

MINUTES OF E-PRICE BID APPROVAL CWC-II MEETING HELD ON 15-06-2026
FOR THE CIVIL WORK ; SPECIAL REPAIRS TO THE PROOF FIRING CONTROL
ROOM, FRONT ENTRANCE, SECURITY GUARD ROOM AND FIRE HYDRANTS
AT PROOF RANGE COMPLEX AT HVF, AVADI

ENGINEERING OFFICE – CIVIL

The following Officers were present ;

1	Shri. K. Tulasi Rao	GM / IMS	Chairman / CWC - II
2	Shri. N.N. Narendra	GM / HR (CENT) –II (Alternate Officer for GM / STORES & SAFETY) – For F & A	Member / Finance
3	Shri. Gireesh Babu P.K.	GM / PROD & PLG (SBU-MBT)	Member / User
4	Smt. D. Vanishree	AWM / EO & GS	Member Secretary

- 01 e-Tender Enquiry No. & Date : HVF/TE/13025/CEO/2025-26/59, Dt. 28-01-2026.
E-Procurement Tender ID : 2026_AVNL_264480_1
- 02 Name of the Work : Special Repairs to the Proof Firing Control Room, Front Entrance, Security Guard Room and Fire Hydrants at Proof Range Complex at HVF, Avadi.
- 03 Type of Tender : Open Tender under Two Bid System (e-Tendering) (Item Rate – Percentage Basis)
- 04 Grant & Code Head : 920 / 34 (Capital Grant) – (ND-2422)
- 05 User Section : HVF / IMS / CE (Fy) – GA shop
- 06 Estimated cost of Work (Approx) : Rs. 95,99,000 /=- (As per delegation of Financial Powers issued by AVNL as on January 2025, 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”, GM is empowered for Issue of Acceptance of Necessity & Administrative Approval and placement of contract for Departmental Works upto Rs. 3 Cr . 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/CE/FY/CAP/2024-25/
Dt. 23-10-2025
ii. F&A Concurrence vide Letter No. 12501/HVF/FIN&ACCT/86/2025,
Dt. 02-12-2025
iii. ADP Approval Vide AVNL CO Letter No./No.AVNLCO/ENGG/P&M/ADP/
HVF(ND2422), Dt. 12/08/2025
- 08 e-Tender published in CPPP e-proc website on : 28-01-2026
- 09 Scheduled Bid submission closing date and Date of Tender Opening : Original Bid Submission closing Date : 12-02-2026
Original Technical Tender Opening Date : 13-02-2026

- 10 No. of T.O.D Postponements (System Configured for Bid Auto Extn Corrigendum in case of non receipt of minimum configured bids) : NIL
- 11 e-Tender Technical /Eligibility Bid opened on : 13-02-2026
- 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 Sri Lakshmi Industries, Chennai	FDR, Date of Maturity is 11-02-2028	Confirmed . Offer Validity till 13-05-2026. Extended till 13-06-2026
02	M/s Sadh Builders, Hyderabad	DD, 07-05-2026	Confirmed . Offer Validity till 13-05-2026
03	M/s Leela Constructions, Chennai	FDR, Date of Maturity is 22-05-2026	Confirmed . Offer Validity till 13-05-2026

- 14 CWC-II deliberated the case on 23-02-2026 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 Sri Lakshmi Industries, Chennai
2. M/s Sadh Builders, Hyderabad
3. M/s Leela Constructions, Chennai

- 15 Accordingly the e-price bids of all three eligible contractors have been opened on 25-02-2026.
- 16 Details of e-Quotations (Price bids) received is given below

Sl. No	Name of the Contractor	STATUS	Quoted Percentage estimated Amount w.r.t	Quoted Amount works out to ;
01	M/s Sri Lakshmi Industries, Chennai	<u>L1</u>	(-) 12.00 % (Lower)	Rs. 84,47,120.00 /=
02	M/s Leela Constructions, Chennai	<u>L2</u>	(+) 01.15 % (Higher)	Rs. 97,09,388.50 /=
03	M/s Sadh Builders, Hyderabad	<u>L3</u>	(+) 09.70 % (Higher)	Rs. 1,05,30,103.00 /=

17 INITIAL OBSERVATIONS

- a It is observed that M/s Sri Lakshmi Industries, Chennai, is the L1 Contractor and has quoted a Percentage of (-) 12.00 % (Minus Twelve Percentage Only) lower than the departmental estimated amount , amounting to Rs. 84,47,120.00 /= (Rupees Eighty Four Lakhs Forty Seven Thousand One Hundred and Twenty only) for the work. The departmental estimate for the work is Rs. 95,99,000 /= {prepared based on SSR 2020 with MV of 15 % (05% for Addn/Altn/Spl. Repairs / Maintenance Plus 10% for Factory Restricted Area – HVF) for civil SSR Items and MV of 20 % (10% for External Electrification Plus 10% for Factory Restricted Area – HVF). For Some Items, LPR /MR have been used. }. The Schedule of Rates / List of Works to be done are as per Annexure C of the NIT Document of the tender. It is submitted that the present market variation as per CE, Chennai Letter Dt. 30-10-2024 for Quarter Ending December 2024 is 15 % (05% for Addn/Altn/Spl. Repairs / Maintenance Plus 10% for Factory Restricted Area) for Civil SSR Items and 20 % (10% for External Electrification Plus 10% for Factory Restricted Area). As per clause No.15 of the e-tender enquiry the contractors quoted rates are inclusive of GST.

- 18 It is submitted that , in January 2026, EO (Civil) had proposed for Addition / Change in method of e-tendering from Item Rate to Item Rate on Percentage basis for Civil / Electrical Works and Approval of CGM – FMU / HVF was obtained for the same vide EO (Civil) Note No. HVF/13025/EO-CIVIL/POLICY/25-26/01, Dt. 20-01-2026. Also decision was taken to refer the proposal to AVNL CO for incorporating in the Civil Work SOP. HVF vide letter Dt. 27-01-2026 had submitted the proposal to AVNLCO for Addition / change in Tendering method for incorporation in SOP for benefit of all sister factories.
- 19 Meantime, EO (Civil), based on the above approval has started tendering cases on Item Rate Percentage basis and processing the cases till Pre-CA stage in anticipation of receipt of approval from AVNL CO for the change in tendering method to Item Rate Percentage basis. Accordingly the subject case has been tendered and processed on Item Rate Percentage basis.
- 20 It is submitted that the proposal for addition / change in tendering method and incorporation of the same in Civil Works SOP was forwarded to AVNL CO during last week of January 2026 and more than 4 months have passed and formal approval for the proposal is yet to received from AVNL CO.
- 21 It is submitted that Since the method of floating of tenders on Item Rate Percentage basis has not been approved by AVNL CO, the tenders floated on Item rate Percentage basis do not have the formal Sanction from AVNL CO and continuing processing of the same may invite audit objections. In view of the above, 17 tenders in various stages of tender / eligibility bid opened have been cancelled by EO (civil) recently with approval of the Competent Authority / CWC-I / CWC-II and are being re-tendered (on item rate basis)
- 22 The present case has not been cancelled since Price bids have been opened and also in anticipation of Sanction / approval from AVNLCO for processing the cases on Percentage Basis
- 23 Meantime, HVF/EO (Civil) vide letter Dt. 15-04-2026 had requested the L1 contractor, M/s Sri Lakshmi Industries to extend the validity of their offer till 13-06-2026 (since the original offer validity was available 13-05-2026). As requested by HVF, M/s Sri Lakshmi Industries vide their letter Dt. 27-04-2026 have extended the validity of their offer upto 13-06-2026.
- 24 It is submitted that since the extended offer validity of L1 Contractor M/s Sri Lakshmi Industries was available only till 13-06-2026, HVF/ EO (Civil) vide letter Dt. 29-05-2026 has requested the firm to further extend the validity of their offer upto 13-07-2026. The issue was further expedited vide e.mails Dt. 04-06-2026, 08-06-2026 and 11-06-2026.
- 25 It is submitted that the L1 Contractor M/s Sri Lakshmi Industries vide their letter Dt. 10-06-2026 received at HVF vide e.mail Dt. 11-06-2026 has regretted further extension of offer validity and intimated that

“....In response to HVF letter Dt. 29-05-2026 and subsequent e.mails, requesting for further extension of validity of offer in tender ID No. 2026_AVNL-264480_1, It is humbly submitted that due to the ongoing Geo-political situation, the prices of all raw materials have increased tremendously over last couple of months. HENCE IT IS REGRETTED TO INFORM THAT IT IS NOT FEASIBLE FOR US TO FURTHER EXTEND THE VALIDITY OF OUR OFFER BID No. 976491 IN THE AFORESAID TENDER BEYOND 13-06-2026....”

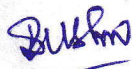
- 26 It is submitted that as on date no Approval / Sanction has been received from AVNLCO regarding processing / finalization of cases on Item Rate Percentage Rate basis and hence the processing of the subject case has been kept on hold, pending receipt of formal approval from AVNLCO.

27 **OBSERVATIONS OF CWC-II HELD ON 15-06-2026**

CWC-II deliberated the case and noted that EO (Civil), based on the CGM/FMU-HVF Approval has started tendering cases on Item Rate Percentage basis and the subject case was also tendered and processed on Item Rate Percentage Basis in anticipation of receipt of approval from AVNL CO for the change in tendering method to Item Rate Percentage basis. CWC-II also noted that the proposal for addition / change in tendering method and incorporation of the same in Civil Works SOP was forwarded to AVNL CO during last week of January 2026 and more than 4 months have passed and formal approval for the proposal is yet to received from AVNL CO. CWC-II further noted that Since the method of floating of tenders on Item Rate Percentage basis has not been approved by AVNL CO, the tenders floated on Item rate Percentage basis do not have the formal Sanction from AVNL CO and continuing processing of the same may invite audit objections, hence all tenders in various stages of tender / eligibility bid opened stage which were processed on Item Rate Percentage basis have been cancelled by EO (Civil) recently, with the approval of the Competent Authority / CWC-I / CWC-II and are being re-tendered on Item Rate basis. The present case was not cancelled since Price bids had been opened in the case and in anticipation of Sanction / Approval from AVNLCO for processing the case on Percentage Basis. CWC-II noted that the extended validity of the Offer of the L1 Contractor, M/s Sri Lakshmi Industries, Chennai has expired on 13-06-2026 and the Contractor vide letter Dt. 10-06-2026 has expressed their inability to extend the validity of their offer beyond 13-06-2026 citing increase in prices of raw materials due to the prevailing geo-political situation. CWC-II further observed that as on date no Approval / Sanction has been received from AVNLCO regarding processing / finalization of cases on Item Rate Percentage Rate basis and hence the processing of the subject case has been kept on hold. CWC-II also noted the case needs to be processed on Urgent basis.

28 **DECISION OF CWC-II HELD ON 15-06-2026**

In view of the aforesaid observations, CWC-II decided to Cancel the present tender bearing ID No. 2026_AVNL_264480_1 in the e-procurement portal and re-tender the subject case on Item Rate Basis (as was being done previously before adoption of Item Rate Percentage basis) on OT basis and two part bid system through e-procurement portal (CPPP).



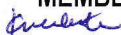
(D. VANISHREE)
AWM / EO & GS
MEMBER SECRETARY



(GIREESH BABU P.K.)
GM / PROD & PLG (SBU-MBT)
MEMBER / USER



(N.N. NARENDRA)
GM / HR (CENT)-II
(Alternate Officer for GM / STORES & SAFETY) – for F & A)
MEMBER / FINANCE




(K. TULASI RAO)
GM / IMS
CHAIRMAN / CWC-II