Minutes of Meeting (Financial Evaluation)

Sub: **Maintenance, Improvement in riding quality and Periodic Repair of 6-lane highway (45km) and service road (58km linear length) including maintenance of structures and lightening of Indore-Dewas section of NH-52 from km. 577+550 to km. 610+000 and km. 0+000 to km. 12+600 under jurisdiction of NHAI PIU Indore in the state of Madhya Pradesh on Item rate basis.**

Ref: **1. Tender ID: 2023_NHAI_153389_1.**
2. UPC No. N/04004/07001/MP.

After approval of the Competent Authority regarding opening & evaluation of e-bids, the Committee (constituted by RO-MP, Bhopal vide no. 49358 dated 16.06.2023) of the following officers was constituted for opening & evaluation of financial bids.

1. Shri Sumesh Banzal, PD, PIU-Indore - Convener
2. Shri Paras Bansal, Manager (T), RO-MP, Bhopal - Member
3. Shri Himanshu Pandey, Manager (T), PIU-Indore - Member
4. Shri Hemendra Batham, Accountant, RO-MP, Bhopal - Member

2. The technical bids of aforesaid Tender ID: 2023_NHAI_153389_1 were opened on scheduled date 07.06.2023. As per the evaluation done by the committee **(Minutes of Meeting of Technical Evaluation by the Committee *enclosed as per Annexure-I*)** the Committee found following bidders as technically responsive:-

(i) M/s Prakash Asphaltings and Toll Highways India Ltd.
(ii) M/s Sarvodya Infracon Private Limited.
(iii) M/s D.G. Belhekar and Company.

3. After verification of blacklisting/debarment/non-performer status of bidders on data-lake, the result of technical evaluation were hosted on e-tender portal and NHAI website and the successful bidders were informed about the same along with schedule of financial bid opening vide this office letter no. 49338 dated 13.06.2023.

3.1 The bidders were also requested to submit the original documents in accordance with Clause 23.5(ii) of section-II of ITB. All 03 technically qualified bidders have submitted the desired original documents to this office, which have been reviewed by the Committee and found in order. The documents are also placed on record with file for necessary check, if any.

3.2. Pursuant to submission and verification of documents in original of technically qualified bidders, the financial bids of technically responsive bidders were opened by the Committee members on 19.06.2023 at 12:00 Hrs. The summary of percentage rates offered by the technically qualified bidders are mentioned in the below table:

S. No.	Name of the bidder	Estimated cost in Rs.	Bid price in Rs.	Bidder quoted rate %	Remark
1	M/s Prakash Asphaltings and Toll Highways India Ltd.	90,64,31,755/-	77,95,31,309/-	-14.00%	L-3

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S. No.	Name of the bidder	Estimated cost in Rs.	Bid price in Rs.	Bidder quoted rate %	Remark
2	M/s Sarvodya Infracon Private Limited.	90,64,31,755/	71,76,22,020/-	-20.83%	L-2
3	M/s D.G. Belhekar and Company.	90,64,31,755/	68,97,03,922/-	-23.91%	L-1

* The downloaded financial bid documents from e-tender portal are enclosed under ***Annexure-II.***

4. From above, it has been observed by the committee that **M/s D.G. Belhekar and Company** has offered the lowest percentage rate of **(-) 23.91% below** the estimated cost.

5. Committee observed that the quoted rates are lower in comparison to the normal response received for similar types of works for which bids were invited by RO-Bhopal, thus the bid of the successful bidder may be treated "**unbalanced bid**". Thus, committee was of the opinion that the provision of Clause 28.3 of section-II of ITB needs to be invoked and **additional performance security needs to be obtained** from the successful bidder for safeguarding the interest of Authority in case of default of successful bidder under contract.

The agreement does not have provision/instructions to calculate the amount of additional performance security, thus Committee derived inspiration from standard RFP of EPC document/NHAI circular no. 11.42/2022 dated 13.09.2022 wherein the provision to seek additional performance security in case of abnormally low bid has been defined.

5.1 The provision of circulars along with its applicability and impact in present case are tabulated as below:

<table>
<tr><th>S.No.</th><th>Provisions of NHAI/MoRT&H circular</th><th>Implication in present case</th></tr>
<tr><td>1.</td><td>If the Bid price offered by the selected bidder is lower than 20% of the estimated project cost/cost put to tender. the additional performance security shall be calculated @ 20% of the difference in the (i) Estimated Project Cost (as mentioned in RFP) - 20% of the Estimated Project Cost and (ii) the Bid Price offered by the selected Bidder.</td><td>The bidder has quoted (-) 23.91% below estimated cost, which is more than 20% and hence the requirement of additional performance security becomes justified.
Value of additional performance security is calculated as below:
<table>
<tr><td>Estimated Project Cost</td><td>90,64,31,755</td></tr>
<tr><td>20% of the Estimated Project Cost</td><td>18,12,86,351</td></tr>
<tr><td>(i) Estimated Project Cost (as mentioned in RFP) - 20% of the Estimated Project Cost</td><td>72,51,45,404</td></tr>
<tr><td>(ii) the Bid Price offered by the selected Bidder</td><td>68,97,03,922</td></tr>
<tr><td>(i)- (ii)</td><td>3,54,41,482</td></tr>
<tr><td>Value of additional performance security = 20% of (i)-(ii)</td><td>70,88,296</td></tr>
</table></td></tr>
<tr><td>2.</td><td>Maximum limit of additional performance security shall be limited to 3% of the Bid price offered by the selected bidder.</td><td>The calculated additional performance security is 1.03% of price offered and hence within limit.</td></tr>
</table>

Himanshu Pandey

3.	The additional performance security shall be treated as part of the performance security.	After including the additional performance security as part of the performance security, the total requirement of performance security becomes as follows: <table><tr><td>**3% performance required as per RFP**</td><td>**2,06,91,118**</td></tr><tr><td>Additional performance security as calculated above</td><td>70,88,296</td></tr></table>

7. As per clause 33.1 of ITB, selected bidder is required to submit the 3% of bid price as performance security along with additional performance security for unbalance bid as per Clause 28.3 of ITB. Accordingly, for subject work bidder is required to submit a performance security amount of **Rs. 2,06,91,118/-** i.e. 3% of bid quoted price and an additional performance security for unbalance bid of **Rs.70,88,296 /-** as per policy guideline no. 11.42/2022 dated 13.09.202.

8. **Recommendation of committee:** The committee recommends to award the work to lowest bidder **M/s D.G. Belhekar and Company (L-1)** at quoted amount of **Rs. 68,97,03,922/- (**Rs. Sixty Eight Crore Ninety Seven Lakhs Three Thousand Nine Hundred Twenty Two Only) with including the condition regarding submission of performance security & additional performance security in accordance with the provision of RFP.

	Himanshu Pandey		19/6/23.
Hemendra Batham Accountant RO-Bhopal	**Himanshu Pandey** Manager (T) PIU-Indore	**Paras Bansal** Manager (T) RO-Bhopal	**Sumesh Banzal** Project Director PIU-Indore

Signature Not Verified

Digitally signed by Himanshu Pandey
Date: 2023.08.21 17:10:45 IST
Location: eProcurement System for Central PSUs