

**INSURANCE REGULATORY DEVELOPMENT AUTHORITY OF INDIA
HYDERABAD**

26th October 2015

Subject: Minutes of the 35th Procurement Committee meeting held on 13th October 2015

Present:

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| (i) Shri D.D.Singh, Member (Distribtuion) | - Chairman |
| (ii) Shri M. Pulla Rao,(Sr. JD-General) | - Member |
| (iii) Shri Randip Singh Jagpal, (Sr. JD- Intermediaries) | -Member |
| (IV) Smt J.Meena Kumari, (Sr.JD- Inspection) | - Member |
| (V) Shri M.S.Jayakumar,(CAO) | - Member Convener |

User Department present:

- (vi) Shri A.R.Nithiyantham, (Sr.JD - IT)
- (vii) Smt KGPL Ramadevi,(DD- CAD)

Chairman and Members of the committee were apprised about the agenda items.

1. Selection of Vendor for SAP ERP AMC

The department apprised the committee that:

- (a) In response to the tender published for the AMC of SAP ERP, tenders were received from the below participants,
 - 1. M/s. Atum IT
 - 2. M/s. Altura Consulting Pvt. Ltd.
 - 3. M/s. HCL
 - 4. M/s. Tata Technologies
 - 5. M/s. Wipro

- (b) The above tenders were opened by the Tender Opening Committee on August 24, 2015. Technical compilation of the tenders was carried out against the Eligibility Criteria that was published in tender notification and clarifications were sought from vendors wherever necessary. It was found that M/s. HCL did not submit certificate from SAP as per the Eligibility Criteria published.

(c) Commercial proposals were compiled and clarifications have been sought from vendors wherever necessary. Final Summary of the commercial proposals is as follows:

S. No	Vendor	Total Fixed Cost (Excluding Tax) for 3 years	Recurring Cost in INR (Excluding Taxes) charges/man month	Remarks	
1	Atum IT	67,84,000	1,12,000	L1	
2	HCL	78,98,000	1,29,000	L2	1. Certificate from SAP not submitted 2. Price quoted is not fixed
3	TATA Technologies	86,54,245	1,38,000	L3	
4	Altura Consulting	98,78,623	1,88,100	L4	
5	Wipro	1,00,43,401	2,08,808	L5	

It was informed by the department that the rates quoted by the L1 vendor for AMC is less than the estimated rates of Rs. 25,00,000/- per year (excluding GAP implementation cost), stated in RFP and also the existing customer references provided by the bidder were also contacted and their feedback on the performance of M/s Atum IT in providing support is satisfactory. The department recommended for selection of L1 vendor i.e. M/s Atum IT.

The committee discussed about the Gaps in the implementation of ERP by the existing vendor. It was suggested that the Gaps shall be addressed by the new vendor within the stipulated time of 3 to 4 months.

Implementation of Provident Fund module also shall be taken as priority and completed within time.

The department was requested to circulate the following to the members

1. Agreement to be entered with the new vendor
2. Penalty, termination and arbitration clauses.
3. Definition of business loss and extent to which it is covered under the agreement.
4. Duly filled in Eligibility conditions table for all vendors.

The department was suggested to ensure the documentations, data structure etc. of the existing vendor are taken into IRDAI's custody before the term is completed. It

has to be ensured in the agreement that the proposed new vendor also maintains complete list of documentations and data structures handed over to him as well as created during his period of contract. The information shall be handed over to the department periodically and also at the time of expiry of the contract.

As the L1 vendor, M/s Atum IT has satisfied all the eligibility criteria, it was decided to accord in-principle approval to select the L1 vendor.

2. Pan India Awareness Campaign on Spurious Calls through electronic media – Transmission of 3 TVCs

It was apprised by the department that:

- (a) During FY 2014-15, in order to curb the menace of the spurious callers, three television commercials (TVCs) were produced on the theme of cautioning the public against spurious callers. After completion of production of these TVCs, one TVC was transmitted through LIC empanelled agency for private channels as well as Prasar Bharati, Doordarshan which was approved by Procurement Committee in its 30th meeting held on 10th February, 2015. During the current FY, it was decided by the department to continue the campaign for all the 3TVCs through electronic media and transmission of TVC advertisement.
- (b) After production of 3 TVCs, the department has sought media plans from two LIC empanelled agencies viz. RK Swamy and HTA who have produced the TVC of "cafeteria" and "sharmaji" ads for private channels respectively and also Prasar Bharati for taking off the campaign. The Department also obtained the media plan directly from Prasar Bharati. The media plan given by Prasar Bharati include Doordarshan, private news channels as well as entertainment channels to transmit the 3 TV Concepts. Prasar Bharati has informed that while preparing the media plan for pvt. Entertainment / news channels, only top channels which are having top viewership in the respective language as per the TAM ratings were included. The execution of transmission on private channels will be at DAVP rates through DAVP. The following proposal was placed before the Committee:

Channels	Duration	Proposed Budget Rs.
All DD Channels including regional and National Channel	60 days/2 months	6,60,48,750
All Private Entertainment Channels	60 days/2 months	17,63,91,600
All Private Regional News Channels	6 months	7,04,91,780
Total		31,29,32,130
The budget is indicative and actual amount depends on the transmission of the TVCs. The proposed duration for transmission will be spread during October-March'2016 through various channels subject to confirmation of availability from DAVP/Prasar Bharati.		

The Committee examined the proposals and found that the rates placed before the Committee are the DAVP rates quoted by Prasar Bharati. The letter ref: Hyd/Mktg.Div./IRDA/2015 dated 4/9/15 received from Prasar Bharati on the channels covered and rate quoted was presented to the Committee. The Committee approved the proposal of Prasar Bharati for telecasting of 3 TVCs .

3. Insurance Awareness Campaign by advertising inside Delhi Metro Trains, Stations and Outside stations

It was informed by the department that:

(a) During FY 2014-15, IRDAI carried out an advertisement campaign through Delhi Metro rail with a focus on cautioning the public against spurious callers which was approved by Procurement Committee in its 30th meeting held on 10th February, 2015. During the current FY also, there is a need felt by the department to continue the Delhi Metro Campaign to curb the menace of spurious callers which are concentrated in the area of National Capital Region.

(b) Accordingly, the following media plan for advertising inside Delhi Metro Trains, Stations and Outside is placed for consideration by Procurement Committee:

S. No	Name of Advertising Agencies	Media	DAVP Cost for 1 Month (Amount in Rupees)	DAVP Cost for 3 Months (Amount in Rupees)	Remarks
1	TDI International	Inside Metro Stations (Line-1, 3 & 5)	39,13,040	1,17,39,120	offered 49 stations with two locations at each station
2	Pioneer Publicity Corporation Private Limited	Outside metro stations	49,27,920	1,47,83,760	59 panels on line-1, 2, 3, 5 & 6)
3	e.g. Communications Private Limited	Inside Metro Trains at Line-1/2/3/4	46,09,000	13827000	Offered 43 trains
	Total		1,34,49,960	4,03,49,880	

(C) It was confirmed by the department that the three agencies mentioned in the agenda note are the only agencies approved by Delhi Metro Rail Corporation (DMRC) for the specified lines for which the campaign is being proposed. The rates quoted are all DAVP approved rates. There is no overlap by the agencies on displaying advertisements in different lines

(D) The Committee examined the details of the campaign and discussed the media plans given by the advertising agencies. It was informed to the Committee that the concepts on insurance awareness and how to tackle the menace of spurious callers would be projected through this media plan.

(E) It was also informed to the Committee that the actual cost depends on the availability of the space. The payments will be based on actual space utilized and the costs will be within the given budget.

The Committee approved the proposal.

Suggestion

It is also suggested that the other lines like line 2, 4 & 6 for inside Metro stations if available may be included in the future campaign and the proposed budget may be distributed accordingly. The websites of DMRC (copy enclosed) did not indicate lines 2/4/6. Department was advised to pursue the matter with DMRC for lines 2/4/6 for future additions.

The meeting ended with vote of thanks to the Chair.



CAO
Member-Convener



Sr. JD (Inspection)
Member



Sr. JD (Intermediaries)
Member



Sr. JD (Gen)
Member



27/10/15

Member (Distribution)
Chairman