

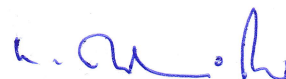
MINUTES FOR E-PRICE BID APPROVAL CWC-II HELD ON 28-06-2023 FOR THE ELECTRICAL WORK – TERM CONTRACT FOR MAINTENANCE OF ELECTRICAL INSTALLATIONS IN HVF NEW FACILITY

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/2023-24/06, Dt. 26-04-2023.
e-Procurement Tender ID : 2023_AVNL_152609_1
- 02 Name of the Work : Term Contract for Maintenance of Electrical Installations in HVF New Facility
- 03 Type of Tender : Open Tender under Two Bid System (e-Tendering)
- 04 Grant & Code Head : 809 / 01 (Revenue Grant)
- 05 User Section : HVF / IMS / EE (Fy)
- 06 Estimated cost of Work (Approx) : Rs.10,00,000 /= (As per delegation of Financial Powers issued by AVNL as on 01-10-2021, Point Sl.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 IMS/EE(Fy) Note No.44 /IMS(Fy-EE/NF)/CEO/2022-23 dated 12-10-2022.
ii. F&A Concurrence vide Letter No. 12501/HVF/FIN&ACCT/86/2022, dt. 17-11-2022.
- 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:28839) and re-tender the case as the same had become a RST.
- 09 e-Tender published in CPPP e-proc website on : 27-04-2023
- 10 Scheduled Bid Submission Closing date & Tender Opening date : Original Bid Submission Closing Date : 16-05-2023
Original Technical Tender Opening Date : 18-05-2023
- 11 No. of T.O.D Postponements : 01st Auto Extension.
(BSCD : 30-05-2023 & TOD : 01-06-2023)
- 12 e-Tender Technical /Eligibility Bid opened on : 01-06-2023
- 13 No. of Responses received online : 02 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. Ram Electricals, Chennai	FDR, Date of Maturity 10-11-2023.	30-08-2023
02	M/s. Fairway Marine Services, Tuticorin	FDR, Date of Maturity 23-05-2024.	30-08-2023

15. **Eligibility Bid :-** CWC - II held on 14-06-2023 deliberated the case and observed that both the Participating Contractors (a) M/s. Ram Electricals, Chennai and (b) M/s. Fairway Marine Services, Tuticorin have fulfilled the eligibility conditions of the tender and the offers of both the participating contractors are technically acceptable. Hence, CWC - II approved opening of e-price bids of both the eligible contractors viz.,

1. M/s. Ram Electricals, Chennai and
2. M/s. Fairway Marine Services, Tuticorin

16. Accordingly the e-Price bids of both the eligible Contractors were Opened on: 16-06-2023.

17. Details of e-Quotations (Price Bids) received is given below:

Sl.No.	NAME OF THE CONTRACTOR	STATUS	QUOTED % wrt 2020 SSR RATES
1.	M/s. Ram Electricals, Chennai	L1	(-) 05.00 % (Below)
2.	M/s. Fairway Marine Services, Tuticorin	L2	(+) 25.00 % (Above)

18. **OBSERVATIONS:**

a. It is observed that M/s. Ram Electricals, Chennai is the L1 Contractor and has quoted a percentage rate of (-) 05.00% (Minus Five Percentage Only) below MES SSR 2020 for the subject work. As per clause No.15 of the "Instruction to Tender" (in CPPP e-procurement portal) the contractors quoted rates are inclusive of GST.

b. It is submitted that no market variation letter has been received from CE/ Hyderabad for MES SSR 2020 rates. Hence the MV letter issued by CE/ Chennai zone is being referred. The present MV allowed as per CE/ Chennai zone forecasting percentage for External Electrification is (+) 10.00% as per latest MV circulated vide CE/ Chennai zone letter dt 31-01-2023 for the quarter ending March 2023.

c. Further, it is submitted that in the MV letters issued by CE/ Chennai Zone it is stated that the percentages indicated are for normal works in unrestricted areas. In case of restricted areas an addition of (+) 5.00% in MV is allowed for normal restricted areas and an addition of (+) 10.00% is allowed for Factory areas. Considering the nature of work, the overall Market variation allowed will be "(+) 20.00%" i.e. {to the MV of (+) 10.00% add (+) 10.00% for Factory area}.

d. (i) It is submitted that the last CA for same work ie Term Contract for Maintenance of Electrical Installations in HVF New Facility was awarded to M/s. Fairway Marine Services, Tuticorin vide CA No. HVF/ CE/11/2021-22/Maint., Dt 04-08-2021 at a Percentage rate of (+) 05.00 % above MES SSR 2010 and CA Amount Rs. 10,00,000 /-. The extended PDC for the CA was upto 31-03-2023 without LD and Work Orders to the amount of Rs. 9,94,333.05 /- have been placed against the CA.

(ii) It is further submitted that in the last CA, "CWC - II held on 23-06-2021 observed that the percentage rate of (+) 05.00 % over MES SSR 2010 quoted by the L1 Contractor, M/s. Fairway Marine Services, Tuticorin is freakishly on the lower side when compared with the percentage rate accepted by HVF for the last CA for the subject work and also when compared with the present Market Variation circulated by CE(Fy) Hyderabad for quarter ending March 2021. In view of the above, CWC - II decided to seek confirmation from the L1 Contractor that they will maintain good quality of material and labour while executing the subject work.

(iii) As per the CWC - II Decision, Clarification was issued and in reply the L1 Contractor, M/s. Fairway Marine Services, Tuticorin confirmed that they will maintain good quality of material and labour while executing the subject work at HVF.

(iv) Based on the above, CWC - II held on 14-07-2021 decided to place Contract Agreement on the L1 Contractor, M/s. Fairway Marine Services, Tuticorin at their quoted percentage rate of (+) 05.00% (Plus Five Percentage Only) over MES SSR 2010 for carrying out the subject work (to the total value of Rupees Ten Lakhs)".

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e. It is submitted that the last CA for similar work ie Term Contract for Maintenance of Electrical Installations in HVF Old Facility was awarded to M/s. Ram Electricals, Chennai vide CA No. HVF/CE /10/2021-22/Maint., Dt 09-06-2021 at a Percentage rate of (+) 57.00 % above MES SSR 2010.

19. OBSERVATIONS OF CWC - II HELD ON 21-06-2023:

a. CWC - II observed that M/s. Ram Electricals, Chennai is the L1 Contractor and has quoted a percentage rate of (-) 05.00% (Minus Five Percentage Only) below MES SSR 2020 for the subject work. CWC - II also observed that as per clause No.15 of the "Instruction to Tender" (in CPPP e-procurement portal) the contractors quoted rates are inclusive of GST.

b. CWC - II observed that no market variation letter has been received from CE/ Hyderabad for MES SSR 2020 rates. Hence the MV letter issued by CE/ Chennai zone is being referred. The present MV allowed as per CE/ Chennai zone forecasting percentage for External Electrification is (+) 10.00% as per latest MV circulated vide CE/ Chennai zone letter dt 31-01-2023 for the quarter ending March 2023.

c. CWC - II further observed that in the MV letters issued by CE/ Chennai Zone it is stated that the percentages indicated are for normal works in unrestricted areas. In case of restricted areas an addition of (+) 5.00% in MV is allowed for normal restricted areas and an addition of (+) 10.00% is allowed for Factory areas. Considering the nature of work, the overall Market variation allowed will be "(+) 20.00%" i.e. {to the MV of (+) 10.00% add (+) 10.00% for Factory area}.

d. (i) CWC - II observed that the last CA for same work ie Term Contract for Maintenance of Electrical Installations in HVF New Facility was awarded to M/s. Fairway Marine Services, Tuticorin vide CA No. HVF/ CE/11/2021-22/Maint., Dt 04-08-2021 at a Percentage rate of (+) 05.00 % above MES SSR 2010 and CA Amount Rs. 10,00,000 /-. The extended PDC for the CA was upto 31-03-2023 without LD and Work Orders to the amount of Rs. 9,94,333.05 /- have been placed against the CA.

(ii) CWC - II observed that in the last CA, "CWC - II held on 23-06-2021 observed that the percentage rate of (+) 05.00 % over MES SSR 2010 quoted by the L1 Contractor, M/s. Fairway Marine Services, Tuticorin is freakishly on the lower side when compared with the percentage rate accepted by HVF for the last CA for the subject work and also when compared with the present Market Variation circulated by CE(Fy) Hyderabad for quarter ending March 2021. In view of the above, CWC - II decided to seek confirmation from the L1 Contractor that they will maintain good quality of material and labour while executing the subject work.

(iii) CWC - II observed that as per the CWC - II Decision, Clarification was issued and in reply the L1 Contractor, M/s. Fairway Marine Services, Tuticorin confirmed that they will maintain good quality of material and labour while executing the subject work at HVF.

(iv) CWC - II observed that in view of the above, CWC - II held on 14-07-2021 had decided to place Contract Agreement on the L1 Contractor, M/s. Fairway Marine Services, Tuticorin at their quoted percentage rate of (+) 05.00% (Plus Five Percentage Only) over MES SSR 2010 for carrying out the subject work (to the total value of Rupees Ten Lakhs)".

e. CWC - II observed that the last CA for similar work ie Term Contract for Maintenance of Electrical Installations in HVF Old Facility was awarded to M/s. Ram Electricals, Chennai vide CA No. HVF/CE /10/2021-22/Maint., Dt 09-06-2021 at a Percentage rate of (+) 57.00 % above MES SSR 2010.

20. DECISION OF CWC- II HELD ON 21-06-2023:

CWC - II deliberated the case and observed that the percentage rate of (-) 05.00% (Minus Five Percentage Only) below MES SSR 2020 for the subject work, quoted by L1 contractor viz., M/s. Ram Electricals, Chennai, in the present case is on the Lower side when compared to the present market variation allowed as per CE Chennai Zone forecasting percentage calculated vide CE / Chennai Zone letter dated 31-01-2023 for the quarter ending March 2023 and there still appears to be a scope for reduction in the offered price percentage. In view of the above, CWC - II decided to refer the quoted percentage of (-) 05.00% (Minus Five Percentage Only) below MES SSR 2020 to the L1 Contractor M/s. Ram Electricals, Chennai, for their consideration and downward revision.

21. As directed by CWC – II, Price negotiation for reduction of percentage rate quoted was initiated with the L1 Contractor, M/s. Ram Electricals, Chennai seeking downward revision of quoted percentage. The L1 Contractor, M/s. Ram Electricals, Chennai has replied vide email dated 27-06-2023 and intimated that *“...with reference to the tender, the price quoted by us (MINUS FIVE PERCENTAGE) is the lowest rock bottom price that we can work as per current Market Rate. Thus, we are not in a position to further Reduce the Rate.*

Hence kindly Accept our Original quoted rate and please do kindly offer the purchase order”. It is submitted that the L1 Contractor, M/s. Ram Electricals, Chennai have submitted the rate revision sheet and has not offered any price / percentage reduction.

22. The L1 Contractor, M/s. Ram Electricals, Chennai has replied to the Price Negotiation correspondence and the details are as follows:

Sl. No	Name of the Contractor	Original Quoted Percentage wrt MES SSR 2020 rates	Revised Percentage wrt MES SSR 2020 rates
01	M/s. Ram Electricals, Chennai	(-) 05.00 % (Below)	(-) 05.00 % (Below) Same as Original quoted percentage rate.

23. OBSERVATIONS AFTER PRICE NEGOTIATION CORRESPONDENCE WITH L1 CONTRACTOR:

- It is observed that M/s. Ram Electricals, Chennai in reply to the Price Negotiation request has not offered any Price percentage revision and their quoted percentage remain unchanged. It is submitted that the L1 Contractor, M/s. Ram Electricals, Chennai has quoted a percentage rate of (-) 05.00% (Minus Five Percentage Only) below MES SSR 2020 for the subject work. It is submitted that as per clause No.15 of the “Instruction to Tender” (in CPPP e-procurement portal) the contractors quoted rates are inclusive of GST.
- It is submitted that no market variation letter has been received from CE/ Hyderabad for MES SSR 2020 rates. Hence the MV letter issued by CE/ Chennai zone is being referred. The present MV allowed as per CE/ Chennai zone forecasting percentage for External Electrification is (+) 10.00% as per latest MV circulated vide CE/ Chennai zone letter dt 31-01-2023 for the quarter ending March 2023.
- It is also submitted that in the MV letters issued by CE/ Chennai Zone it is stated that the percentages indicated are for normal works in unrestricted areas. In case of restricted areas an addition of (+) 5.00% in MV is allowed for normal restricted areas and an addition of (+) 10.00% is allowed for Factory areas. Considering the nature of work, the overall Market variation allowed will be “(+) 20.00%” i.e. {to the MV of (+) 10.00% add (+) 10.00% for Factory area}.
- It is submitted that the last CA for same work ie Term Contract for Maintenance of Electrical Installations in HVF New Facility was awarded to M/s. Fairway Marine Services, Tuticorin vide CA No. HVF/CE/11/2021-22/Maint., Dt 04-08-2021 at a Percentage rate of (+) 05.00 % above MES SSR 2010 and CA Amount Rs. 10,00,000 /-. The extended PDC for the CA was upto 31-03-2023 without LD and Work Orders to the amount of Rs. 9,94,333.05 /- have been placed against the CA.
 - It is further submitted that in the last CA, “CWC – II held on 23-06-2021 observed that the percentage rate of (+) 05.00 % over MES SSR 2010 quoted by the L1 Contractor, M/s. Fairway Marine Services, Tuticorin is freakishly on the lower side when compared with the percentage rate accepted by HVF for the last CA for the subject work and also when compared with the present Market Variation circulated by CE(Fy) Hyderabad for quarter ending March 2021. In view of the above, CWC – II decided to seek confirmation from the L1 Contractor that they will maintain good quality of material and labour while executing the subject work.
 - As per the CWC – II Decision, Clarification was issued and in reply the L1 Contractor, M/s. Fairway Marine Services, Tuticorin confirmed that they will maintain good quality of material and labour while executing the subject work at HVF.
 - Based on the above, CWC – II held on 14-07-2021 decided to place Contract Agreement on the L1 Contractor, M/s. Fairway Marine Services, Tuticorin at their quoted percentage rate of (+) 05.00% (Plus Five Percentage Only) over MES SSR 2010 for carrying out the subject work (to the total value of Rupees Ten Lakhs)”.
- It is submitted that the last CA for similar work ie Term Contract for Maintenance of Electrical Installations in HVF Old Facility was awarded to M/s. Ram Electricals, Chennai vide CA No. HVF/CE/10/2021-22/Maint., Dt 09-06-2021 at a Percentage rate of (+) 57.00 % above MES SSR 2010.

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

a. CWC - II observed that M/s. Ram Electricals, Chennai in reply to the Price Negotiation request has not offered any Price percentage revision and their quoted percentage remain unchanged. It is submitted that the L1 Contractor, M/s. Ram Electricals, Chennai has quoted a percentage rate of (-) 05.00% (Minus Five Percentage Only) below MES SSR 2020 for the subject work. CWC - II also observed that as per clause No.15 of the "Instruction to Tender" (in CPPP e-procurement portal) the contractors quoted rates are inclusive of GST.

b. CWC - II observed that no market variation letter has been received from CE/ Hyderabad for MES SSR 2020 rates. Hence the MV letter issued by CE/ Chennai zone is being referred. The present MV allowed as per CE/ Chennai zone forecasting percentage for External Electrification is (+) 10.00% as per latest MV circulated vide CE/ Chennai zone letter dt 31-01-2023 for the quarter ending March 2023.

c. CWC - II observed that in the MV letters issued by CE/ Chennai Zone it is stated that the percentages indicated are for normal works in unrestricted areas. In case of restricted areas an addition of (+) 5.00% in MV is allowed for normal restricted areas and an addition of (+) 10.00% is allowed for Factory areas. Considering the nature of work, the overall Market variation allowed will be "(+) 20.00%" i.e. {to the MV of (+) 10.00% add (+) 10.00% for Factory area}.

d. (i) CWC - II observed that the last CA for same work ie Term Contract for Maintenance of Electrical Installations in HVF New Facility was awarded to M/s. Fairway Marine Services, Tuticorin vide CA No. HVF/ CE/11/2021-22/Maint., Dt 04-08-2021 at a Percentage rate of (+) 05.00 % above MES SSR 2010 and CA Amount Rs. 10,00,000 /-. The extended PDC for the CA was upto 31-03-2023 without LD and Work Orders to the amount of Rs. 9,94,333.05 /- have been placed against the CA.

(ii) CWC - II observed that in the last CA, "CWC - II held on 23-06-2021 observed that the percentage rate of (+) 05.00 % over MES SSR 2010 quoted by the L1 Contractor, M/s. Fairway Marine Services, Tuticorin is freakishly on the lower side when compared with the percentage rate accepted by HVF for the last CA for the subject work and also when compared with the present Market Variation circulated by CE(Fy) Hyderabad for quarter ending March 2021. In view of the above, CWC - II decided to seek confirmation from the L1 Contractor that they will maintain good quality of material and labour while executing the subject work.

(iii) CWC - II observed that as per the CWC - II Decision, Clarification was issued and in reply the L1 Contractor, M/s. Fairway Marine Services, Tuticorin confirmed that they will maintain good quality of material and labour while executing the subject work at HVF.

(iv) Based on the above, CWC - II held on 14-07-2021 decided to place Contract Agreement on the L1 Contractor, M/s. Fairway Marine Services, Tuticorin at their quoted percentage rate of (+) 05.00% (Plus Five Percentage Only) over MES SSR 2010 for carrying out the subject work (to the total value of Rupees Ten Lakhs)".

e. CWC - II observed that the last CA for similar work ie Term Contract for Maintenance of Electrical Installations in HVF Old Facility was awarded to M/s. Ram Electricals, Chennai vide CA No. HVF/CE /10/2021-22/Maint., Dt 09-06-2021 at a Percentage rate of (+) 57.00 % above MES SSR 2010.

f. CWC - II observed that the percentage rate of (-) 05.00 % below MES SSR 2020 quoted by the L1 Contractor in this tender when compared with the latest Market variation circulated vide CE/ Chennai zone letter dt 31-01-2023 for the quarter ending March 2023 is competitive and reasonable.

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

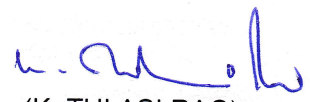
In view of the above Observations, CWC – II decided to place Contract Agreement on the L1 Contractor M/s. Ram Electricals, Chennai, at their percentage rate of (-) 05.00% (Minus Five Percentage Only) below MES SSR 2020 for carrying out the subject work (to the total value of Rupees Ten Lakhs).

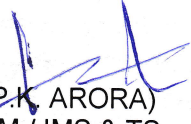
26. Security Deposit: The Contractor has to submit Security Deposit of Rs.25,000/- (Rupees Twenty Five Thousand Only) in the form of Fixed Deposit / Term Deposit / Bank Guarantee in favour of Chief General Manager, HVF, Avadi from any nationalized bank for the Completion and Maintenance period which will be releasable on satisfactory completion of the defects liability period.

27. Completion time : 12 Months (365 Days) from the date of handing over of site.

28. Payment : 1) As per IAFW 2249. 2) Cost debitable to : Code Head 809/01 (Under Revenue Grant)


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


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


(P.K. ARORA)
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