

### **ITEM NO. 30 (B-03)**

1. **Name of Work:** Purchase of Unitized Sub-Stations 11/.433KV, 990 KVA.

2. **Department :** ELECTRICITY DEPARTMENT

3. **Brief History of the Proposal:**

In Principle approval was accorded by the Council for purchase of material in order to revamp /augment the electrical system in NDMC, vide item No. 33(B-29) dated 17.07.07. Accordingly a case for purchase of 15 Nos. Unitized Sub-Stations 11/.433 KV 990 KVA was processed against the various D.C and other works for which the estimates have been sanctioned subsequently by the competent authority and tenders were invited through e-procurement system.

4. **Detailed Proposal of the Subject:**

Sealed tenders were invited through e-procurement portal for the purchase of 15 Nos. Unitized Sub-Station 11/.433 KV 990KVA by giving due publicity to the tender as per the codal provisions. In response to the Tender Enquiry, offers from following four firms were received through e-procurement system.

- i. M/S ABB Ltd.
- ii. M/S Areva T&D Ltd.
- iii. M/S Crompton Greaves Ltd.
- iv. M/S L&T Ltd.

In addition to above firms, M/S Schnieder Electric Ltd. and M/S Space-Age Switchgears Ltd. also participated in the tender, but they failed to participate through prescribed e-procurement mode ,their offers were not considered eligible. After following the prescribed procedure for tender evaluation, it was revealed that M/S L&T Ltd. and M/S Crompton Greaves Ltd. did not meet the eligibility criteria of the NIT, hence their offers were not considered for opening of the Price bids.

The price bids of two eligible participating firms were opened on the due date of opening ie. on 06.05.09 and after carrying out due scrutiny and detailed evaluation of price bids , it was found that M/s ABB Ltd. emerged as the lowest tenderer at a quoted ex-work rate of Rs 14,75,000-00 each. The total computed amount after loading the prevalent Excise Duty @ 8.24% ,C.S.T @2%,Insurance @Rs.2000.00 Freight @ Rs19000/- and Handling @1000.00 was found to be Rs.16,50.470.80 for each unit and hence Rs.2,47,57,062.00 for a total quantity of 15 NOs. which is 20.27 % below the estimated ex-work price and 15.71 % below the justified rates based on ex-work rate of an order placed by M/S HPCL-Mittal Ltd. Dt.30.03.09 on M/S ABB Ltd.

The case was also examined by the Planning and subsequently concurred by Finance on 15.05 .09 for the above purchase.

5. **Financial Implications:**

Rs.2,47,57,062/- (Rs. two crore forty seven lac fifty seven thousand sixty two only), inclusive of all prevalent taxes, duties, freight ,handling and insurance.

**6. Implementation Schedule:**

Commencing with 4 No. within 2 months and completion @ 4 Nos. per month thereafter or Completion within 05 months from the date of approval of Drawing to be submitted within 15 days from date of issue of supply order.

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

Finance vide diary No. 1051 /Dated 15.05.09, have concurred the proposal of department to place supply order on M/s ABB Ltd. at quoted cost of Rs.2,21,25,000/- (Rs. two crore twenty one lac twenty five thousand only) , plus all taxes, duties, freight ,handling and insurance for purchase of Unitized Sub-Station 11/.433 KV, 990KVA and on the terms and conditions and specifications as per our NIT subject to the following:-

1. Approval of Competent Authority
2. Availability of funds.
3. Certification by the department that all codal provisions and CVC guidelines have been adhered to.
4. The department may bring on the recorded reason for not framing the estimate while seeking the approval of the Competent Authority.

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

1. Approval of competent Authority ie. the Council is being obtained.
2. Funds are available under the Budget Head "E-11, Purchase of Stores" during the current financial year.
3. All codal requirements and CVC guidelines have been adhered .
4. At the time of processing the case by Store Division , the estimates were under the process of sanction from the Competent Authority, which now stand sanctioned.

**9. Legal Implication of the Subject: NIL**

**10. Details of previous Council Resolution: No.**

**11. Comments of Law Department: No comments.**

**12. Comments of the department on the comments of Law Department: N/A.**

**13. Certification by the Department:**

All Central Vigilance Commission (CVC) guidelines have been followed.

**14. Recommendations of the Department:**

The case may be placed before the Council for the purchase of 15Nos. Unitized Sub-Stations 11/.433 KV, 990 KVA from the lowest eligible firm M/s ABB Ltd. at an ex-works rate of Rs.14,75,000/- for each unit plus Excise duty @ 8.24% ,C.S.T @2%,Insurance @Rs.2000.00 Freight @ Rs19000/- and Handling @1000.00 and total computed cost for 15 Nos. units.for an amount of Rs.2,47,57,062 /- (Rupees two crore forty seven lac fifty seven thousand sixty two only) on the terms, conditions and specifications of NIT, read with the firm's letter No. PPMV.CSS09161A Dated 05.05.09. The requirement is of urgent and essential nature, therefore approval is also solicited to place supply order on the firm in anticipation to the confirmation of the minutes of the Council meeting

**15. Draft Resolution:**

Resolved by the Council that the approval is accorded to the purchase of 15 Nos. Unitized Sub-Stations 11/.433 KV, 990 KVA from the lowest eligible firm M/s ABB Ltd. at an ex-works rate of Rs 14,75,000/- for each unit plus Excise duty @ 8.24% ,C.S.T @2%,Insurance @Rs.2000.00 Freight @ Rs19000/- and Handling @1000.00 and hence at a total computed cost amounting to Rs.2,47,57,062 /- (Rupees two crore forty seven lac fifty seven thousand sixty two only) on the terms, conditions and specifications of NIT, read with the firm's letter No. PPMV.CSS09161A Dated 05.05.09. Further, the approval is also accorded to place supply order on the firm in anticipation of the confirmation to the minutes of the Council meeting.

**COUNCIL'S DECISION**

Resolved by the Council to accord administrative approval and expenditure sanction for the purchase of 15 Nos. Unitized Sub-Stations 11/.433 KV, 990 KVA from the lowest eligible firm M/s ABB Ltd. at an ex-works rate of Rs.14,75,000/- for each unit plus Excise duty @ 8.24%, C.S.T @ 2%, Insurance @ Rs.2000.00; Freight @ Rs.19000/- and Handling @1000.00; the total computed cost coming to Rs.2,47,57,062 /- on the terms, conditions and specifications of NIT, read with the firm's letter No. PPMV.CSS09161A Dated 05.05.09.

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