

**BEFORE THE PROCUREMENT REDRESSAL COMMITTEE**

**BRIHANMUMBAI MUNICIPAL CORPORATION, MUMBAI**

**CASE No. 010/PRC/2016.**

M/s. Speco-API (J.V.)

....

**Appellant.**

V/s.

Municipal Corporation of Greater Mumbai.

....

**Respondent.**

**QUORUM** : 1. Hon'ble Mr. Justice F.I. Rebello (Retd) ... Chairman  
 Chief Justice High Court of Allahabad  
 2. Shri B.P.Patil ... Member  
 3. Shri D.K.Pathak ... Member

**ORDER**

**(Dated this 14<sup>th</sup> Day of October, 2016)**

1. The Applicant was one of the bidders for T-11: Contract for construction of R.C. Box drain along M.G. Road etc. The bid by the contractor according to the evaluation done by the Respondent was found to be 48.18% above the reserved price. According to the Applicant, his bid was above 38% of the reserved price. The Applicant was called for negotiation and he came down to 29.7% above the reserved price. The note of 29.08.2016 notes that the lowest bidder, the Applicant was asked whether he was willing to execute the work on 20% premium on their estimated cost. The Applicant was not agreeable. The note indicates that however, the Applicant offered at 29.70% premium. This was unanimously rejected by the Committee members.



2. There was also another bidder who had bid higher than the Applicant. After the Applicant's bid was rejected, the bidder higher than the Applicant was also called for the negotiation, he also did not agree to execute the work at 20% premium above the estimated cost and in these circumstances, the decision was taken to re-invite the bids.

3. According to the Applicant, the Respondent had called for rate analysis. He placed before us another work order, which says as of the similar nature where the Respondent has accepted the work of widening and reconstruction of existing bridge, which was 35.19% above the estimates and similarly another work order for construction of R.O.B. in lieu of L.C., which was also above 35.19%. It is the Applicant's case that considering that contract in issue was similar to the above contracts and as it involved same and/or similar nature of work, in the circumstances, his bid also ought to have been accepted.

In our opinion, the work of the Applicant as described above was RCC Box drain. It may involve in some aspects the widening & reconstruction of existing bridge or construction of R.O.B. in lieu of L.C. However, it does not fall in the same class or category. Therefore, it is not possible for us to treat the present contract in the same class as the other cases quoted by the Applicant.

4. In the circumstances the decision of the Respondent to re-invite the bids considering what is involved is ultimately the public fund cannot be faulted. For the aforesaid reasons, we do not find any merit in the matter and reject the



application. Consequently, Stay Order granted by the Committee on 22.09.2016 stands vacated

BRIHANMUMBAI MUNICIPAL CORPORATION, MUMBAI

CASE No. 010/PROC/2016

Hon'ble Mr. Justice F.I.Rebello (Retd.)  
Chairman,  
Procurement Redressal Committee

Shri B.P.Patil  
Member

Procurement Redressal Committee

Shri D.K. Pathak  
Member

Procurement Redressal Committee

ORDER

(Dated this 14<sup>th</sup> Day of October, 2016)

The Applicant was one of the bidders for T-113 Contract for construction of R.C. Box drain along M.G. Road etc. The bid by the contractor according to the evaluation done by the Respondent was found to be 48.18% above the reserved price. According to the Applicant, his bid was above 30% of the reserved price. The Applicant was called for negotiation and he came down to 22.7% above the reserved price. The note of 23.08.2016 notes that the lowest bidder, the Applicant was asked whether he was willing to execute the work on 20% premium on their estimated cost. The Applicant was not applicable. The note indicates that however, the Applicant offered at 28.70% premium. This was unanimously rejected by the Committee members.