

MINUTES OF THE 25TH MEETING OF GENERAL PROCUREMENT COMMITTEE
OF IRDA HELD ON 25TH JUNE 2014 AT IRDA OFFICE, HYDERABAD

Present:

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|-------|------------------------------------|-------------------|
| (i) | Shri. R. K Nair, Member (F&I) | - Chairman |
| (ii) | Shri. M. Pulla Rao, Sr. JD-General | - Member |
| (iii) | Shri. Lalit Kumar Chandel, FA | - Member |
| (iv) | Ms. Mamta Suri, Sr.JD (I&C) | - Member |
| (v) | Shri Prasaad Rao Kalayru, CAO | - Member Convener |

User Department invited:

- (vi) Shri. Deepak Khanna, DD-Admin

It was noted that all the members of the committee as per quorum were present. The items on the agenda were taken up for consideration.

Sr. JD (Gen.) apprised the Committee about the tender called for outsourcing of Manpower as under:

1. Tender was floated on 15th November 2013. In response to the tender advertisement, 10 quotations were received.
2. The tender opening committee had opened the technical bids on 5th December 2013 in the presence of Tenderers / their representatives. On the technical scrutiny, one bid was disqualified as it had not met the required criteria.
3. The Financial bids in respect of the nine eligible tenderers were opened on 4th April 2014 by the tender opening committee in the presence of representatives of the tenderers.
4. One of the Members pointed out about the delay in the process and enquired about the system followed by the Department. In this regard, Sr. Joint Director explained that in the process of finalizing the eligible tenders/agencies for comparison of rates, a need had arisen with regard to the application of notification on Minimum Wages payable to the outsourced personnel.
5. The analysis of the Financial Bids were undertaken keeping in view the specifications mentioned in the tender notification regarding the wages as per the Minimum Wages Act as applicable in the State. In this connection, the department has also visited the offices of APIDC and APIIC to ascertain the procedure followed by them. They had provided a copy of the notification issued by the Finance Department, GoAP G.O. MS. No.3 dated 12.01.2011 which prescribed the wages to be paid for the outsourced personnel deployed in State Government Departments. The wages as per this GO regarding various types of outsourced category of personnel were examined with those quoted by various tenderers. As complete clarity was not forthcoming and the rates quoted differed with the minimum wages as

per GO Ms. No. 116 dated 07.02.2007 updated upto 01.04.2014, we have visited the office of Assistant Commissioner of Labour located at RTC cross roads to ascertain the applicability of the correct GO Ms No. for the tender notification issued by us. They have clarified that GO Ms. No. 116 dated 07.02.2007 updated upto 01.04.2014 is the relevant GO for compliance by us.

6. As per the GO Ms. No. 116 dated 07.02.2007 updated upto 01.04.2014, the various categories of outsourced personnel tendered in the notification were slotted as per the specifications given in the tender notification. One Tenderer's representation informing that he had only complied with the minimum wages was scrutinized in greater detail. The rate quoted by this tenderer in respect of IT Associates was found to be lower than the minimum wages as slotted by the department based on the required criteria specified in the notification and was thus found to be ineligible.

7. On the basis of the above scrutiny, 3 tenderers, viz., HR Chambers Outsourcing, Topaz Housekeeping and Murli Manpower have fulfilled the minimum wages criteria slotted and the overall rates quoted by these tenderers were analysed and found that M/s Topaz Housekeeping has quoted the lowest as compared with the other two tenderers. On further analysis, a difference of 16.85% of the cost of 51 personnel in various categories as called for in the tender notification over the estimated cost indicated in the tender at Rs. 1.20 crore was attributed to current payments being more than the L1 quoted rates in respect of certain category of outsourced personnel. In view of this, the difference of 16.85 % was considered acceptable.

8. The Committee recommended to award the tender to L1 quoted agency, viz. M(/s Topaz Housekeeping). Chairman of the Committee expressed that the department should see that the agency pays the minimum wages as per the Minimum Wages Act to the outsourced personnel and ~~make~~ ^{ensure} the welfare of the outsourced personnel.

The meeting concluded with thanks to the Chair.

On leave
(Prasad Rao Kalayru, CAO)
Member Convener

[Signature]
(M. Pulla Rao, Sr. JD-General)
Member

[Signature]
(Lalit Kumar Chandel, FA)
Member

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(Mamta ~~Suri~~, Sr. JD-I&C)
Member

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[Shri. R. K Nair, Member (F&I)]
Chairman