

**INSURANCE REGULATORY AND DEVELOPMENT AUTHORITY OF INDIA
HYDERABAD**

06-Jan-2020

Minutes of the 24th IT Procurement Committee meeting held on 06-Jan-2020

Present:

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| (i) Shri. Pravin Kutumbe, Member (F&I) | – Chairperson |
| (ii) Shri. A. Ramana Rao, GM (F&A-Life) | – Member |
| (iii) Shri. T.S. Naik, GM | - Leave of absence |
| (iv) Shri. A.R. Nithiyantham, CGM (IT) | – Member Convener |

Other Invitees:

- 1) Sri MBVN Murthy, AGM (Actuarial NonLife),
- 2) Sri Mukesh Kewalramani, AGM (Actuarial NonLife),
- 3) Ms. Pooja Pimputkar, AM (Actuarial NonLife),
- 4) Sri Manoranjan, Asst (Brokers),
- 5) Sri Indradeep Shah, Asst (Brokers),
- 6) Smt. Ravinder Kaur, AGM (Surveyors) – on call
- 7) Sri Mahesh Agarwal, DGM(IT),
- 8) Smt. V. Chitra, Manager(IT),
- 9) Shri Akshat Singh Patel, AM(IT)

Agenda: 01: Implementation of CCNs related to BAP

(a) BAP Implementation of change request - CCN-186: (Actuarial- Nonlife Department)-: (Effort: 43.022 man days: Cost: INR. 5,12,167/-)

The committee was appraised of the sequence of activities undertaken by IT department with regard to the above CCN (as detailed below):

Actuarial Nonlife department has initiated the following change request in BAP:



1. Modification of number of years of occurrence of loss to 15 years: All BAP_IBNR Forms except Form E, Form F, Form G2 shall capture information of past 15 years of occurrence of loss from the year of submission and the concept of “and prior years” has to be removed.
2. Also, a note has to be mentioned in BAP_IBNR Form A, Form B, Form D, Form F – “All figures should be on net basis”.

Various milestones completed related to CCN 186 are as follows:

CCN – issued on	26-Dec-2018
Requirement gathering	Completed
Design document sign off	Completed
Evaluation of effort estimation	Preliminary evaluation done by IT department.
TEC	Stage-I (Design document): 8 th Jan 2019 Clearance of Effort estimation: 1 st Jul 2019.

3. The Committee noted that the Technical evaluation committee (TEC) in its meeting on 01-Jul-2019 and also through office note dated 17-Oct-2019 has formally recommended implementation of the above CCN.

Decision:

the committee recommended implementation of CCN 186 to the total cost of **INR 5,12,167/-**.

b): CCN 185- Implementation of change request submitted by Brokers department: (Effort: 251.412 man days: Cost: INR. 29,93,000/-)

The committee was appraised of the sequence of activities undertaken by IT department with regard to the above CCN (as detailed below):

(i) Brokers department has initiated the change request due to issue of IRDAI (Insurance Brokers) Regulations, 2018. This change request captures the following:

1. The Form for New Application need to be changed to the new form as per Schedule I – Form B (attached). Also attachment for the new application should be as per the Schedule I – Form C (attached).
2. The Form for Renewal Application need to be changed to the new form as per Schedule I – Form K (attached). Also attachment for the new application should be as per the Schedule I – Form M (attached).
3. The Certificate of Registration need to be as per the Annexure – 1 (for New Registration) and Annexure – 2 (for Renewal).

(ii) Various milestones completed for CCN 185 are as follows:

CCN – issued on	12-Dec-2017
Requirement gathering	Completed
Design document sign off	11-Oct-2019
Evaluation of effort estimation	Preliminary evaluation done by IT department.
Clearance of Technical Evaluation Committee	12-Dec-2019

The committee was appraised of the extent of changes involved for implementing the above changes.

The Committee was of the opinion that the extent of time taken for arriving to this stage is very long and ideally these changes should have been implemented before notifying the regulation. IT department explained about the challenges involved in freezing the requirements. The committee advised CGM(IT) to raise this issue in the HOD meeting.



The Committee noted that Technical evaluation committee (TEC) in its meeting held on 12-Dec-2019 has cleared implementation of the above CCN.

Decision:

The committee recommended to implement the CCN 185 as per the proposal submitted by LTI to the total cost of INR **29,93,000/-**.

c) CCN 195 related to Life department:

Decision:

The matter was deferred as the user department requested some time to evaluate and confirm the revised template.

**d): BAP Implementation of change request - CCN-197: (Surveyor Department):-
(Effort: 29.001 man days: Cost: INR 3,45,250/-)**

The committee was appraised of the following:

- (i) Surveyors department has initiated the change request to have a provision to add the Audit Reports and Annual accounts of Corporate Surveyors in BAP. The change request captures the following:

'View returns option to be provided to the IRDAI surveyor department for online verification of the annual form 12 returns submitted by the corporate surveyors. Department to provide license number and should be able to view the form 12 returns submitted by the end user.'



(ii) Various milestones of the CCN 197 are as follows:

CCN – issued on	26-Aug-2019
Requirement gathering	Completed
Design document sign off	20-Feb-2019
Evaluation of effort estimation	Preliminary evaluation done by IT department.
Recommendation of TEC	12-Dec-2019

The Committee noted that Technical evaluation committee (TEC) in its meeting held on 12-Dec-2019 has cleared implementation of the above CCN.

Decision:

The committee recommended to implement the CCN 197 as per the proposal submitted by LTI to the total cost of **INR 3,45,250/-**.

Agenda 2: Warranty extension of BAP Servers directly with OEM(Dell) for a period of 1 year. Cost: INR 13,82,250/- + taxes as applicable)

The committee was appraised of the following:

1. The BAP AMC contact with LTI which was valid till 30th Nov 2019, was recently extended for a period of four months. i.e.) till 31st March 2019 with the existing terms and conditions.
2. However, LTI agreed for the extension of BAP AMC contract from 01-Dec-2019 to 31-Mar-2020 with a condition that the SLA compliance would be on best-effort basis, as they were not in a position to procure warranty for shorter duration (3 – 4 months)



3. There are 23 Nos. of Dell servers used for BAP and these servers have been placed by LTI at TCL data centers as detailed below:

a) 15 Nos: TCL Hyderabad

b) 8 Nos: TCL Chennai

4. All the above servers have now reached end of support and they are currently under extended warranty by third party Pentagon Systems (hired by LTI) till 31-Dec-2019.

5. As the proposal of compliance of SLAs on best effort basis was not accepted by the competent Authority, the matter was put up before the Technical Evaluation Committee on 05-Nov-2019 for discussions / deliberations with LTI to arrive at an appropriate resolution.

6. The recommendations of TEC on the above matter are as follows:

“Since the cost of such extended warranty is usually high and original contract terms would not have been executed taking such scenarios in to consideration, the committee recommended IRDAI to go-in for a separate agreement with OEM/their authorized support partners directly in order to ensure smooth operations of BAP during the extended AMC period. TEC advised IRDA Team to obtain formal proposal from OEM / from their Authorized Service Providers for the same”.

7. Based on the recommendations of the TEC, IT department had contacted the Original Equipment Manufacturer - Dell for the warranty extension of the BAP Servers. Dell assured that the warranty extension could be provided but for a minimum of 1-year period (and not just for 4 months break period of 01-Dec-2019 to 31-Mar-2020) and provided the corresponding quotation for warranty extension with a cost of INR 13,82,250 + applicable taxes for a period of 1 year from the AMC warranty start date. Dell stated that the servers were considered out of warranty since 2017 as the current warranty of the servers till 31-Dec-2019 was provided by Pentagon Systems through independent arrangement. However, Dell has waived off the warranty reinstatement charges in its final quotation provided on 03-Jan-2020.

8. The average cost for providing warranty for 23 Nos. of servers installed in both Primary and DR @ INR 60,097/- (plus tax) per server.
9. This above expenses are over and above the amount of INR 1,13,35,075.59 (inclusive of all applicable taxes) required to be paid to LTI for BAP AMC support extension for a period of 4 months from 01-Dec-2019 to 31-Mar-2020.
10. As the warranty support issue is directly dealt with, no competitive quotations have been invited.
11. The proposal was put up to IRDAI Chairman for approval vide office note IRA/ITD/ON/2019/402 dated 12-Dec-2019 wherein Chairman referred the matter to the IT procurement committee.

Decision:

The Committee noted that the RFP for finalization of new AMC vendor for BAP has already been released by IT department to the shortlisted bidders. As per the existing tender timelines the new bidder is expected to be selected by Feb 2020/ Mar 2020.

The existing BAP servers are required to be brought under extended warranty in order to ensure SLA compliance by the LTI during the extended AMC period. Also the new vendor would be required to continue to support the existing application and infrastructure till the new servers were procured, commissioned and data migration completed on the new hardware set-up. Therefore, it is essential that the existing BAP servers are to be covered under warranty till such time the new vendor takes over the portal operations and make the BAP application functional from the new hardware setup.

Since LTI is not in a position to arrange the server warranty for shorter duration of 4 months' contract extension, IT department had to initiate steps to arrange for



warranty directly with OEM for a period of one year and also as per the recommendations of TEC.

Keeping in view of the above. the committee recommended the proposal of procuring the warranty for BAP servers from Dell for a period of 1 year to the total cost of **INR 13,82,250/- + taxes extra as applicable.**

Agenda 03: Procurement of 2 No's Colour printers through GeM – Finalization of Tender

With regard to the said agenda item, the committee noted the following –

- (i) As per the approved office note dt 08/07/2019, 05/08/2019 and 25/11/2019, The GeM Bid - Bid Number: GEM/2019/B/437269, was published on 25/11/2019, on GeM Portal (<https://gem.gov.in>) for procurement of 2 No's Colour printers (HP Color LaserJet Pro M254) via Bid option under PAC (PROPRIETARY ARTICLE CERTIFICATE) mode.
- (ii) The GeM Technical Bids were opened in GeM portal on 16/12/2019 by the user /GeM buyer Mr. Aritra Chakraborty (Assistant – IT) (as per the GeM rules and Procedure).
- (iii) The following 6 no's bidders had participated in the bidding process –
 - 1 GARUDA TECHNO SOLUTIONS
 - 2 MICRO CARE COMPUTERS PVT LTD
 - 3 Youdan Tech LLP
 - 4 ROMAN NETWORKS PRIVATE LIMITED
 - 5 COMMERCIAL CONTROLS
 - 6 MICROBASE COMPUTERS
- (iv) All the above were shortlisted in Technical Bid process and were found eligible for next process (Financial evaluation).
- (v) The Financial Bids were opened in GeM portal on 19/12/2019.



(vi) It was observed that M/s GARUDA TECHNO SOLUTIONS is L1 bidder quoted for **71,380/-** (including tax, Unit price 35,690/-) for 2 No's Color printers (HP Color LaserJet Pro M254) with 3 years' warranty.

(vii) The committee also noted that, as per the recent GeM portal provisions, price quoted by the other bidders are not visible, at this stage, except the L1 bidder. The next step in GeM portal is to '**Open & Award**'.

Decision:

The committee recommended for placing the order with L1 bidder (M/s GARUDA TECHNO SOLUTIONS) for procurement of 2 No's Colour printers (HP Color LaserJet Pro M254) with 3 years warranty at the cost of **₹ 71,380/-** (including all taxes).

Agenda 04: Replacement of Old Attendance biometric system in Delhi and Mumbai offices. Total Cost: 3,35,427/-plus taxes.

The committee was appraised of the following :

- (i) The biometric systems installed in Hyderabad Office as a part of latest generations and the biometric systems installed at regional offices (BDRO and MRO) are of different makes. There are many operational issues in maintaining two different biometric systems and some of them are highlighted below:

Sl. No.	The system which is installed in Delhi & Mumbai offices(Old)	The system which is installed in Hyderabad office(New)
1.	Have to download attendance data manually on daily basis. If we fail to download the data due to any technical or other reasons, the same would not reflect in	Whereas it is completely automated process and no manual intervention is required.



	attendance records on that day for Delhi and Mumbai officials.	
2	Have to push data to our SAP system on daily basis.	It is completely automated process and is integrated with SAP system.
3.	Have to maintain separate database and configuration for the system.	It is completely automated process and is integrated with SAP system.

4. In view of the above, it was proposed by IT department to replace old biometric device of Mumbai and Delhi offices with the type of device as is installed in Hyderabad office. In doing so, we may get rid of manual interventions in downloading attendance data from the bio-metric systems of the ROs, handling separate maintenance of database & system and managing of two attendance systems.
5. A formal quote was invited from M/s Ortus Automation Pvt Ltd., Mumbai who is the Exclusive Partner of VIRDI make Biometric systems installed in IRDAI HO . The rates quoted by M/s Ortus automations are as follows: -

Sl. No	Items	Quantity	Rs. Price(excluding GST)
1	Set of attendance management system (Mumbai)	1	84,630
2	Set of attendance management system (Delhi)	1	84,630
3	Software licences for above 2 set of devices	1	55,000
4	Installation, Testing and commissioning charges for above 2 systems.	1	60,000
Total			2,84,260
GST (18%)			51,167
G. Total			3,35,427/-

Commercial terms and conditions of the quotation: -

- The proposed offer is valid for 2 months only.
- Online support from Monday to Saturday (10 AM to 6.00 PM) except holidays and Sundays for first 12 months from supply date.
- Freight charges are inclusive.
- 100 % payment along with purchase order.
- Warranty for first 12 months from the date of supply of materials.

6. Administration department vide their reply dated 11th October, 2019 has confirmed that the prices quoted by the M/s Ortus Automation (shown above) are lower than the prices of biometrics systems already supplied to IRDAI through CPWD.

Decision:

The committee recommend to 2 Nos. of biometric systems with connected software licenses from M/s Ortus Automation Pvt Ltd., Mumbai to total cost of Rs. 3,35,427/- (incl. tax) for implementing the same in ROs.

Agenda 05: Procurement of HP toner cartridges through GeM :

With regard to the said agenda item, the committee noted the following –

- (i) As per the approved office note dt 27/11/2019, 09/12/2019 the GeM Bid - Bid Number: GEM/2019/B/453757, was published on 10/12/2019, on GeM Portal (<https://gem.gov.in>) for procurement of HP toner cartridges for next 6 months (approximate requirements) via Bid option under PAC (PROPRIETARY ARTICLE CERTIFICATE) mode.
- (ii) The details of toner cartridges are –

	Product Title	Qty
1	HP 202A Black Original LaserJet Toner Cartridge CF500A	40
2	HP 202A Cyan Original LaserJet Toner Cartridge (CF501A)	25
3	HP 202A Magenta LaserJet Toner Cartridge CF503A	25
4	HP 202A Yellow LaserJet Toner Cartridge CF502A	25
5	HP 201X Black High Yield Original LaserJet Toner Cartridge CF400X	8
6	HP 201X Cyan High Yield Original LaserJet Toner Cartridge CF401X	5
7	HP 201X Magenta High Yield Original LaserJet Toner Cartridge CF403X	5
8	HP 201X Yellow High Yield Original LaserJet Toner Cartridge CF402X	5
9	HP 410A Black Original LaserJet Cartridge CF410A	2

10	HP 410A Cyan Original LaserJet Cartridge CF411A	2
11	HP 410A Yellow Original LaserJet Cartridge CF412A	2
12	HP 410A Magenta Original LaserJet Cartridge CF413A	2
13	HP 12A Black Original LaserJet Toner Cartridge Q2612AC	11
14	HP 80A Black Original LaserJet Toner Cartridge-CF280A	10
15	HP 88A Black Original LaserJet Toner Cartridge CC388AC	16
16	HP 78A Black Original LaserJet Toner Cartridge CE278AC	1
17	HP Black Contract Original LaserJet Toner Cartridge CE505AC	3
18	HP 124A Black Original LaserJet Toner Cartridge Q6000A	2
19	HP 124A Cyan Original LaserJet Toner Cartridge Q6001A	2
20	HP 124A Magenta Original LaserJet Toner Cartridge Q6003A	2
21	HP 124A Yellow Original LaserJet Toner Cartridge Q6002A	2
22	HP 128A Black Original LaserJet Toner Cartridge CE320A	2
23	HP 128A Cyan Original LaserJet Toner Cartridge CE321A	2
24	HP 128A Yellow Original LaserJet Toner Cartridge CE322A	2
25	HP 128A Magenta Original LaserJet Toner Cartridge CE323A	2
26	HP 131X Black High Yield Original LaserJet Toner Cartridge CF210X	2
27	HP 131A Cyan Original LaserJet Toner Cartridge CF211A	2
28	HP 131A Magenta Original LaserJet Toner Cartridge CF213A	2
29	HP 131A Yellow Original LaserJet Toner Cartridge CF212A	2
	Total QTY	211

(iii) The GeM Technical Bids were opened in GeM portal on 23/12/2019.

(iv) The following 3 no's bidders have participated in the bidding process –

- 1) M/s R R Enterprises
- 2) M/s COMMERCIAL CONTROLS
- 3) M/s Rank Industries

(v) Based on the technical evaluation, all the 3 No's bidders were shortlisted and were found eligible for next process (Financial evaluation) and the same was approved vide Office Note Date 23/12/2019.

(vi) The Financial Bids were opened in GeM portal on 02/01/2020.

(vii) As per the recent updates in GeM Portal, only L1 price is shown at this stage. All the other details are not visible and the name of the L1 Bidder is masked. Based on the data available on GeM Portal, the L1 bidder quoted for ₹ 10,31,077/- (including tax) for the toners. The next stage is "**Open and Award**"

(viii) The committee also noted that. the difference between the total L1 amount (₹ 10,31,077/-) and the total amount (₹ 10,18,282/-) calculated based on the current rate contract is ₹ 12,794.82/- .

(ix) The committee advised the IT dept. to explore the possibilities of grouping the total types of cartridges into smaller groups of bids as such approach may attract more number of bidders for future procurement.

Decision:

The committee recommended for placing the order with L1 bidder for procurement of HP toner cartridges at the cost of **10,31,077/-** (including tax)

The Meeting ended with vote of thanks to the Chair.



CGM (IT)
Member-Convener



GM (F&A-Life)
Member



Member (F&I)
Chairperson

