

ITEM NO. 16 (A-106)

1. Name of the subject/project:

Rehabilitation of Chanakya Bhawan.

SH: Providing and erecting protection platform and rehabilitation of fins. Outer development of Chanakya Bhawan by providing and fixing antiskid glass moulded multi colour prefab tiles and providing drainage system, Improvement to lift lobbies, common staircase, internal sewage and drainage of building and demolishing of RCC fins/facias of Yashwant Place Office cum Residential Complex.

2. Name of the Deptt./Deptt. Concerned.

Civil Engineering Department, NDMC.

3. Brief History:

The Chanakya Bhawan had been inspected by Chairman, alongwith sr. officers of NDMC. During the course of inspection it was found that the general condition of the complex is not satisfactory. The RCC fins, which are part of the façade of the building, have been damaged beyond repair. It was desired that the fins may be rehabilitated after taking opinion of National Council for Cement and Building Material The outer vicinity of the building was also found in shabby condition. It was also desired that the outer/open areas of the complex as well as, lift lobbies and common stair case sewer and water pipes be suitably upgraded in consultation with Chief Architect. Another estimate for the work of demolishing of RCC fins/facias of Yashwant Place Office cum Residential Complex was also approved by Chairperson and it has been decided by Planning Division that this work being similar in nature, may be clubbed with the above mentioned work.

The proposal for PE amounting to Rs.4,16,97,800/- in respect of Chanakya Bhawan had been laid before the Council and was approved vide item No. 15 (A-57) dated 17.9.08 and Rs.29,60,800/- for Yashwant Place Office cum Residential Complex accorded by Chairperson for demolishing of RCC fins/facias of Yashwant Place office Cum-Residential Building on 12.09.08, have been clubbed as suggested by Planning Div. In all, total administrative approval for both the works comes out to Rs.4,46,58,600/- (Rs.4,16,97,800/- + Rs.29,60,800/-). After completion of codal formalities tenders have been invited on 11.12.08 and in response only a single tender of M/s India Guiniting Corpn. has been received with quoted rates as 5.53% above the estimated cost. The tendered amount works out to Rs.4,36,71,621/-.

The justification of work as checked by the Planning Div. worked out to 10.94% above the estimated cost, i.e., 5.41% more than quoted rate. However, Planning Div. recommended negotiation with the lone tenderer and after negotiation, the contractor has given a rebate of 0.10% on the quoted rates. The negotiated tender amount works out to Rs.4,36,27,949/-, which is 4.98% below the justified rates.

4. Detailed proposal on the subject/project:

- (i) An estimate amounting to Rs.4,16,97,800/- has been framed on the basis of Guidelines/ drawings issued by Architect Department vide their note dtd. 17.4.08 and report of NCCBM. Major items considered in this estimate are as under:

a) Rehabilitation of RCC fins.	Rs. 2,86,44,600/-
b) Development of outer areas.	Rs. 53,00,300/-
c) Improvement to lift lobbies, common staircase, internal sewage and drainage of building.	Rs. 77,52,900/-

Total Rs. 4,16,97,800/-

- (ii) An estimate amounting to Rs.29,60,800/- for the work of demolition of RCC fins/facias of Yashwant Place office cum resident's complex has been accorded A/A & E/S by the competent authority

After the accordance of administrative approval and expenditure sanction for Rs.4,16,97,800/- by the Council vide Reso. No. 15(A-57) dtd. 17.9.08 for part (i) above & amounting to Rs.29,60,800/- for part (ii) for the work of demolition of RCC fins/facias of Yashwant Place office cum resident's complex by the competent authority, tenders have been invited after completion of codal formalities.

5. Financial implications of the proposed project:

A total financial implications of proposal in hand would be Rs.4,36,27,949/- on the basis of the negotiated rates of the lone tenderer @ 5.42% above the estimated cost of Rs.4,13,84,270/- .

There is a budget provision of Rs.20.0 lacs vide Sr.No. 349, page- 212 of the current year budget book, however, rest of the budget will be sought in the R.B.E. 2008-09 and B.E. 2009-10.

6. Implementation Scheme:

12 months from the date of award of work.

7. Comments of the Finance Department on the subject:

Offer is not competitive, being single tender received out of open call of tenders. Throwing open tenders to next lower including to contractors registered with the other department and / or modifying the criteria suitably are the measures given in Section 16.7 of CPWD Manual, if the response to tenders from the contractors of the appropriate classes is poor or unreasonably high rates are received. In the instant case, the rates of single firm are at 5.53% above the E/C against justification checked by Planning at 10.94% above the E/C. this way the lone offer is well with justified rates. If the department ensures & certifies, after taking into consideration all pros & cons involved in the tender process that the measures as referred to in Section 16.7 of CPWD Manual are not likely to evoke desired results, having regard to the fact that the single offer is less than the justified rates, we have no objection to further processing the tender.

Regarding negotiation, attention is invited to CVC Circular No. 4/3/07 dated 03.03.07. The said circular contains circumstances under which negotiation can be resorted to. As per said circular, there should be no post tender negotiations with L-1 except in certain exceptional situations. In that case also, convincing reasons need to be recorded by the authority recommending negotiations. Taking due care of the contents of the said circular and also (i) placing on record a copy of orders of competent authority for adopting of CPWD Works Manual 2007 as already pointed out in similar other cases, in support of allowing 14 days publicity time & (ii) giving

reference to concurrence of Architect Department, the matter may be placed before competent authority for consideration.

8. Comments of the Department on comments of Finance Department:

The replies of the observations of Finance Deptt. are clarified as under :

After obtaining A/A & E/S for Rs.4,46,58,600/- (Rs.4,16,97,800/- from the Council vide Reso. No. 15(A-57) and for Rs.29,60,800/- by Chairperson) and after completion of the codal formalities, wide publicity had been given for inviting tenders for the above mentioned work. However, in response only single tender from M/s India Guiniting Corpn. had been received with the quoted rates as 5.53% above the estimated cost of Rs. 4,13,84,270/- with the tendered amount as Rs. 4,36,71,621/-. The justification duly checked by Planning Div. is 10.94% above the estimated cost.

The quoted rates of the lone tenderer is 4.88% below the justified rates. The Finance has also observed that the lowest offer is well within the justified rates. The provision of Section 16.7 of CPWD Manual 2007 cannot be evoked in the instant case because the single offer has been received even after giving wide publicity for call of tenders. Moreover, the work in question is of specialised nature and as such cannot be offered to the category below the specified one. Moreover, in case of the recall of the tenders lower rates are not expected. Accordingly, taking into consideration of the pros & cons involved in the tender procedure as referred to in Section 16.7 of CPWD Manual 2007, are not likely evoking desired results.

Regarding the recommendation of Planning Div. for holding negotiation with the lone tenderer, it does not fall under any of the categories specified in the CVC Circular No. 4/3/07 dtd. 3.3.07. Accordingly there is no point of holding negotiations with the lone tenderer, looking at the reasonability of the quoted rates which are 4.88% below the justified rates. The CPWD Manual 2007 is being adopted by Civil Engg. Deptt. for all practical purposes. Moreover, Finance Deptt. in its observations had also made use of the Manual in question. Since, the proposal has been mooted out as per the drawings issued by the Architect Deptt. Accordingly no further comments of the Architect Deptt. are required.

The Finance Deptt., having regard to the fact that the single offer is less than the justified rates, has no objection to the further processing the tender.

9. Legal implication of the project:

NIL

10. Details of previous council Resolutions, existing law of parliament and assembly on the subject

Administrative approval and expenditure sanction of Rs.4,16,97,800/- vide Reso. No. 15 (A-57) dtd. 17.9.08.

11. Comments of the Law Department on the subject / project:

L.A. has seen.

12. Comments of the department on the comments of Law Deptt..

No Comments.

13. Certification by the department that all Central Vigilance Commission (CVC) guidelines have been followed while processing the case.

It is certified that all CVC guidelines have been followed

14. Recommendations :

The case is placed before the council for acceptance of the negotiated offer of M/s India Guiniting Corpn. @ 5.42% above the estimated cost and tendered amount of Rs.4,36,27,949/- (Rs. Four crores thirty-six lacs twenty seven thousand nine hundred forty nine only) which is 4.98% below the justified rates. Permission may also be granted to issue letter of award to M/s India Guiniting Corprn. in anticipation of confirmation of the minutes of the Council.

15. Draft Resolution :

It is resolved in the Council that negotiated offer of M/s India Guiniting Corporation @ 5.42% above the estimated cost with a tendered amount of Rs.4,36,27,949/- (Rs.Four crores thirty-six lack twenty seven thousand nine hundred forty nine only) be accepted. Permission is also granted to issue letter of award to M/s India Guiniting Corprn. in anticipation of confirmation of the minutes of the Council.

COUNCIL'S DECISION

Resolved by the Council to accept the negotiated offer of M/s India Guiniting Corporation, @ 5.42% above the estimated cost, with a tendered amount of Rs.4,36,27,949/- for the work of RCC fins/facias of Yashwant Place Office cum Residential Complex.

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