

**MINUTES OF THE 26th MEETING OF THE FINANCE COMMITTEE
(BY VIDEO CONFERENCING)
HELD AT 11:00 AM ON 5th May 2021**

The following members were present:

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|---------------------------|---|----------------------------------|
| 1. Dr. R. K. Tyagi | - | Chairman, NITUK |
| 2. Dr. Satish Kumar | - | I/c. Director, NITUK |
| 3. Mr. Rakesh Ranjan | - | Additional Secretary, MoE |
| 4. Mr. D. K. Singh | - | Nominee of IFD |
| 5. Prof. Pramod Agarwal | - | Nominee of Director, IIT Roorkee |
| 6. Dr. Vikas Pratap Singh | - | I/c. Dean (P&D), Special Invitee |
| 7. Dr. P. M. Kala | - | Registrar & Member Secretary |

At the outset Member Secretary, Finance Committee welcomed the Chairman, NITUK and all the members.

The Finance Committee paid their heartfelt tribute to Shri. Madan Mohan, ADG, MoE and Member, Finance Committee and Board, NIT Uttarakhand, who passed away on 26.04.2021. The committee placed on record his immense contribution to the growth of the Institute.

Further, Member Secretary Finance Committee requested Chairman, Finance Committee to preside over the today's meeting of the Finance Committee.

After approval of the Chairman, committee discussed the following agenda and resolved as under:

FC 26.01: To confirm the Minutes of the 25th Meeting of the Finance Committee.

The Minutes of the 25th Meeting of the Finance Committee, duly approved by the Chairman, are enclosed as **(Annexure FC 26.01)**.

The Finance Committee is requested to confirm the same.

Resolution: Confirmed.

FC 26.02: Action Taken Report.

The Action Taken Report is as below:

Agenda Item No.	Agenda Items	Resolution	Action Taken								
FC 25.02	Action Taken Report.	<p>Finance Committee directed that Action Taken Report should be in following format from ensuing meetings:</p> <table border="1" style="margin-left: 20px;"> <thead> <tr> <th>Item No.</th> <th>Agenda Item</th> <th>Resolves</th> <th>Action Taken</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table> <p>Beside this, Finance Committee deliberated as follows:</p> <p>FC 24.03: Hiring of Consultants: As per FC directives, advertisement of hiring of consultants was published and very low response was received due to location constraint, accordingly, scrutiny process was done by duly constituted committee. Since number of applications are less, however keeping in view the audit para and urgency of experienced consultants Finance Committee deliberated to complete the hiring process as earliest as possible and in case any other experienced retired Govt. officer located nearby Institute like Dehradun is willing to work with NIT Uttarakhand they may be contacted to work as part-time consultants.</p> <p>FC 24.04: To approve the Annual Report for the</p>	Item No.	Agenda Item	Resolves	Action Taken					Implemented
Item No.	Agenda Item	Resolves	Action Taken								

		<p>Financial Year 2019-20: Since final SAR report for FY 2019-2020 is received by the Institute in the month of Feb 2021 hence FC directed to submit Annual Report alongwith SAR to the MoE.</p> <p>FC 24.05: Pay protection of Dr. Prabhakar Mani Kala, Registrar: As per directives of MoE, pay protection of Dr. Prabhakar Mani Kala, Registrar has been done.</p> <p>FC 24.11: To apprise the Finance Committee with recent developments related to the permanent campus, and deliberate upon the mode of selection of the construction agency for the construction of Permanent Campus at Sumari: Tender regarding construction of Permanent Campus has been published on CPP Portal on 05.02.2021 and as per GFR provisions bid opening date was scheduled after 30 days (i.e. 05.03.2021). Since tender was floated under GFR 133 (3) hence to ensure competition and on prospective bidder's request, date was further extended upto 23.03.2021. The Finance Committee endorsed the extension, and after detailed deliberation the Finance Committee directed to complete the process as earliest as possible.</p>	
FC 25.03	To note and deliberate the draft SAR of NIT Uttarakhand for the Financial Year 2019-20	Noted.	Noted.
FC 25.04	Extension of Retirement Gratuity and Death Gratuity to the Institute employees.	Not approved. The benefit of Retirement Gratuity and Death Gratuity to the employees of any Autonomous Body covered under NPS cannot be granted as per directives of Integrated Finance Division (MOE) vide letter dated 12/04/2017.	Not Approved
FC 25.05	Information regarding proposed Budget Estimate for Financial Year 2021-22.	Noted.	Noted.
FC 25.06	To note and recommend the Minutes of the 12 th Meeting of the Building and Works Committee,	Noted.	Noted.

The Finance Committee is requested to note the same.

Resolution: Noted

FC 26.03: To deliberate upon the outcome of the Tender No. NITUK/C.Stores/2020-21/021/002 regarding selection of PMC services towards construction and development of infrastructural facilities in the main campus of the Institute at Sumari, Pauri Garhwal and give further instructions with regard to the Award of Contract.

Tender No NITUK/C.Stores/2020-21/021/002 regarding selection of PMC services construction and Development of infrastructural facilities in the main campus of NIT Uttarakhand was published on CPP Portal on dated 05.02.2021. **Related document is placed at Annexure FC 26.02.** Original time schedule for various Tender related activities was as under:

Published Date	05.02.2021, 06:00PM
Bid Submission Start Date	08.02.2021, 03:00 PM
Bid Document Download End Date	02.03.2021, 03:00PM
Bid Submission End Date	02.03.2021, 03:00PM
Technical Bid Opening Date	05.03.2021, 11:00AM

Handwritten signature/initials

Date of Presentation	05.03.2021, 12 Noon Onwards
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Tender opening was scheduled on 05.03.2021, but it was further extended upto 23.03.2021, keeping in view the GFR provisions Rule 133 (3) to ensure competition among such PSUs/ Organizations, after due approval from The Competent Authority. **Related document is placed at Annexure FC26.03.**

The revised tendering schedule is as given below:

Tender related Event	Earlier Dates	Revised Dates
Bid Submission End Date	02.03.2021, 03:00PM	19.03.2021, 05:00PM
Technical Bid Opening Date	05.03.2021, 11:00AM	23.03.2021, 11:00AM
Date of Presentation	05.03.2021, 12 Noon Onwards	23.03.2021, 01.30 PM Onwards

During the tendering period, pre-bid queries from the following prospective bidders mentioned below were received, and duly responded by the Institute within time. **Related document is placed at Annexure FC 26.04.**

S.No.	Name of PSU	Pre-Bid Queries Received on	Pre-Bid Queries Replied on
1	IRCON International Ltd.	10.02.2021	17.02.2021
2	NBCC (India) Ltd.	16.02.2021	17.02.2021
3	Engineering Projects (India) Ltd.	16.02.2021	17.02.2021
4	UPRNN Ltd.	17.02.2021	18.02.2021
5	RITES LIMITED	23.02.2021	24.02.2021
6	Engineers India Limited	25.02.2021	26.02.2021

The status regarding said tender was also placed before FC (Agenda item No 24.11) and BOG meeting (Agenda Item No 30.10) in its meeting held on 09.03.2021. Resolution of the Board in this regard is as under. **Related document is placed at Annexure FC 26.05.**

"Tender regarding construction of Permanent Campus has been published on CPP Portal on 05.02.2021 and as per GFR provisions bid opening date was scheduled after 30 days (i.e. 05.03.2021). Since tender was floated under GFR 133 (3) hence to ensure competition and on prospective bidder's request, date was further extended upto 23.03.2021. The Board endorsed the extension, and after detailed deliberation the Board further directed to complete the process as earliest as possible and appraise the Board accordingly".

As per Board directives, Bids were opened on 23.03.2021 by duly constituted committee. Only following two bidders have participated against said tender:

1. NBCC (INDIA) Ltd.
2. Atom Aviation Services Private Limited

Related document is placed at Annexure FC 26.06.

Check for minimum eligibility conditions and Technical Evaluation for criteria A, C & D as per tender document was done by duly constituted Bid Evaluation Committee for 65 marks based on records available towards criterion A, and presentations for Criterion B of the tender document was evaluated for 35 marks by the Technical Evaluation Committee (TEC) duly constituted by the Building and Works Committee vide resolve BWC 12.03. It is to be noted that only bidder i.e. NBCC (INDIA) Ltd. appeared before the TEC and made presentation towards Criteria B. Other Bidder i.e. Atom Aviation Services Private Limited was absent and made no communication whatsoever regarding its absence.

Based on the above evaluations, only NBCC (INDIA) Ltd. was found technically qualified. **Reports of the committee are also placed as Annexure FC 26.07.** However, as per recommendation of Bid evaluation committee one more document regarding Technical Manpower was also required. As per committee recommendation query was raised on the portal again with submission of the document till 25.03.2021 by 11.00 am. **Query raised on portal are also placed as Annexure FC 26.08.** Accordingly, reply was received through email from the vendor on dated 25.03.2021 before due time as bidder expressed the inability to upload the document on CPP portal due to technical issue.

Document received was again placed before the Bid Evaluation committee. Committee accepted the document.

Since, only one bidder i.e. NBCC (India) Ltd. is technically responsive, and therefore, permission to open the financial bid opening was sought from the Competent Authority. Accordingly, matter was placed before **Board of Governor vide agenda item 32.01 dated 01.04.2021**. Resolution of the Board is as under:

"The Board noted that the Technical Bid has been opened by the Institute but the financial bid is yet to be opened. As such, the tendering process is yet to be completed. Board discussed and endorsed the tendering process followed by the Institute. Institute also appraised about the following –

1. *PIB Approval for Revised cost estimate ir/o NIT Uttarakhand is valid upto the period till March 2022, accordingly HEFA loan process against said PIB approval is also in advance stage.*
2. *Due to lack of infrastructure, the Institute is unable to expand in terms of Student intake and new programme.*
3. *Existing infrastructure of the Institute is insufficient as well as temporary in nature being fabricated.*

In view of the above submissions made by the Institute, the Board advised the Institute to complete the tendering process and apprise the Board accordingly."

The Minutes of the Meeting of the 32ndBoG are placed as **Annexure FC 26.09**.

Subsequently, technical bid evaluation result was uploaded on CPP portal on dated 12.04.2021 by Bid evaluator. Accordingly, Financial bid is scheduled to be open on 15.04.2021 at 12.00 PM, and outcome of the same will be presented before the Building and Works Committee. Related documents are placed as **Annexure FC 26.10**.

For clarity, key steps / sequence of events involved in the above tendering process are tabulated below:

Sl. No.	Date	BWC/FC/BoG Agenda no.	Brief Resolve / Remark
1.	03.07.2020	BWC 08.08	Recommended competitive bidding as per GFR-133(3)
2.	10.08.2020	FC 22.04 &BoG 27.04	Consequent to the judgement of Hon'ble High Court of Uttarakhand, resolved "As regards the construction of Permanent Campus, the Institute shall comply with the direction of Ministry of HRD which will be issued in due course of the time."
3.	25.11.2020	---	Received instruction to initiate construction in Sumari vide office order No. F.No.40-65/2018-TS.III dated 25th November, 2020
4.	11.12.2020	BWC 11.03	Again recommended competitive bidding as per GFR-133(3) on the basis of QCCBS
5.	09.01.2021	FC 24.11 &BoG 30.10	Approved the recommendation of BWC to go ahead with competitive bidding as per GFR-133(3) on the basis of QCCBS
6.	25.01.2021	BWC 12.03	Approved the tender document after detailed pointwise deliberation on the various eligibility and evaluation criteria
7.	05.02.2021	---	Tender floated on CPP portal with initial end date of submission of bids 02.03.2021
8.	04.03.2021	---	To ensure fair competition among PSUs / Organizations, tender submission date was further extended upto 19.03.2021
9.	09.03.2021	FC 25.02 &BoG 31.02, 31.14(A)	Endorsed tendering process and decision to extend bid submission date. Also directed Institute to complete tendering process at the earliest.
10.	23.03.2021	---	Bid evaluation was carried out by the duly constituted committees, only one bidder i.e. NBCC

			(India) Ltd. emerged as technically responsive bidder.
11.	01.04.2021	BoG 32.01	Tender status was apprised and the Board resolved to complete the tendering process & apprise accordingly.

Keeping in view the above, the Building and the Works Committee is requested to deliberate and give further instructions with regard to the Award of Contract to the successful bidder.

Resolution: The detailed presentation was made by the Institute before the Building and Works Committee (BWC) regarding the background of the project, Statutory approvals sought at different stages, and the entire tendering process including Financial Bid opened on 15.04.2021 through CPP Portal.

Subsequently, BWC deliberated in detail on the above aspects in the light of available GFR (2017) provisions and made following observations:

- 1- Open tender was floated for selection of the agency in keeping with provisions of GFR 133(3). The tender opening date was extended to facilitate more bidders to participate and the overall bidding time was 5 weeks against 3 weeks stipulated in GFR.
- 2- The qualification criteria for selection of the bidder were duly deliberated and approved by the BWC which consisted of technical experts.
- 3- Assessment of rate reasonability - The sole technically responsive bidder M/s NBCC (India) Ltd. (hereafter referred as 'NBCC') has quoted 4.90% above the estimated price (**Annexure FC 26.11**). BWC was briefed during the meeting that the estimate prepared was based on CPWD rate of 2019. BWC noted that as per bid document, the completion time is 36 months (including 6 months mobilization time) from the date of payment of first advance. The original completion time was March 2022. However, considering that tender is yet to be awarded and then the advance will be paid, it is reasonable to conclude that the completion time should now be reckoned as at least May/June 2024 (i.e. two years beyond the stipulated completion time when the bid document was prepared). At this stage, BWC factors in that the actual construction and other charges that will be paid to different contractors will be as per the actuals rates obtained in the bids to be floated by NBCC, but 4.90% is what will be paid to NBCC on the actual payment then made to the contractors. The overall cap of payment from NIT Uttarakhand for this project will be Rs 596.75 Cr. inclusive of the PMC charges of 4.90%. Considering that the estimate of Rs 596.75 Cr. was made with the projected completion in March 2022, the 4.90% PMC service charge quoted by NBCC comes to 2.45% hike per year for the two-year period. This 2.45% is much lower than the average annual inflation trend.
- 4- Further, it was brought out during the BWC meeting that Govt. of Uttarakhand has vide its Order No. 330/XXVI/6(2)/2009 dt. 20.9.2012 (**Annexure FC 26.12**) allowed a service charge of 6.50% to PSUs for Building Construction works, and 6.66% for other works such as roads / water supply / sewerage costing more than Rs. 5 Cr. Thus, the price quoted by NBCC is much lower than these prescribed rates by the Govt. of Uttarakhand.
- 5- Also, with the approval of the Chairman BWC, Institute has requested NBCC to send work orders of similar works (**Annexure FC 26.13**) via email. From the scrutiny of these work orders/MoUs, it is found that the PMC charges are in the range of 5.0-8.5%. Thus, it is evident that the current quoted rate is on the lower side.

Recommendation: For the reasons brought out above, BWC considers the service charge quoted by NBCC to be reasonable. Accordingly, in keeping with the provisions of GFR 2017 rule 173(xx) reproduced below, BWC recommends that the bid of NBCC be accepted.

- i. The procurement was satisfactorily advertised and sufficient time was given for submission of bids.
- ii. the qualification criteria were not unduly restrictive; and
- iii. prices are reasonable in comparison to market values

Competence of acceptance: Further, the BWC notes that in line with GFR 173(xxi) the bid of NBCC will be considered as single tender offer. The delegation of power of NIT Uttarakhand does not provide any delegation to the BWC for single tender of this magnitude. Accordingly in keeping with the provisions of the NIT (Amendment) Act 2012: Section 13(1), which inter alia says, ".....the Boardshall exercise all the powers of the Institute not otherwise provided by this Act...", the above recommendation of BWC needs to be accepted / approved by BoG after FC being a financial decision (**Annexure FC 26.14**).

The BWC further advised that after approval of FC & BOG, the Institute shall frame a draft MOU for further vetting and approval of BWC.

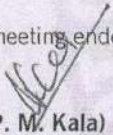
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Finance Committee is requested to give permission for Award of Contract to the successful bidder.

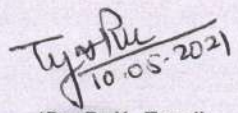
Resolution: The Finance Committee accepted the recommendation made by the Building & Works Committee vide resolve 13.03 and recommended to the Board that the award of the contract for PMC services can be given to the only successful bidder i.e., NBCC (INDIA) Ltd. at the quoted PMC charges@ 4.90% of estimated cost of the Project. The Finance Committee also advised to the Institute to ensure the following:

- i. The overall cap of payment from NIT Uttarakhand for this project will be Rs 596.75 Cr. inclusive of the PMC charges of 4.90%. Considering that the estimate of Rs 596.75 Cr. was made with the projected completion in March 2022 as approved by the Public Investment board (PIB).
- ii. The MoU between Institute and the PMC shall be prepared as per the standard format of Manual of Procurement of Works given in its Annexure 8.
- iii. After signing of MoU, on mutual consent, construction site should be handed over to the PMC so that the pre-construction activities could be initiated. Advance / initial deposit of 10% of the preliminary estimate submitted by PMC shall be released in due course of time after the approval of HEFA loan.
- iv. In the MoU, for the appointment of arbitrator, NIT Uttarakhand shall be the sole authority.
- v. Agency for Third-party quality control assurance shall be appointed by the Institute.
- vi. Institute shall pursue with MoE for an extension of the validity period of the PIB approval upto June 2024 without any cost escalation.
- vii. MoE shall pursue with HEFA management for an early disbursement of the HEFA loan of NIT Uttarakhand. Institute shall also ensure any assistance required by HEFA management / MoE towards early disbursement of the loan.
- viii. Chairman, Institute Level Standing Committee for "Monitoring of the Funds through HEFA" constituted vide resolve BoG 30.11 shall: (a) regularly update the progress of the project to the members of Project Monitoring Unit constituted by MoE which is responsible for making regular inspections to the site to oversee/monitor the infrastructure works and recommend to MoE for the strict compliance of the guidelines stated in the O.M. No F.No.33-1/2012.TS-III, dated 3rd June, 2019 "Master Circular for Infrastructure Projects in Centrally Funded Institutions", and (b) monitor the monthly progress of construction at the Institute level and also update at the Ministry level through the Project Monitoring Software portal of the Ministry of Statistics and Programme Implementation.

The meeting ended with vote of thanks to the Chair.


(Dr. P. M. Kala)
Member Secretary, Finance Committee

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Approved


(Dr. R. K. Tyagi)
Chairman, Finance Committee