

MINUTES OF E-PRICE BID REVISION APPROVAL CWC-II MEETING
HELD ON 21-02-2024 FOR THE CIVIL WORK – PERIODICAL
SERVICES TO PUBLIC BUILDINGS AT HVF ESTATE

CIVIL ENGINEERING OFFICE

The following Officers were present ;

1	Shri. Paidi Annajee Rao	GM / IMS	Chairman / CWC-II
2	Shri. Karra Sankara Rao	JT.GM / F&A	Member / Finance
3	Shri. K. Tulasi Rao	JT. GM / IMS, EO & GS	Member / Secy

- 01 e-Tender Enquiry No. & Date : HVF/TE/13025/CEO/2023-24/60, Dt. 29-11-2023.
E-Procurement Tender ID : 2023_AVNL_175971_1
- 02 Name of the Work : Periodical Services to Public Buildings 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 - CE (E)
- 06 Estimated cost of Work (Approx) : Rs. 1,50,82,000/= /= (Processed in CWC-I in eligibility bids stage. L1 Quoted rate is Rs. 95,94,950.00 /=, Hence submitted to CWC-II) (As per delegation of Financial Powers issued by AVNL as on 01-10-2021, Point Sl.No. 55. (For Periodical Services of buildings in Revenue Grant), 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 Rupees One Crore (in each case) Hence the subject case falls under the financial powers of CWC-II now)
- 07 Approval & Financial Concurrence : i. CGM Approval vide IMS /E Note No.1659/IMS(E)/2023-24/Maint, Dt. 03-08-2023
ii. F&A Concurrence vide Letter No. 12501/HVF/FIN&ACCT/86/2022, Dt. 27-10-2023
- 08 e-Tender published in CPPP e-proc website on : 30-11-2023
- 09 Scheduled Bid submission closing date and Date of Tender Opening : Original Bid Submission closing Date : 15-12-2023
Original Technical Tender Opening Date : 16-12-2023
- 10 No. of T.O.D Postponements (System Configured for Bid Auto Extn Corrigendum in case of non receipt of minimum configured bids) : NIL
- 11 e-Tender Technical /Eligibility Bid opened on : 16-12-2023
- 12 No. of Responses received online : 04 Responses / bids were received online.

13 Names of Contractors who have responded and their EMD details :

Sl. No.	NAME OF THE CONTRACTOR	EMD VALIDITY	OFFER VALIDITY (90 Days from Actual Technical bid opening date)
01	M/s Samira Infra, Visakhapatnam	FDR, Date of Maturity is 11-01-2025	Confirmed . Offer Validity till 15-03-2024
02	M/s Maheshwari Traders, Nagpur	FDR, Date of Maturity is 23-02-2025	Confirmed . Offer Validity till 15-03-2024
03	M/s Sri Lakshmi Industries, Chennai	FDR, Date of Maturity is 14-12-2025	Confirmed . Offer Validity till 15-03-2024
04	M/s Siva Enterprises, Chennai	FDR, Date of Maturity is 28-02-2024	Confirmed . Offer Validity till 15-03-2024

14 CWC-I deliberated the case on 19-01-2024 and observed that all four participating contractors have fulfilled the eligibility Conditions of the tender and the offers of all four participating contractors are technically acceptable. Hence, CWC-I approved opening of e-price bids of all four eligible contractors viz.,

1. M/s Samira Infra, Visakhapatnam
2. M/s Maheshwari Traders, Nagpur
3. M/s Sri Lakshmi Industries, Chennai
4. M/s Siva Enterprises, Chennai

15 Accordingly the e-price bids of all four eligible contractors have been opened on 27-01-2024.

16 Details of e-Quotations (Price bids) received is given below

Sl. No	Name of the Contractor	STATUS	Quoted Amount	Difference in % over estimated rate
01	M/s Maheshwari Traders, Nagpur	<u>L1</u>	Rs. 95,94,950.00 /=-	(-) 36.38 % (Lower)
02	M/s Siva Enterprises, Chennai	<u>L2</u>	Rs. 1,06,32,365.00 /=-	(-) 29.50 % (Lower)
03	M/s Sri Lakshmi Industries, Chennai	<u>L3</u>	Rs. 1,11,16,600.00 /=-	(-) 26.29 % (Lower)
04	M/s Samira Infra, Visakhapatnam	<u>L4</u>	Rs. 1,77,42,250.00 /=-	(+) 17.64 % (Higher)

17 INITIAL OBSERVATIONS

- a It is observed that M/s Maheshwari Traders, Nagpur is the L1 Contractor and has quoted a total amount of Rs. 95,94,950 /=- (Rupees Ninety Five Lakhs Ninety Four Thousand Nine Hundred and Fifty Only) for the work. The quoted amount is (-) 36.38 % Lower than the departmental estimate of Rs. 1,50,82,000 /=- {prepared based on MES SSR 2020 rates with Market Variation of (+) 10 % [MV of (+) 05 % Plus (+) 05 % for Normal Restricted Area – HVF Estate] for SSR Items. For some items MR/LPR has been taken.}. It is submitted that as per the Latest Market Variation for Quarter ending December 2023 circulated vide CE Chennai Zone, Letter Dt. 10-11-2023 the market variation for "Addn/Altn/Spl. Repairs/Maintenance" for SSR Items is 10% { MV of "(+) 5 % Plus (+) 5 % for Normal Restricted area – HVF Estate }. The rates quoted by L1 Contractor are freakishly high for items Sl. No. 01 & 03 and freakishly low for Items Sl.No. 02 & 14. As per clause No.15 of the e-tender enquiry the contractors quoted rates are inclusive of GST. It is confirmed that the estimate and quantities have been checked and certified that the quantities indicated for freakishly low item are not over estimated and the quantities for freakishly high item are not under-estimated.
- b It is submitted that the present case was processed under CWC-I in eligibility bid stage based on the departmental estimate cost of Rs. 1,50,82,000 /=- (above Rs. 1 Crore and falling under CWC-I Powers). Now, Since the L1 quoted total amount is Rs. 95,94,950 /=-, the case is being submitted to CWC-II {as per delegation of Financial Powers issued by AVNL as on 01-10-2021, Point Sl.No. 55. (For Periodical Services of buildings in Revenue Grant), 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 Rupees One Crore (in each case)}

18 OBSERVATIONS OF CWC-II HELD ON 07-02-2024

- a CWC-II observed that M/s Maheshwari Traders, Nagpur is the L1 Contractor and has quoted a total amount of Rs. 95,94,950 /- (Rupees Ninety Five Lakhs Ninety Four Thousand Nine Hundred and Fifty Only) for the work. The quoted amount is (-) 36.38 % Lower than the departmental estimate of Rs. 1,50,82,000 /- {prepared based on MES SSR 2020 rates with Market Variation of (+) 10 % [MV of (+) 05 % Plus (+) 05 % for Normal Restricted Area – HVF Estate] for SSR Items. For some items MR/LPR has been taken.}. CWC-II also observed that as per the Latest Market Variation for Quarter ending December 2023 circulated vide CE Chennai Zone, Letter Dt. 10-11-2023 the market variation for "Addn/Altn/Spl. Repairs/Maintenance" for SSR Items is 10% { MV of "(+) 5 % Plus (+) 5 % for Normal Restricted area – HVF Estate }. The rates quoted by L1 Contractor are freakishly high for items Sl. No. 01 & 03 and freakishly low for Items Sl.No. 02 & 14. As per clause No.15 of the e-tender enquiry the contractors quoted rates are inclusive of GST. CWC-II observed that the estimate and quantities have been checked and certified that the quantities indicated for freakishly low item are not over estimated and the quantities for freakishly high item are not under-estimated.
- b CWC-II also observed that the present case was processed under CWC-I in eligibility bid stage based on the departmental estimate cost of Rs. 1,50,82,000 /- (above Rs. 1 Crore and falling under CWC-I Powers). Now, Since the L1 quoted total amount is Rs. 95,94,950 /-, the case is being brought to CWC-II {as per delegation of Financial Powers issued by AVNL as on 01-10-2021, Point Sl.No. 55. (For Periodical Services of buildings in Revenue Grant), 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 Rupees One Crore (in each case)}

19 DECISION OF CWC-II HELD ON 07-02-2024

- a In view of the aforesaid observations, CWC-II decided to refer the freak rate on higher side for items Sl. No. 01 & 03 to the L1 Contractor M/s Maheshwari Traders, Nagpur for their consideration and downward revision of their quoted rates.
- b CWC-II further decided to obtain confirmation from the L1 Contractor M/s Maheshwari Traders, Nagpur, that good quality of material and workmanship will be maintained by them while executing the work for Items Sl.No. 02 & 14 wherein the rates quoted by them are freakishly on the lower side.
- c CWC-II also decided to obtain confirmation from the L1 Contractor viz., M/s Maheshwari Traders, Nagpur that they will maintain good quality of material and workmanship while executing the entire work (since the overall total amount quoted by them is on the lower side).
- 20 As directed by CWC-II, Price Negotiation was initiated with the L1 contractor, M/s Maheshwari Traders, Nagpur and e.mail Dt. 08-02-2024 was issued to the contractor, seeking downward revision of the freakishly high rates for Items Sl.No. 01 & 03 and for seeking confirmation that good quality of material and workmanship will be maintained by them while executing the work for Items Sl.No. 02 & 14 wherein the rates quoted by them are freakishly on the lower side and also that they will maintain good quality of material and workmanship while executing the entire work.

The L1 Contractor M/s Maheshwari Traders, Nagpur has replied vide e.mail Dt. 16-02-2024 and submitted letter Dt. 15-02-2024 wherein it is intimated that ;

1. "We have reduced and revised our rate downward for item No. 01 and 03 and offered a total price reduction of Rs. 48,000/-. The format for price revision showing our reduced prices is enclosed here with. We have given our best lowest price for the above said work. We request that our revised prices may kindly be accepted.
2. We Confirm that We shall maintain good quality of material and good workmanship while executing the work for Items Sl.No. 02 & 14 where in the rates quoted are on lower side.
3. We also confirm that we shall maintain good quality of material and good workmanship while executing the entire work."



- 21 It is submitted that M/s Maheshwari Traders, Nagpur has submitted the rate revision sheet and revised their prices and offered the following rate revision ;

Sl.No	Item Sl.No	Original Quoted Unit Rate (Rs.) and Percentage w.r.t Estimated cost	Revised Unit Rate (Rs.) after Price Revision and Percentage w.r.t Estimated cost
01	Item Sl. No. 01	Rs. 225 /= (105.95 %)	Rs. 160 /= (46.45 %)
02	Item Sl. No. 03	Rs. 280 /= (60.28 %)	Rs. 260 /= (48.83 %)

- 22 The status of Prices quoted by the L1 firm after revision of Prices are as follows ;

Sl. No	Name of the Contractor	STATUS	Original Quoted Amount	Revised Quoted Amount	Difference in % over estimated rate for revised quoted amount
01	M/s MAHESHWARI TRADERS	<u>L1</u>	Rs. 95,94,950.00 /=	Rs. 95,46,950.00 /=	(-) 36.70 % (Lower)
TOTAL AMOUNT REDUCED			Rs. 48,000 /=		

23 OBSERVATIONS AFTER PRICE REVISION :

- a It is observed that after the Price revision / reduction offered by the L1 Contractor M/s Maheshwari Traders, Nagpur, the revised quoted total amount works out to Rs. 95,46,950 /= (Rupees Ninety Five Lakhs Forty Six Thousand Nine Hundred and Fifty Only) for the work. The revised quoted amount is (-) 36.70 % Lower than the departmental estimate of Rs. 1,50,82,000 /= {prepared based on MES SSR 2020 rates with Market Variation of (+) 10 % [MV of (+) 05 % Plus (+) 05 % for Normal Restricted Area – HVF Estate] for SSR Items. For some items MR/LPR has been taken.}. It is submitted that that as per the Latest Market Variation for Quarter ending December 2023 circulated vide CE Chennai Zone, Letter Dt. 10-11-2023 the market variation for "Addn/Altn/Spl. Repairs/Maintenance" for SSR Items is 10% { MV of "(+) 5 % Plus (+) 5 % for Normal Restricted area – HVF Estate }. It is submitted that after the Price revision / reduction offered by the L1 Contractor there are no freakishly high rates. The rates quoted by the L1 Contractor are freakishly low for Items Sl.No. 02 & 14. As per clause No.15 of the e-tender enquiry the contractors quoted rates are inclusive of GST.
- b It is submitted that the L1 Contractor has offered Price reduction for Items Sl. No. 01 & 03 (which were earlier freakishly high) and after price reductions the prices of these items are no longer freakishly high but are higher than the departmental estimate by more than 10 %.
- c It is submitted that the L1 Contractor vide letter Dt. 15-02-2024 has intimated that they have reduced and revised their rate downward for item Sl.No. 01 & 03 and offered a total price reduction of Rs. 48,000/= and have given their best lowest price for the above said work. The L1 contractor requested that their revised prices may be accepted.
- d It is submitted that the L1 Contractor M/s Maheshwari Traders vide letter Dt. 15-02-2024 has confirmed that they will maintain good quality of material and good workmanship while executing the work for Items Sl.No. 02 & 14 wherein the rates quoted are on the lower side. The L1 contractor has further confirmed that they shall maintain good quality of material and good workmanship while executing the entire work.

24 OBSERVATIONS OF CWC-II HELD ON 21-02-2024 :

- a CWC-II observed that after the Price revision / reduction offered by the L1 Contractor M/s Maheshwari Traders, Nagpur, the revised quoted total amount works out to Rs. 95,46,950 /= (Rupees Ninety Five Lakhs Forty Six Thousand Nine Hundred and Fifty Only) for the work. The revised quoted amount is (-) 36.70 % Lower than the departmental estimate of Rs. 1,50,82,000 /= {prepared based on MES SSR 2020 rates with Market Variation of (+) 10 % [MV of (+) 05 % Plus (+) 05 % for Normal Restricted Area – HVF Estate] for SSR Items. For some items MR/LPR has been taken.}. CWC-II observed that as per the Latest Market Variation for Quarter ending December 2023 circulated vide CE Chennai Zone, Letter Dt. 10-11-2023 the market variation for "Addn/Altn/Spl. Repairs/Maintenance" for SSR Items is 10% { MV of "(+) 5 % Plus (+) 5 % for Normal Restricted area – HVF Estate }. CWC-II observed that after the Price revision / reduction offered by the L1 Contractor there are no freakishly high rates. The rates quoted by the L1 Contractor are freakishly low for Items Sl.No. 02 & 14. As per clause No.15 of the e-tender enquiry the contractors quoted rates are inclusive of GST.

- b CWC-II also observed that the L1 Contractor has offered Price reduction for Items Sl. No. 01 & 03 (which were earlier freakishly high) and after price reductions the prices of these items are no longer freakishly high but are higher than the departmental estimate by more than 10 %.
- c CWC-II noted that the L1 Contractor vide letter Dt. 15-02-2024 has intimated that they have reduced and revised their rate downward for item Sl.No. 01 & 03 and offered a total price reduction of Rs. 48,000/= and have given their best lowest price for the above said work. The L1 contractor requested that their revised prices may be accepted.
- d CWC-II further observed that the L1 Contractor M/s Maheshwari Traders vide letter Dt. 15-02-2024 has confirmed that they will maintain good quality of material and good workmanship while executing the work for Items Sl.No. 02 & 14 wherein the rates quoted are on the lower side. The L1 contractor has further confirmed that they shall maintain good quality of material and good workmanship while executing the entire work.
- e CWC-II further observed that the overall revised total amount quoted by the L1 contractor is (-) 36.70 % lower than the departmental estimate. CWC-II observed that the overall revised total amount quoted by the L1 Contractor is competitive and reasonable.

25 **DECISION OF CWC-II HELD ON 21-02-2024 ;**

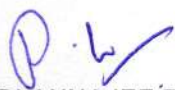
In view of the aforesaid observations, CWC-II decided to place Contract Agreement on the L1 Contractor, viz., M/s Maheshwari Traders, Nagpur, at their revised quoted total amount of Rs. 95,46,950 /= (Rupees Ninety Five Lakhs Forty Six Thousand Nine Hundred and Fifty Only) for the work.

CWC-II authorised to operate upto (+) or (-) 10 % deviation over the CA Amount. CWC-II directed the executing agency to ensure good quality of material and good workmanship by the contractor for the items Sl.No. 02 & 14 for which the rates quoted are freakishly low. CWC-II also directed the executing agency to ensure good quality of material and good workmanship by the contractor while executing the entire work. 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 (Items Sl. No. 02 & 14) shall not be executed less than 05 % of the estimated quantity.

- 26 Security Deposit : The contractor has to submit SD of Rs. 2,10,300 /= (Rupees Two Lakhs Ten Thousand and Three Hundred Only) in the form of Fixed Deposit / Term Deposit / BG in favour of CGM / HVF, Avadi from any Nationalised bank for the completion and maintenance period which will be releasable on satisfactory completion of the defects-liability period.
- 27 Completion time : Twelve Months (365 days) from the date of handing over of site.
- 28 Payment : As per IAFW 2249, Cost debitale to : Code Head 809/02 (Revenue Grant)


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


(K. TULASI RAO)
JT.GM / IMS, EO & GS
MEMBER SECRETARY


(PAIDI ANNAJEE RAO)
GM / IMS
CHAIRMAN / CWC-II