

**MINUTES OF THE 2nd MEETING OF SCREENING COMMITTEE
HELD ON 27-11-2009 AT 03.00 PM UNDER THE CHAIRMANSHIP
OF HON'BLE IPH MINISTER FOR PROCUREMENT OF G.I./D.I
PIPES FOR THE YEAR 2009-10.**

The following were present:-

- | | | |
|----|--|-----------------|
| 1. | Sh. A.C. Dogra,
LR-Cum- Secretary (Law)
to the Govt. of H.P. | Member |
| 2. | Sh. Narinder Chauhan ,
Principal Secretary (IPH)
to the Govt. of H.P. | Member |
| 3. | Sh. K.K. Pant
Secretary (Finance)
Rep. of Principal Secretary (Finance)
to the Govt. of H.P. | Member |
| 4. | Sh. Ashok Kaushal,
Rep.of Managing Director
H.P. State Civil Supply Corp. | Member |
| 5. | Sh. Suresh Sharma.
Joint Director,
Rep. of Director Industries
cum-Controller of Stores, H.P. | Member |
| 6. | Sh. R.K. Sharma,
Chief Engineer
IPH Department
Hamirpur Zone | Special Invitee |
| 7. | Sh. D.K. Gupta,
Engineer-in-Chief,
IPH Department. | Member Secy. |

ITEM NO. I G.I. PIPES.

After having gone through the memorandum placed before it for consideration, the Screening Committee examined it and all the annexures appended thereto. The following decisions were arrived at:-

The Screening Committee considered the requirement of G.I. Pipes and decided that keeping in view the requirement of **22750 MT (i.e. 17900 MT Socketed and 4850 MT Plain ended pipes)** for the year 2009-10, these may be procured from the L-1 firms, however since L-1 firm M/s Zenith restricted supply of pipes to 12658 MT , whereas the firm was lowest for 17883 MT, it was decided to distribute balance quantities to L-2 firm on L-1 negotiated rates. It was also decided that quality of G.I. pipes supplied by Zenith Birla (India) Ltd. may be got checked on random basis in the departmental store.

In addition M/s HM Steel Ltd. being local unit although not amongst L-1 & L-2 firms also considered for placement of orders. The firm is having its MOU with approved vendor (SAIL) of 1200 MT only out of this 480 MT has already been lifted by the firm till November,2009. Thus the committee decided to offer 600 MT quantity of GI pipes to M/s H.M.Steel Ltd.

Due to change in class of pipes from S&S to plain end for Nalagarh Division and reduction in local unit's quantities, the quantities proposed have altered slightly. The detail of procurement approved is as below:-

Sr. No	Name of firms	Status of the firm	Socketed Pipes (Qty. in MT)	Plain Ended Pipes (Qty. in MT)	Total (Qty. in MT)
1	M/s Zenith Birla (India) Ltd.	L-1	7827	4831	12658
2	M/s Swastik Pipes Ltd.	L-1	2229	19	2248
3	M/s Swastik Pipes Ltd.	L-2	2414	0	2414
4	M/s Bihar Tubes Ltd.	L-1	2616	0	2616
5	M/s AST Pipes Ltd.	L-2	1875	0	1875
6	M/s Jadia Pipes Ltd.	L-2	339	0	339
7	M/s H.M. Steel Ltd.	(Local unit)	600	0	600
		Total:-	17900	4850	22750

The Screening Committee further decided to approve the following negotiated rates negotiated by the negotiation Committee constituted earlier vide Notification No. PBW(PH)5(2)1-84-X dated 27-11-2008 by the Principal

Secretary (IPH) to the Govt. of Himachal Pradesh separately for excise exempt and non exempt category.

M/S Zenith Birla (India) Ltd (L-1 Rates)

Sr. No.	Dia of Pipe	Negotiated Basic Rates Ex-works for Socketted Pipes. (Rs. Per MT)		Negotiated Basic Rates Ex-works for Plain ended Pipes. (Rs. Per MT)		Negotiated Freight Ex-works to nearest Rail Head. (Per MT)
		Non-Exempt	Exempt	Non-Exempt	Exempt	
1	15mm (L)	38450	40583.98	--	--	2530
2	15mm(M)	34935	36873.89	--	--	2530
3	20mm(L)	38295	40420.37	--	--	2530
4	20mm(M)	34935	36873.89	--	--	2530
5	25mm(L)	37252	39319.49	--	--	2530
6	25mm(M)	34935	36873.89	--	--	2530
9	32mm(M)	34935	36873.89	34208	36106.54	2530
11	40mm(L)	36480	38504.64	--	--	2530
12	40mm(M)	34163	36059.05	33450	35306.48	2530
13	40mm(H)	34163	36059.05	--	--	2530
14	50mm(L)	36222	38190.00	--	--	2530
15	50mm(M)	34163	36059.05	33450	35306.48	2530
16	50 mm(H)	--	--	33450	35306.48	2530
18	65mm(M)	34163	36059.05	33450	35306.48	2530
19	65mm(H)	34163	36059.05	33450	35306.48	2530
20	80mm(L)	35707	37688.74	34967	36907.67	2530
21	80mm(M)	34163	36059.05	33450	35306.48	2530
22	80mm(H)	34163	36059.05	33450	35306.48	2530
23	100mm(L)	36662	38696.74	--	--	2530
24	100mm(M)	35363	37325.65	34461	36373.59	2530
25	100mm(H)	34163	36059.05	33450	35306.48	2530
26	125mm(M)	34163	36059.05	33450	35306.48	2530
27	125mm(H)	34163	36059.05	33450	35306.48	2530
28	150mm(M)	35363	37325.65	34650	36573.08	2530
29	150mm(H)	35363	37325.65	34650	36573.08	2530

- **Excise duty @ 8.24% Extra.**
- **CST @ 4% without Form C**

M/S Swastik Pipes Ltd. (L-1 Rates)

Sr. No.	Dia of Pipe	Negotiated Basic Rates Ex-works for Socketted Pipes. (Rs. Per MT)		Negotiated Basic Rates Ex-works for Plain ended Pipes. (Rs. Per MT)		Negotiated Freight Ex-works to nearest Rail Head. (Rs.Per MT)
		Non-Exempt	Exempt	Non-Exempt	Exempt	
1	50mm(L)	37803.00	39901.00	--	--	750
2	65mm(L)	37350.00	39422	36750.00	38789.00	750

Being L-2, agreed on L-1 rates as under:-

Dia & Class	Non-exempt Basic ex-works rate	Exempt basic ex-works rate	Freight upto rail head
Socketted			
15(L)	40031	42252	750
20(L)	39876	42089	750
32(M)	36516	38542	750
50(M)	35744	37727	750
65(M)	35744	37727	750
65(H)	35744	37727	750
125(M)	35744	37727	750
125(H)	35744	37727	750
150(M)	36944	38994	750
150(H)	36944	38994	750
Plain End			
32(M)	35789	37775	750
50(M)	35031	36975	750
50(H)	35031	36975	750
65(M)	35031	36975	750
65(H)	35031	36975	750
150(M)	36231	38241	750
150(H)	36231	38241	750

- **Excise duty @ 8.24% Extra.**
- **CST @ 4% without Form C**

M/S Bihar Tubes Ltd. (L-1 Rates)

Sr. No.	Dia of Pipe	Negotiated Basic Rates Ex-works for Socketted Pipes. (Rs. Per MT)		Negotiated Basic Rates Ex-works for Plain ended Pipes. (Rs. Per MT)		Negotiated Freight Ex-works to nearest Rail Head. (Rs.Per MT)
		Non-Exempt	Exempt	Non-Exempt	Exempt	
1	32mm(L)	39200.00	41375.00	--	--	800

- **Excise duty @ 8.24% Extra.**
- **CST @ 4% without Form C**

AST Pipes Ltd. Being L-2, agreed on L-1 rates as under:-

Sr. No.	Dia of Pipe	Negotiated Basic Rates Ex-works for Socketted Pipes. (Rs. Per MT)		Negotiated Basic Rates Ex-works for Plain ended Pipes. (Rs. Per MT)		Negotiated Freight Ex-works to nearest Rail Head. (Rs.Per MT)
		Non-Exempt	Exempt	Non-Exempt	Exempt	
1	25mm(L)	39055	41222	--	--	500
2	32mm(L)	39466	41656	--	--	500
3	40mm(L)	38283	40407	--	--	500
4	65mm(L)	--	--	36972	39023	500
5	80mm(L)	--	--	36770	38810	500
6	100mm(L)	--	--	36263	38275	500

- **Excise duty @ 8.24% Extra.**
- **CST @ 4% without Form C**

Jadia Pipes Ltd. Being L-2, agreed on L-1 rates as under:-

Sr. No.	Dia of Pipe	Negotiated Basic Rates Ex-works for Socketted Pipes. (Rs. Per MT)		Negotiated Basic Rates Ex-works for Plain ended Pipes. (Rs. Per MT)		Negotiated Freight Ex-works to nearest Rail Head. (Rs.Per MT)
		Non-Exempt	Exempt	Non-Exempt	Exempt	
1	80mm(L)	37954	40060	--	--	NIL
2	80mm(M)	36410	38430	--	--	NIL
3	100mm(L)	38909	41068	--	--	NIL
4	100mm(M)	37610	39697	--	--	NIL
5	100mm(H)	36410	38430	--	--	NIL

➤ **Excise duty @ 8.24% Extra.**

➤ **CST @ 4% without Form C**

H.M. STEELS LIMITED (Local unit rates) agreed on L-1 rates as under:-

Sr. No.	Dia of Pipe	Negotiated Basic Rates Ex-works for Socketted Pipes. (Rs. Per MT)
1	15mm(L)	44050
2	20mm(L)	43882
3	25mm(L)	42752
4	32mm(L)	43199
5	40mm(L)	41917
6	50mm(L)	41638
7	65mm(L)	41148
8	80mm(L)	41081
9	100mm(L)	42114

➤ **Excise duty Nil.**

➤ **CST @4% without Form C**

ITEM NO.II D.I. PIPES:-

The Screening Committee considered and approved the requirement of 81187 Rmt. of D.I. K-7 Socketted and spigot pipes for the year 2009-10.

Only one firm i.e. M/s Electrotherm (India) Ltd. have quoted their rates amongst three manufacturers in India, although the tender was widely publicised and displayed timely on the web site of the department. The tenders

were sent for publication to Director, Public Relations on 29-08-09 i.e one month prior to opening of tender .

Previously, two other firms i.e. M/S Jindal Saw Ltd., New Delhi and M/S Electrosteel Castings Ltd., Kolkata used to participate in the tender. Both the firms vide separate letters dated 25-9-2009 vide similar letters requested the department for postponement of tender on the pretext of Durga Pooja / Dusshera Holidays and spate of other holidays ahead. The offices in Shimla were closed on 26, 27 & 28.09.2009 being holidays. The department did not accede to their request, it being made on frivolous grounds as the firm reasons were not mentioned by them. The tender for procurement of G.I. pipes were also scheduled to be opened simultaneously on the same day i.e. on 30-09-2009.

The Engineer-in-Chief has full powers to accept single tender. Govt. of Himachal Pradesh vide notification dated 15/11/1996 has given full powers to the Engineer-in-Chief of the department for acceptance of single tender. He has also been fully empowered for making purchases from principal manufacturers with the approval of the Govt. as per this notification.

Both the firms again represented on 16-11-2009 not to go ahead with the processing of single tender and cited CVC guidelines in their identical letters .

In this regard , Para 15 of CVC Guidelines states that :-“ It is very important to establish the reasonableness of prices on the basis of estimated rates , prevailing market rates , last purchase prices, economic indices of the raw material / labour, other input costs and intrinsic value etc. ,before award of the contract” and as per its para 6.3 “It is imperative that the purchase on Single tender basis be made with the detailed justifications in its support and with the approval of Competent Authority including associated finance.”

The Department procured DI Pipes during 2008-09 from M/s Jindal Saw Ltd. & Electro Steel Casting Ltd.,. The rates quoted by single bidder are lesser by more then 20% of the previous year rates of Jindal Saw Ltd. & Electro Steel Casting Ltd.. The rates prevalent in the neighbouring states of Haryana, UP and Uttarakhand for Government procurement are significantly higher than the single bidder's offer.

Thus the committee apprehended that recall of tender may result in higher rates due to formation of cartel and felt that the other two firms are working in tandem to block genuine competition. Also since the tender was timely and duly publicised and floated on official website and after examining the reasonability of rates with respect to previous year rates and rates prevalent in neighbouring states, the committee opined to approve the single offer received at the rates negotiated by the negotiation committee.

M/s Electrotherm (India) Ltd.

Sr. No.	Dia & Class of Pipes	Negotiated Basic Rates Ex-works (Rs. Per Rmt)	Qty.approved for placing supply order to M/s Electrotherm (India) Ltd. (Rmt)	Negotiated Freight from ex-works to nearest Rail Head (Per Rmt) in Rs.
EXCISE DUTY NON-EXEMPT D.I. PIPES				
1	150 mm K-7	778.70	71970	98
2	200 mm K-7	1043.55	3350	133
3	250 mm K-7	1369.10	4302	188
4	300 mm K-7	1681.46	1515	255
5	350 mm K-7	2095.00	50	325
	Total:		81187	

- **Excise duty @ 8.24% Extra.**
- **CST @5% without Form C (Gujrat's local VAT rates applicable without Form C**

ITEM NO. 3 To include M/S ISPAT INDUSTRIES LTD. as approved vendor for supply of raw material.

The Committee discussed the matter in details and keeping in view the credentials submitted by the firm, Committee approved M/S ISPAT Ltd. for one year to supply raw material to the firms manufacturing G.I. pipes in addition to already short-listed companies.

ITEM NO.4 Extension case

The Committee discussed the extension case in favour of M/S Jindal Industries Ltd. and keeping a lenient view, granted extension for a period of 50 days beyond actual delivery period.

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

Sd/-
(R.K. Sharma)
Chief Engineer,
IPH Department
Hamirpur Zone

Sd/-
(D.K.Gupta)
Engineer-in-Chief,
Irrig. & P.H. Deptt., HP.

Sd/-
(Suresh Sharma)
Joint Director, Rep.of
Director Industries-cum-
Controller of Stores,HP.

Sd/-
(Ashok Kaushal)
Rep.of Managing Director,
HP State Civil Supplies Corp.

Sd/-
(K.K.Pant)
Secretary (Finance)
Rep. of Principal Secretary (Finance)
to the Govt. of H.P.

Sd/-
(A.C.Dogra)
LR-cum- Secretary (Law),
to the Govt. of H P

Sd/-
(Narinder Chauhan)
Principal Secretary (IPH)
to the Govt. of H P

Sd/-
(Ravinder Singh Thakur)
IPH Minister,
Govt. of H.P.

**MINUTES OF THE 2nd MEETING OF SCREENING COMMITTEE
HELD ON 30-07-2008 AT 03.00 PM UNDER THE CHAIRMANSHIP
OF HON'BLE IPH MINISTER.**

The following were present:-

- | | | |
|----|---|--------------|
| 1. | Shri. Narendar Chauhan ,
Principal Secretary (IPH)
to the Govt. of Himachal Pradesh,
Shimla-171002. | Member |
| 2. | Shri K.K. Sharma,
Special Secretary (Law),
to the Govt. of Himachal Pradesh
Shimla-171002 | Member |
| 3. | Shri. K.L. Kashyap,
Under Secretary (Fin)
to the Govt. of Himachal Pradesh,
Shimla-171002. | Member |
| 4. | Sh. Ajai Bhandari ,
Managing Director
H.P. State Civil Supply Corp.
Shimla. | Member |
| 5. | Shri R.R. Patyal
Deputy Director,
R/O Director-cum-Controller of Store,
Industries Department, Shimla. | Member |
| 6. | Sh. R.N.Sharma,
Engineer-in-Chief,
IPH Department.,
US Club, Shimla171001. | Member Secy. |

The agenda items have been deliberated in details and the Committee arrived at the following decision:-

ITEM NO. I G.I. PIPES

The matter has been discussed in details and the Committee considered and approved the terms and conditions for G.I. and D.I. pipes **as annexed "A" and "B"**.

ITEM NO. II NON-SUPPLY OF G.I./D.I PIPES

(a) The matter has been discussed in details, since the firm expressed its inability to supply pipes in 1/2008 before the supply orders were placed, Committee took a view and decided not to black-list the firm but forfeiture of earnest money was considered and approved. Accordingly, the department was directed to cancel the supply orders placed as such on said firm.

(b) The matter has been discussed in details and the Committee approved the extension of delivery period upto 31-08-2008 in favour of M/S Bihar Tubes Ltd., New Delhi against supply orders dated 11-02-2008 and 27-03-2008 without any price escalation. The Committee further decided to forfeit the earnest money, if the firm further fails to supply full quantity of G.I. pipes ordered with the said firm.

(c) The matter has been discussed in details and the Committee decided to cancel the supply order placed in favour of M/S Jindal Saw Ltd., New Delhi. The Committee further decided to forfeit the earnest money of the said firm.

ITEM NO. III EXTENSION CASES

(a) The Committee discussed the extension case in favour of M/S Bhushan Power and Steel Ltd., Chandigarh and granted Ex-post facto approval for time extension already allowed by the Engineer-in-Chief (IPH).

(b) The Committee discussed the extension case in favour of M/S H.M. Steel Ltd., Kala-Amb and granted Ex-post facto approval to time extension already allowed by the Engineer-in-Chief (IPH).

(c) The Committee discussed the extension case in favour of M/S Jindal Industries Ltd., New Delhi and granted Ex-post facto approval to time extension already allowed by the Engineer-in-Chief (IPH).

ITEM NO. IV INCLUSION OF RITES FOR THIRD PARTY INSPECTION

The Committee discussed the matter in details and allowed 100% inspection from M/S RITES, in addition to DGS&D, to avoid delays in 1st hand inspection clearances.

It was pointed out to the Committee that M/S Bhawani Industries Ltd. were given maximum supply order of G.I. Pipes against which only a meagre quantity of 2147.71 tonnes has been supplied so far. Committee decided to debar this firm for participation in the tender process in future or till such time that delivery is not made or the Screening Committee allows such participation in future. Earnest money was also ordered to be forfeited.

ITEM NO. V HDPE DETECTABLE/HDPE PIPES AS PER BIS STANDARD

Presently this department is using GI/DI/CI.MS pipes for Water Supply Schemes it is felt that the alternate option is also need of the hour. Therefore, HDPE pipes conforming to IS standard like **BIS 4984, IS 14333, ISO 4427, DIN 8074, ISI 14151** can be provided on trial bases on one or two schemes in rural area to ascertain its suitability & performance. It is proposed that the manufacturing firms should execute a scheme on trial basis and evaluate and report performance for replication / purchase in future. Therefore, the Committee approved the proposal of the Department, to execute such a scheme after fulfilling due codal formalities.

ADDITIONAL ITEM NO. I TO INCLUDE M/S PURSHOTAM ISPAT AS APPROVED VENDOR TO SUPPLY RAW MATERIAL.

The Committee discussed the matter in details and approved M/S Purshottam Ispat , New Delhi to supply raw material to the firms for manufacturing G.I. pipes as requested by him. The Committee further decided that the above firm is approved for supply of raw material only for one year and thereafter, the Committee shall review the quality of material and performance after getting feedback from G.I. pipes manufacturers.

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

Sd/-
(R.N. Sharma)
Engineer-in-Chief,
Irrig. & P.H. Department,
U.S.Club, Shimla-171001

Sd/-
(Sh. R.R. Patyal)
Deputy Director(Ind.)
Shimla-171001

Sd/-
(Ajai Bhandari)
Managing Director,
HP State Civil Supplies Corp..
Kasumpti, Shimla-171009

Sd/-
(K.L. Kashyap)
Under Secretary (Fin.)
to the Govt. of H.P.
Shimla-171002

Sd/-
(K.K. Sharma)
Spl. Secretary (Law)
to the Govt. of H P, Shimla-2

Sd/-
(Narendar Chauhan)
Principal Secretary(IPH),
to the Govt. of H P, Shimla-2

Sd/-
(Ravinder Singh Thakur)
Hon'ble Minister (IPH)
to the Govt. of H P, Shimla-2

