

INSURANCE REGULATORY DEVELOPMENT AUTHORITY OF INDIA
HYDERABAD

16th November 2018

Minutes of the 54th meeting of the Procurement Committee held on 16th November 2018

Present:

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| (i) Ms Pournima Gupte, Member-Actuary | - Chairperson |
| (ii) Shri M. Pulla Rao, ED-General | - Member |
| (iii) Shri P.K. Maiti, GM-Enforcement | - Member |
| (iv) Shri M.S.Jayakumar, CAO | - Member Convener |

User Department present:

- (v) Smt KGPL Ramadevi, GM - Communications
- (vi) Smt Mathangi Saritha, AGM - Communications

1. Insurance awareness campaign through Metro Rail

This item was deferred for want of additional information in the 53rd meeting of the Procurement Committee held on 22nd October 2018. The Communication Department submitted the revised agenda and appraised the Committee as follows:

1.1 Proposals were invited from agencies empaneled with IRDAI to execute advertisement campaign for IRDAI in metro trains and metro stations at Hyderabad, Lucknow, Chennai, Jaipur, Bengaluru. The details of proposals submitted by agencies are tabulated below:

S.No	Name of the agency	Inside trains	Inside stations
1	Gold Mine Advertising Ltd.,	Chennai, Lucknow, Hyderabad	Chennai, Lucknow, Hyderabad, Jaipur
2	Pamm Advertisement & Marketing	Chennai, Lucknow, Hyderabad	Chennai, Hyderabad, Jaipur
3	RK Swamy BDO Pvt. Ltd.	Chennai, Lucknow	Chennai
4	AIM Vyapthi Advertising Pvt. Ltd.	Chennai, Lucknow,	Hyderabad, Jaipur
5	Venture Advertising Pvt. Ltd.	Chennai, Hyderabad, Jaipur	Chennai, Lucknow, Hyderabad, Jaipur,



1.2 The proposals submitted were placed before the Publicity Committee on 4th August, 2018 and the Publicity Committee has recommended to carry out the campaign for:

- i) inside trains: In metros of Hyderabad, Chennai, Lucknow; and
- ii) inside stations: In Metros of Hyderabad, Chennai and Jaipur.

1.3 Since the number of stations and the number of panels offered varied from one agency to another, the total cost was not comparable. Therefore, the department has normalized the cost by working out based on the following parameters:

Inside train campaign – Number of panels and size of the panels per train cost as the base unit; the cost of each train per month is calculated including onetime printing and mounting and agency commission.

Inside stations - Cost of advertisement (including cost of printing) per 1000 sft has been used as the base unit. The cost of 1000 sft per month is calculated including onetime printing and mounting and agency commission.

1.4 As the proposals submitted by these agencies far exceeded the approved budget for this head viz. Rs. 10 crore, the department has proposed the campaign for a period of 6 months with limited number of trains and limited stations.

1.5 It was observed by the Procurement Committee that the rates offered were not comparable between the selected Metros, however, it was felt that the cost in Metros which were disproportionately high compared to other Metros may be considered after the first phase of campaign is over and the campaign may be considered for 3 months.

The department responded that the printing and mounting cost are one-time cost and it is better to have the campaign for 6 months for the following metros.

Inside Trains:

S.No	Name of the metro station	L1 Agency	Offered trains	No. of trains considered	Total sft /train	Estimate for 6 months in Rs.	Cost per month per train	Cost per sft p.m.
1	Hyderabad	Ventures	20	7	565	1,82,35,001	4,34,167	768.44
2	Chennai	Ventures	7	7	240.36	66,49,986	1,58,333	658.73
	Total					2,48,84,987		



Inside Stations:

S.No	Name of the metro station	L1 Agency	Offered sft	Offered stations	Considering space	Estimate cost for 6 months	Cost per month	Cost per sft p.m.
1	Hyderabad	Ventures	18,377	17	1,800	56,19,456	9,36,576	520.32
2	Jaipur	Ventures	12,784	9	1,313	25,64,289	4,27,382	325.50
	Total					81,83,745		

The Procurement Committee considered the Department's views and agreed to the above recommendations of Communication Department.

2. Production of TVCs for insurance awareness campaign

The department appraised the committee that in order to have insurance awareness campaign through electronic media (Television), it has invited proposals from empaneled creative agencies for development and production of creative content for TVCs on the following topics:

- a. Benefits of life insurance and right buying
- b. Property insurance against disasters
- c. Mandatory Third party insurance
- d. Digital insurance – E-insurance policies
- e. Grievance Redressal Mechanism
- f. Crop Insurance

2.1 After finalizing the concepts, the proposals submitted 3 agencies were short listed by the Publicity Committee in its meeting held on 26th September 2018. The financial bids submitted by these agencies were opened on 22nd October 2018 and the rates quoted by the three agencies are as under:

S.No	Name of the agency	Rs.
1	Astral Advertising & Marketing India Pvt. Ltd	1,02,89,600
2	RK Swamy BDO Pvt. Ltd	1,10,44,800
3	Associated Advertising	74,34,000

2.2 Out of the three agencies, M/s. Associated Advertising is found to be L1 at their quoted price of Rs. 74,34,000/- (all costs including GST@18%) for production of 6 TVCs of 45 sec durations each. The Committee agreed with the recommendations of the Communication Department to place the order with the L1 vendor, M/s. Associated

Advertising at their quoted price of Rs. 74,34,000/- (all costs including GST@18%) for production of 6 TVCs of 45 sec durations each.

The meeting concluded with vote of thanks to the Chair.



M.S. Jayakumar
Member-Convener



P.K. Maiti
Member



M. Pulla Rao
Member



Ms Pournima Gupte
Chairperson