**ITEM NO. 13 (U-07)**

1. **Name of the subject/project**

Security and Traffic Services/Arrangements at Navyug School, Community Centre & Water Reservoirs under Group Contract ‘J’.

1. **Name of the Department/Departments concerned**

Security Department

1. **Brief history of the subject/project**

The Security and Traffic Services at all the Office Premises, Commercial Complexes, Hospitals and Electric Sub Stations owned by the NDMC are being looked after by the Security Department, NDMC. Presently the Security and Traffic Services at most of the NDMC premises are managed by deploying security personnel through private security agencies under various Group Contracts i.e. A to H. Further the request for providing Security Guards was received from the following departments:

* 1. Navyug School Education Society - 72 Guards at 12 locations.
	2. Water Reservoirs 20 Guards at 05 locations

iii) Community Centers 08 Guards at 02 locations.

Accordingly the case was processed for creation of new Group Contract and the same was created vide Council Reso No.04 (U-02) dated 25.07.2012.

1. **Detailed proposal on the subject/project**

In view of above and after obtaining Administrative Approval and Expenditure Sanction amounting to `173077801.00 from the Council vide Reso.No.06 (U-03) dated 28.08.2012 for Security and Traffic Services/Arrangements at NDMC Premises under Group Contract A to J, tenders for “Security and Traffic Services/Arrangements at Navyug School, Community Centre & Water Reservoirs under Group Contract ‘J’ were invited by publishing the tender Notice in the leading Newspapers as per approved policy of the Council as well as uploaded on the website of Delhi Govt. and pasted on NDMC Notice Board as well. The last date for submission of online tenders/ opening of technical bids was 17.08.2012. Before submission of Tenders, a Pre - Bid conference was held in the Office of the Chief Security Officer at 1500 hrs on 17.08.2012 but no firm turned up.

On the scheduled date i.e. on 17.08.2012, the technical bids for the above mentioned tender were opened in the presence of representatives of the participating firms. Six Firms participated through on line e-Tendering as per details given below:

|  |  |
| --- | --- |
| **S.No.** | **Name of Firm/Agency** |
| **1.** | M/s Soni Detective & Allied Services Pvt. Ltd. |
| **2.** | M/s Skylark Securitas Pvt. Ltd. |
| **3.** | M/s Good Year Security Service (Regd.) |
| **4.** | M/s Ex-Man Raghav Security Service Pvt. Ltd. |
| **5.** | M/s Rakshak Securitas Pvt. Ltd. |
| **6.** | M/s Kushal Suraksha and Allied Services Pvt. Ltd. |

During checking of documents in support of eligibility conditions of Technical Qualifications, it was found that five firms did not submit the required documents as per NIT conditions. Since only one firm namely M/s Kushal Suraksha and Allied Services Pvt. Ltd. was found qualifying as per technical criteria, the case was submitted to the competent authority with the proposal that for healthy and fair competition, an opportunity may be given to firms who had not submitted the required valid documents, if they have. The file was forwarded to Finance & Law Department.

In view of comments of Finance and Law Department, the documents, of all the firms have been again scrutinized. Since, the order to blacklist M/s Good Year Security Service (Regd.) was later on set aside through the order passed by Commissioner (Trade & Taxes), therefore; the firm remains technically eligible. Accordingly out of six participating firms, four firms could not qualify due to incomplete tender documents and only two following firms could qualify the technical criteria as such the financial Bids of these two firms were opened as per NIT terms and conditions:

1. M/s Kushal Suraksha & Allied Services
2. M/S Good Year Security Service (Regd.)

On 06.12.2012 Financial Bids of the above mentioned firms were opened. As per on line generated comparative statement the rates quoted by the firms are summarized below:-

|  |  |  |
| --- | --- | --- |
| **S.No.** | **Name of the firm** | **Amount**` |
| **1.** | M/s Good Year Security Service (Regd.) | 13729156.68 |
| **2.** | M/s Kushal Suraksha and Allied Services Pvt. Ltd. | 13730515.92 |

From the comparative statement it can be seen that M/s Good Year Security Service (Regd.) has quoted 0.0001% Service Charges and emerged as the lowest one the total quoted amount comes to `13729156.68 per annum. The rates quoted are abysmally low and 16.67% below the Estimated Cost.

Since the rates quoted by M/s Good Year Security Service (Regd.) are abysmally low, hence; a letter was issued to the firm to explain as to how it will meet the NIT requirements vis-à-vis virtually 0% service charge. In response, the firm has stated that it has surplus reserves and wishes to earn reputation as well as expand its market by charging nominal service charge.

In view of position explained above, the case was again forwarded to Finance Department for concurrence to award the Group Contract ‘J’ for “Security and Traffic Services/Arrangements at Navyug Schools, Community Centre & Water Reservoirs under Group Contract ‘J’ to M/s Good Year Security Service (Regd.) at the quoted amount of `13729156.68 per annum for a period of two years making a total of `2,74,58,313/36 (Rupees two crore seventy four lakh fifty eight thousand three hundred thirteen and paisa thirty six only) as per terms & conditions of NIT. The proposed expenditure shall be charged to Budget Head C.3.8(X) B (2201103) wherein a provision of `141600380.00 exists, please.

1. **Financial implications of the proposed project/subject**

The financial implication of the proposal works out to `13729156.68 per annum.

1. **Implementation schedule with time limits for each stage including internal processing**

 Two years from the date of deployment.

1. **Comments of the finance department on the subject with diary No. & date.**

Finance Department vide Diary No.2446/Finance dated 28.12.2012 seeks some clarifications.

1. **Comments of the department on comments of Finance Department**

The observations of the Finance Department were clarified

1. **Final views of Finance Department**

In view of replies/clarification furnished by the department now and also keeping in view the facts that quoted rates of the L-1 firm are 16.67% below the estimated cost, Finance deptt. has no objection to the proposal of the department to award the Group Contract ‘J’ for “Security and Traffic Services/Arrangements at Navyug Schools, Community Centre & Water Reservoir to L-1 firm i.e. M/s. Good Year Security Service (Regd.) at their quoted amount of Rs.1,37,29,156.68 and as per terms and conditions on NIT. Before processing the case for approval, the department may ensure that Good Year Security Service (Regd.) and Good Year Security Services is the same firm or one firm and have a certificate from them in this regard. (The required certificate from the firm has been obtained)

1. **Legal implication of the subject/project**

**------**

1. **Details of previous Council Resolutions, existing law of Parliament and Assembly on the subject.**

Annual Estimate for the year 2012-13 amounting to `173077801.00 was sanctioned by the Council vide Reso.No.06 (U-03) dated 28.08.2012 for Security and Traffic Services/Arrangements at NDMC Premises under Group Contract ‘A’ to ‘J’.

1. **Comments of the Department on the comments of Law Department.**

No comments.

1. **Final view of Law Department (wherever necessary)**

No legal issue is involved in this matter at this stage, and as such no comments, please.

1. **Certificate by the Department that all Central Vigilance Commission (CVC) guidelines have been followed while processing the case.**

It is certified that all requisite guidelines of the CVC have been followed while processing the case.

1. **Recommendation:**

Recommendedto award the work for “Security and Traffic Services/Arrangements at Navyug Schools, Community Centre & Water Reservoirs” under Group Contract ‘J’ to M/s Good Year Security Service (Regd.) at the quoted amount of `13729156.68 per annum for a period of two years making a total of `2,74,58,313/36 (Rupees two crore seventy four lakh fifty eight thousand three hundred thirteen and paisa thirty six only) as per terms & conditions of NIT. The proposed expenditure shall be charged to Budget Head C.3.8(X) B (2201103) wherein a provision of `173077801.00 exists. Further; department may take action in the matter in anticipation of confirmation of minutes of the meeting of the Council.

**COUNCIL’S DECISION**

Resolved by the Council to accord approval to award the work for “Security and Traffic Services/Arrangements at Navyug Schools, Community Centre & Water Reservoirs” under Group Contract ‘J’ to M/s Good Year Security Service (Regd.) at the bidded amount of `13729156.68 per annum for a period of two years i.e. at a total cost of `2,74,58,313/36 on the terms & conditions mentioned in the NIT.

It was also resolved by the Council that further action may be taken by the Department in anticipation of confirmation of the Minutes by the Council.