

**NATIONAL COUNCIL OF EDUCATIONAL RESEARCH AND TRAINING
129th MEETING OF FINANCE COMMITTEE MEETING**

The 129th meeting of the Finance Committee of the National Council of Educational Research and Training (NCERT) was held at 11.00 a.m. on 29th January, 2016 in the Conference Room, 1st Floor, Zakir Hussain Block, NIE Campus, Sri Aurobindo Marg, New Delhi - 110016 under the chairpersonship of Dr. Hrushikesh Senapaty, Director NCERT. A list of members who attended the meeting is attached as Annexure - I.

The Director, NCERT extended a warm welcome to the committee members, after which the agenda items were taken up by the Secretary, NCERT.

Item No. 1: Confirmation of the Minutes of the 128th Meeting of the Finance Committee held on 08th September, 2015.

The minutes of the 128th meeting of the Finance Committee, held on 08th September, 2015, were confirmed. The comments received from MHRD (Sch.4) under Item No.9 of the minutes was received and complied with the same.

Item No. 2: Action taken on the Minutes of the 128th Meeting of the Finance Committee held on 08th September, 2015

The Committee noted the action taken by the Council on various decisions taken in the 128th meeting of the Finance Committee, held on 08th September, 2015.

Item No. 3: Procurement of Paper for the Session 2016-17.

Head, Publication Division stated that the Finance committee in its 128th meeting held on 08.09.2015 approved the proposal for:

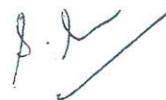
- i Procurement of 10500 MTs of 80 GSM Maplitho Paper with NCERT watermark conforming to BIS Specification 1848/07 with latest amendments, if any, from DGS&D rate contract, from the mills having DGS&D Rate Contract. In case the DGS&D rate contract is not available then procurement of above quantity of paper may be considered through open tender.

- ii Procurement of 570 MTs of 220 GSM Art Card conforming to BIS Specification 4658/1988 with latest amendments, if any. The Art Card may be procured on DGS&D rate contract. In case, there is no firm on DGS&D Rate Contract, the same may be procured through open tender.
- iii The inspection of both varieties of paper may be assigned to Quality Assurance, DGS&D and the payment @ 1% of value of procured paper and Art Card plus taxes, if any, will also be reimbursed to the supplying mills.
- iv NCERT may review the applicability of payment of DGS&D referral charges @0.25% of value of procured paper and Art Card plus taxes to DGS&D vendor.
- v An additional 25% clause for text and cover paper may be allowed.

Accordingly, the Council floated tender for procurement of 10500 MTs of 80 GSM Maplitho Paper made from 100% virgin pulp (as it was done in previous years after obtaining approval from competent authority) for text paper and 570 MTs of 220 GSM Art Card since DGS&D R/c was not available at that time for both the varieties of paper.

Just after release of the tender, Council received various representations i.e. N R Agarwal Industries Limited, Gujarat Paper Mills Association and Dr.K.C.Patel (Hon'ble MP, Lok Sabha). Gujarat Paper Mills Association in their representation requested to delete the condition of virgin pulp and also requested to consider use of recycled paper for open and wide competitive tender as done by DGS&D in the interest of nation. They also stated that, any restrictive clause in the tender will encourage cartelization and limit the tender for the benefit of a few players.

Regarding Art Card, Federation of Paper Convertors of India have stated in their letter dated 3.11.2015 that NCERT was using Pulp Board 220 GSM Grade "S" up to year 2011-12 as per IS:4664 but later on changed to Art Board conforming to IS:4658. It was stated that Pulp Board of Grade "S" is similar to that used in Food Packing and specify the permissible presence of containments, whereas Art Card does not specifies any containment and Art Card is costlier compared to Pulp Board. Hence, requested to procure only Pulp Board grade "S" for Text Book (Cover Printing). In view of this, competent authority decided to withhold the tender process.



NCERT has also received representations from M/s TNPL, M/s HPCL, M/s Satia Industries Limited and from Federation of Indian Agro Paper Mills in the support of paper made from virgin pulp. Mills have also quoted the judgement of M/s Shah Paper Mills. Limited dated 09.03.2015 "So far as specification of recycled pulp and virgin pulp paper is concerned, if the State Government decides to use virgin pulp paper, the object appears to be to provide good quality of textbooks to the students an object that the paper quality may be good which may make interest in reading to the students and if the quality of paper is poor, undoubtedly, it is not accepted by the students". They have requested DGS&D to bring out Rate Contract for paper made from virgin pulp.

For looking in to these representations, Competent authority of the NCERT constituted a committee consisting of the following paper experts:

i	Prof. Dinesh Kumar	Head, Publication Division	Chairman
ii	Dr. Dharm Dutt	Prof. Dept. of Paper Technology IIT Roorkee, Saharanpur Campus	Member
iii	Dr. B.P. Thapliyal	Nominee, Director CPPRI	Member
iv	Sh. R. K. Sharma	Paper Expert, DGS&D	Member
v	Sh. Tarun Davey	Nominee, JD (Production), NBT	Member
vi	Sh. Shiv Kumar	Former CPO (Pub. Div., NCERT)	Member
vii	Sh. Arun Chitkara	CPO I/c	Member/Convenor

The meeting of the committee was held on 29.12.2015 in the Publication Division. During discussions, it emerged that though the BIS parameters are same for recycled and virgin pulp paper, Committee members showed concern for use of recycled paper.

Considering all facts, the committee has recommended for procuring following varieties of paper for NCERT textbooks:

1. Maplitho paper 'Type A with Eco mark' fulfilling all parameters specified in IS: 1848:2007, with brightness 80%, should be procured. Members suggested that the word 'virgin pulp' may be considered to be deleted from the tender document. (Type 'A' category of paper as defined in BIS 1848/2007 is "Manufactured from pulp containing not less than 60% by mass of pulp made from pulp other than bamboo, hard wood, soft wood and reed")

2. Coated Art Board 220 GSM as per IS 4658/1988 specification.
3. Committee discussed the merits and demerits of Pulp Board Grade S and concluded that Pulp Board of Grade S is suitable for packaging purposes and it should not be used for both side printing. In view of this, committee suggested to use Coated Art Board 220 GSM as per IS: 4658/1988 specification.

Now, the DGS&D Rate Contract has been finalized and the Rate Contract for the seven mills has been uploaded on DGS&D website for Maplitho Paper duly ISI Mark to IS: 1848/2007 in sheets/reels and as per general technical requirements on DGS&D rate contract. All the seven mills manufacture either recycled paper or type A paper. No mill is manufacturing paper made from virgin pulp.

In view of above, the following proposals were submitted for consideration and decision of the finance committee:

- A. Procurement of 10500 MTs 80 GSM Maplitho Paper with NCERT watermark as per BIS specification 1848/2007 manufactured from 100% virgin pulp for which the tender has already been floated.

OR

Procurement of 10500 MTs 80 GSM Maplitho Paper- Type A, with Ecomark fulfilling all parameters specified in IS: 1848/2007, with brightness 80% with NCERT watermark as recommended by the Committee through open tender as DGS&D rate contract for said variety of Paper available for 77% brightness.

OR

Procurement of 10500 MTs 80 GSM Maplitho Paper duly ISI Mark to IS: 1848/2007 in sheets/reels with NCERT watermark and as per general technical requirements on DGS&D rate contract and NCERT's tender terms & conditions.

- B. Procurement of 570 MTs Art Card 220 GSM as per IS 4658/1988 specification for which open tender has already been floated since no DGS&D rate contract is available for this variety of paper (Committee suggested Coated Art Board- the conventional name of Coated Art Board is Art Card)

While discussing the item Shri Amit Cowshish asked clarification on the issue of payment of inspection charges @1% and referral charges @ 0.25% as mentioned in Agenda. Head, Publication clarified that the same is given to the DGS&D either directly or through reimbursement mechanism to the vendor. The inspection charge of 1% is as ^{per} clause 24B of DGS&D rate contract and clause 7(1) of NCERT agreement. Also that this arrangement has been made for convenience, as the mills initially pay the charges directly to DGS&D on inspection which is later reimbursed by the NCERT.

The members raised the aspect that point (v) i.e. additional 25% clause for text and cover paper, is not clear. It was clarified that the additional 25% is for quantity variation.

The Committee discussed at length the 3 proposals that had been submitted for consideration under option No. A.

1. Procurement of 10500 MTs 80 GSM Maplitho Paper with NCERT watermark as per BIS specification 1848/2007 manufactured from 100% virgin pulp for which the tender has already been floated.

It was stated that this option had been approved by the Finance Committee in its meeting held on 08.09.2015. The committee agreed that since this had already been approved after due deliberations, further discussion is not needed and the other options need to be discussed.

2. Procurement of 10500 MTs 80 GSM Maplitho Paper - Type A, with Ecomark fulfilling all parameters specified in IS: 1848/2007 with brightness 80% with NCERT watermark as recommended by the Committee through open tender as DGS&D rate contract for said variety of Paper available for 77% brightness.

It was clarified that this option was based on the recommendations of the Technical Committee Meeting held on 29.12.2015.

3. Procurement of 10500 MTs 80 GSM Maplitho Paper duly ISI Mark to IS : 1848/2007 in sheets/reels with NCERT watermark and as per general technical requirements on DGS&D rate contract and NCERT tender terms and conditions.

It was stated that the need of this option came about as new specifications have since been finalized in the recently published DGS&D RC. It was stated that for the first time, DGS&D had quality parameters only. Also that the paper made of virgin pulp did not find mention in the RC as in previous years.

The FC focused on discussing the second and the third option in detail since the first option had already been approved by the FC.

About the second option of procuring Type-A & Ecomark paper external members wanted to know whether or not recycled paper with 77% brightness as given in RC will be sufficient to meet the quality standards of NCERT textbooks. Head, Publication Division stated that since few of the NCERT books are required to be printed in 4 colours, and that the paper has to be inserted in the machine 4 times, paper made of virgin pulp has been found to be more amenable to such repeated insertions in the machine. Secretary, NCERT, had informed the Committee that NCERT has been procuring maplitho paper earlier generally with the following specifications:-

- (a) Paper made from virgin pulp (except the academic year 2011-12 and 2012-13)
- (b) Paper with brightness 80% (except year 2015-16)

Moreover the technical committee in its meeting on 29.12.2015 had also recommended a brightness of 80% (for Type A Ecomark variety) and therefore the specification of 77% brightness offered in the RC needs to be relooked.

One of the members asked whether it was possible to place order on vendors as per the previous tender agreement. Since the RC had expired on 31st May, 2015, members agreed that it would not be correct to place orders on the vendors as per the previous RC.

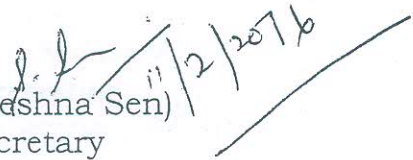
Deputy Secretary (Finance) MHRD wanted to know what has been the convention and practice and the quality of paper we have purchasing in the past. It was conveyed that the Council has largely been purchasing, virgin paper in the past. In this regard the minutes of 126th FC committee held in 2014 were shared with the members in which it was stated that the Council should purchase Maplitho paper as per BIS specification 1848/07 made of 100% virgin paper pulp from the mills enlisted with DGS&D under the then Rate Contract on the basis of NCERT's terms & conditions for the session 2015-16. Head, PD, NCERT highlighted that comparisons had been drawn between virgin and recycled paper which indicated that paper made from virgin pulp seems to be superior in terms of tear and brightness. Deputy Secretary (Finance) also asked whether NCERT had purchased recycled paper in the past. Head Publication Division stated that except for academic years 2011-12 and 2012-13, NCERT had been purchasing paper made from virgin pulp. Regarding printing of book using recycled papers, the Head, Publication Division informed the committee that during the academic year 2011-12 & 2012-13 Council faced problem because mills could not adhere to the

schedule. Also, one mill backed out from the contract to supply paper. All these resulted into delay of printing programme of text books and were litigations which were awarded in favour of NCERT by the Hon'ble Court. Council purchased paper made from virgin pulp from the academic year 2013-14 onwards which was duly approved by the FC committee in the 122nd meeting held on 14.5.2012.

After detailed discussions, The Finance Committee finally recommended that the Technical Committee constituted earlier should be convened at the earliest and the members asked to evaluate whether the 77% brightness would be appropriate for printing textbooks of NCERT.

Regarding procurement of Art paper (Option B of the Agenda), it was unanimously decided that the NCERT should go ahead with the tender process as DGS&D RC is not available for the said variety and as suggested by the Technical Committee in its m

The meeting ended with a vote of thanks to the chair.


(Sudeshna Sen)
Secretary


(Hrushikesh Senapaty)
Director

ANNEXURE-I

LIST OF MEMBERS AND SPECIAL INVITEES ATTENDED THE
129th FINANCE COMMITTEE MEETING HELD ON 29th JANUARY, 2016.

Dr. Hrushikesh Senapaty Director, NCERT New Delhi – 110016	Chairperson
Sh. Anil Kakaria Deputy Secretary (Finance) Representing JS & Financial Advisor Ministry of HRD (Department of School Education & Literacy), Shastri Bhawan New Delhi – 110001	Member
Sh. T.S. Rautela Deputy Secretary Representing Joint Secretary (SE-II) Ministry of HRD (Department of School Education & Literacy), Shastri Bhawan New Delhi – 110001	-do-
Shri Amit Cowshish Additional Secretary (Retd.) Ministry of Defence 578, Sector 'A' Pocket 'C' Vasant Kunj New Delhi-110070.	-do-
Smt. Neelam Nath Former Secretary to GOI F/1104 Park View City 2 Sohna Road, Sector 49 Gurgaon (Haryana)	-do-
Ms. Sudeshna Sen Secretary, NCERT New Delhi – 110016	Member-convener

Special invitee/Other present

1. Prof.B.K.Tripathi
Joint Director, NCERT
2. Prof. Dinesh Kumar
Head, Publication Division, NCERT
3. Shri D.P.Toor
CAO, NCERT
4. Shri Arun Chitkara
CPO I/c NCERT (PD)