The Committee decided that the offer of M/s. Bharat Electronics (BEL) be accepted for the following reasons:

- (i) The offer met all the standard terms and conditions prescribed in the tender document, including the validity period of four months which were minimum essential for opening and evaluation of the bids. (**Appendix – 2**)
- (ii) The payment of Rs.5.53 Crores (approx.) will be made in the Indian rupee without any foreign exchange component. The payment will again be as per the NIT, i.e., 95% on the despatch of the Transmitters and the balance 5% on receipt of the supplies at site in good condition.
- (iii) M/s. Bharat Electronics had offered to train five of our engineers up to a period of 15 days at one site in India for which they would charge Rs.3.5 Lakhs. In addition the offer of M/s. Bharat Electronics includes training of two of IGNOU engineers at their manufacturers workshop in USA *free of cost*. As against this M/s. Harris Corporation have offered to train five engineers for only seven days and for which they would charge Rs.8.5 Lakhs.
- (iv) Inspections : In case the offer of M/s. Harris Cooperation is considered, IGNOU inspection team would be required to visit factory premises in USA whereas in the case of M/s. Bharat Electronics, the transmitters would be inspected by them and delivered at site. (**Appendix – 3**)

PC 27.2.5

The Committee finally resolved to approve the proposal to accept the offers of M/s. Bharat Electronics for supply of 14 Transmitters and also authorized that the firm orders be placed on the firm. The Committee, however, directed that –

- (i) It shall be ensured that the cost of training including the cost of passage of two Engineers offered by the firm is borne by them.

- (ii) The Engineers so trained shall have to give a bond to the effect that they would not leave the University after the training for a minimum of two years.

This decision is, however, subject to the decision of the Hon'ble High Court of Delhi on the petition filed by M/s. Nautel, Canada.

ITEM NO. 3 TO CONSIDER PURCHASE OF 322 COMPUTERS AND 43 PRINTERS

PC 27.3.1 Consideration of this Item was deferred.

ITEM NO. 4 TO CONSIDER AND APPROVE THE ACTION TAKEN FOR HIRING THE SERVICES OF VSNL FOR 2MBPS INTER-NET LINK

PC 27.4.1 The Committee considered the proposal and approved the action taken by the University in hiring the services of VSNL for 2MBPS Inter-net Link at annual cost of Rs.15.5 Lakhs and the payment of service tax @ 5%.

ITEM NO. 5 TO RATIFY THE ACTION TAKEN BY THE VICE-CHANCELLOR IN RENEWING THE RATE CONTRACT WITH M/S. H.P. INDIA LTD., AND ITS AUTHORISED RE-SELLER M/S. BIPS SYSTEMS FOR PURCHASE OF HP MAKE TONER/CARTRIDGES FROM 01-09-2002 TO 31-10-2002

PC 27.5.1 The Committee ratified the action taken by the Vice-Chancellor in renewing the rate contract with M/s. H.P. India Ltd., and its authorized re-seller M/s. Bips Systems for purchase of HP Make Toner / Cartridges from 01-09-2002 to 31-10-2000, as per the agreed terms.

The meeting ended with a vote of thanks to the Chair.

Registrar – Member Secretary