

No. IPH-SP-I-SCM-Vol. -XI/2019-20: 7434-48
Government of Himachal Pradesh
Irrigation-cum-Public Health Department

To

The Additional Chief Secretary (Finance) to the
Government of Himachal Pradesh, Shimla-171002.

The I.R-cum- Principal Secretary (Law) to the
Govt. of Himachal Pradesh, Shimla-171002.

The Secretary (IPH)
to the Govt. of Himachal Pradesh Shimla-2.

The Commissioner (Industries)-cum-Controller of Stores,
Deptt. of Industries, H.P., Shimla-171002.

The Managing Director,
H.P. State Civil Supplies Corp. Ltd.
SDA Complex, Kasumpti, Shimla-171009.

Dated Shimla-171001 the 25th February, 2020.

Subject: Minutes of the 5th Meeting of the Screening Committee held
on 27.01.2020 & 29.01.2020 under the Chairmanship of
Hon'ble I&PH Minister.

Sir/Madam,

Kindly find enclosed herewith a copy of the minutes of the
above meeting held on 27.01.2020 & 29.01.2020 under the Chairmanship of
Hon'ble I&PH Minister, Himachal Pradesh for favour of information please.

Yours: As above.

Yours faithfully,

(Er. Naveen Puri)
Member Secretary-cum-Engineer-in-Chief,
I&PH Department, Jai Shakti Bhawan,
Tutikandi, Shimla-171005.
Telephone No: 01772832992.
E-Mail: cespiph@gmail.com

Copy along with above is forwarded to the following for information please:-

1. The Sr. Private Secretary to the Hon'ble Minister (I&PH) to the Govt. of
H.P., Shimla-2.
2. Incharge, Computer Cell for uploading the above minutes on departmental
website.

Member Secretary-cum-Engineer-in-Chief,
I&PH Department Himachal Pradesh.

MINUTES OF 5th MEETING OF SCREENING COMMITTEE FOR THE YEAR 2019-20 HELD ON 27.01.2020 & 29.01.2020 UNDER THE CHAIRMANSHIP OF HON'BLE I&PH MINISTER FOR PROCUREMENT OF PIPES TO BE USED IN I&PH DEPARTMENT.

The following were present:

Dr. R.N. Batta, Secretary (IPH) to the Government of Himachal Pradesh.	Member
Shri Rajendra Bhatt, ALR-cum- Additional Secretary (Law) to the Government of Himachal Pradesh.	Member
Shri Manoj Sharma, Under Secretary, Rep. of Additional Chief Secretary (Finance), to the Government of Himachal Pradesh.	Member
Shri Rakesh Midha, Distribution Manager, Rep. of Managing Director, H.P. State Civil Supplies Corporation H.P.	Member
Shri Karam Chand, Superintendent Grade-I, Rep. of Controller of Stores, Industry Department H.P.	Member
Er. Naveen Puri, Engineer-in-Chief, I&PH Department H.P.	Member Secretary.

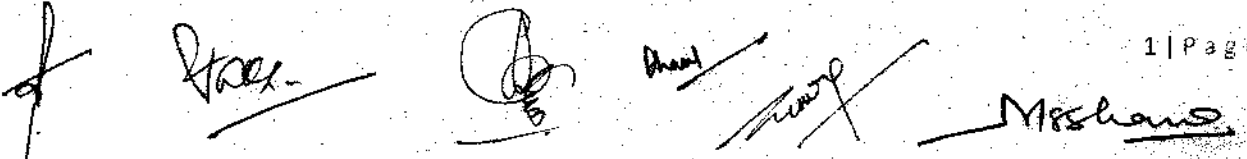
At the outset, the Member Secretary welcomed the Hon'ble IPH Minister & other members of the committee.

Thereafter, discussion on agenda items followed as under:

ITEM No. 1

Procurement of G.I. Pipes of 15mm & 20mm Dia under Jal Jeevan Mission for the year 2019-20.

In the meeting held on 27.01.2020, the Member Secretary informed the Committee that for procurement of 15mm and 20mm pipes the Department had issued a tender notice on 11.07.2019 and in response to the tender after examination of bids M/s Bhushan Power & Steel Limited was found to be the lowest bidder to supply the quantity indicated in the Tender Document. M/s Bhushan Power & Steel Limited supplied 15 mm and 20 mm quantity to the Department till December 2020. The Tender



was valid till June, 2020. However, vide letter BPSL/IPH/GIP dated 22.01.2020 M/s Bhushan Power & Steel Limited informed the Department that the firm has already supplied the pipes more than tendered quantity. The firm has stated that the firm is in transition phase as NCLT (National Company Law Tribunal) has taken over the company and new management likely to take over this firm in coming months. It has also been mentioned that future of the product i.e. hot dipped galvanized pipes is uncertain as new management may discontinue the production of hot dipped galvanized pipes. Other participating firms have also shown their inability to supply the pipes 15mm and 20mm dia at L-1 rates of M/s Bhushan Power & Steel Limited.

In view of inability of M/s Bhushan Power & Steel Limited to supply the additional quantity over and above the tender quantity, the department had issued a fresh tender notice which appeared in The Hindu Delhi, The Tribune (All Editions) and Punjab Keasri Dated 21.12.2019 and 23.12.2019 papers respectively. In response to the tender notice six parties filed the tender document and on examination of these were found to be eligible and their financial bids were examined. The examination of financial bid revealed that M/s JTL Infra Limited emerged as the L-1 and M/s Nippon Tubes Limited emerged as the L-2. However, the rates quoted by the L-1 were higher than the justification prepared in the office of Engineer-In-Chief. Therefore, M/s JTL Infra Limited were called for negotiation before the Negotiation Committee under the chairmanship of Engineer-In-Chief with other members. The Negotiation Committee tried to convince L-1 to lower its rates to match the justification and when the L-1 refused to bring down the rates, Committee invited L-2 also to match the justification rates. The L-2 also did not consider to the request of the Negotiation Committee as such despite its best efforts the Committee was not in a position to bring the rates down to the justification prepared by the office. Committee took note of the fact that the Department has called the tender for 3988 MT of 15mm & 20mm Light & Medium Class G.I. Pipes out of which proposed quantity to be procured as a emergent requirement is 3290 MT, the total amount workout by the office for the quantity to be procured as per justification Rs. 20.63 Crore whereas the amount as per quoted rates comes out Rs. 22.04 Crore Therefore there is a difference of 1.41 Crore.

The Committee was informed that this 15mm and 20mm pipes are required to be used for Jal Jeevan Mission connection and as per targets fixed by the Government of India the Department is obliged to complete the connection as per target till 31st March, 2020 and in case the pipes are not available, it may affect the achievement of targets committed to Government of India. The Committee also took note

of the fact that the only option left in this case is to either accept this or go in for re-tender. During the deliberations, it emerged that it may be appropriate to call these L-1 and L-2 parties before the Screening Committee and the Screening Committee should make an effort to bring the rates lower. Therefore the meeting was adjourned with a decision to call these parties for 29th January, 2020 at 11.00 AM.

The Committee re-assembled on 29th January, 2020 at 11.00 AM and both the parties were called one by one. The Committee requested M/s JTL Infra Limited to consider the request of Government of Himachal Pradesh to lower the pricing as the Department has been taking supplies from them every year and it has long relations with the L-1 firm. Despite the best efforts and further detailed deliberations, M/s JTL Infra Limited declined the request of the Screening Committee and gave in writing that "*With reference to Screening Committee meeting held on 29.01.2020, it is submitted that we have already quoted very competitive rates in the tender, L-1, L-2 & L-3 rates difference is between Rs.1500 to Rs.3000/- PMT. Moreover now a days market trend is very high, hence it is not possible for us to reduce the quoted rates. Further it is informed that our firm production capacity is 6000 MT per month hence it is requested to kindly allot us the quantity up to 4000 MT in single order and we also assure that our firm will complete all the supplies within 60 days. In this matter is also submitted that our this offer is valid up to 30.06.2020 and as per terms and conditions of respective tenders we also assure to supply additional quantity on these rates up to 30.06.2020.*"


Subsequently, M/s Nippon Tubes Limited was also called for negotiation. He! was also requested to reduce the quoted rates to match the justification prepared by the Department. However, he also declined to accept the request of the Department on the grounds that: "*With reference to Screening Committee meeting held on 29.01.2020 under the chairmanship of Hon'ble I&PH Minister in his office chamber at H.P. Secretariat Shimla-2, it is informed that due to rates difference of Rs.1200 per MT to Rs. 1500/- Per MT between our firm & L-1 firm, it is not possible from our firm to supply the materials even on L-1 quoted rates.*"


After the negotiations, the Committee deliberated on the options available before the Committee at this stage. The Committee took note of the fact that since the Jal-Jeevan Mission is launched all over India and it is picking up in another states also, suddenly there is a spurt in demand for 15mm and 20mm dia pipes. It is therefore likely that if the tender is cancelled and tender notice is issued again, the rates we may be higher than what is today available.


Accordingly, after detailed discussions the following decisions were taken in view of above circumstances and the urgent requirement of smaller dias to achieve the targets under Jal Jeevan Mission (JJM) :


- Only one time quantity which urgently required be procured against this tender on the rates quoted by M/s JTL Infra Limited.
- G.I. Pipes to be procured against this tender should be of JTL Mark.
- Moreover fresh requirement for all the dias for the year 2020-21 be collected from Zone offices in a time bound manner so that tendering process for fresh tender be initiated timely.

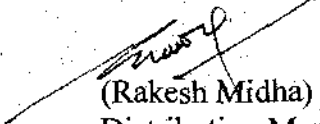
The meeting ended with a vote of thanks to and from the chair.

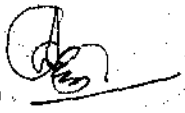

(Karam Chand)
Superintendent Grade-1,
Rep. of Controller of Stores,
Industry Department H.P.

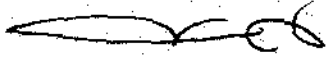

(Manoj Sharma)
Under Secretary (Finance),
Rep. of Additional Chief Secy. (Finance)
to the Govt. of HP Shimla-2.


(Dr. R.N. Batta)
Secretary (I&PH),
to the Govt. of HP Shimla-2.


(Naveen Puri)
Member Secretary-cum-
Engineer-in-Chief,
Irrig. & P.H. Department H.P.


(Rakesh Midha)
Distribution Manager,
Rep. of Managing Director,
State Civil Supplies Corp. H.P.


(Rajendra Bhatt)
ALR-cum-Additional Secretary (Law),
Rep. of LR-cum-Pr. Secy. (Law),
to the Govt. of HP Shimla-2.


(Mahinder Singh Thakur)
I&PH Minister,
Govt. of Himachal Pradesh.