

TAMIL NADU WATER SUPPLY AND DRAINAGE BOARD



ABSTRACT

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**TWAD BOARD - CWSS TO CHENNIMALAI, KC PALAYAM AND PERUNDURAI TOWN PANCHAYATS AND WAYSIDE RURAL HABITATIONS - CONSTRUCTION OF ALL COMPONENTS INCLUDING MAINTENANCE OF THE SCHEME FOR A PERIOD OF ONE YEAR - TENDER PROPOSAL ON TURNKEY BASIS - APPROVAL ACCORDED - ORDERS ISSUED**

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( Contract Management Wing )

B.P.Ms.No. 185

Dated : 18.09.2000

Read :

Board's Resolution No. 3.1 dated 13.09.2000

**Order :**

The Government of Tamilnadu in G.O.Ms.No.2(D) 19/ MA&WS (WS III) Department/ Dated 03.03.1999, have approved the augmentation of water supply to 12 Municipalities and 25 Urban Town Panchayats to be taken up during the year 1999 - 2000 under the Special Programme, namely "Golden Jubilee Programme". Chennimalai, KC Palayam and Perundurai Town Panchayats have been identified for providing WSIS under this programme.

2. The Government of Tamil Nadu in G.O.Ms.No.2(D) 43/ MA&WS/ dated 27.03.2000, have accorded administrative approval for the above three town panchayats for an amount of Rs. 11.83 crores.. Subsequently, the Government in G.O. Rt. .No. 77/ MA&WS (WS I) Department/ dated 12.06.2000, have accorded administrative approval for providing water supply to 64 wayside rural habitations under the above CWSS.

3. On receipt of administrative approval for the rural components, the Chief Engineer, TWAD Board, Western Region, Coimbatore has accorded technical sanction for an amount of Rs.1574 lakhs and registered as CE/ WR/ No.9/ 2000-2001/ dated 23.06.2000.

4. As per the instructions contained in Fax Letter No.201198/ SDO/ Urban/ dated 04.10.1999 and 13.10.1999, pending administrative approval, tenders were invited by the Chief Engineer, TWAD Board, Western Region, Coimbatore, fixing last date for receipt of tenders and date for opening of technical bids as 25.02.2000. Later on, based on the request of the firms and as recommended by the Executive Engineer, TWAD Board, NRAP Division, Erode, the last date for receipt and opening of technical bids was alone extended to 03.03.2000.

5. In response to the tender call, 10 firms had purchased the tender schedule, out of which the following six firms had offered their tenders.

- i. M/s. The Indian Hume Pipe Co.Ltd.,Mumbai
- ii. M/s. IVRCL Infrastructure Projects Ltd.,Hyderabad
- iii. M/s. Lakshmi Engineers, Kolhapur
- iv. M/s. Perfect Engineering.Associates Pvt. Ltd.,Mumbai
- v. M/s. RPP Constructions (P) Ltd., Erode
- vi. M/s. Larsen & Toubro Ltd., Chennai.

6. The technical bids of the above six firms were opened by the Chief Engineer, TWAD Board, Western Region, Coimbatore on 03.03.2000. As per the directions contained in Board's Proceedings Ms.No.327 dated 07.10.1998, the technical bids were placed before the Head Office Tender Evaluation Committee at its meeting held on 12.05.2000 for deciding the pre qualification of the tenderers for this work.

7. The Head Office Tender Evaluation Committee discussed in detail the compliance of the qualification criteria by the tenderers and decided to pre qualify all the six firms subject to the following conditions.

The Chief Engineer should open the price bids of the firms only after obtaining administrative approval from the Government and according technical sanction for the rural components covered under this tender.

The Chief Engineer should ensure the acceptance of all departmental terms and conditions by the bidders.

The following firms should be directed to produce the documents noted against each.

Even though M/s IVRCL Infrastructure Projects Ltd., Hyderabad have stated that they will supply PSC pipe from IVRCL PSC Pipes Ltd., they should be directed to furnish documentary evidence for having registered their firm and also for having supplied PSC pipes to any Government Organisation.

M/s Laxmi Engineers, Kolhapur should be directed to produce the details of the manufacturer of PSC pipes from whom they propose to procure the pipes.



The Evaluation Committee directed the Chief Engineer, TWAD Board, Western Region, Coimbatore to open the price bids after satisfying the above conditions and after duly intimating the date of opening of price bids to the pre qualified tenderers.

8. On receipt of the administrative approval for the rural components and after according technical sanction for the estimates, the price bids were opened by the Chief Engineer, TWAD Board, Western Region, Coimbatore on 28.06.2000. The Chief Engineer, TWAD Board, Western Region, Coimbatore, after making corrections in the price bid as per bid conditions, has compared the value of the tenders offered by the firms with the departmental value updated to 1999-2000 schedule of rates.

9. Among the six tenderers, M/s. Perfect Engg. Associates (P) Ltd., Mumbai have offered the lowest tender for a value of Rs. 14,43,01,668/- at (-) 4.60 % less over the departmental value of Rs. 15,12,54,696/-.

10. The Chief Engineer, TWAD Board, Western Region, Coimbatore had observed as follows :

- ◆ After wide publicity as per norms through newspapers, 10 firms have purchased the tender schedule and six of them have offered their bids.
- ◆ The completion period for the work has been stipulated as 15 months which spreads over two financial years and hence price increase on cost of materials during the contract period has to be borne by the tenderer.
- ◆ The tender has been compared with the departmental rates worked out based on the schedule of rates for the year 1999 – 2000. But the work has to be executed during the financial year 2000-2001 and 2001-2002. As such the rate quoted by the lowest tenderer may be considered as reasonable.
- ◆ Further, the Chief Engineer had stated that the scheme has to be executed under a special programme, viz "Golden Jubilee Scheme" to avail the grant from the Government of Tamilnadu and has recommended the lowest tender of M/s. Perfect Engg. Associates (P) Ltd., Mumbai for consideration. The Chief Engineer had also stated that considering the certificates issued by the Maharashtra Water Supply and Sewerage Board for various types of work executed by the firm in the State of Maharashtra, it is expected that the firm would be able to complete the work if awarded.

11. In the price bid of the lowest tenderer, discrepancies were identified in the rates quoted by the firm as well as the rates adopted in the comparative statement. With a view to obtain the concurrence of the tenderer for setting right the discrepancies in the price bid which accounted for a reduction of Rs. 27,83,731/- from the value furnished in the comparative statement as well as to request the lowest tenderer to make possible further reductions in the value of their tender, negotiations were held with the lowest tenderer at head office. The lowest tenderer, after

negotiations, vide their letter PEAPL/ TWAD/ CHENNI/ CLAR/ 1/ dated 09.09.2000, has not concurred for the corrective measures suggested for the discrepancies that prevail in the price bid and for adoption of corrected rates in the comparative statement except in the case of two minor items. Further, the lowest tenderer has not offered any reduction during negotiations. As such the position of the lowest tender offered by M/s. Perfect Engineering Associates (P) Ltd., Mumbai, after carrying out the corrections towards the discrepancies identified at head office ( for which the firm has not concurred ) stood as under :

Departmental value	Rs. 15,12,54,696/-
Value of the lowest tender offered by M/s. Perfect Engineering Associates (P) Ltd. As per comparative statement furnished by Chief Engineer/ TWAD/ WR/ Coimbatore	Rs. 15,68,49,639/-
Less towards discrepancies identified at head office (for which the firm has not concurred)	Rs. 27,83,731/-
Value of the lowest tender after correction at head office	Rs. 15,40,65,908/-
Less discount at 8% offered in the price bid	Rs. 1,23,25,273/-
Value of tender after discount	Rs. 14,17,40,635/-
Less than departmental rate	Rs. 95,14,061/-
Less percentage	(-) 6.29 %

12. The tender proposal was placed before the Tender Committee at its meeting held on 12.09.2000. The Tender Committee, after detailed discussions, resolved to recommend the lowest tender of M/s. Perfect Engineering Associates Pvt. Ltd., Mumbai to the Board with the following observations

- ◆ A conscious decision was taken to invite tenders for the schemes covered under Golden Jubilee Programme pending administrative approval in order to save time and ensure speedy execution. Hence the Board may consider a general ratification of the action of the tender inviting authorities in having invited tenders based on instructions from head office for the schemes covered under Golden Jubilee Programme pending administrative approval.
- ◆ The provision towards construction of Inspection Bungalow may be deleted from the scope of this tender, thereby deducting Rs. 7,58,834/- from the departmental value and disallowing an amount of Rs. 7,06,869/- from the tender offered by the lowest tenderer.
- ◆ The lowest tenderer, M/s. Perfect Engineering Associates Pvt. Ltd., Mumbai have offered a total rate of Rs. 2,28,00,000/- for the full scale treatment plant of 18.07 MLD capacity and have furnished a break up of Rs. 57,00,000/- for 2 nos. of Clariflocculators in the price bid. In the comparative statement, an amount of Rs. 28,50,000/- has been considered by the Chief Engineer for



783

2 nos. of clariflocculators taking into account the line total since a discrepancy prevails between the line total and the amount column. The lowest tenderer has not concurred to the amount adopted by the department for this component of 2 nos. of clariflocculators. The committee after detailed discussions, recommends that an amount of Rs. 57,00,000/- is reasonable for this component and may be allowed in the value of the lowest tender.

- ◆ The Tender Committee further recommends that the reduction of Rs. 27,83,731/- due to discrepancies identified in the rates offered in the price bid by the lowest tenderer be effected in the value of the lowest tender.

Deleting the provision of Inspection Bungalow from the scope of the tender and allowing an amount of Rs. 57,00,000/- for 2 nos. of clariflocculators, the Tender Committee recommends to the Board, the lowest tender of M/s. Perfect Engineering Associates Pvt. Ltd., Mumbai, for a value of Rs. 14,37,12,316/- at (-) 4.51 % lesser than the departmental value of Rs. 15,04,95,862/- for the above work.

13. The matter was placed before the Board at its meeting held on 13.09.2000. The Board after careful consideration, resolved in its Resolution no. 3.1 dated 13.09.2000, to accept the recommendation of the Tender Committee that

- the provision towards construction of Inspection Bungalow may be deleted from the scope of this tender, thereby deducting Rs. 7,58,834/- from the departmental value and disallowing an amount of Rs. 7,06,869/- from the tender offered by the lowest tenderer
- to allow a rate of Rs. 57,00,000 for 2 nos. of Clariflocculators under full scale treatment plant of 18.07 MLD capacity in the value of the lowest tender of M/s. Perfect Engineering Associates Pvt. Ltd., Mumbai. for the reasons set out thereon and .
- to effect a reduction of Rs. 27,83,731/- towards the discrepancies identified in the rates offered in the price bid by the lowest tenderer

and to approve the lowest tender of M/s. Perfect Engineering Associates Pvt. Ltd., Mumbai for a value of Rs. 14,37,12,316/- at (-) 4.51 % lesser than the departmental value of Rs. 15,04,95,862/- for the above work.

The Board further took note of the fact that a conscious decision was taken to invite tenders for the schemes covered under Golden Jubilee Programme pending administrative approval in order to save time and ensure speedy execution and resolved to ratify the action of the tender inviting authorities in having invited tenders covered under Golden Jubilee Programme pending administrative approval.

14. Accordingly, the Board directs that

- the provision towards construction of Inspection Bungalow may be deleted from the scope of this tender, thereby deducting Rs. 7,58,834/- from the departmental value and disallowing an amount of Rs. 7,06,869/- from the tender offered by the lowest tenderer

- ii. to allow a rate of Rs. 57,00,000 for 2 nos. of Clariflocculators under full scale treatment plant of 18.07 MLD capacity in the value of the lowest tender of M/s. Perfect Engineering Associates Pvt. Ltd., Mumbai. for the reasons set out thereon and
- iii. to effect a reduction of Rs. 27,83,731/- towards the discrepancies identified in the rates offered in the price bid by the lowest tenderer

and accords approval to the lowest tender offered by M/s. Perfect Engineering Associates Pvt. Ltd., Mumbai for a value of Rs. 14,37,12,316/- at (-) 4.51 % lesser than the departmental value of Rs. 15,04,95,862/- for the above work.

/ By Order of the Board /

A.M. Kasiviswanathan  
Managing Director, TWAD Board

To

The Chief Engineer, TWAD Board, Western Region, Coimbatore

Copy to the Engineering Director, TWAD Board, Chepauk, Chennai – 600 005

Copy to the Finance Director, TWAD Board, Chepauk, Chennai – 600 005

Copy to the Superintending Engineer, TWAD Board, Erode Circle, Erode

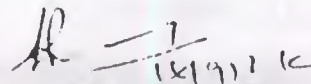
Copy to the Joint Chief Engineer (CM), TWAD Board, Chepauk, Chennai – 600 005

Copy to the RAO, TWAD Board, Chepauk, Chennai – 600 005

Copy to the Board Cell

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Joint Chief Engineer (CM)  
TWAD Board, Chennai – 5

