

MINUTES FOR E-PRICE BID REVISION APPROVAL CWC- I HELD ON 31-05-2024
FOR THE CIVIL WORK – PERCENTAGE RATE CONTRACT FOR MINOR / PETTY
DAILY REPAIR WORKS IN HVF FACTORY

CIVIL ENGINEERING OFFICE

The following Officers were present: -

- | | | |
|--|-------------------|----------------------|
| 1. Shri. V.R. Rambhad | CGM / HVF | - Chairman / CWC – I |
| 2. Shri. M. Sivakumar | GM / HR, F&A, IMS | - Member / Finance |
| 3. Shri. Sulaiman S Siddique | GM / CP & ARJUN | - Member / User |
| (Alternate Officer for GM / EO, STORES & GS) | | |
| 4. Shri. K. Tulasi Rao | Jt.GM / IMS | - Member Secretary |

- 01 e-Tender Enquiry No. & Date : HVF/TE/13025/CEO/2023-24/81, Dt. 07-03-2024.
e-Procurement Tender ID: 2024_AVNL_190292_1
- 02 Name of the Work : Percentage Rate Contract for Minor / Petty Daily Repair Works in 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 / IMS - CE (Factory)
- 06 Estimated cost of Work (Approx) : Rs.50,00,000 /= (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 & 07-06-2023, CGM is empowered for Issue of Acceptance of Necessity & Administrative Approval and placement of contract for Departmental Works upto Rs. 50 Lakhs (in each case). Hence the subject case falls under the financial powers of CWC-I).
- 07 Approval & Financial Concurrence : (i) CGM Approval vide IMS/CE (Fy) Note No.13148/IMS/CE(Fy)/2023-24/Minor Works dated 29-07-2023.
(ii) F&A Concurrence vide Letter No. 12501/HVF/FIN&ACCT/86/2022, dated 16-11-2023.
- 08 e-Tender published in CPPP e-proc website on : 07-03-2024
- 09 Scheduled Bid Submission Closing date & Tender Opening date : Original Bid Submission Closing Date : 22-03-2024
Original Technical Tender Opening Date : 23-03-2024
- 10 No. of T.O.D Postponements : 04 TOD Extensions:
01st Auto Extension (BSCD: 05-04-2024 & TOD:06-04-2024)
02nd Auto Extension (BSCD: 12-04-2024 & TOD:13-04-2024)
03rd Auto Extension (BSCD: 19-04-2024 & TOD:20-04-2024)
04th Extension (BSCD: 26-04-2024 & TOD:27-04-2024)
- 11 e-Tender Technical /Eligibility Bid opened on : 27-04-2024
- 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 (90 Days from Actual Technical Bid Opening Date)
01	M/s. Vijayalakshmi Enterprises, Chennai	FDR, Date of Maturity 04-07-2024.	Confirmed. Offer Validity till 26-07-2024
02	M/s. Deepam Enterprises, Chennai	FDR, Date of Maturity 17-04-2025.	Confirmed. Offer Validity till 26-07-2024

14. **Eligibility Bid :-** CWC-I held on 10-05-2024 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 - I approved opening of e-price bids of both the eligible contractors viz.,

- M/s. Vijayalakshmi Enterprises, Chennai and
- M/s. Deepam Enterprises, Chennai

15. Accordingly e-Price Bid of the eligible contractors were Opened on:- 14-05-2024

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

Sl. No	NAME OF THE CONTRACTOR	STATUS	Quoted Percentage over/below the overall rates in the Annexure "B" of the tender
1.	M/s. Vijayalakshmi Enterprises, Chennai	L1	(+) 17.49 % Higher
2.	M/s. Deepam Enterprises, Chennai	L2	(+) 19.00 % Higher

17. **OBSERVATIONS OF CWC - I HELD ON 17-05-2024:**

- CWC - I observed that the L1 Contractor M/s. Vijayalakshmi Enterprises, Chennai has quoted (+) 17.49 % (Plus Seventeen Point Four Nine Percentage Only) above the overall rates in the Annexure "B" of the tender for the subject work. CWC - I also observed that the rates for items mentioned in the Annexure "B" (Schedule) comprise of MES SSR 2020 rates (without MV) for majority of items. For some items LPR / MR rates have been taken. As per clause No.15 of the tender (in e-procurement portal) the contractors quoted rates are inclusive of GST.
- CWC - I 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 Market variation allowed as per CE Chennai zone forecasting percentage is (+) 05.00 % as per latest market variation circulated vide CE Chennai zone letter dt 26-04-2024 for the quarter ending June 2024.
- CWC - I observed that in the Market variation 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% is allowed for normal restricted areas and an addition of (+) 10% is allowed for Factory areas. Considering the above, the overall Market variation will be (+) 15% { + 05% MV + 10% for factory area}.
- CWC - I observed that the last CA for similar work viz., Percentage Rate Contract for Minor / Petty Daily Repair Works in North Zone Areas (Type – I, II, III and Amenity Buildings) at HVF Estate was awarded to M/s. T. Krishnamurthy, Chennai vide CA No. HVF/CE/03/2024-25/Maint., dated 10-05-2024 at a Percentage Rate of (-) 14.00 % below the rates in Annexure "B" of the tender, at an Order cost of Rs. 50,00,000 /-. The Original PDC for the CA was 20-05-2025

18. **DECISION OF CWC- I HELD ON 17-05-2024:**

CWC – I deliberated the case and observed that the L1 Contractor viz, M/s. Vijayalakshmi Enterprises, Chennai has quoted a percentage rate of (+) 17.49 % (Plus Seventeen Point Four Nine Percentage Only) above the overall rates in the Annexure "B" of the tender in the present case and there is a scope for reduction in quoted percentage. In view of the above observations, CWC – I decided to refer the quoted percentage of (+) 17.49 % (Plus Seventeen Point Four Nine Percentage Only) above the overall rates in the Annexure "B" of the tender for the subject work to the L1 Contractor M/s. Vijayalakshmi Enterprises, Chennai for their consideration and downward revision.

19. As directed by CWC – I, offline price percentage negotiation was initiated with the L1 Contractor, M/s. Vijayalakshmi Enterprises, Chennai seeking downward revision of their quoted percentage. The Revised price bid of the L1 Contractor was received vide email on 24-05-2024.

20. The L1 Contractor, M/s. Vijayalakshmi Enterprises, Chennai has replied to the Price Percentage Negotiation and the revised percentage is as follows:

Sl. No	Name of the Contractor	Original Quoted Percentage wrt Annexure "B" of the tender	Revised Percentage wrt Annexure "B" of the tender
01	M/s. Vijayalakshmi Enterprises, Chennai	(+) 17.49 % Higher	(+) 16.99 % Higher

The L1 Contractor further in their rate revision sheet stated "We quoted reasonable rates because the work was fully in factory i.e working time is less and more time waiting in gates and material entry and exit very tough. Now a days labour rates are increased in 2020 SSR, particularly less in wooden works, cement works and plumbing works". By stating the above the Contractor requested HVF to consider the reduction offered.

21. OBSERVATION AFTER PRICE REVISION:

- It is submitted that the L1 Contractor M/s. Vijayalakshmi Enterprises, Chennai has revised his quoted percentage from (+) 17.49 % to (+) 16.99 % (Plus Sixteen Point Nine Nine Percentage Only) above the overall rates in the Annexure "B" of the tender for the subject work. The Contractor M/s. Vijayalakshmi Enterprises, Chennai further in their rate revision sheet stated "We quoted reasonable rates because the work was fully in factory i.e working time is less and more time waiting in gates and material entry and exit very tough. Now a days labour rates are increased in 2020 SSR, particularly less in wooden works, cement works and plumbing works". By stating the above the Contractor requested HVF to consider the reduction offered.
- It is submitted that the rates for items mentioned in the Annexure "B" (Schedule) comprise of MES SSR 2020 rates (without MV) for majority of items. For some items LPR / MR rates have been taken. As per clause No.15 of the tender (in e-proc 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 Market variation allowed as per CE Chennai zone forecasting percentage is (+) 05.00 % as per latest MV circulated vide CE Chennai zone letter dt 26-04-2024 for the quarter ending June 2024.
- It is submitted that in the Market variation 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% is allowed for normal restricted areas and an addition of (+) 10% is allowed for Factory areas. Considering the above, the overall Market variation will be (+) 15% { + 05% MV + 10% for factory area}.
- It is submitted that the last CA for similar work viz., Percentage Rate Contract for Minor / Petty Daily Repair Works in North Zone Areas (Type – I, II, III and Amenity Buildings) at HVF Estate was awarded to M/s. T. Krishnamurthy, Chennai vide CA No. HVF/CE/03/2024-25/Maint., dated 10-05-2024 at a Percentage Rate of (-) 14.00 % below the rates in Annexure "B" of the tender, at an Order cost of Rs. 50,00,000 /-. The Original PDC for the CA was 20-05-2025.

22. OBSERVATIONS OF CWC- I AFTER PRICE REVISION HELD ON 31-05-2024:

- CWC – I observed that the L1 Contractor M/s. Vijayalakshmi Enterprises, Chennai has revised his quoted percentage from (+) 17.49 % to (+) 16.99 % (Plus Sixteen Point Nine Nine Percentage Only) above the overall rates in the Annexure "B" of the tender for the subject work. The Contractor M/s. Vijayalakshmi Enterprises, Chennai further in their rate revision sheet stated "We quoted reasonable rates because the work was fully in factory i.e working time is less and more time waiting in gates and material entry and exit very tough. Now a days labour rates are increased in 2020 SSR, particularly less in wooden works, cement works and plumbing works". By stating the above the Contractor requested HVF to consider the reduction offered.
- CWC – I observed that the rates for items mentioned in the Annexure "B" (Schedule) comprise of MES SSR 2020 rates (without MV) for majority of items. For some items LPR / MR rates have been taken. As per clause No.15 of the tender (in e-proc portal) the contractors quoted rates are inclusive of GST.
- CWC – I 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 Market variation allowed as per CE Chennai zone forecasting percentage is (+) 05.00 % as per latest MV circulated vide CE Chennai zone letter dt 26-04-2024 for the quarter ending June 2024.



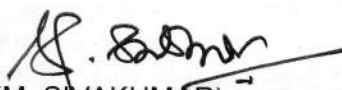
- d) CWC – I observed that in the Market variation letters issued by CE Chennai Zone it is stated that the percentages indicated are for normal works in unrestricted areas. In case of restricted areas an addition of (+) 5% is allowed for normal restricted areas and an addition of (+) 10% is allowed for Factory areas. Considering the above, the overall Market variation will be (+) 15% { + 05% MV + 10% for factory area}.
- e) CWC – I observed that the last CA for similar work viz., Percentage Rate Contract for Minor / Petty Daily Repair Works in North Zone Areas (Type – I, II, III and Amenity Buildings) at HVF Estate was awarded to M/s. T. Krishnamurthy, Chennai vide CA No. HVF/CE/03/2024-25/Maint., dated 10-05-2024 at a Percentage Rate of (-) 14.00 % below the rates in Annexure “B” of the tender, at an Order cost of Rs. 50,00,000 /-. The Original PDC for the CA was 20-05-2025.
- f) CWC - I observed that efforts have been made to obtain rate revision / reduction in overall quoted percentage offered by the L1 Contractor M/s. Vijayalaksmi Enterprises, Chennai through online Price Negotiation. In the Price negotiation, the L1 contractor offered a percentage reduction of 0.5 %. It is observed that the L1 Contractor has not reduced considerably and his percentage is still on the higher side. CWC - I also observed that in comparison to the similar work i.e., Percentage Rate Contract for Minor / Petty Daily Repair Works in North Zone Areas (Type – I, II, III and Amenity Buildings), the percentage rate quoted in this tender is considerably higher.

23. **DECISION OF CWC - I HELD ON 31-05-2024:**

In view of the aforesaid observations, CWC - I decided to re-tender the case on Open Tender basis on two part bid system, through e-Procurement Portal to receive offers with competitive and reasonable prices. CWC - I also decided that the present Tender bearing ID : 2024_AVNL_190292_1 must be cancelled in the CPPP e-procurement portal.


(SULAIMAN S SIDDIQUE)
GM / CP & ARJUN
(Alt Officer for GM / EO, STORES & GS)
MEMBER / USER


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


(M. SIVAKUMAR)
GM / HR, F&A, IMS
MEMBER / FINANCE




(V.R. RAMBHAD)
CGM / HVF
CHAIRMAN / CWC – I