

## ORDER OF THE TENDER ACCEPTING AUTHORITY

### Under rule 26(2) of the Karnataka Transparency in Public Procurement Rules 2000

**Sub:** Tender for Procurement, Installation and Maintenance of Hardware Infrastructure and Operation of Kaveri.

#### READ:

- 1) G.O.No.RD 194 MUNOMU 2011 dated:06.12.2012
- 2) Tender Notification No.COMP:27:2009-10 published in the e-procurement portal on 10.12.2012.
- 3) Proceedings of the meeting of the Tender Scrutiny Committee held on 19.02.2013.
- 4) Proceedings of the meeting of the Tender Scrutiny Committee held on 12.03.2013.
- 5) Proceedings of the meeting of the Tender Scrutiny Committee held on 15.03.2013.
- 6) Letter No. Comp/27/2012-13 dated:16.03.2013 of the Inspector General of Registration and Commissioner of Stamps (IGR&CS), Bangalore.
- 7) Writ Petition No. 13253/2013 (GM-TEN) filed before the Hon'ble High Court of Karnataka.
- 8) Hon'ble High Court order dated 10.04.2013 passed vide I.A. No.1/2013 and 2/2013 in W.P. No. 13253/2013.

#### PREAMBLE:

A Tender was published in the e-procurement portal of the Government of Karnataka vide notification [read at (2) above], for Procurement, Installation and Maintenance of Hardware infrastructure and operation of KAVERI, the IT project of the Department of Stamps and Registration.

A Pre-bid meeting was held by the Tender Scrutiny Committee (constituted vide G.O.No.RD 194 MUNOMU 2011 dated: 06.12.2012) on 17.12.2012. The last date for submission of the bids was fixed at 24.01.2013. Thereafter Corrigendum I, II and III were uploaded in the e-procurement portal. As per Corrigendum III, last date for submission of bids was extended up to 31.01.2013. In response to the Tender Notification, the following bidders submitted their bids.

1. M/s.ECIL
2. M/s.HCL Comnet Ltd.,
3. M/s.HCL Infosystems Ltd.,
4. M/s.TCS Ltd.,
5. M/s.Terasoftware Ltd
6. M/s.Wipro Ltd.,

A meeting of the Tender Scrutiny Committee was held on 19.02.2013 [read at (3) above], to evaluate the prequalification responses of the bidders. All the above six bidders were prequalified and were found eligible for further Technical bid evaluation.



Thereafter, the Tender Scrutiny Committee met on 12.03.2013 and 13.03.2013 [read at (4) above], to evaluate the Technical bids. All the six bidders were invited for the Technical presentations and they made the presentations to the Tender Scrutiny Committee on 22.02.2013. In the Technical Scrutiny, the bids of the following bidders were technically qualified.

1. M/s HCL Comnet Ltd.,
2. M/s. Wipro Ltd.,
3. M/s. HCL Infosystems Ltd.,
4. M/s. Tera Software Ltd.,
5. M/s. TCS Ltd.,

After Technical Evaluation, the financial bids of only the Technically qualified bidders were opened in the e-procurement portal on 13.03.2013 and the financial quotes were as follows:

1. M/s. HCL Infosystems Ltd	Rs.147,91,39,727/-
2. M/s. Tera Software Ltd	Rs.165,20,43,838/-
3. M/s. TCS Ltd	Rs.170,16,30,079/-
4. M/s. Wipro Ltd	Rs.187,91,00,805/-
5. M/s. HCL Comnet Ltd	Rs.227,96,20,698/-

At this juncture, M/s. Tera Software Ltd (L-2) raised the following objections vide letter dated 14.03.2013 addressed to the Tender Scrutiny Committee:

- 1] That the commercial bid filed by M/s. HCL Infosystems Ltd., is incomplete and, that the said firm has not quoted any price against the line items; - Toner cartridges – low end printers and high end printers.
- 2] That M/s. HCL Infosystems Ltd. is claiming to have adjusted the price of toner cartridges in the AMC costs.

Where under, M/s. Tera Software Ltd has requested for rejection of the commercial bid of M/s. HCL Infosystems Ltd.

The Committee has observed that, in the commercial bid of M/s. HCL Infosystems Ltd., the said line items are filled with numeric zeroes. Hence, it cannot be said that the format of the Commercial Bid on Toners is incomplete as alleged by M/s. Tera Software Ltd.

Further, M/s. HCL Infosystems Ltd., has clarified vide letter dated 15.03.2013 that, the quote for Toners and Drums for printers is zero and that they will be providing them at no additional cost to the department.

The Tender Scrutiny Committee, after having considered the aforesaid objections had concluded that, the objections raised in the said letter by M/s. Tera Software Ltd. are rejected and the commercial bid filed by M/s. HCL Infosystems Ltd is considered as valid.



After detailed analysis and deliberations mentioned above, the Tender Scrutiny committee recommended to declare M/s. HCL Infosystems Ltd. as the eligible L1 Bidder.

However, the IGR&CS received a complaint subsequently, mentioning the black listing of M/s.HCL Infosystems Ltd., by the Commercial Tax Department of the Government of Rajasthan. The IGR&CS (vide letter read at (6) above) informed that there was a stay by the Hon'ble High Court of Rajasthan against the black listing of M/s. HCL Infosystems Ltd.

In the meanwhile M/s Tera Software Ltd., the L-2, has filed Writ petition No.13253/2013(GM-TEN) in the Hon'ble High Court of Karnataka, wherein the following parties have been arrayed as the Respondents.

1. State of Karnataka  
By its Chief Secretary,  
Vidhana Soudha, Bangalore-560001.
2. The Secretary,  
Department of Revenue (Stamps & Registration)  
Government of Karnataka, M.S.Building, Dr.Ambedkar Veedhi,  
Bangalore – 560 001.
3. The Inspector General of Registration and Commissioner of Stamps,  
8<sup>th</sup> floor, Kandaya Bhavan, K.G.Road, Bangalore -560009.
4. M/s. HCL Infosystems Ltd.,  
Represented by its Managing Director OA Division,  
#128/1, 2<sup>nd</sup> Floor, Vidyadeep Building, Ulsoor Road,  
Bangalore-560 042.

The Hon'ble High Court, vide its order dated 10-04-2013 passed on the said IA Nos 1&2/2013 was pleased to vacate the said interim order of stay granted on 19-03-2013. The operative portion of the said order vide para No.14, is as under.

“14. The contentions urged by the petitioner in the writ petition challenging the validity of the bid submitted by the 4<sup>th</sup> respondent should also be taken into consideration by the Tender Accepting authority and reasoned order has to be passed”.

The Tender Accepting Authority under the directions of Hon'ble High Court of Karnataka has gone through the Writ Petition and the objections raised by the petitioner. The contentious objections of the petitioner viz., M/s.Tera Software Ltd., are as under.



