

**MINUTES FOR E-PRICE BID APPROVAL CWC- II HELD ON 28-06-2023 FOR THE
ELECTRICAL WORK – REPLACEMENT OF DEFECTIVE UNDERGROUND LT
CABLE FROM SUBSTATION 12 TO INSPECTION BUNGALOW AND
FROM IB TO VI-1 RESIDENCE AT HVF ESTATE**

CIVIL ENGINEERING OFFICE

The following Officers were present:-

- | | | | |
|----------------------------|------------------|---|---------------------|
| 1. Shri. P.K. Arora | GM / IMS & TS | - | Chairman / CWC – II |
| 2. Shri. Karra Sankara Rao | Jt.GM / F & A | - | Member / Finance |
| 3. Shri. K. Tulasi Rao | Jt.GM / IMS & GS | - | Member Secretary |

- 01 e-Tender Enquiry No. & Date : HVF/TE/13025/CEO/2023-24/01, Dt. 11-04-2023.
e-Procurement Tender ID : 2023_AVNL_151428_1
- 02 Name of the Work : Replacement of Defective Underground LT Cable from Substation 12 to Inspection Bungalow and from IB to VI-1 Residence at HVF Estate
- 03 Type of Tender : Open Tender under Two Bid System (e-Tendering)
- 04 Grant & Code Head : 809 / 02 (Revenue Grant)
- 05 User Section : HVF / IMS / EE (E)
- 06 Estimated cost of Work (Approx) : Rs.19,71,400 /= (As per delegation of Financial Powers issued by AVNL as on 01-10-2021, Point SI.No. 54. (For Revenue Civil works), Sub Clause "b", and AVNL Amendment letter Dt. 22-04-2022, GM is empowered for Issue of Acceptance of Necessity & Administrative Approval and placement of contract for Departmental Works upto Rs. 20 Lakhs (in each case). Hence the subject case falls under the financial powers of CWC-II).
- 07 Approval & Financial Concurrence : i. CGM Approval vide Electrical Engg (Estate) Note No.18 /EE(E)/UG Cable/IB&VI-1/2022 dated 21-07-2022.
ii. F&A Concurrence vide Letter No. 12501/HVF/FIN&ACCT/ 86/2022, dt. 30-11-2022.
- 08 Re-tender History : The Present case is a re-tendered case. CWC – II held on 20-03-2023 had decided to cancel the Previous tender (e-Proc ID No:28872) and re-tender the case as the same had become a RST.
- 09 e-Tender published in CPPP e-proc website on : 13-04-2023
- 10 Scheduled Bid Submission Closing date & Tender Opening date : Original Bid Submission Closing Date : 02-05-2023
Original Technical Tender Opening Date : 04-05-2023
- 11 No. of T.O.D Postponements : 01st Auto Extension.
(BSCD : 16-05-2023 & TOD : 18-05-2023)
- 12 e-Tender Technical /Eligibility Bid opened on : 18-05-2023
- 13 No. of Responses received online : 03 Responses / Bids were received online.

14 Names of Contractors who has responded :

Sl. No.	NAME OF THE CONTRACTOR	EMD VALIDITY	OFFER VALIDITY (90 Days from Actual Technical Bid Opening Date)
01	M/s. Thirumalai Enterprises, Puducherry	Demand Draft, Date of Maturity 26-07-2024.	16-08-2023
02	M/s. Sai Sri Harsha Enterprises, Chennai	Demand Draft, Date of Maturity 01-08-2024.	16-08-2023
03	M/s. Ram Electricals, Chennai	FDR, Date of Maturity: 27-10-2023.	16-08-2023

15. Eligibility Bid:-

CWC – II held on 07-06-2023 deliberated the case and observed that all the 03 (Three) participating contractors have fulfilled the Eligibility Conditions of the tender and the offers of all the 03 (Three) participating contractors are technically acceptable. Hence, CWC – II approved opening of e-price bids of all the 03 (Three) eligible contractors viz.,

- M/s. Thirumalai Enterprises, Puducherry
- M/s. Sai Sri Harsha Enterprises, Chennai and
- M/s. Ram Electricals, Chennai

16. Accordingly e-Price Bid of the eligible contractors were Opened on:- 08-06-2023.

17. Details of e-Quotations received are given below:-

Sl. No	NAME OF THE CONTRACTOR	STATUS	QUOTED PRICE	DIFFERENCE OF % OVER ESTIMATED RATE
01	M/s. Thirumalai Enterprises, Puducherry	L1	Rs. 16,38,935.00 /-	(-) 16.86 %
02	M/s. Ram Electricals, Chennai	L2	Rs. 18,34,310.00 /-	(-) 06.95 %
02	M/s. Sai Sri Harsha Enterprises, Chennai	L3	Rs. 20,60,014.40 /-	(+) 04.49 %

18. OBSERVATIONS:

a. It is observed that M/s. Thirumalai Enterprises, Puducherry is the L1 contractor and has quoted the amount of **Rs. 16,38,935.00 /-** (Rupees Sixteen Lakhs Thirty Eight Thousand Nine Hundred and Thirty Five Only). The quoted rate is **Lower** than the department estimate of Rs.19,71,400 /- (prepared based on MES SSR 2020 rates for SSR Items and for some items LPR / MR / BQ has been taken) **by (-) 16.86 %**. The L1 quoted rates are freakishly high for items Sl. No. 03, 06 & 10 (03 Items) and freakishly low for items Sl. No. 01, 12, 13, 14 & 15 (05 Items). It is confirmed that the estimate and quantities have been checked and certified that the quantities indicated for freakishly high items are not under estimated and the quantities indicated for freakishly Low items are not over estimated.

b. It is submitted that the rates quoted by the L1 contractor for item Sl. No 05 is higher than the departmental estimate by more than 10%.

c. As per clause No.15 of the tender enquiry (in e-procurement portal) the contractors quoted rates are inclusive of GST.

d. Civil Engineering Section has undertaken to recast the estimate by taking into account the latest Market Variation for Quarter ending March 2023 circulated vide CE Chennai Zone, letter dt. 31-01-2023. Accordingly Market Variation of (+) 15% for Electrical SSR Items {(+)10% MV Plus (+)05% for Restricted Area) has been calculated. The revised notional estimated cost works out to Rs. 20,49,400.00 /-.

e. The L1 quoted cost of Rs. 16,38,935.00 /- is **Lower** than the revised notional estimate of Rs. 20,49,400.00 /- by **(-) 20.03%**. The L1 Contractor quoted rates are freakishly high for items Sl. No. 03, 06 & 10 (03 Items) when compared with the revised notional estimate and freakishly low for items Sl. No. 01, 12, 13, 14 & 15 (05 Items) when compared with the revised notional estimate. It is submitted that the rates quoted by the L1 Contractor for Items Sl. No 05 is higher than the revised notional departmental estimate by more than 10%.

19 **OBSERVATIONS OF CWC- II HELD ON 14-06-2023:**

a. CWC - II observed that M/s. Thirumalai Enterprises, Puducherry is the L1 contractor and has quoted the amount of **Rs. 16,38,935.00 /-** (Rupees Sixteen Lakhs Thirty Eight Thousand Nine Hundred and Thirty Five Only). The quoted rate is **Lower** than the department estimate of Rs.19,71,400 /- (prepared based on MES SSR 2020 rates for SSR Items and for some items LPR / MR / BQ has been taken) **by (-) 16.86 %**. The L1 quoted rates are freakishly high for items Sl. No. 03, 06 & 10 (03 Items) and freakishly low for items Sl. No. 01, 12, 13, 14 & 15 (05 Items). CWC - II also observed that the estimate and quantities have been checked and certified that the quantities indicated for freakishly high items are not under estimated and the quantities indicated for freakishly Low items are not over estimated.

b. CWC - II observed that the rate quoted by the L1 contractor for item Sl. No 05 is higher than the departmental estimate by more than 10%.

c. CWC - II observed that as per clause No.15 of the tender enquiry (in e-procurement portal) the contractors quoted rates are inclusive of GST.

d. CWC - II observed that the Civil Engineering Section has undertaken to recast the estimate by taking into account the latest Market Variation for Quarter ending March 2023 circulated vide CE Chennai Zone, letter dt. 31-01-2023. Accordingly Market Variation of (+) 15% for Electrical SSR Items {(+)10% MV Plus (+)05% for Restricted Area) has been calculated. The revised notional estimated cost works out to Rs. 20,49,400.00 /-.

e. CWC - II observed that the L1 quoted cost of Rs. 16,38,935.00 /- is **Lower** than the revised notional estimate of Rs. 20,49,400.00 /- by **(-) 20.03%**. The L1 Contractor quoted rates are freakishly high for items Sl. No. 03, 06 & 10 (03 Items) when compared with the revised notional estimate and freakishly low for items Sl. No. 01, 12, 13, 14 & 15 (05 Items) when compared with the revised notional estimate. It is submitted that the rates quoted by the L1 Contractor for Items Sl. No 05 is higher than the revised notional departmental estimate by more than 10%.

20 **DECISION OF CWC- II HELD ON 14-06-2023:**

In view of the above observations, CWC - II decided to refer the freak rates on higher side for items Sl. No. 03, 06 & 10 (03 Items) to the L1 Contractor M/s. Thirumalai Enterprises, Puducherry for their consideration and downward revision of their quoted rate.

CWC - II also decided to refer the rate for item Sl. No 05 (wherein the rate quoted by the L1 Contractor is higher than departmental estimate by more than 10%) to the L1 Contractor M/s. Thirumalai Enterprises, Puducherry for their consideration and downward revision of their quoted rates.

CWC - II decided to obtain confirmation from the L1 Contractor M/s. Thirumalai Enterprises, Puducherry that good quality of material and labour will be maintained by them while executing the work for Items Sl. No. 01, 12, 13, 14 & 15 (05 Items) wherein the rates quoted by them are freakishly on the lower side.

21. As directed by CWC - II, offline price negotiation was initiated with the L1 Contractor, M/s. Thirumalai Enterprises, Puducherry seeking downward revision for Freakishly High item Sl. No. 03, 06 & 10 (03 Items) and also for items Sl. No 05 wherein the rate quoted by the L1 Contractor was higher than departmental estimate by more than 10%. The reply to the price negotiation from the L1 Contractor was received vide email on 22-06-2023.

22. The L1 Contractor has not offered any Price revision and in reply the L1 Contractor regretted to the Price negotiation request and stated *"we have already quoted very low rate in the tender for the item Sl. No. 03, 05, 06 & 10 (04 Items) as per the prevailing market rates we have reworked to reduce the rates for the items Sl.No. 03, 05, 06 & 10 but due to increase in Material and Labour cost we could not able to Reduce / Downward revision of the quoted rates.*

So we kindly request you to accept our lowest rates quoted in the tender and issue the work order to start the work".



23. OBSERVATIONS AFTER PRICE NEGOTIATION CORRESPONDENCE WITH L1 CONTRACTOR:

a. In reply to the Price Negotiation request the L1 Contractor has not offered any Price revision and their quoted price remain unchanged. Further, the L1 Contractor regretted to the Price negotiation request and stated *"we have already quoted very low rate in the tender for the item Sl. No. 03, 05, 06 & 10 (04 Items) as per the prevailing market rates we have reworked to reduce the rates for the items Sl.No. 03, 05, 06 & 10 but due to increase in Material and Labour cost we could not able to Reduce / Downward revision of the quoted rates."*

So we kindly request you to accept our lowest rates quoted in the tender and issue the work order to start the work".

b. It is submitted that M/s. Thirumalai Enterprises, Puducherry, the L1 contractor has quoted the amount of **Rs. 16,38,935.00 /-** (Rupees Sixteen Lakhs Thirty Eight Thousand Nine Hundred and Thirty Five Only) in this tender. The quoted rate is **Lower** than the department estimate of Rs.19,71,400 /- (prepared based on MES SSR 2020 rates for SSR Items and for some items LPR / MR / BQ has been taken) **by (-) 16.86 %**. The L1 quoted rates are freakishly high for items Sl. No. 03, 06 & 10 (03 Items) and freakishly low for items Sl. No. 01, 12, 13, 14 & 15 (05 Items). It is confirmed that the estimate and quantities have been checked and certified that the quantities indicated for freakishly high items are not under estimated and the quantities indicated for freakishly Low items are not over estimated.

c. It is submitted that the rates quoted by the L1 contractor for item Sl. No 05 is higher than the departmental estimate by more than 10%. As per clause No.15 of the tender enquiry (in e-procurement portal) the contractors quoted rates are inclusive of GST.

d. Civil Engineering Section has undertaken to recast the estimate by taking into account the latest Market Variation for Quarter ending March 2023 circulated vide CE Chennai Zone, letter dt. 31-01-2023. Accordingly Market Variation of (+) 15% for Electrical SSR Items {(+)10% MV Plus (+)05% for Restricted Area) has been calculated. The revised notional estimated cost works out to Rs. 20,49,400.00 /-.

e. The L1 quoted cost of Rs. 16,38,935.00 /- is **Lower** than the revised notional estimate of Rs. 20,49,400.00 /- by **(-) 20.03%**. The L1 Contractor quoted rates are freakishly high for items Sl. No. 03, 06 & 10 (03 Items) when compared with the revised notional estimate and freakishly low for items Sl. No. 01, 12, 13, 14 & 15 (05 Items) when compared with the revised notional estimate. It is submitted that the rates quoted by the L1 Contractor for Items Sl. No 05 is higher than the revised notional departmental estimate by more than 10%.

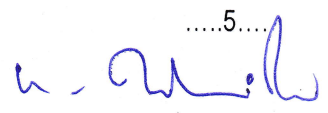
24. OBSERVATIONS OF CWC- II HELD ON 28-06-2023:

a. CWC – II Observed that the L1 Contractor in reply to the Price Negotiation request has not offered any Price revision and their quoted price remain unchanged. Further, the L1 Contractor regretted to the Price negotiation request and stated *"we have already quoted very low rate in the tender for the item Sl. No. 03, 05, 06 & 10 (04 Items) as per the prevailing market rates we have reworked to reduce the rates for the items Sl.No. 03, 05, 06 & 10 but due to increase in Material and Labour cost we could not able to Reduce / Downward revision of the quoted rates."*

So we kindly request you to accept our lowest rates quoted in the tender and issue the work order to start the work".

b. CWC – II Observed that M/s. Thirumalai Enterprises, Puducherry, the L1 contractor has quoted the amount of **Rs. 16,38,935.00 /-** (Rupees Sixteen Lakhs Thirty Eight Thousand Nine Hundred and Thirty Five Only) in this tender. The quoted rate is **Lower** than the department estimate of Rs.19,71,400 /- (prepared based on MES SSR 2020 rates for SSR Items and for some items LPR / MR / BQ has been taken) **by (-) 16.86 %**. The L1 quoted rates are freakishly high for items Sl. No. 03, 06 & 10 (03 Items) and freakishly low for items Sl. No. 01, 12, 13, 14 & 15 (05 Items). CWC – II Observed that the estimate and quantities have been checked and certified that the quantities indicated for freakishly high items are not under estimated and the quantities indicated for freakishly Low items are not over estimated.

c. CWC – II Observed that the rates quoted by the L1 contractor for item Sl. No 05 is higher than the departmental estimate by more than 10%. CWC – II Observed that as per clause No.15 of the tender enquiry (in e-procurement portal) the contractors quoted rates are inclusive of GST.



d. CWC – II Observed that Civil Engineering Section has undertaken to recast the estimate by taking into account the latest Market Variation for Quarter ending March 2023 circulated vide CE Chennai Zone, letter dated 31-01-2023. Accordingly Market Variation of (+) 15% for Electrical SSR Items {(+)10% MV Plus (+)05% for Restricted Area) has been calculated. The revised notional estimated cost works out to Rs. 20,49,400.00 /-.

e. CWC – II Observed that the L1 quoted cost of Rs. 16,38,935.00 /- is **Lower** than the revised notional estimate of Rs. 20,49,400.00 /- by (-) **20.03%**. The L1 Contractor quoted rates are freakishly high for items Sl. No. 03, 06 & 10 (03 Items) when compared with the revised notional estimate and freakishly low for items Sl. No. 01, 12, 13, 14 & 15 (05 Items) when compared with the revised notional estimate. It is submitted that the rates quoted by the L1 Contractor for Items Sl. No 05 is higher than the revised notional departmental estimate by more than 10%.

f. CWC - II observed that the L1 Contractors offered price of Rs. 16,38,935.00 /- is Lower than the estimated price by (-) 16.86 % and when compared to the revised notional estimate is Lower by (-) 20.03% and the same is competitive and reasonable.

25. DECISION OF CWC- II HELD ON 28-06-2023:

In view of the above observations, CWC - II decided to place Contract Agreement on the L1 Contractor, M/s. Thirumalai Enterprises, Puducherry, at their quoted amount of Rs. 16,38,935.00 /- (Rupees Sixteen Lakhs Thirty Eight Thousand Nine Hundred and Thirty Five Only) for the subject work. CWC – II authorised to operate upto (+) or (-) 10 % deviation over the CA Amount.

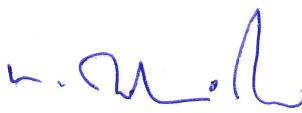
CWC – II directed the executing agency to ensure the quality of the items Sl. No. 01, 12, 13, 14 & 15 (05 Items) for which the rates quoted are freakishly low. CWC – I also directed the executing agency to ensure that as per SOP for Civil Works in AVNL – 2021, the items having freakishly lower rates Sl. No. 01, 12, 13, 14 & 15 (05 Items) shall not be executed less than 05% of the estimated quantity and the items having higher freak rates Items Sl. No. 03, 06 & 10 (03 Items) shall not be executed more than 05% of the estimated quantity.

26. **Security Deposit :-** The Contractor has to submit Security Deposit of Rs. 41,000.00 /- (Rupees Forty One Thousand Only) in the form of Fixed Deposit / Term Deposit / Bank Guarantee in favour of Chief General Manager, HVF, Avadi from any nationalized bank for the completion and maintenance period which will be releasable on satisfactory completion of the defects liability period.

27. **Completion time :** 06 (Six) Months from the date of handing over of site.

28. **Payment:** 1) As per IAFW 2249 2) Cost debitable to: Code Head No.809/02 (Revenue Grant)


(KARRA SANKARA RAO)
Jt.GM / F&A
MEMBER / FINANCE


(K. TULASI RAO)
Jt.GM / IMS & GS
MEMBER SECRETARY


(P.K. ARORA)
GM / IMS & TS
CHAIRMAN / CWC – II