

MINUTES FOR E-PRICE BID REVISION APPROVAL CWC-II HELD ON 26-07-2023 FOR THE CIVIL WORK – REPAIRS TO 4 NUMBERS OF SEWAGE TREATMENT PLANTS OF HVF FACTORY.

CIVIL ENGINEERING OFFICE

The following Officers were present:-

1	Shri. Sulaiman S Siddique	GM / CP, 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/2023-24/10, Dt.04-05-2023.
CPPP E-Proc Tender ID:2023_AVNL_153127_1
- 02 Name of the Work : Repairs to 4 numbers of Sewage Treatment Plants of HVF Factory.
- 03 Type of Tender : Open Tender under Two Bid System (e-Tendering)
- 04 Grant & Code Head : 809 / 01 (Revenue Grant)
- 05 User Section : HVF / CE (Factroy)
- 06 Estimated cost of Work (Approx) : Rs.15,72,000/= (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 CE Note No.13148/CE(Fy)/2022-23/Maint., Dt. 07-12-2022.
ii. F&A Concurrence vide Letter No. 12501/HVF/ FIN&ACCT/ 86 /2022, dated 13-01-2023
- 08 e-Tender published in CPPP e-proc website on : 04-05-2023
- 09 Scheduled Bid Submission Closing date & Tender Opening date : Bid Submission Closing Date : 23-05-2023
Technical Tender Opening Date : 25-05-2023
- 10 No. of T.O.D Postponements : 02 Extension.
1st Extn (BSCD : 06-06-2023 & TOD :08-06-2023)
2nd Extn (BSCD : 13-06-2023 & TOD :15-06-2023)
- 11 e-Tender Technical /Eligibility Bid opened on : 15-06-2023
- 12 No. of Responses received online : 02 Responses / bids were received online.

13 Names of Contractors who has responded :

Sl. No.	NAME OF THE CONTRACTOR	EMD VALIDITY	OFFER VALIDITY
01	M/s. Chemtech Systems Private Limited, Chennai	Fixed Deposit Receipt (FDR) with date of Maturity 03-06-2024.	12-09-2023
03	M/s. Siva Enterprises, Chennai	DD valid up to 09-09-2023.	12-09-2023

14. **Eligibility Bid:-** CWC – II held on 21.06.2023 deliberated the case and observed that both the participating contractors 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. Chemtech Systems Private Limited, Chennai
2. M/s. Siva Enterprises, Chennai

15. e-Price Bid Opened on:- 24-06-2023.

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

Sl. No.	NAME OF THE CONTRACTOR	STATUS	QUOTED PRICE	DIFFERENCE OF % OVER ESTIMATED PRICE
01	M/s Chemtech Systems private Limited, Chennai	L1	Rs. 16,98,200.00 /-	(+) 08.03 %
02	M/s. Siva Enterprises, Chennai	L2	Rs. 19,11,300.00 /-	(+) 21.58 %

17 **OBSERVATIONS OF CWC-II HELD ON 28-06-2023:**

- a) CWC – II observed that M/s. Chemtech Systems Private Limited, Chennai is the L1 contractor and has quoted the amount of Rs. 16,98,200.00 /- (Rupees Sixteen Lakhs Ninety Eight Thousand Two Hundred Only). The quoted rate is Higher than the department estimate of Rs.15,72,000.00 /- (prepared based on MES SSR 2020 rates for SSR Items with market variation of (+) 5% for civil SSR items ((-) 5% MV Plus (+) 10% for factory Restricted Area) and for some items LPR / MR / BQ has been taken) by (+) 08.03 %. The L1 quoted rates are freakishly high for item Sl. No. 05, 10, 13, 18 (Freakishly high for 04 items) and freakishly low item Sl.No. 03, 17 (Freakishly low for 02 item) quoted by the L1 Contractor. 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 freakishly low items are not over estimated.
- b) CWC – II observed that the rates quoted by the L1 contractor for items Sl. No, 01, 06, 07, 08, 09, 11 (Above 10% for 06 items) are 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 Civil Engineering Section has undertaken to recast the estimate by taking into account the latest Market Variation for Quarter ending MAR 2023 circulated vide CE Chennai Zone, letter dt. 31-01-2023. Accordingly Market Variation of 15% for Civil SSR Items {05 % MV Plus (+) 10% for Factory Restricted Area) has been calculated. The revised notional estimated cost works out to Rs.16,05,188.55 /-.



- e) CWC – II observed that the L1 quoted cost of Rs. 16,98,200.00/- is Higher than the revised notional estimate of Rs. 16,05,188.55 /- by **(+) 05.79 %**. The L1 quoted rates has freakishly high for items SI.No. 05, 10, 13, 18 (Freakishly high for 04 items) and freakishly low item SI.No. 03, 17 (Freakishly low for 02 items) when compared with the revised notional estimate. It is submitted that the rates quoted by the L1 Contractor for Items SI. No. 01, 06, 07, 08, 09, 11 (Above 10% for 06 items) are higher than the revised notional departmental estimate by more than 10%.

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

- 18 In view of the above observations, CWC - II decided to refer the freak rates on higher side for item SI. No. 05, 10, 13 and 18 to the L1 Contractor M/s. Chemtech Systems Private Limited, Chennai for their consideration and downward revision of their quoted rate.

CWC - II decided to refer the rates for items SI. No. 01, 06, 07, 08, 09, 11 (06 items wherein the rates quoted by the L1 Contractor are higher than departmental estimate by more than 10%) and also the overall quoted rate to the L1 Contractor M/s. Chemtech Systems Private Limited, Chennai for their consideration and downward revision of their quoted rates.

CWC - II decided to obtain confirmation from the L1 Contractor M/s. Chemtech Systems Private Limited, Chennai that good quality of material and labour will be maintained by them while executing the work for Item SI. No. 03 and 17 (02 items) wherein the rate quoted by them is freakishly on the lower side.

19. As directed by CWC – II, price negotiation was initiated with the L1 Contractor, M/s. Chemtech Systems Private Limited, Chennai, seeking downward revision for items SI. No. 05, 10, 13 and 18 (04 freakishly high items) and SI.No. 01, 06, 07, 08, 09 and 11 (06 items wherein the rates quoted by the L1 Contractor are higher than departmental estimate by more than 10%). The Negotiation reply from the L1 Contractor, M/s. Chemtech Systems Private Limited, Chennai, was received on 18.07.2023.

20. The L1 Contractor has revised their price bid and offered the following rate revision:

S. No	Item SI. No.	Original Quoted Unit Rate (Rs.) and Percentage wrt Estimated Cost			Revised Unit Rate (Rs.) after Price Revision and Percentage wrt Estimated Cost		
01	Item SI. No. 05	Rs.	12700.00 /-	(111.03 %)	Rs.	8906.00 /-	(47.99 %)
02	Item SI. No. 10	Rs.	24600.00 /-	(111.65 %)	Rs.	17200.00 /-	(47.98 %)
03	Item SI. No. 13	Rs.	71000.00 /-	(85.14 %)	Rs.	56750.00 /-	(47.98 %)
04	Item SI. No. 18	Rs.	3500.00 /-	(240.46 %)	Rs.	1500.00 /-	(45.91 %)

The status of Prices quoted by the L1 Contractor after revision of Prices are as follows;

Name of the L1 Contractor	Estimated Price	Original Quoted Price	Revised Price (After Negotiation)	Diff. of Revised Price in % over Estimated price
M/s. Chemtech Systems Private Limited, Chennai	Rs. 15,72,000.00 /-	Rs. 16,98,200.00 /-	Rs. 15,80,424.00 /-	(+) 0.54 % (Higher)
Total Amount Reduced by the L1 Contractor: Rs. 1,17,776.00 /-				

21. OBSERVATIONS AFTER PRICE NEGOTIATION:

- a. In reply to the price negotiation request the L1 Contractor, M/s. Chemtech Systems Private Limited, Chennai has reduced and revised his offer percentage from Rs. 16,98,200.00 /- to Rs. 15,80,424.00 /- (Rupees Fifteen Lakhs Eighty Thousand Four Hundred and Twenty Four Only). The revised rate is still Higher than the department estimate of Rs. 15,72,000.00 /- (prepared based on MES SSR 2020 rates for SSR Items with market variation of (+) 5% for civil SSR items (-) 5% MV Plus (+) 10% for factory Restricted Area) and for some items LPR / MR / BQ has been taken)) by **(+) 0.54 %**.

- b. It is submitted that the L1 Contractor has offered Price revision for items Sl. No. 05, 10, 13 and 18 (4 Items) become Non Freakish but are higher than the estimated price by more than 10%.
- c. It is observed that for the items Sl. 01. 06, 07, 08, 09 and 11 (06 items wherein the rates offered by the L1 Contractor were higher than the departmental estimate by more than 10%, the L1 Contractor has not offered any Price revision and the rates for the 06 items remain the same and are higher than departmental estimate by more than 10%.
- d. It is submitted that the L1 contractor confirmed that they will maintain good quality of Material and Labour while executing the work for items Sl. No. 03 and 17 for which the rates quoted are freakishly low vide Lr. No.Nil., Dt.18-07-2023 stated " With respect to the HVF Tender No. HVF/TE/13025/CEO/2023-24/10., Dt. 04.05.2023 (CPPP Tender ID 2023_AVNL_153127_1) for the work " Repairs to 4 numbers of Sewage Treatment Plants of HVF Factory". We revised our rate downward for item Sl.no. 05, 10, 13 and 18 (4 items) of the quoted rate. We also confirm and ensure that good quality of material and labour will be maintained while executing the work for item Sl.No.03 and 17. The format for price revision is enclosed herewith. We have given our best lowest price for the above said work and look forward your valuable work order at the earliest".
- e. As per clause No.15 of the tender enquiry (in e-procurement portal) the contractors quoted rates are inclusive of GST.
- f. Civil Engineering Section has undertaken to recast the estimate by taking into account the latest Market Variation for Quarter ending MAR 2023 circulated vide CE Chennai Zone, letter Dt. 31-01-2023. Accordingly Market Variation of 10% for Civil SSR Items {"At Par" MV Plus (+) 10% for Factory Restricted Area) has been calculated. The revised notional estimated cost works out to Rs.15,88,364.58 /-.
- g. The L1 quoted cost after price revision of Rs. 15,80,424.00 /- is **Lower** than the revised notional estimate of Rs. 15,88,364.58 /- by (-) **0.50** %. The L1 Contractor revised rates for freakishly high items Sl. No 05, 10, 13 and 18 have become non freakish but still are higher than the revised notional estimate by more than 10%. The contractor has not offered any price revision for items Sl. No. 01. 06, 07, 08, 09 and 11 Above 10% for 06 items) are higher than the revised notional departmental estimate by more than 10%

22 OBSERVATIONS OF CWC- II HELD ON 26-07-2023:

- a. CWC – II observed that In reply to the price negotiation request the L1 Contractor, M/s. Chemtech Systems Private Limited, Chennai has reduced and revised his offer percentage from Rs. 16,98,200.00 /- to Rs. 15,80,424.00 /- (Rupees Fifteen Lakhs Eighty Thousand Four Hundred and Twenty Four Only). The revised rate is still Higher than the department estimate of Rs. 15,72,000.00 /- (prepared based on MES SSR 2020 rates for SSR Items with market variation of (+) 5% for civil SSR items ((-) 5% MV Plus (+) 10% for factory Restricted Area) and for some items LPR / MR / BQ has been taken)) by (+) 0.54 %.
- b. CWC – II observed that the L1 Contractor has offered Price revision for items Sl. No. 05, 10, 13 and 18 (04 Items) become Non Freakish but are higher than the estimated price by more than 10%.
- c. CWC – II observed that for the items Sl. 01. 06, 07, 08, 09 and 11 (06 items wherein the rates offered by the L1 Contractor were higher than the departmental estimate by more than 10%, the L1 Contractor has not offered any Price revision and the rates for the 06 items remain the same and are higher than departmental estimate by more than 10%.
- d. CWC – II observed that the L1 contractor confirmed that they will maintain good quality of Material and Labour while executing the work for items Sl. No. 03 and 17 for which the rates quoted are freakishly low vide Lr. No.Nil., Dt.18-07-2023 stated " With respect to the HVF Tender No. HVF/TE/13025/CEO/2023-24/10., Dt. 04.05.2023 (CPPP Tender ID 2023_AVNL_153127_1) for the work " Repairs to 4 numbers of Sewage Treatment Plants of HVF Factory". We revised our rate downward for item Sl.no. 05, 10, 13 and 18 (4 items) of the quoted rate. We also confirm and ensure that good quality of material and labour will be maintained while executing the work for item Sl.No.03 and 17. The format for price revision is enclosed herewith. We have given our best lowest price for the above said work and look forward your valuable work order at the earliest".

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- e. 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.
- f. CWC – II observed that Civil Engineering Section has undertaken to recast the estimate by taking into account the latest Market Variation for Quarter ending MAR 2023 circulated vide CE Chennai Zone, letter Dt. 31-01-2023. Accordingly Market Variation of 10% for Civil SSR Items {"At Par" MV Plus (+) 10% for Factory Restricted Area) has been calculated. The revised notional estimated cost works out to Rs.15,88,364.58 /-.
- g. CWC – II observed that the L1 quoted cost after price revision of Rs. 15,80,424.00 /- is **Lower** than the revised notional estimate of Rs. 15,88,364.58 /- by **(-) 0.50 %**. The L1 Contractor revised rates for freakishly high items Sl. No 05, 10, 13 and 18 have become non freakish but still are higher than the revised notional estimate by more than 10%. The contractor has not offered any price revision for items Sl. No. 01, 06, 07, 08, 09 and 11 the rates for the 06 items remain the same and are higher than departmental estimate by more than 10%.
- h. CWC – II observed that the L1 Contractors revised offer price of Rs. 15,80,424.00/- is Higher than the estimated price by (+) 0.54 % and the same is competitive and reasonable

23 DECISION OF CWC- II HELD ON 26-07-2023:

In view of the above observations, CWC – II decided to place Contract Agreement on the L1 Contractor, viz., M/s. Chemtech Systems Private Limited, Chennai, at their revised amount of Rs.15,80,424.00 /- (Rupees Fifteen Lakhs Eighty Thousand Four Hundred and Twenty Four Only) for the subject work.

CWC – II authorized to operate up to (+) or (-) 10% deviation over the CA amount. CWC – II directed the executing agency to ensure the quantity of the items Sl. No. 03 and 17 for which the rates quoted are freakishly low. CWC – II also directed the executing agency to ensure that as per SOP for Civil Works in AVNL – 2021, the items having freakishly lower rates shall not be executed less than 05% of the estimated quantity.

24. Security Deposit :- The Contractor has to submit Security Deposit of Rs. 40,000.00 /- (Rupees Forty 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.

25. Completion time : 03 (Three) Months from the date of handing over of site.

26. Payment: 1) As per IAFW 2249 2) Cost debitale to: Code Head No.809/01 (Under Revenue Grant)



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



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



(SULAIMAN S SIDDIQUE)
GM / CP, IMS & TS
CHAIRMAN / CWC – II