

## **ITEM NO. 24 (B-30)**

1. **Name of Work:-** Purchase of 11 KV, HT(XLPE) Cables of Size 400 Sqmm/3 Core, duly ISI marked.

2. **Department:-** ELECTRICITY DEPARTMENT

3. **Brief History of the proposal:-**

Based on the requirements of 11 KV HT(XLPE) cable of size 400 Sqmm/3Core, stipulated in the estimates for various works, duly sanctioned by the Competent Authority, a case for purchase 37,500 mtrs. cable was initiated, through call of Tenders by e-procurement:-

4. **Detailed proposal of the subject:-**

Sealed tenders were invited through e-procurement portal for the purchase of 11 KV HT(XLPE) cable of size 400 Sqmm/3Core by giving due publicity to the tender as per the codal provisions. In response to the Tender Enquiry, offers from five firms were received. After following prescribed procedure for Tender Evaluation, the Price Bids of three eligible participating firms were opened on the due date of opening i.e on 12-02-2009. M/s Hindusthan Vidyut products Ltd. emerged the Lowest Tenderer, at a quoted rate of Rs 1108/- per meter + ED @ 14.42% + CST@ 2% against form C + Freight @ Rs.14/- per meter and Insurance @ Rs.1.80 per meter and total rate of Rs. 1,308.93 per meter amounting to Rs. 4,90,84,875/- for 37,500 meters.

The total computed amount for the purchase of HT cable based on the offer of lowest firm and after considering prevalent Excise duty @10.3% was found to be Rs. 4,73,38,500/- ( Rupees Four crores seventy three lakhs Thirty eight thousand five hundred only) inclusive of all taxes, duties, Freight & Insurance, which is 3.65 % below the justified rates based on Ex-work rate of an offer taken from M/s Yamuna Power and Infrastructure Ltd.. The lowest received rates are also found justified after interpolation of last purchase rates of the similar item by industry norms due to richer/ higher specifications.

The case was examined by the department and subsequently concurred by Finance on 17 -02-2009 for the above purchase.

5. **Financial Implications:-**

Rs. 4,73,38,500/- ( Rupees Four crores seventy three lakhs Thirty eight thousand five hundred only) inclusive of all taxes, duties, Freight & Insurance.

**6. Implementation Schedule:-**

Commencing with 13,500 mtrs. within 02 months from the date of issue of Supply Order and completion @8000 mtrs. per month thereafter or completion in 05 months from the date of issue of Supply Order.

**7. Comments of the Finance Department:-**

Finance have concurred the proposal of Department to place Supply Order on M/s Hindusthan Vidyut products Ltd. at Quoted Cost of Rs. 4,73,38,500/- as checked by planning for purchasing of 37,500 meters 11KV HT(XLPE) cable of size 400Sqmm/3 Core duly ISI marked and on the terms and conditions and specifications as per our NIT subject to following:-

1. Approval of Competent Authority.
2. Availability of funds
3. Certification by the department that the rates are just and reasonable
4. All codal requirements and CVC guidelines have been adhered to
5. Since a copy of each contract of store of having financial limit of Rs. 2.00 crore and above is required to be furnished to CVC; a copy of this contract may also be sent to them.
6. In order to justify the quoted rates, the case was discussed with ACE(E-II) and other officers from Electricity Department. It was clarified vide papers at F/A that the higher specifications of round wire armoured cable has been added over the last work order issued in January,2008 for the same item. Higher specifications has the effect of 25% extra over the normal price/cost.

**8. Comments of the Department on comments of Finance Deptt.:-**

1. Approval of Competent Authority is being obtained .
2. Funds are available under the Budget Head " E-11, Purchase of Stores" during the current financial year.
3. Rates are just and reasonable.
4. All codal requirements and CVC guidelines have been adhered to
5. A copy of the supply order will be sent to CVC
6. It is confirmed that the specifications in the present tender are higher/ richer having the effect of 25% extra over the normal price/cost.

**9. Legal implication of the subject:- NIL**

**10. Details of previous Council Resolution:-** N/A

**11. Comments of Law Department:-**

No legal point is involved this case their concurrence.

**12. Comments of the department on the comments of Law Department:-** NIL

**13. Certification by the Department all Central Vigilance Commission (CVC) guidelines have been followed:-** All CVC guidelines are being followed

**14. Recommendations of the Department:-**

Approval may please be accorded for the purchase of 37,500 mtrs. of 11KV, HT(XLPE) Cable of size 400 Sqmm/3Core, at a Total Computed Cost of Rs. 4,73,38,500/- ( Rupees Four crores seventy three lakhs Thirty eighty thousand five hundred only), inclusive of all taxes, duties, Freight & Insurance on the terms, conditions and specifications of NIT from M/s Hindusthan Vidyut Products Ltd. , New Delhi-110001. The expenditure on this account shall be charged to Budget Head " E-11, Purchase of Stores" , where in a Budget Provision of Rs. 25+10 crores exists during the current Financial year. Since the material requirement is of urgent nature, approval may also be accorded to place Supply Order on the firm in anticipation of the confirmation of the minutes by the Council.

15. **Draft Resolution:-**

Resolved by the Council that approval is accorded for purchase of 37,500 mtrs. of 11KV, HT(XLPE) Cable of size 400 Sqmm/3Core from "M/s Hindusthan Vidyut products Ltd." at total computed cost of Rs. 4,73,38,500/- ( Rupees Four crores seventy three lakhs Thirty eighty thousand five hundred only) ( inclusive of all taxes ,duties , Freight & Insurance ) on the terms, conditions and specifications of NIT. Approval is also accorded to place Supply Order on the firm in anticipation of the confirmation of the minutes by the Council.

**COUNCIL'S DECISION**

Resolved by the Council to award the work for purchase of 37,500 mtrs. of 11KV, HT(XLPE) Cable of size 400 Sqmm/3Core to "M/s Hindusthan Vidyut products Ltd." at total computed cost of Rs. 4,73,38,500/- (inclusive of all taxes ,duties , Freight & Insurance) on the terms, conditions and specifications of NIT.

It was also resolved that further action in the matter be taken in anticipation of confirmation of the Minutes by the Council.