

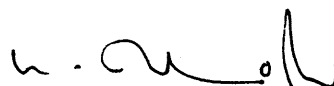
MINUTES OF E-PRICE BID REVISION APPROVAL CWC-II MEETING
HELD ON 22-08-2024 FOR THE CIVIL WORK – REPAIRS TO
DAMAGED FENCING AND COMPOUND WALL OF POL
GODOWN IN OLD FACILITY AT HVF, AVADI

CIVIL ENGINEERING OFFICE

The following Officers were present ;

1	Shri. Paidi Annajee Rao	GM / EO, STORES & GS	Chairman / CWC-II
2	Shri. B. Senthil Kumar	Jt.GM / F&A	Member / Finance
3	Shri. K. Tulasi Rao	Jt.GM / IMS	Member / Secy

- 01 e-Tender Enquiry No. & Date : HVF/TE/13025/CEO/2024-25/18, Dt. 04-07-2024.
E-Procurement Tender ID : 2024_AVNL_200234_1
- 02 Name of the Work : Repairs to Damaged Fencing and Compound Wall of POL Godown
in Old Facility at HVF, Avadi.
- 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 (Fy) – Stores.
- 06 Estimated cost of Work (Approx) : Rs. 10,79,000/= (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, GM is empowered for Issue of Acceptance of Necessity &
Administrative Approval and placement of contract for Departmental
Works upto Rs. 20 Lakhs (in each case). 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/IMS-CE(FY)/
2022-23/Maint, Dt. 29-02-2024
ii. F&A Concurrence vide Letter No. 12501/HVF/FIN&ACCT/86/
2024, Dt. 10-06-2024
- 08 e-Tender published in CPPP e-proc website on : 04-07-2024
- 09 Scheduled Bid submission closing date and Date : Original Bid Submission closing Date : 19-07-2024
of Tender Opening : Original Technical Tender Opening Date : 20-07-2024
- 10 No. of T.O.D Postponements (System Configured : NIL
for Bid Auto Extn Corrigendum in case of non
receipt of minimum configured bids)
- 11 e-Tender Technical /Eligibility Bid opened on : 20-07-2024
- 12 No. of Responses received online : 03 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 Vijayalakshmi Enterprises, Chennai	FDR, Date of Maturity is 18-10-2024	Confirmed . Offer Validity till 18-10-2024
02	M/s B.V. Enterprises, Chennai	FDR, Date of Maturity is 16-10-2024	Confirmed . Offer Validity till 18-10-2024
03	M/s MSK Construction, Tiruvannamalai	FDR, Date of Maturity is 10-01-2025	Confirmed . Offer Validity till 18-10-2024

14 CWC-II deliberated the case on 31-07-2024 and observed that all three participating contractors have fulfilled the eligibility Conditions of the tender and the offers of all three participating contractors are technically acceptable. Hence, CWC-II approved opening of e-price bids of all three eligible contractors viz.,

1. M/s Vijayalakshmi Enterprises, Chennai
2. M/s B.V. Enterprises, Chennai
3. M/s MSK Construction, Tiruvannamalai

15 Accordingly the e-price bids of all three eligible contractors have been opened on 03-08-2024.

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 MSK Construction, Tiruvannamalai	<u>L1</u>	Rs. 10,60,000.00 /=	(-) 01.76 % (Lower)
02	M/s Vijayalakshmi Enterprises, Chennai	<u>L2</u>	Rs. 11,24,977.00 /=	(+) 04.26 % (Higher)
03	M/s B.V. Enterprises, Chennai	<u>L3</u>	Rs. 11,46,850.00 /=	(+) 06.29 % (Higher)

17 **INITIAL OBSERVATIONS**

- a It is observed that M/s MSK Construction, Tiruvannamalai is the L1 Contractor and has quoted a total amount of Rs. 10,60,000 /= (Rupees Ten Lakh and Sixty Thousand Only) for the work. The quoted amount is (-) 01.76 % Lower than the departmental estimate of Rs. 10,79,000 /= {prepared based on MES SSR 2020 rates with Market Variation of (+) 15 % [MV of (+) 05 % Plus (+) 10 % for Factory Restricted Area] for SSR Items. For some items MR/ LPR has been taken.}. It is submitted that as per the Latest Market Variation for Quarter ending June 2024 circulated vide CE Chennai Zone, Letter Dt. 26-04-2024 the market variation for "Addn / Altn / Spl Repairs / Maintenance" for SSR Items is 15% { MV of "(+) 5 % Plus (+) 10 % for Factory restricted Area }. There are no freakishly high rates quoted by the L1 contractor. The rate quoted by L1 contractor for Item Sl. No. 01 is freakishly on lower side. . 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 substantially over estimated.
- b It is submitted that the rates quoted by the L1 contractor for Items Sl.No. 04, 10 & 18 are higher than the departmental estimate by more than 10%

18 **OBSERVATIONS OF CWC-II HELD ON 07-08-2024**

- a CWC-II observed that M/s MSK Construction, Tiruvannamalai is the L1 Contractor and has quoted a total amount of Rs. 10,60,000 /= (Rupees Ten Lakh and Sixty Thousand Only) for the work. The quoted amount is (-) 01.76 % Lower than the departmental estimate of Rs. 10,79,000 /= {prepared based on MES SSR 2020 rates with Market Variation of (+) 15 % [MV of (+) 05 % Plus (+) 10 % for Factory Restricted Area] for SSR Items. For some items MR/ LPR has been taken.}. CWC-II noted that as per the Latest Market Variation for Quarter ending June 2024 circulated vide CE Chennai Zone, Letter Dt. 26-04-2024 the market variation for "Addn / Altn / Spl Repairs / Maintenance" for SSR Items is 15% { MV of "(+) 5 % Plus (+) 10 % for Factory restricted Area }. There are no freakishly high rates quoted by the L1 contractor. The rate quoted by L1 contractor for Item SI. No. 01 is freakishly on lower side. . As per clause No.15 of the e-tender enquiry the contractors quoted rates are inclusive of GST. CWC-II also observed that it is confirmed that the estimate and quantities have been checked and certified that the quantities indicated for freakishly low item are not substantially over estimated.
- b CWC-II also observed that the rates quoted by the L1 contractor for Items SI.No. 04, 10 & 18 are higher than the departmental estimate by more than 10%

19 **DECISION OF CWC-II HELD ON 07-08-2024**

- a In view of the above observations, CWC-II decided to refer the rates for items SI.No. 04, 10 & 18 (wherein the rates quoted by the L1 contractor are higher than departmental estimate by more than 10%) to the L1 Contractor M/s MSK Construction, Tiruvannamalai for their consideration and downward revision of their quoted rate.
- b CWC-II also decided to obtain confirmation from the L1 Contractor M/s MSK Construction, Tiruvannamalai, that good quality of material and workmanship will be maintained by the Contractor while executing the work for Items SI. No. 01 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 MSK Construction, Tiruvannamalai, and e.mail Dt. 08-08-2024 was issued to the contractor, seeking downward revision of the rates for Items SI.No. 04, 10 & 18 (wherein the rates quoted by the L1 contractor are higher than departmental estimate by more than 10%). Further, the L1 Contractor was also asked to confirm that good quality of material and workmanship will be maintained by Contractor while executing the work for Item SI.No. 01 wherein the rate quoted by them are freakishly on the lower side.

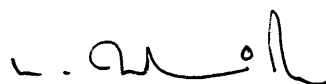
The L1 Contractor M/s MSK Construction, Tiruvannamalai has replied vide e.mail Dt. 14-08-2024 and submitted Rate Revision Sheet and Letter Dt. 14-08-2024 wherein it is intimated that ;

"With reference to the above mentioned subject, we here with reduce an amount of Rs. 24445.00 (Rupees Twenty four Thousand Four Hundred and Forty Five only) from our original quoted total amount. The item wise price deduction details are herewith enclosed separately. Moreover this is our lowest and final rate. Hence we herewith kindly request you to please accept the above price deduction and issue the work order as earlier as possible.

We confirm that we will maintain good quality of materials and labours while executing the work for Item SI. No. 01 and also for the entire works..."

- 21 It is submitted that M/s MSK Construction, Tiruvannamalai 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. 04	Rs. 5,778.00 /= (15.56 %)	Rs. 5,100.00 /= (02.00 %)
02	Item SI. No. 10	Rs. 9,000.00 /= (19.79 %)	Rs. 8,250.00 /= (09.80 %)
03	Item SI. No. 18	Rs. 417.00 /= (17.46 %)	Rs. 388.52 /= (09.44 %)



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

Sl. No	Description	Estimated / Quoted / Revised Amounts	Quantum Reduction of	Difference in Percentage w.r.t Department Estimate
01	Departmental Estimate.	Rs. 10,79,000.00 /=		
02	Original Quoted Amount	Rs. 10,60,000.00 /=		(-) 01.76 % (LOWER)
03	Revised Amount after 1 st Price Revision	Rs. 10,35,555.00 /=	Rs. 24,445.00 /=	(-) 04.03 % (LOWER)

23 OBSERVATIONS AFTER PRICE REVISION :

- It is observed that after the Price revision / reduction offered by the L1 Contractor M/s MSK Construction, Tiruvannamalai, the revised quoted total amount works out to Rs. 10,35,555 /= (Rupees Ten Lakhs Thirty Five Thousand Five Hundred and Fifty Five only) for the work. The revised quoted amount is (-) 04.03 % Lower than the departmental estimate of Rs. 10,79,000 /= {prepared based on MES SSR 2020 rates with Market Variation of (+) 15 % [MV of (+) 05 % Plus (+) 10 % for Factory Restricted Area] for SSR Items. For some items MR/ LPR has been taken.}. It is submitted that as per the Latest Market Variation for Quarter ending June 2024 circulated vide CE Chennai Zone, Letter Dt. 26-04-2024 the market variation for "Addn / Altn / Spl Repairs / Maintenance" for SSR Items is 15% { MV of "(+) 5 % Plus (+) 10 % for Factory restricted Area }. There are no freakishly high rates quoted by the L1 contractor. The rate quoted by L1 contractor for Item Sl. No. 01 is freakishly on lower side. . 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 Revision for Items Sl. No. 04, 10 & 18 (which was earlier higher than the departmental estimate by more than 10 %) and after price revision, the revised Unit rate for these items are higher than the departmental estimate by less than 10 %
- It is submitted that the L1 Contractor M/s MSK Construction, Tiruvannamalai vide letter Dt. 14-08-2024 has intimated that they have offered a total price reduction of Rs. 24,445 /- and this is their lowest and final rate and requested to accept the same and issue the work order at earliest. The L1 Contractor vide his letter Dt. 14-08-2024 has further confirmed that they will maintain good quality of material and labour while executing the work for Item Sl. No. 01 (freakishly lower rate item) and also for the entire work.

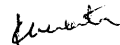
24 OBSERVATIONS OF CWC-II HELD ON 22-08-2024

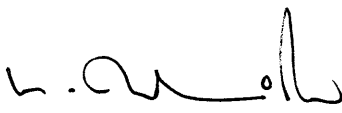
- CWC-II observed that after the Price revision / reduction offered by the L1 Contractor M/s MSK Construction, Tiruvannamalai, the revised quoted total amount works out to Rs. 10,35,555 /= (Rupees Ten Lakhs Thirty Five Thousand Five Hundred and Fifty Five only) for the work. The revised quoted amount is (-) 04.03 % Lower than the departmental estimate of Rs. 10,79,000 /= {prepared based on MES SSR 2020 rates with Market Variation of (+) 15 % [MV of (+) 05 % Plus (+) 10 % for Factory Restricted Area] for SSR Items. For some items MR/ LPR has been taken.}. It is submitted that as per the Latest Market Variation for Quarter ending June 2024 circulated vide CE Chennai Zone, Letter Dt. 26-04-2024 the market variation for "Addn / Altn / Spl Repairs / Maintenance" for SSR Items is 15% { MV of "(+) 5 % Plus (+) 10 % for Factory restricted Area }. There are no freakishly high rates quoted by the L1 contractor. The rate quoted by L1 contractor for Item Sl. No. 01 is freakishly on lower side. . 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 Revision for Items Sl. No. 04, 10 & 18 (which was earlier higher than the departmental estimate by more than 10 %) and after price revision, the revised Unit rate for these items are higher than the departmental estimate by less than 10 %
- CWC-II further observed that the L1 Contractor M/s MSK Construction, Tiruvannamalai vide letter Dt. 14-08-2024 has intimated that they have offered a total price reduction of Rs. 24,445 /- and this is their lowest and final rate and requested to accept the same and issue the work order at earliest. CWC-II noted that the L1 Contractor vide his letter Dt. 14-08-2024 has further confirmed that they will maintain good quality of material and labour while executing the work for Item Sl. No. 01 (freakishly lower rate item) and also for the entire work.
- CWC-II observed that after the Price revision offered by the L1 Contractor the overall revised total amount quoted is (-) 04.03 % lower than the departmental estimate and the same is competitive and reasonable.



25 **DECISION OF CWC-II HELD ON 22-08-2024 ;**

- a In view of the aforesaid observations, CWC-II decided to place Contract Agreement on the L1 Contractor, M/s MSK Construction, Tiruvannamalai, at their revised quoted total amount of Rs. 10,35,555 /- (Rupees Ten Lakhs Thirty Five Thousand Five Hundred and Fifty Five only) for the work.
- b 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 item Sl.No. 01 for which the rate 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 item having freakishly lower rate (Items Sl. No. 01) shall not be executed less than 5 % of the estimated quantity.
- 26 Security Deposit : The contractor has to submit SD of Rs. 26,000 /- (Rupees Twenty Six Thousand 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 : Four Months (120 days) from the date of handing over of site.
- 28 Payment :: As per IAFW 2249, Cost debitable to : Code Head 809/01 (Revenue Grant)


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



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


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