

MINUTES OF E-PRICE BID REVISION APPROVAL CWC-II MEETING
HELD ON 24-04-2024 FOR THE CIVIL WORK – SPECIAL REPAIRS
TO ENCLOSURES OF OFFICE ROOM, STORE ROOM
AND REST ROOMS OF OHMS SHOP
AT HVF, AVADI

CIVIL ENGINEERING OFFICE

The following Officers were present ;

1	Shri. Paidi Annajee Rao	GM / EO & GS	Chairman / CWC-II
2	Shri. P.K. Gireesh Babu	GM / OP-OE, R&D (Alternate Officer for GM / OP-OH)	Member / User
3	Shri. Karra Sankara Rao	JT.GM / F&A	Member / Finance
4	Shri. K. Tulasi Rao	JT. GM / IMS	Member / Secy

- 01 e-Tender Enquiry No. & Date : HVF/TE/13025/CEO/2023-24/76, Dt. 19-02-2024.
E-Procurement Tender ID : 2024_AVNL_187061_1
- 02 Name of the Work : Special Repairs to Enclosures of Office Room, Store Room and
Rest Rooms of OHMS Shop at HVF, Avadi,
- 03 Type of Tender : Open Tender under Two Bid System (e-Tendering)
- 04 Grant & Code Head : 920 / 34 (Capital Grant) ND 2330
- 05 User Section : HVF / IMS – CE (Fy) – OHMS
- 06 Estimated cost of Work (Approx) : Rs. 1,26,50,000/= (As per delegation of Financial Powers issued
by AVNL as on 01-10-2021, Point Sl.No. 50. (For Capital Civil
works for Ammunition Magazines, Production Buildings, Production
Buildings including buildings / Installations required for support
services etc which are directly related to Production Activities), Sub
Clause "b" and AVNL Amendment letters Dt. 22-04-2022 and 07-06-
2023, GM is empowered for Issue of Acceptance of Necessity &
Administrative Approval and placement of contract for Departmental
Works upto Rs. 03 Crores. Hence the subject case falls under the
financial powers of CWC-II).
- 07 Approval & Financial Concurrence : i. CGM Approval vide IMS / CE (Fy) Note No.13148/HVF/IMS-
CE(FY)/ 2022-23/CAP, Dt. 22-11-2023

ii. F&A Concurrence vide Letter No. 12501/HVF/FIN&ACCT/86/
2024, Dt. 01-02-2024

iii. ADP Approval vide AVNL Letter No. 91002/ADP/HVF(ND2330)/
AVNL/2023-24, Dt. 06-11-2023
- 08 e-Tender published in CPPP e-proc website on : 07-03-2024
- 09 Scheduled Bid submission closing date and Date
of Tender Opening : Original Bid Submission closing Date : 22-03-2024
Original Technical Tender Opening Date : 23-03-2024



- 10 No. of T.O.D Postponements (System Configured for Bid Auto Extn Corrigendum) : NIL
- 11 e-Tender Technical /Eligibility Bid opened on : 23-03-2024
- 12 No. of Responses received online : 05 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 Sri Krishna Agencies, Chennai	FDR, Date of Maturity is 26-06-2024	Confirmed . Offer Validity till 21-06-2024
02	M/s PSG Constructions, Chennai	FDR, Date of Maturity is 20-06-2024	Confirmed . Offer Validity till 21-06-2024
03	M/s MSK Construction, Thiruvannamalai	FDR, Date of Maturity is 12-03-2025	Confirmed . Offer Validity till 21-06-2024
04	M/s Siva Enterprises, Chennai	FDR, Date of Maturity is 16-06-2024	Confirmed . Offer Validity till 21-06-2024
05	M/s Vijayalakshmi Enterprises, Chennai	FDR, Date of Maturity is 21-06-2024	Confirmed . Offer Validity till 21-06-2024

- 14 CWC-II deliberated the case on 03-04-2024 and observed that all Five participating contractors have fulfilled the eligibility Conditions of the tender and the offers of all Five participating contractors are technically acceptable. Hence, CWC-II approved opening of e-price bids of all Five eligible contractors viz.,

1. M/s Sri Krishna Agencies, Chennai
2. M/s PSG Constructions, Chennai
3. M/s MSK Construction, Thiruvannamalai
4. M/s Siva Enterprises, Chennai
5. M/s Vijayalakshmi Enterprises, Chennai

- 15 Accordingly the e-price bids of all Five eligible contractors have been opened on 08-04-2024.

- 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 Siva Enterprises, Chennai	<u>L1</u>	Rs. 1,21,33,850.00 / =	(-) 04.08 % (Lower)
02	M/s Vijayalakshmi Enterprises, Chennai	<u>L2</u>	Rs. 1,24,39,905.00 / =	(-) 01.66 % (Lower)
03	M/s MSK Construction, Thiruvannamalai	<u>L3</u>	Rs. 1,29,99,999.00 / =	(+) 02.77 % (Higher)
04	M/s Sri Krishna Agencies, Chennai	<u>L4</u>	Rs. 1,37,26,540.00 / =	(+) 08.51 % (Higher)
05	M/s PSG Constructions, Chennai	<u>L5</u>	Rs. 1,55,98,720.00 / =	(+) 23.31 % (Higher)

17 INITIAL OBSERVATIONS

- a It is observed that M/s Siva Enterprises, Chennai is the L1 Contractor and has quoted a total amount of Rs. 1,21,33,850 /=- (Rupees One Crore Twenty One Lakhs Thirty Three Thousand Eight Hundred and Fifty Only) for the work. The quoted amount is (-) 04.08 % lower than the departmental estimate of Rs. 1,26,50,000/- {prepared based on MES SSR 2020 rates with Market Variation of (+) 15 % [MV of (+) 05 % Plus (+) 10% for Factory Area] for Civil SSR Items and Market Variation of (+) 20 % [MV of 10 % Plus (+) 10 % for Factory Area] for Electrical SSR Items. }}. It is submitted that as per the Latest Market Variation for Quarter ending March 2024 circulated vide CE Chennai Zone, Letter Dt. 05-02-2024 the market variation for "Addn / Altn / Special Repairs / Maintenance" for Civil SSR Items is (+) 15 % [MV of (+) 05 % Plus (+) 10% for Factory Area]]. And Market Variation for "External Electrification" for Electrical SSR Items is (+) 20 % [MV of (+) 10 % Plus (+) 10 % for Factory Area]. There are no freakishly high rates or freakishly low rates quoted by the L1 Contractor. As per clause No.15 of the e-tender enquiry the contractors quoted rates are inclusive of GST.
- b It is submitted that the rates quoted by the L1 contractor for Items SI.No. 01 & 35 are higher than the departmental estimate by more than 10%

18 OBSERVATIONS OF CWC-II HELD ON 17-04-2024

- a CWC-II observed that M/s Siva Enterprises, Chennai is the L1 Contractor and has quoted a total amount of Rs. 1,21,33,850 /=- (Rupees One Crore Twenty One Lakhs Thirty Three Thousand Eight Hundred and Fifty Only) for the work. The quoted amount is (-) 04.08 % lower than the departmental estimate of Rs. 1,26,50,000/- {prepared based on MES SSR 2020 rates with Market Variation of (+) 15 % [MV of (+) 05 % Plus (+) 10% for Factory Area] for Civil SSR Items and Market Variation of (+) 20 % [MV of 10 % Plus (+) 10 % for Factory Area] for Electrical SSR Items. }}. CWC-II noted that as per the Latest Market Variation for Quarter ending March 2024 circulated vide CE Chennai Zone, Letter Dt. 05-02-2024 the market variation for "Addn / Altn / Special Repairs / Maintenance" for Civil SSR Items is (+) 15 % [MV of (+) 05 % Plus (+) 10% for Factory Area]]. And Market Variation for "External Electrification" for Electrical SSR Items is (+) 20 % [MV of (+) 10 % Plus (+) 10 % for Factory Area]. There are no freakishly high rates or freakishly low rates quoted by the L1 Contractor. 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 rates quoted by the L1 contractor for Items SI.No. 01 & 35 are higher than the departmental estimate by more than 10%

19 DECISION OF CWC-II HELD ON 17-04-2024

- In view of the aforesaid observations, CWC-II decided to refer the rates for items SI. No. 01 & 35 (wherein the quoted rates are higher than the departmental estimate by more than 10 %) to the L1 Contractor M/s Siva Enterprises, Chennai for their consideration and downward revision of their quoted rates.
- 20 As directed by CWC-II, Price Negotiation was initiated with the L1 contractor, M/s Siva Enterprises, Chennai and e.mail Dt. 20-04-2024 was issued to the contractor, seeking downward revision of the rates for Items SI.No. 01 & 35 (wherein the quoted rates are higher than the departmental estimate by more than 10 %).

The L1 Contractor M/s Siva Enterprises, Chennai has replied vide e.mail Dt. 22-04-2024 and submitted Rate Revision Sheet and Letter Dt. 22-04-2024 wherein it is intimated that ;

" With reference to HVF e.mail Dt. 20-04-2024 for price reduction, I have reduced the prices for Items SI. No. 01 and 35 and have offered a total price reduction of Rs. 4850 /=-. The Rate Reduction Sheet is enclosed herewith. I request you to accept the reduced prices and issue order to me at the earliest, please...."

- 21 It is submitted that M/s Siva Enterprises, Chennai has submitted the rate revision sheet and revised their prices and offered the following rate revision ;

SI.No	Item SI.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 SI. No. 01	Rs. 55 /=- (14.97 %)	Rs. 50 /=- (04.52 %)
02	Item SI. No. 35	Rs. 245 /=- (10.24 %)	Rs. 240 /=- (07.99 %)

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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 Siva Enterprises, Chennai	<u>L1</u>	Rs. 1,21,33,850 /=	Rs. 1,21,29,000 /=	(-) 04.12 % (Lower)
TOTAL AMOUNT REDUCED			Rs. 4,850 /=		

23 OBSERVATIONS AFTER PRICE REVISION :

- It is observed that after the Price revision / reduction offered by the L1 Contractor M/s Siva Enterprises, Chennai the revised quoted total amount works out to Rs. 1,21,29,000 /= (Rupees One Crore Twenty One Lakhs and Twenty Nine Thousand Only) for the work. The revised quoted amount is (-) 04.12 % lower than the departmental estimate of Rs. 1,26,50,000/= {prepared based on MES SSR 2020 rates with Market Variation of (+) 15 % [MV of (+) 05 % Plus (+) 10% for Factory Area] for Civil SSR Items and Market Variation of (+) 20 % {MV of 10 % Plus (+) 10 % for Factory Area} for Electrical SSR Items. }}. It is submitted that as per the Latest Market Variation for Quarter ending March 2024 circulated vide CE Chennai Zone, Letter Dt. 05-02-2024 the market variation for "Addn / Altn / Special Repairs / Maintenance" for Civil SSR Items is (+) 15 % [MV of (+) 05 % Plus (+) 10% for Factory Area]]. And Market Variation for "External Electrification" for Electrical SSR Items is (+) 20 % [MV of (+) 10 % Plus (+) 10 % for Factory Area]. There are no freakishly high rates or freakishly low rates quoted by the L1 Contractor. As per clause No.15 of the e-tender enquiry the contractors quoted rates are inclusive of GST.
- It is submitted that the L1 Contractor has offered Price Reduction for Items SI. No. 01 & 35 (which were earlier higher than the departmental estimate by more than 10 %) and after price reduction the prices of these items are higher than the departmental estimate by less than 10 %.
- It is submitted that the L1 Contractor vide letter Dt. 22-04-2024 has intimated that he has reduced the rates for item SI.No. 01 & 35 and offered a total price reduction of Rs. 4,850/= and requested to accept the reduced prices and issue order.

24 OBSERVATIONS OF CWC-II HELD ON 24-04-2024 :

- CWC-II observed that after the Price revision / reduction offered by the L1 Contractor M/s Siva Enterprises, Chennai the revised quoted total amount works out to Rs. 1,21,29,000 /= (Rupees One Crore Twenty One Lakhs and Twenty Nine Thousand Only) for the work. The revised quoted amount is (-) 04.12 % lower than the departmental estimate of Rs. 1,26,50,000/= {prepared based on MES SSR 2020 rates with Market Variation of (+) 15 % [MV of (+) 05 % Plus (+) 10% for Factory Area] for Civil SSR Items and Market Variation of (+) 20 % {MV of 10 % Plus (+) 10 % for Factory Area} for Electrical SSR Items. }}. CWC-II observed that as per the Latest Market Variation for Quarter ending March 2024 circulated vide CE Chennai Zone, Letter Dt. 05-02-2024 the market variation for "Addn / Altn / Special Repairs / Maintenance" for Civil SSR Items is (+) 15 % [MV of (+) 05 % Plus (+) 10% for Factory Area]]. And Market Variation for "External Electrification" for Electrical SSR Items is (+) 20 % [MV of (+) 10 % Plus (+) 10 % for Factory Area]. There are no freakishly high rates or freakishly low rates quoted by the L1 Contractor. As per clause No.15 of the e-tender enquiry the contractors quoted rates are inclusive of GST.
- CWC-II also observed that the L1 Contractor has offered Price Reduction for Items SI. No. 01 & 35 (which were earlier higher than the departmental estimate by more than 10 %) and after price reduction the prices of these items are higher than the departmental estimate by less than 10 %.
- CWC-II noted that the L1 Contractor vide letter Dt. 22-04-2024 has intimated that he has reduced the rates for item SI.No. 01 & 35 and offered a total price reduction of Rs. 4,850/= and requested to accept the reduced prices and issue order.
- CWC-II further observed that the overall revised total amount quoted by the L1 contractor is (-) 04.12 % 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 24-04-2024 ;**

In view of the aforesaid observations, CWC-II decided to place Contract Agreement on the L1 Contractor, viz., M/s Siva Enterprises, Chennai, at their revised quoted total amount of Rs. 1,21,29,000 /- (Rupees One Crore Twenty One Lakhs and Twenty Nine Thousand Only) for the work.

CWC-II authorised to operate upto (+) or (-) 10 % deviation over the CA Amount.

- 26 Security Deposit : The contractor has to submit SD of Rs. 2,45,400 /- (Rupees Two Lakhs Forty Five Thousand and Four Hundred Only) in the form of Fixed Deposit / Term Deposit / BG in favour of The CGM / HVF, Avadi from any Commercial 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 920/34 (Capital Grant)


(P.K. GIREESH BABU)
GM / OP-OE, R&D
(Alternate Officer for GM/OP-OH)
MEMBER / USER


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


(K. TULASI RAO)
JT.GM / IMS
MEMBER SECRETARY


(PAIDI ANNAJEE RAO)
GM / EO & GS
CHAIRMAN / CWC-II