

**MINUTES FOR E-PRICE BID REVISION APPROVAL CWC-II HELD ON 22-05-2024  
FOR THE CIVIL WORK – SPECIAL REPAIRS IN OH (TRANSMISSION) SHOP IN  
OLD FACILITY OF HVF FACTORY.**

**CIVIL ENGINEERING OFFICE**

The following Officers were present:-

|   |                           |                                                                |                  |
|---|---------------------------|----------------------------------------------------------------|------------------|
| 1 | Shri. Sulaiman S Siddique | GM / CP & ARJUN<br>(Alternate Officer to GM / EO, STORES & GS) | Chairman/CWC-II  |
| 2 | Shri.B.Rajesh Kanna       | GM / OP-OH, R&D                                                | Member / User    |
| 3 | Shri. B.Senthil Kumar     | Jt.GM / F&A                                                    | Member / Finance |
| 4 | Shri. K. Tulasi Rao       | Jt.GM / IMS                                                    | Member Secretary |

- 01 e-Tender Enquiry No. & Date : HVF/TE/13025/CEO/2023-24/87, Dt. 25-03-2024.  
CPPP E-Proc Tender ID:2024\_AVNL\_192343\_1
- 02 Name of the Work : Special repairs in OH (Transmission) shop in old  
facility of HVF Factory
- 03 Type of Tender : Open Tender under Two Bid System (e-Tendering)
- 04 Grant & Code Head : 920/34 ( Capital Grant)
- 05 User Section : HVF / CE (Fy)
- 06 Estimated cost of Work (Approx) : Rs.40,82,000 /= (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 letter Dt.22-04-2022 & 07-06-2023, GM  
is empowered for Issue of Acceptance of Necessity &  
Administrative approval and placement of contract for  
Departmental works up to Rs. 03 Crore. Hence the  
subject case now falls under the financial powers of  
CWC-II
- 07 Approval & Financial Concurrence : i. CGM Approval vide CE(Fy) Note No.13148/  
HVF/IMS-CE(FY)/2022-23/CAP.,Dt.15-02-2024  
ii. F&A Concurrence vide Letter No. 12501/HVF/  
FIN&ACCT/86/2024, dt. 11-03-2024.  
iii.ADP Approval vide Letter No.91002/ADP/HVF  
(ND2332)/ AVNL / 2023-24., Dt.05.02.2024
- 08 e-Tender published in CPPP e-proc  
website on : 27-03-2024
- 09 Scheduled Bid submission closing date  
and Date of Tender Opening : Bid Submission Closing Date : 12-04-2024  
Technical Tender Opening Date : 13-04-2024
- 10 No. of T.O.D Postponements : Nil
- 11 e-Tender Technical /Eligibility Bid opened  
on : 13-04-2024
- 12 No. of Responses received online : 03 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. MSK Construction, Thiruvannamalai | Fixed Deposit Receipt (FDR) with date of Maturity 03-04-2025. | 12-07-2024     |
| 02      | M/s. Sri Krishna Agencies, Chennai     | Fixed Deposit Receipt (FDR) with date of Maturity 14-07-2024. | 12-07-2024     |
| 03      | M/s.Vijayalakshmi Enterprises, Chennai | Fixed Deposit Receipt (FDR) with date of Maturity 10-07-2024. | 12-07-2024     |

14. **Eligibility Bid:-** CWC – II held on 17-04-2024 deliberated the case and observed that the following 03 participating contractors have fulfilled the eligibility Conditions of the tender. Hence, CWC - II approved opening of e-price bids of the following 03 eligible contractors viz.,

1. M/s. MSK Construction, Thiruvannamalai
2. M/s. Sri Krishna Agencies, Chennai and
3. M/s. Vijayalakshmi Enterprises, Chennai

15. e-Price Bid Opened on:- 22-04-2024.

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

| Sl. No | NAME OF THE CONTRACTOR                  | STATUS | QUOTED PRICE        | DIFFERENCE OF % OVER ESTIMATED RATE |
|--------|-----------------------------------------|--------|---------------------|-------------------------------------|
| 01     | M/s. Sri Krishna Agencies, Chennai      | L1     | Rs. 41,21,649.00 /- | (+) 0.97 %                          |
| 02     | M/s. Vijayalakshmi Enterprises, Chennai | L2     | Rs. 41,79,890.00 /- | (+) 2.40 %                          |
| 03     | M/s. MSK Construction, Thiruvannamalai  | L3     | Rs. 41,99,999.00 /- | (+) 2.89 %                          |

17. **OBSERVATIONS:**

- a. It is observed that M/s. Sri Krishna Agencies, Chennai is the L1 contractor and has quoted the amount of **Rs. 41,21,649.00/-** (Rupees Forty One Lakhs Twenty One Thousand Six Hundred and Forty Nine Only). The quoted rate is **Higher** than the department estimate of Rs.40,82,000.0 /- (prepared based on MES SSR 2020 rates for SSR Items with market variation of 15% for civil SSR items ( (+) 5% MV Plus (+) 10% for Factory Restricted Area) and (+)20% ((+)10% MV Plus (+) 10% for Factory Restricted Area) for Electrical items and for some items LPR / MR / BQ has been taken) **by (+) 0.97 %**. The L1 quoted rates are freakishly high for item Sl. No. 02, 13, 21, 37, 42, 55, 58, 61, 62, 83, 88, 94 and 97 (Freakishly high for 13 items) and freakishly low item Sl. No. 30 and 96 (Freakishly low for 2 items) 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. It is submitted that the rates quoted by the L1 contractor for items Sl. No, 03, 04, 15, 20, 23, 26, 31, 32, 36, 41, 48, 60, 69, 71, 73, 79, 82, 84 and 92 (Above 10% for 19 items) are higher than the departmental estimate by more than 10%.
- c. As per clause No.15 of the tender enquiry (in e-procurement portal) the contractors quoted rates are inclusive of GST.

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

- a. CWC - II Observed that M/s. Sri Krishna Agencies, Chennai is the L1 contractor and has quoted the amount of **Rs. 41,21,649.00/-** (Rupees Forty One Lakhs Twenty One Thousand Six Hundred and Forty Nine Only). The quoted rate is **Higher** than the department estimate of Rs.40,82,000.0 /- (prepared based on MES SSR 2020 rates for SSR Items with market variation of 15% for civil SSR items ( (+) 5% MV Plus (+) 10% for Factory Restricted Area) and (+)20% ((+)10% MV Plus (+) 10% for Factory Restricted Area) for Electrical items and for some items LPR / MR / BQ has been taken) **by (+) 0.97 %**.

*Handwritten signature*

The L1 quoted rates are freakishly high for item Sl. No. 02, 13, 21, 37, 42, 55, 58, 61, 62, 83, 88, 94 and 97 (Freakishly high for 13 items) and freakishly low item Sl. No. 30 and 96 (Freakishly low for 2 items) 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 the rates quoted by the L1 contractor for items Sl. No. 03, 04, 15, 20, 23, 26, 31, 32, 36, 41, 48, 60, 69, 71, 73, 79, 82, 84 and 92 (Above 10% for 19 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.

#### 19 **DECISION OF CWC- II HELD ON 24-04-2024:**

In view of the above observations, CWC - II decided to refer the freak rates on higher side for item Sl. No. 02, 13, 21, 37, 42, 55, 58, 61, 62, 83, 88, 94 and 97 (13 items) to the L1 Contractor M/s. Sri Krishna Agencies, Chennai for their consideration and downward revision of their quoted rate.

CWC - II also decided to refer the rates for items Sl. No. 03, 04, 15, 20, 23, 26, 31, 32, 36, 41, 48, 60, 69, 71, 73, 79, 82, 84 and 92 (19 items wherein the rates quoted by the L1 Contractor are higher than departmental estimate by more than 10%) to the L1 Contractor M/s. Sri Krishna Agencies, Chennai for their consideration and downward revision of their quoted rates.

CWC - II decided to obtain confirmation from the L1 Contractor M/s. Sri Krishna Agencies, Chennai that good quality of material and labour will be maintained by them while executing the work for Item Sl. No. 30 and 96 ( 2 items) wherein the rate quoted by them is freakishly on the lower side.

20. As directed by CWC – II, price negotiation was initiated with the L1 Contractor, M/s. Sri Krishna Agencies, Chennai, seeking downward revision for freak rates on higher side for item Sl. No. 02, 13, 21, 37, 42, 55, 58, 61, 62, 83, 88, 94 and 97 (13 items) and downward revision of items Sl. No. 03, 04, 15, 20, 23, 26, 31, 32, 36, 41, 48, 60, 69, 71, 73, 79, 82, 84 and 92 (19 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. Sri Krishna Agencies, Chennai, was received on 04.05.2024

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

| S. No                                          | Item Sl. No.    | Original Quoted Unit Rate (Rs.)<br>and Percentage wrt<br>Estimated Cost |           |          | Revised Unit Rate (Rs.) after Price<br>Revision and Percentage wrt<br>Estimated Cost |           |          |
|------------------------------------------------|-----------------|-------------------------------------------------------------------------|-----------|----------|--------------------------------------------------------------------------------------|-----------|----------|
| Item where the rate quoted are Freakishly High |                 |                                                                         |           |          |                                                                                      |           |          |
| 01                                             | Item Sl. No. 02 | Rs.                                                                     | 700.00    | 68.33 %  | Rs.                                                                                  | 620.00    | 49.10 %  |
| 02                                             | Item Sl. No. 13 | Rs.                                                                     | 240.00    | 71.43 %  | Rs.                                                                                  | 208.00    | 48.57 %  |
| 03                                             | Item Sl. No. 21 | Rs.                                                                     | 195000.00 | 96.29 %  | Rs.                                                                                  | 190000.00 | 91.25 %  |
| 04                                             | Item Sl. No. 37 | Rs.                                                                     | 100.00    | 72.35 %  | Rs.                                                                                  | 87.00     | 49.95 %  |
| 05                                             | Item Sl. No. 42 | Rs.                                                                     | 330.00    | 63.13 %  | Rs.                                                                                  | 300.00    | 48.30 %  |
| 06                                             | Item Sl. No. 55 | Rs.                                                                     | 750.00    | 52.71 %  | Rs.                                                                                  | 735.00    | 49.66 %  |
| 07                                             | Item Sl. No. 58 | Rs.                                                                     | 690.00    | 431.06 % | Rs.                                                                                  | 400.00    | 207.86 % |
| 08                                             | Item Sl. No. 61 | Rs.                                                                     | 950.00    | 111.11 % | Rs.                                                                                  | 900.00    | 100.00 % |
| 09                                             | Item Sl. No. 62 | Rs.                                                                     | 650.00    | 192.33 % | Rs.                                                                                  | 600.00    | 169.84 % |
| 10                                             | Item Sl. No. 83 | Rs.                                                                     | 550.00    | 164.63 % | Rs.                                                                                  | 450.00    | 116.51 % |
| 11                                             | Item Sl. No. 88 | Rs.                                                                     | 120.00    | 79.86 %  | Rs.                                                                                  | 98.00     | 46.88 %  |
| 12                                             | Item Sl. No. 94 | Rs.                                                                     | 2900.00   | 56.48 %  | Rs.                                                                                  | 2775.00   | 49.73 %  |
| 13                                             | Item Sl. No. 97 | Rs.                                                                     | 100.00    | 138.49 % | Rs.                                                                                  | 62.00     | 47.87 %  |

*u. m. o. h.*

| S. No                                                      | Item Sl. No.    | Original Quoted Unit Rate (Rs.)<br>and Percentage wrt<br>Estimated Cost |         |         | Revised Unit Rate (Rs.) after Price<br>Revision and Percentage wrt<br>Estimated Cost |         |        |
|------------------------------------------------------------|-----------------|-------------------------------------------------------------------------|---------|---------|--------------------------------------------------------------------------------------|---------|--------|
| Item where the rate quoted are above 10% of Estimated Cost |                 |                                                                         |         |         |                                                                                      |         |        |
| 01                                                         | Item Sl. No. 03 | Rs.                                                                     | 450.00  | 29.53 % | Rs.                                                                                  | 380.00  | 9.38 % |
| 02                                                         | Item Sl. No. 15 | Rs.                                                                     | 200.00  | 33.33 % | Rs.                                                                                  | 164.00  | 9.33 % |
| 03                                                         | Item Sl. No. 31 | Rs.                                                                     | 850     | 33.27 % | Rs.                                                                                  | 695.00  | 8.97 % |
| 04                                                         | Item Sl. No. 32 | Rs.                                                                     | 1650.00 | 10.20 % | Rs.                                                                                  | 1638.00 | 9.40 % |
| 05                                                         | Item Sl. No. 36 | Rs.                                                                     | 40.00   | 14.98 % | Rs.                                                                                  | 38.00   | 9.23 % |
| 06                                                         | Item Sl. No. 48 | Rs.                                                                     | 260.00  | 15.94 % | Rs.                                                                                  | 245.00  | 9.25 % |
| 07                                                         | Item Sl. No. 60 | Rs.                                                                     | 3980.00 | 21.20 % | Rs.                                                                                  | 3595.00 | 9.48 % |
| 08                                                         | Item Sl. No. 73 | Rs.                                                                     | 12.00   | 11.01 % | Rs.                                                                                  | 11.00   | 1.76 % |
| 09                                                         | Item Sl. No. 79 | Rs.                                                                     | 600.00  | 19.56 % | Rs.                                                                                  | 550.00  | 9.59 % |
| 10                                                         | Item Sl. No. 82 | Rs.                                                                     | 290.00  | 12.40 % | Rs.                                                                                  | 280.00  | 8.53 % |
| 11                                                         | Item Sl. No. 84 | Rs.                                                                     | 390.00  | 10.06 % | Rs.                                                                                  | 388.00  | 9.49 % |

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

| Name of the<br>L1 Contractor                                       | Estimated Price            | Original Quoted<br>Price   | Revised Price<br>(After Negotiation) | Diff. of Revised<br>Price in % over<br>Estimated price |
|--------------------------------------------------------------------|----------------------------|----------------------------|--------------------------------------|--------------------------------------------------------|
| <b>M/s. Sri Krishna<br/>Agencies, Chennai</b>                      | <b>Rs. 40,82,000.00 /-</b> | <b>Rs. 41,21,649.00 /-</b> | <b>Rs. 40,89,253.00 /-</b>           | <b>(+) 0.18 %<br/>(Higher)</b>                         |
| Total Amount Reduced by the L1 Contractor: <b>Rs. 32,396.00 /-</b> |                            |                            |                                      |                                                        |

## 22. OBSERVATIONS AFTER PRICE NEGOTIATION:

- In reply to the price negotiation request the L1 Contractor, M/s. Sri Krishna Agencies, Chennai has reduced and revised his offer rate from Rs. 41,21,649.00 /- to Rs. 40,89,253.00 /- (Rupees Forty Lakhs Eighty Nine Thousand Two Hundred and Fifty Three Only). The revised rate is **Higher** than the department estimate of Rs. 40,82,000.00 /- **by (+) 0.18 %**. (prepared based on MES SSR 2020 rates for SSR Items with market variation of 15% for civil SSR items ( (+) 5% MV Plus (+) 10% for Factory Restricted Area) and (+)20% ((+)10% MV Plus (+) 10% for Factory Restricted Area) for Electrical items and for some items LPR / MR / BQ has been taken)
- It is submitted that the L1 Contractor has offered Price revision for freakishly high items Sl. No. 02, 13, 21, 37, 42, 55, 58, 61, 62, 83, 88, 94 and 97 (13 Items). However, rates of the items Sl. No 21, 58, 61, 62 and 83 (05 items) are still freakishly higher.
- It is submitted that for the items where in the rates quoted by the L1 Contractor are higher than 10%, the L1 Contractor has offered Price revision for items Sl. No. 03, 15, 31, 32, 36, 48, 60, 73, 79, 82 and 84 (11 items) are higher than the departmental estimate by less than 10%. The contractor has not offered any price revision for items Sl. No. 04, 20, 23, 26, 41, 69, 71 and 92 (08 items) remains higher than the departmental estimate by more than 10%
- It is submitted that the L1 contractor vide Letter dated 03.05.2024 stated "Here by we confirm that the items serial Nos. 30 and 96 good quality of material and workmanship to be used when execution of the above work at serial number items" for the items of freakishly lower rate quoted by contractor.
- As per clause No.15 of the tender enquiry (in e-procurement portal) the contractors quoted rates are inclusive of GST.

*(Handwritten signature)*

### 23. OBSERVATIONS OF CWC- II AFTER PRICE NEGOTIATION HELD ON 08-05-2024:

- a. CWC – II observed that in reply to the price negotiation request the L1 Contractor, M/s. Sri Krishna Agencies, Chennai has reduced and revised his offer rate from Rs. 41,21,649.00 /-to Rs. 40,89,253.00 /- (Rupees Forty Lakhs Eighty Nine Thousand Two Hundred and Fifty Three Only). The revised rate is **Higher** than the department estimate of Rs. 40,82,000.00 /- **by (+) 0.18 %**. (prepared based on MES SSR 2020 rates for SSR Items with market variation of 15% for civil SSR items ( (+) 5% MV Plus (+) 10% for Factory Restricted Area) and (+)20% ((+)10% MV Plus (+) 10% for Factory Restricted Area) for Electrical items and for some items LPR / MR / BQ has been taken)
- b. CWC – II observed that the L1 Contractor has offered Price revision for freakishly high item Sl. No. 02, 13, 37, 42, 55, 88, 94 and 97 (08 Items) and after price revision, the rate become Non Freakish and are higher than the departmental estimate by more than 10%. The L1 Contractor has offered Price revision for other freakishly high items Sl. No. 21, 58, 61, 62 and 83 (05 items) but still the rates for these items are freakishly higher.
- c. CWC – II observed that the items where in the rates quoted by the L1 Contractor are higher than 10%, the L1 Contractor has offered Price revision for items Sl. No. 03, 15, 31, 32, 36, 48, 60, 73, 79, 82 and 84 (11 items) are higher than the departmental estimate by less than 10%. The contractor has not offered any price revision for items Sl. No.04, 20, 23, 26, 41, 69, 71 and 92 (08 items) remains higher than the departmental estimate by more than 10%
- d. CWC – II observed that the L1 contractor vide Letter dated 03.05.2024 stated "Here by we confirm that the items serial Nos. 30 and 96 good quality of material and workmanship to be used when execution of the above work at serial number items".
- 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.

### 24. DECISION OF CWC- II HELD ON 08-05-2024:

In view of the above observations, CWC - II once again decided to refer freak rates on higher side for item Sl. No. 21, 58, 61, 62 and 83 (05 items) to the L1 Contractor M/s. Sri Krishna Agencies, Chennai for their consideration and downward revision of their quoted rate.

CWC - II also decided to once again refer the rates for items Sl. No, 04, 20, 23, 26, 41, 69, 71 and 92 (08 items wherein the rates quoted by the L1 Contractor are higher than departmental estimate by more than 10%) to the L1 Contractor M/s. Sri Krishna Agencies, Chennai for their consideration and downward revision of their quoted rates.

25. As directed by CWC – II, once again price negotiation was initiated with the L1 Contractor, M/s. Sri Krishna Agencies, Chennai, seeking downward revision for freakishly high items Sl. No. 21, 58, 61, 62 and 83 (05 items) and downward revision of items Sl. No. 02, 13, 37, 42, 55, 88, 94 and 97 (08 Items) which become non freakish but above 10% of the departmental estimate and downward revision of non revised items Sl.No. 04, 20, 23, 26, 41, 69, 71 and 92 (08 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. Sri Krishna Agencies, Chennai was received on 17.05.2024.

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

| S. No                                                  | Item Sl. No.    | Original Quoted Unit Rate (Rs.) and Percentage wrt Estimated Cost |        |          | Revised Unit Rate (Rs.) after 1 <sup>st</sup> Price Revision and Percentage wrt Estimated Cost |        |          | Revised Unit Rate (Rs.) after 2 <sup>nd</sup> Price Revision and Percentage wrt Estimated Cost |        |         |
|--------------------------------------------------------|-----------------|-------------------------------------------------------------------|--------|----------|------------------------------------------------------------------------------------------------|--------|----------|------------------------------------------------------------------------------------------------|--------|---------|
| Item where the revised rate quoted are Freakishly High |                 |                                                                   |        |          |                                                                                                |        |          |                                                                                                |        |         |
| 01                                                     | Item Sl. No. 58 | Rs.                                                               | 690.00 | 431.06 % | Rs.                                                                                            | 400.00 | 207.86 % | Rs.                                                                                            | 194.00 | 49.31 % |
| 02                                                     | Item Sl. No. 61 | Rs.                                                               | 950.00 | 111.11 % | Rs.                                                                                            | 900.00 | 100.00 % | Rs.                                                                                            | 650.00 | 44.44 % |
| 03                                                     | Item Sl. No. 62 | Rs.                                                               | 650.00 | 192.33 % | Rs.                                                                                            | 600.00 | 169.84 % | Rs.                                                                                            | 330.00 | 48.41 % |
| 04                                                     | Item Sl. No. 83 | Rs.                                                               | 550.00 | 164.63 % | Rs.                                                                                            | 450.00 | 116.51 % | Rs.                                                                                            | 310.00 | 49.15 % |

*Handwritten signature*

| S. No                                                              | Item Sl. No.    | Original Quoted Unit Rate (Rs.) and Percentage wrt Estimated Cost |        |         | Revised Unit Rate (Rs.) after 1 <sup>st</sup> Price Revision and Percentage wrt Estimated Cost |        |         | Revised Unit Rate (Rs.) after 2 <sup>nd</sup> Price Revision and Percentage wrt Estimated Cost |        |         |
|--------------------------------------------------------------------|-----------------|-------------------------------------------------------------------|--------|---------|------------------------------------------------------------------------------------------------|--------|---------|------------------------------------------------------------------------------------------------|--------|---------|
| Item where the revised rate quoted are above 10% of Estimated Cost |                 |                                                                   |        |         |                                                                                                |        |         |                                                                                                |        |         |
| 01                                                                 | Item Sl. No. 02 | Rs.                                                               | 700.00 | 68.33 % | Rs.                                                                                            | 620.00 | 49.10 % | Rs.                                                                                            | 600.00 | 44.29 % |

The status of Prices quoted by the L1 Contractor after 2<sup>nd</sup> Price revision are as follows;

| Name of the L1 Contractor                                                                     | Estimated Price     | Original Quoted Price | Revised Price (After 1 <sup>st</sup> Price Negotiation) | Revised Price (After 2 <sup>nd</sup> Price Negotiation) | Diff. of Revised Price in % over Estimated price |
|-----------------------------------------------------------------------------------------------|---------------------|-----------------------|---------------------------------------------------------|---------------------------------------------------------|--------------------------------------------------|
| M/s. Sri Krishna Agencies, Chennai                                                            | Rs. 40,82,000.00 /- | Rs. 41,21,649.00 /-   | Rs. 40,89,253.00 /-                                     | Rs. 40,75,389.00 /-                                     | (-) 0.16 (Lower)                                 |
| Total Amount Reduced by the L1 Contractor in 1 <sup>st</sup> Price Revision: Rs. 32,396.00 /- |                     |                       |                                                         |                                                         |                                                  |
| Total Amount Reduced by the L1 Contractor in 2 <sup>nd</sup> Price Revision: Rs.13,846.00 /-  |                     |                       |                                                         |                                                         |                                                  |
| Grand Total Reduction offered by the L1 contractor : Rs.46,260.00 /-                          |                     |                       |                                                         |                                                         |                                                  |

## 27. OBSERVATIONS AFTER 2<sup>nd</sup> PRICE NEGOTIATION

- It is observed that the L1 Contractor M/s. Sri Krishna Agencies, Chennai in reply to the Second price negotiation request has reduced and revised his offer rate from Rs. 40,89,253.00 /- to Rs.40,75,389.00/- (Rupees Forty Lakhs Seventy Five Thousand Three Hundred and Eighty Nine Only). The revised rate is **Lower** than the department estimate of **Rs. 40,82,000.00 /-** (prepared based on MES SSR 2020 rates for SSR Items with market variation of 10% for civil SSR items (prepared based on MES SSR 2020 rates for SSR Items with market variation of 15% for civil SSR items ( (+) 5% MV Plus (+) 10% for Factory Restricted Area) and (+)20% ((+)10% MV Plus (+) 10% for Factory Restricted Area) for Electrical items and for some items LPR / MR / BQ has been taken) **by (-) 0.16 %**.
- It is submitted that the L1 Contractor has offered Price revision for freakishly high item Sl. No. 58, 61, 62 and 83 (04 Item) and after price revision, the rate become Non Freakish and are higher than the departmental estimate by more than 10%. The L1 Contractor has not offered any Price revision for other freakishly high item Sl. No. 21 (01 item). Hence, the rate for this item are still freakishly higher.
- It is submitted that for the items where in the rates quoted by the L1 Contractor are higher than 10%, the L1 Contractor has offered Price revision for item Sl. No. 02 (01 item), even after price revision the item still remains higher than the departmental estimate by more than 10%. The contractor has not offered any price revision for items Sl. No.04,13, 20, 23, 26, 37, 41, 42, 55, 69, 71, 88, 92, 94 and 97 (15 items) remains higher than the departmental estimate by more than 10%
- It is submitted that the L1 contractor vide Letter dated 16.05.2024 stated "We already quoted our workable rates even though we once again reduced our quoted price after all 1<sup>st</sup> and 2<sup>nd</sup> negotiation nearly Rs.45000.00 (+) (Forty Five Thousand Plus) we reduced more over inside factory we are facing lots of problems to execute the work. We can able to work only 5.00 hours only instead of 8.0 hours. Hence I request you to kindly consider our offer. Further price reduction not possible please".
- As per clause No.15 of the tender enquiry (in e-procurement portal) the contractors quoted rates are inclusive of GST.

## 28. OBSERVATIONS OF CWC- II AFTER 2<sup>ND</sup> PRICE NEGOTIATION HELD ON 22-05-2024

- CWC – II observed that the L1 Contractor M/s. Sri Krishna Agencies, Chennai in reply to the Second price negotiation request has reduced and revised his offer rate from Rs. 40,89,253.00 /- to Rs.40,75,389.00/- (Rupees Forty Lakhs Seventy Five Thousand Three Hundred and Eighty Nine Only). The revised rate is **Lower** than the department estimate of **Rs. 40,82,000.00 /-** (prepared based on MES SSR 2020 rates for SSR Items with market variation of 10% for civil SSR items (prepared based on MES SSR 2020 rates for SSR Items with market variation of 15% for civil SSR items ( (+) 5% MV Plus (+) 10% for Factory Restricted Area) and (+)20% ((+)10% MV Plus (+) 10% for Factory Restricted Area) for Electrical items and for some items LPR / MR / BQ has been taken) **by (-) 0.16 %**.

*Handwritten signature*

- b. CWC – II observed that the L1 Contractor has offered Price revision for freakishly high item Sl. No. 58, 61, 62 and 83 (04 Item) and after price revision, the rate become Non Freakish and are higher than the departmental estimate by more than 10%. The L1 Contractor has not offered any Price revision for other freakishly high item Sl. No. 21 (01 item). Hence, the rate for this item are still freakishly higher.
- c. CWC – II observed that the items where in the rates quoted by the L1 Contractor are higher than 10%, the L1 Contractor has offered Price revision for item Sl. No. 02 (01 item), even after price revision the item still remains higher than the departmental estimate by more than 10%. The contractor has not offered any price revision for items Sl. No.04,13, 20, 23, 26, 37, 41, 42, 55, 69, 71, 88, 92, 94 and 97 (15 items) remains higher than the departmental estimate by more than 10%.
- d. CWC – II observed that the L1 contractor vide Letter dated 16.05.2024 stated "We already quoted our workable rates even though we once again reduced our quoted price after all 1<sup>st</sup> and 2<sup>nd</sup> negotiation nearly Rs.45000.00 (+) (Forty Five Thousand Plus) we reduced more over inside factory we are facing lots of problems to execute the work. We can able to work only 5.00 hours only instead of 8.0 hours. Hence I request you to kindly consider our offer. Further price reduction not possible please".

CWC-II noted the contents and to inform "contractor shall be informed in writing that extracting of work from workers for 8 hours is in the purview of contractor. However, HVF will ensure to remove any bottle necks for smooth working in factory".

- e. CWC – II observed 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 the L1 Contractors revised price of Rs. 40,75,389.00 /- is Lower than the estimated price by (-) 0.16 % and the same is competitive and reasonable.

## **29 DECISION OF CWC- II HELD ON 22-05-2024:**

In view of the above observations, CWC – II decided to place Contract Agreement on the L1 Contractor, viz., M/s. Sri Krishna Agencies, Chennai, at their revised amount of Rs. 40,75,389.00/- (Rupees Forty Lakhs Sèventy Five Thousand Three Hundred and Eighty Nine 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 quality of the items Sl.No. 30 and 96 (02 items) 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 (Items Sl. No. 30 and 96 (02 items)) shall not be executed less than 05% of the estimated quantity and the item having freakishly higher rate (Item Sl. No. 21 (01 item)) shall not be executed more than 05% of the estimated quantity.

**30. Security Deposit:-** The Contractor has to submit Security Deposit of Rs. 1,01,900.00 /- (Rupees One Lakh One Thousand Nine Hundred Only) in the form of Fixed Deposit / Term Deposit / BG in favour of The Chief General Manager, HVF, Avadi from any Commercial Bank for the maintenance period which will be releasable on satisfactory completion of the defects liability period.

**31. Completion time:** 06 Months (180 Days) from the date of handing over of site.

**32. Payment :-** 1) As per IAFW 2249. 2) Cost debitable to:- Code Head No. 920/34 (Under Capital Grant)

  
(B.SENTHIL KUMAR)  
Jt.GM / F&A  
MEMBER / FINANCE

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

  
(B. RAJESH KANNA)  
GM / OP – OH, R&D  
MEMBER / USER

  
(SULAIMAN S SIDDIQUE)  
GM / CP & ARJUN  
(Alternate Officer to GM / EO, STORES & GS)  
CHAIRMAN / CWC – II