

**DELHI DEVELOPMENT AUTHORITY  
(WORKS ADVISORY BOARD)**

निदेशक (प्रणाली) दि.वि.प्र.  
डायरी नं. 3233.....  
दिनांक 3-7-19.....

No. WAB1 (76)/Vol.42/Secy./V/2019/1784

Dated: 2-7-19

**Subject: Decision of the Work Advisory Board (5<sup>th</sup> WAB 2019).**

Please find enclosed herewith decision of the Work Advisory Board (5<sup>th</sup> WAB 2019) taken by Board on file by circulation for favor of information & necessary action.

**Encl: As above.**

(R.K.Garg)  
Secretary (WAB)

**In Circulation to:**

1. Chief Engineer (Project), DDA.

**Copy to: -**

1. OSD to VC, DDA for kind information of the latter.
2. DD to EM, DDA for kind information of the latter.
3. Sr. PS to FM, DDA for kind information of the latter.
4. Chief Engineer(QAC), DDA.
5. Chief Engineer(HQ), DDA.
6. Chief Account Officer, DDA.
7. Director (Works), DDA
8. Sr. AO(Works) III, DDA.
9. Director (System), DDA for uploading on DDA website (through e-mail).
10. Deputy Director (Hindi Section) for translation in Hindi & uploading on DDA website through Dy. Director(System).

for kind information.

for 'x' pl.  
05/07/19

J'x' sh J'shi DDA

yoshi  
16.7.19  
sh Anilsham ASD



Secretary (WAB)  
02/7/19

**DELHI DEVELOPMENT AUTHORITY  
(WORK ADVISORY BOARD)**

**Subject: Decision of the Work Advisory Board (5<sup>th</sup> WAB 2019)**

**Category "C" : New Items.**

1. CE(Project) vide no. Misc. No. 1(84)/2018/CE(Project)/DDA/409 dated 21/06/19 has submitted one agenda note for consideration of WAB:
2. In the Senior Officer's Meeting held on 25.06.2019, it was decided to process the matter for WAB by circulation.
3. **Details of Agenda Item:**  
Agenda Item No.1 of CE(Project)  
Sub: Negotiation of rates in the first call of tender as a special case.  
NOW: Up-gradation of District Centre at Nehru Place, New Delhi.  
S.H.: Construction of Commercial Space, Skywalk, Toilets, Plaza & Amphitheatre, Tensile shading structure, Development work including road, Footpath & Parkings & Horticulture work, Electrification & other allied works on Design, Engineering, Procurement & construction (EPC) basis including operation & Maintenance(Phase-I).
4. CE(Project) has brought out the following points in the agenda note for consideration and order of WAB:
  - a) A/A & E/S amount = Rs.182.59 Cr.  
Provision for Sub Head in A/A & E/S for present NIT= Rs.93.28 Cr.  
Estimate Amount put to tender = Rs.82.85 Cr.  
NIT NO. = 16/EE/FOD-4/DDA/2018-19  
Date of Publication of NIT = 11/12/18  
Date of uploading on website= 11/12/18  
Date of Prebid = 26/12/18  
Date of opening of Technical Bid = 11/2/19

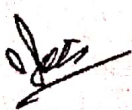

 



Date of opening Financial Bid = 9/4/19

Date of validity of Tender(Extended) = 10/7/19

- b) Finalised NIT was uploaded on website on 11/12/18 and notice inviting tender was advertised in leading newspapers on 11/12/18. Prebid meeting for the same was held on 26/12/18, wherein the response from the actual bidders was very poor. Because of lack of any input from the actual tenderer, in house detailed scrutiny of provision of NIT was made and corrigendum was issued incorporating all modification/ deletion/ alteration.
- c) Only two agencies participated in the tender out of which M/S A.K. Mehta & Co. was **disqualified** due to non-fulfillment of requisite experience. Other agency i.e. M/S Som Projects Pvt. Ltd. was **declared qualified** by the committee headed by EM/DDA on 8.4.19 (CP-19).
- d) Financial bid was opened by EE/FOD-2 as the work was transferred from EE/FOD-4 to EE/FOD-2 on 9/4/19 & submitted alongwith the justification to CE(Project) office on 10/4/19. The validity of tender was 120 days from the date of submission of technical bid on 11/2/19 i.e. the validity of tender was upto 10/6/19 which was further extended upto 10.07.2019.
- e) Justification of rates worked out by office of CE(Project) comes out to 26.74% above the estimated cost of Rs. 82,85,88,315/- with justified amount as Rs. 105,01,61,027/- against the **quoted rate** of lowest agency **M/s Som Projects Pvt. Ltd.** i.e. **112,85,31,340/-** which is 36.20% above the estimated cost put to tender and 7.46% above the justified cost. As per para 20.4.3.2 of CPWD Manual 2014 regarding acceptance of tenders, variation upto 5% over the justified rates may be ignored.
- f) The time period for completion of project is 24 months with maintenance/ defect liability period of 3 years which is also to be carried out by the construction agency.
- g) Even if work is awarded at justified rate of Rs. 105,01,61,027/- then there will be shortfall of Rs. 11,73,61,027/- over A/A & E/S which will have to be met by DDA from its own resources.

**h) Procedure for conducting negotiations:**

The clause 20.4.7 of CPWD Manual 2014 pertaining to procedure for conducting negotiations is reproduced as under:

(1) *Negotiations should not normally be conducted with the tenderer, but in case where it becomes necessary to do so, negotiations should be restricted only to the lowest tenderer. If negotiations are required in the case of tenders to be sent to the Central Works Board, Director General, Special DG or the Additional Director General, as the case may be, for their/his approval, the Chief Engineer shall negotiate with the lowest tenderer before sending the tenders to them.*

(2) *In general, there shall be no negotiations on rates with the lowest tenderer. The tender shall either be accepted or rejected depending upon the reasonability of rates assessed on the basis of justification. It will be necessary for tender accepting authority to obtain prior approval of next higher authority (Chief Engineer being the highest accepting authority of a tender, approval of officer not beyond level of ADG shall be necessary for tender of any amount) whenever negotiation become necessary for reasons of urgency due to time constraint in execution of works of urgent nature and when time is not available for rejection and recall.*

*The negotiations by the accepting authority shall also be permitted only in following situations:*

(i) *For clarification and confirmation on any error/ambiguity in the nomenclature/ rate of item(s) of work that is possible to set right after negotiation with the lowest tenderer without any obvious disadvantage to other tenderers/Govt.*

(ii) *In case of receipts of higher rates on recall of a tender which was rejected on earlier occasion for reasons of higher rates than the justified rates including the allowable variations permitted under para 20.4.3.2. (Modified vide OM DG/MAN/275 and 297 dt. 15/1/2014)*

*[Handwritten signatures]*



i) **Procedure for Rejection of Tenders (Clause 20.4.8 of CPWD Manual 2014)**

*No tenders which are required to be accepted with the approval of Central Works Board/(WAB in case of DDA) should be rejected by any lower authority, and all such tenders should be submitted to the Board for consideration. It will be for the Board to reject them or to approve them or to authorize further negotiations.*

j) **Recommendations of CE(Project):**

Though CPWD manual does not provide provision for negotiation of rates in the first call of tender, however the board may consider it as a special case. Some of the grounds for recommendation for negotiations are:-

- (i) The work progress is being closely monitored by MoHUA.
- (ii) In case of recall around 2 ½ - 3 month time is required in award of work.
- (iii) Poor interest of bidders.

5. Board noted that the financial bids were opened on 09.04.2019 and agenda note was received for its consideration only on 21.06.2019. As per Appendix-23 of CPWD Manual 2014, maximum time allowed for scrutiny and disposal at the level of EE/FO/SE/CE for tenders to be approved by Board is thirty days.

6. After due consideration of the matter on record, the Works Advisory Board decides to reject and recall the tender in the first call. Board also directs CE(Project) to take early action for recall of tenders and adhere to timelines given in the CPWD Manual in tender process so as to avoid delay in award of works. The decision of WAB members is to be obtained on file by circulation.

Sd/-  
(Mahabir Prasad )  
CAO

Sd/-  
(Shailendra Sharma)  
EM/DDA

Sd/-  
(R.K. Singh )  
CE (QAC)

Sd/-  
(K.Vinayak Rao)  
FM/DDA

Sd/-  
(Tarun Kapoor)  
Vice Chairman/DDA

