



MIZORAM LOKAYUKTA

(Constituted under the Mizoram Lokayukta Act, 2014)

ORDER

Case No. MLC- 30/2021

In the matter of:

Pi Lalremsangi Fanai,
Falkawn, Mizoram

:

Petitioner/Complainant

Versus

The Chief Executive Officer,
Aizawl Smart City Ltd.,
Urban Development & Poverty Alleviation Department,
Govt. of Mizoram

:

Respondent/OP

Date: 25.10.2022

1. The Mizoram Lokayukta received a complaint petition dt. 26.3.2021 from Pi Lalremsangi Fanai, Falkawn, Mizoram against the Chief Executive Officer, Aizawl Smart City Ltd., Urban Development & Poverty Alleviation Dept., Govt. of Mizoram for alleged irregularities committed in the procurement of machines under Aizawl Smart City Ltd. The case was registered as **MLC-30/2021**. In the complaint petition, the complainant stated that with reference to Aizawl Smart City Ltd. invitation for bids vide No.B.11030/144/(Proc-Gen)/2018-ASCL dt. 20.1.2021 was issued by Pu Lalrothanga, Chief Executive Officer (CEO), Aizawl Smart City Ltd., and tender was floated for the procurement of sanitary napkin vending machine and incineration by the Mizoram Government. However, the terms and conditions mentioned in the tender do not seem to conform to rules and appear to violate MSME Order 2012, and opens a gateway for corruption.

2. On perusal of the complaint, letter vide memo No. C.13017/30/2021-ML dt. 12.7.2021 was sent to the CEO, Aizawl Smart City Ltd. in which their comment(s) along with factual position report were sought. Reply vide letter No. F.23016/34/2020/CEO/ASCL/47 dt. 9.9.2021 from the CEO, ASCL was received in which it was stated that the Aizawl Smart City Ltd. observes all sound procurement process of procurement of all items. Further, in order to get more participants and more competitive rate, tender for the package of Sanitary Napkin Vending Machines was advertised in National Newspapers and Local Newspapers, and the tender was open to all manufacturers and suppliers having experience. As per the letter, qualifications in the Bidding Document were framed considering the technical requirement for installation and Operation &

Maintenance for 3 years. Hence, it was considered that best results in the implementation of the machines may only be seen if the contract was awarded to those firms/person(s) who have experience in the field.

3. The Secretary, Mizoram Lokayukta then sent a letter vide No.C.13017/30/2021-ML dt. 23.9.2021 to the CEO, ASCL stating that the General Financial Rules, 2017 as adopted by the Govt. of Mizoram, the Mizoram Transparency in Public Procurement Act, 2008, the Mizoram Public Procurement Rules, 2020, Manuals and Procedures, prescribed by the Government mandate the adoption to two envelope bidding procedure for procurement of goods and services. Hence, the CEO, ASCL was requested to furnish clarifications on the various points. After a reminder dt. 5.1.2022 was sent to the CEO, ASCL, a reply was received vide letter No.F.23016/34/2020/CEO/ASCL/50 dt.28.1.2022. The main points of query and reply received may be summed up as under:

i). Details of bidders in the Envelope No. 1 (Technical bid) and whether Envelope No. 2 (Financial bid) were opened only in respect of those who qualified the technical bid.

As per the reply received, the details of bidders in Envelope No. 1 (Technical bid) who submitted the bids are provided. The names of the firms are (i) M/s Mehar Agencies Pvt. Ltd- M/s 6th Sense Innovations JV and (ii) M/s Vidur's-M/s Cecon Pollutech Systems Pvt. Ltd. JV.

ii). List of bidders who qualified the technical bids along with the particular of their financial bids.

As per the reply, M/s Mehar Agencies Pvt. Ltd. – M/s 6th Sense Innovations JV is the lone technically qualified bidder with Financial Bid amounting to ₹2,03,81,940/-.

iii). The names/particulars of bidders finally selected with justifications.

According to the reply received, the Bid Evaluation Committee decided to accept the bid of the lone technically qualified bidder M/s Mehar Agencies Pvt. Ltd.- M/s 6th Sense Innovations JV for the Contract Package, as- (i) The tender was floated with satisfactory advertisement and publicity. Further, the submission time was extended for 13 days giving enough time for any perspective bidders. (ii) The package is new technology and there are only few manufacturers in the country at present and re-tendering may not result in more participation, (iii) Re-tendering may result in delaying the project implementation as the project is implemented in a mission mode with time bound manner, and (iv) The quoted price of M/s Mehar Agencies Pvt. Ltd.-M/s 6th Sense Innovations JV is within the range of the estimated cost.

iv). Names and particulars of members of the Committee and those who participated in the meeting.

As per the reply received, the details of names and particulars of members of the Bid Evaluation Committee are listed. The Committee consisted of 7 personnel from Aizawl Smart City Ltd., UD&PA Dept. and Aizawl Municipal Council.

v). The attested copy of proceeding of the tender Committee.

The CEO, ASCL has enclosed the attested copy of the Bid Evaluating Committee.

4. After thorough perusal of the reply received from the CEO, ASCL, a letter dt. 1.3.2022 was again issued to which a reply letter was received vide letter No.F.23016/34/2020/CEO/ASCL/55 dt.9.3.2022. The points of clarifications sought and the explanations received are summed up as follows:

i) The reason as to why incinerator was not listed in the items in the advertisement floated in the local and national newspapers as it can lead to mismatch in the item desired and item supplied.

As per the reply received, incinerator was not mentioned in the advertisement because the name of the project is “Procurement of Sanitary Vending Machine.” However, the project encompasses sanitary vending machine from where sanitary napkins can be procured and also incinerator for the disposal of used sanitary napkins. The detailed requirements are clearly spelled out in the bidding documents. Further, the advertisement for invitation for bids was a short notice, wherein it was clearly mentioned that details could be obtained from the Office of the Chief Executive Officer, Aizawl Smart City Ltd., and ASCL website.

ii) The details of bid documents submitted by M/s Mehar Agencies Pvt. Ltd. and other agencies/bidders.

The CEO, ASCL has enclosed the detailed Bid Documents submitted by (a) M/s Mehar Agencies Pvt. Ltd., Kolkata-M/s 6th Sense Innovations JV and (b) M/s Vidur’s-M/s Cecon Pollutech Systems Pvt. Ltd. JV, Guwahati.

iii) Have any other items been supplied to ASCL by M/s Mehar Agency? Is there any other supply/contract work executed by the Proprietor, M/s Mehar Agency in the name of other agencies?

According to the reply received, no other item has been supplied by M/s Mehar Agencies Pvt. Ltd. or the Proprietor of M/s Mehar Agencies Pvt. Ltd. under ASCL.

5. The Secretary, Mizoram Lokayukta then sent a letter to the complainant vide letter No.C.13017/30/2021-ML dt. 24.3.2022 stating therein all the actions taken by the Mizoram Lokayukta based on the complaint petition and that the complainant is free to send more queries on the matter if necessary, and enclosed every copy of the communication letters between Mizoram Lokayukta and Aizawl Smart City Ltd. The reply/comment of the complainant was awaited for some time for further proceedings of the case. Since no reply was received from the complainant, a letter dt. 10.8.2022 was against issued to the complainant reminding her to provide comment(s) on the matter in the interest of justice. The complainant replied via Whatsapp on 10.8.2022 stating that she was grateful for providing her with more time to write her comments and that she would be writing soon. However, no response has been received from the complainant till date.

6. The Lokayukta carefully scrutinized the issue and studied all the documents submitted by ASCL and there seems to be no irregularities. The Aizawl Smart City Ltd. has responded to our queries well and seemed to follow prescribed rules and regulations in the project “Procurement of Sanitary Vending Machine.” Further, though sufficient opportunity was afforded to the complainant to submit comments on the explanation furnished by the respondent, the complainant has not done so

even after a lapse of six months. It is assumed that she accepts the clarifications and explanations provided by ASCL. The complaint could not bring evidence showing irregularities committed by the respondent and the explanation furnished by the respondent was neither challenged. Based on the documents available on record, there does not seem to be any negligence or partiality by the respondents in selecting the qualified bidder. Accordingly, in terms of Section 19(1) of the Mizoram Lokayukta Act, 2014 and considering the facts and documents available on record, it is a fit case for closure of further proceedings. Hence, the case is hereby closed.



(C. LALSAWTA)

Chairperson
Mizoram Lokayukta