

Tel.No. 25817510

No.4/1/P-  
Office of the Cantonment Board  
Kirkee, Pune – 411 003  
Dated : Feb. 2016

To,

1. Brig.Anurag Bhasin, President
2. Shri Suresh L.Kamble, Vice President
3. Brig.H.S. Agrawal, VSM, SEMO, Ex-Officio Member
4. Maj. Nemani Subhash , GE (C), Ex.Officio Member
5. Col. V. Bhatnagar, Nominated Member
6. Col. A.K. Saxena , Nominated Member
7. Col. A.D. Sawant, Nominated Member
8. Shri Kamlesh S.Chaskar, Member
9. Shri. Manish S.Anand , Member
10. Smt. Pooja Manish Anand, Member
11. Kum. Kartiki Prakash Hivarkar, Member
12. Smt.Vaishali Kailas Pahilwan , Member
13. Shri Duryodhan Tukaram Bhapkar, Member
14. Shri Abhay Krishna Sawant , Member
15. District Magistrate or his representative

**SUB : SPL. CANTONMENT BOARD MEETING.**

Respected Sir,

A Spl. Meeting of the Cantonment Board shall be held on 29<sup>th</sup> February 2016 at 1230 hours in the office of the Cantonment Board, Kirkee. The Agenda for the said meeting is enclosed herewith.

The files pertaining to the agenda items are available with the Revenue Section and the Section will be kept open on Saturday 26<sup>th</sup> Feb.2016 for perusal, if required. If any of the members wish to inspect the relevant documents, he/she may do so in between 11.00 am to 04.00 pm.

You are requested to make it convenient to attend the meeting on the above said date and time.

Yours sincerely,

CHIEF EXECUTIVE OFFICER  
AND MEMBER-SECRETARY  
CANTONMENT BOARD, KIRKEE  
(AMOL JAGTAP)

Encls :- As above.

Copy to:-

1. The OS/AS -For information and necessary action.
2. The CRS - -- do --

## **MINUTES OF THE SPL.BOARD MEETING HELD ON 29-02-2016 AT 12.30 HRS**

### **PRESENT**

1. Brig.Dhiraj Mohan, President
2. Shri Suresh L.Kamble, Vice President
3. Shri Amol Jagtap, CEO and Member Secretary
4. Col. V. Bhatnagar, Nominated Member
5. Lt. Col. A.D. Sawant, Nominated Member
6. Shri Kamlesh S.Chaskar, Member
7. Shri. Manish S.Anand , Member
8. Smt. Pooja Manish Anand, Member
9. Kum. Kartiki Prakash Hivarkar, Member
10. Smt.Vaishali Kailas Pahilwan , Member
11. Shri Duryodhan Tukaram Bhapkar, Member
12. Shri Abhay Krishna Sawant , Member

### **NOT PRESENT**

1. Brig.H.S. Agrawal, VSM, SEMO, Ex-Officio Member
2. Maj. Nemani Subhash , GE (C), Ex.Officio Member
3. Col. A.K. Saxena , Nominated Member
4. District Magistrate or his representative.

Before commencement of the Meeting, Brig.Dhiraj Mohan took Oath of allegiance to the Constitution of India on becoming member and ex-officio President Cantonment Board, Khadki.

1. **ANNUAL TENDER FOR COLLECTION OF VEHICLE ENTRY FEE FOR ONE YEAR**

Ref:- CBR No.01 dt.24-02-2016

The Board had taken discussion on 24-02-2016 the report of the CRS on 3<sup>rd</sup> Call for e-tender. It is again apprised that the following Companies/ Contractors have uploaded their tender's financial bids and the same were opened on 22-02-2016 at 1200 Hrs as per schedule, in presence of the Tenderers, the Finance Committee Chairman, its Members, Chief Revenue Supdt. & other Revenue Staff of this office.

The details of the bids received are as under:-

Sr. No	Name of Firm/Company	Amount Quoted
1.	Shri. S. M. Autade Pvt. Ltd.	Rs. 8,59,99,752/-
2	Shri. Swami Samarth Engineering	Rs. 9,20,00,322/-
3.	M/S Max Link	Rs. 9,00,00,132/-
4.	Solapur Construction & Fabrication Pvt. Ltd.	Rs. 10,13,10,630/-

It is noted that while discussing the issue in the meeting held on 24-02-2016 Shri. Suresh L Kamble, Vice President stated that the present agency Shri. S.M. Autade Pvt. Ltd. has been made to continue with the contract even after the original period of 12 months of his contract was over on 03-10-2015 and they are making weekly payment of Rs.32,01,016/- till date based on the highest approved bid amount of Rs.16,00,50,786/- , under high reluctance. He also stated that the Board is resorting to repeated e-tendering in anticipation of higher & competitive bids after giving very wide publicity through newspaper & websites etc.; during last almost five month. He further stated that the agency has been urging the Board to consider their grievances of incurring heavy losses since beginning and have been asking for relief, which Board has not accepted.

Shri. Manish Anand, elected member stated that the rate quoted by the present agency Shri. S. M . Autade Pvt. Ltd. i.e. Rs. 16,00,50,786/-which was accepted by the Board in Sep. 2014, was quoted under fierce competition ,which happened at that tendering and was therefore exceptionally high as compared with all the previous accepted bids. The Chief Revenue Supdt., while briefing on the subject apprised that the present agency is making repeated representations for discontinuation and therefore, apprehending litigation the Board filed a Caveat in the Hon. High Court, Mumbai and the District Court Pune on 25-01-2016. The Chief Revenue Supdt. further stated that the agency has paid Rs. 5,38,91,080/- so far after 03-10-2015 in addition to their tender amount of Rs. 16,00,50,786/- . & penalty of Rs.1,09,31,600/- which was imposed by the Board in September 2014. After further discussion, the President Cantonment Board desired to make a detailed & comprehensive analysis of the issue, the received rates, financial implications of additional terms & conditions of the Tender, for better monitoring etc. separately in a meeting.

Accordingly further additional details on the issue are put for consideration as follows:-

(i) It could be seen that the highest amount for 1<sup>st</sup> call on 02-10-2015 was Rs. 10,07,76,786/- & was quoted by M/s Solapur Construction & Fabrication Pvt. Ltd. and for 3<sup>rd</sup> call it is Rs. 10,13,10,630/-

by the same bidder which is higher than the 1<sup>st</sup> call. During last year, the Board approved the annual bid of Rs.16,00,50,786/- which was quoted by Shri. S.M Autade Pvt. Ltd. Presently, the existing contractor is paying the weekly payment of Rs. 32,01,016/- based on the current approved rate contract of Rs. 16,00,50,786/- and continued to work as per terms & conditions of the agreement after 03-10-2015. It is noted that only two tenders were received during IInd call and therefore were not opened by the Board.

- (ii) The statement of higher bids received for last three years by Kirkee Cantonment Board & Pune Cantonment Board is as given below for your kind information:-

Sr. No.	Year	Kirkee Cantonment Board	Pune Cantonment Board
1.	2012-2013	Rs. 3,15,00,000/-	Rs. 3,50,25,786/-
2.	2013-2014	Rs. 6,03,00,000/-	Rs. 8,30,50,786/-
3.	2014-2015	Rs. 16,00,50,786/-	Rs. 10,12,00,000/-
	<b>Average for last 3 years</b>	<b>Rs.8,39,50,262/-</b>	<b>Rs.7,30,92,191/-</b>

- (iii) The Vehicle Entry Fee rates of Pune Cantonment are same as of those in Kirkee Cantonment.
- (iv) The Traffic of the Commercial Vehicles in Pune Cantonment area is generally similar in nature to that of Kirkee Cantonment area.
- (v) Average of Vehicle Entry fees received by Kirkee Cantonment Board during last three years is **Rs.8,39,50,262/-** and that of Pune Cantonment is **Rs.7,30,92,191/-**
- (vi) There is a difference of **Rs.5,33,843/-** between 1<sup>st</sup> highest bid and 3<sup>rd</sup> highest bid, i.e. bid received for 3<sup>rd</sup> call is more than that of highest bid received in 1<sup>st</sup> call.
- (vii) Some additional terms & conditions are included in this proposed contract i.e. installation of CCTV cameras, Erection of Flex & notice boards size 12'x6' at all the collection booths etc. The expenditure for these items is to be incurred now by the prospective agency which comes to about Rs.13,00,000/- ( appx.)
- (viii) The agency is now required comply with labour laws and pay wages as per rules & regulations and contribute towards EPF account of the persons employed by the agency for which the agency will have to incur total expenditure of about Rs.24,85,000/- ( approx.).
- (ix) As a preventive measure, this office has already filed a Caveat vide Caveat No. 430 of 2016 to avoid claim/compensation which may be asked by the existing contractor due to his grievances, if at all they resort to litigation as was apprehended due to their repeated representation made to this office.
- (x) The highest bid received now i.e. Rs.10,13,10,630/- , is higher than the average amount of bids received during the last three years i.e. Rs.8,39,50,262/-

In this connection report of the CRS along with all the relevant documents are placed on table., the Board may consider all the circumstances; financial; technical, legal, and practical issues involved in the matter and take appropriate decision in the best interest of the Board.

1. The matter was discussed & considered in detail. The CEO & Member Secretary explained the entire issue with chronological order, since beginning of the present work of Collection of Vehicle Entry Fee, i.e. Sept. 2014, being done by M/s S.M.Autade Pvt.Ltd .

It was briefed that ever since the contract for one year with the said firm came to an end on 03/10/2015, the firm has been ordered by the Board to continue with the work under the strength of Contract Agreement executed by them with the Board due to non-finalization of further tender process. The firm has since been continuously protesting by writing and raising the issue of incurring heavy losses by them due to continuation of work beyond the contract period i.e. after 03/10/2015 till date.

It was also brought out that the firm had, in fact expressed its unwillingness to continue the contract during the currency of contract itself stating that it was not affordable for them to continue on the highest bid/rates quoted by them and had claimed of 40% rebate on the collection, which was of course rightly rejected by the Board, as the contract had already been agreed and executed.

While considering the bid received in the first call, the Board had on 30/11/2015 discussed the legal opinion dated 10/11/2015 on this issue along with all technical, financial and aspects in the matter, which was revisited again during the present discussions.

After detail deliberations, the Board had taken a conscious decision on 30/11/2015 to recall the tenders expecting further and better offer. Subsequently, the retendering has now reached upto third call.

The CEO & Member Secretary apprised once again that though the firm reluctantly continues to make weekly payments based on the highest bid after 03/10/2015, the Board has filed a Caveat, in the court of Law, with the approval of the PCB & the Board in the Court of law as there was an apprehension of litigation from the firm as was becoming evident from their regular protest letters, to avoid possible legal complications & financial loss to the Board in that event. It therefore requires that further attempting a recall of tenders preferably or an appropriate practical decision needs to be taken, in the best interest of the Board.

Thereafter, the report of the Chief Revenue Superintendent (CRS) and the issues mentioned on the agenda side were considered and deliberated in detail

The PCB desired to ascertain and know the views & comments of all the Elected & Nominated Members present in the meeting about the acceptance or otherwise. Shri Suresh.L.Kamble, Vice-President stated that he reiterates his views that present firm has been forced to continue with the work till date i.e. more than five months, even after completion of the one year contract on 03/10/2015 and has been continuously submitting representations about incurring huge losses. He stated that the Board has attempted the tendering thrice by giving widest possible publicity & continuing to do so indefinitely may even be counterproductive to the interests of the Board. He further stated that the rates of Vehicle Entry Fee charged by Pune Cantonment Board are same as those charged by the Khadki Cantonment Board and that the quantum of traffic at the entry points of Pune City like Pune Cantonment Board would be much

more than that at the middle area of PCMC & PMC like Khadki Cantonment Board . He also stated that the presently Board surely is not in a position to undertake the work of collection of VEF on its own at about sixteen collection booths due to acute shortage of permanent employees or even through the hired persons as it requires huge manpower and involves many practical and other difficulties from financial management point of view. Shri Kamble further stated that keeping all the practical, legal, technical & financial aspects in mind and as the present received highest bid being more than the average of last three highest & accepted bids of Rs.8,39,50,262/- ; the highest bid of Rs.10,13,10,630/- quoted by M/s Solapur Constructions & Fabrication Pvt.Ltd be accepted .

While endorsing and agreeing to the views of Shri Suresh.L.Kamble, VP, Shri Kamlesh Chaskar, Elected Member stated that the highest bid received in 2014-2015 by KCB of Rs.16,00,50,786/- quoted by Shri S.M.Autade Pvt.Ltd was apparently a result of a fierce and rare competition and therefore was exceptionally high, compared with previous consecutive bids of Rs.3,15,00,000/- & Rs.6,03,00,000/- for the year 2012-13 & 2013-14 respectively. It was therefore freakish jump from Rs.06.30 crores to about Rs.16 Crores, which may not be anticipated every time and in all the circumstances.

Shri Duryodhan .T.Bhapkar, Elected Member stated that as the Board has already made adequate three attempts with wide publicity, through e-tendering & popular Newspapers and as the highest received bid is reasonable and much higher by about 21% than the average bids of last three years, i.e.Rs.8,39,50,262/-, the highest bid of Rs.10,13,10,630/- be accepted without taking further financial & legal risk. Shri Abhay Sawant, Elected Member also agreed to these views and consented to accepting to the present highest bid.

While agreeing to the views & comments of the other colleague Members, Shri Manish.S.Anand, Ms.Kartiki.P.Hiwarkar ,Elected Members, stated that due to the introduction of certain new/additional terms & conditions, the successful contractor now has to make an additional expenditure & bear burden for erection of Notice Boards of big sizes and CCTV Cameras at all the collection booths, therefore the contractor should be allowed to take away these materials after conclusion of the contract. However, they clearly stated that the present highest bid of Rs.10,13,10,630/- be accepted under the present circumstances, in the interest of the Board .

The CRS made it clear that the provisions of putting notice boards of big sizes and CCTV Cameras, are made in the terms & conditions of the tender documents itself and therefore well known to the bidder before offering their bids and that the provisions are to safeguard the interests of travelers and road users.

Smt.Pooja.M.Anand & Smt Vaishali.K.Pahilwan, Elected Members also agree to the views and comments of all other Elected Members and stated that they agree to accepting the highest bid in the interest of the Board.

Col.V. Bhatnagar, Adm.Commandant, Stn.HQ, Nominated Member, advised to suitably shift or modify the locations of two collection booths; one near the traffic signal at Dr.Ambedkar Road- KCB Office Road T-Point and another near the new fly over, to avoid

inconvenience to the smooth flow of traffic which was agreed to. Col. Bhatnagar & Lt. Col. A D Sawant, Admn. Officer, BEG & Centre , Nominated Member further consented to accepting the highest quoted bid of Rs.10,13,10,630/- instead of going for recalling the bids further. The CEO thereupon advised the PCB and others to atleast ask the highest bidder to further substantially enhance his bid amount for it being more beneficial to the Board, which was not agreed to stating its complexity.

After all the above, the President Cantonment Board stated that on detailed discussions & considerations of all aspects from practical, legal, technical and financial point of view related to the tendering which is done three times; feed back & recommendations from all the Elected & Nominated Members, all the reports of CRS and in consultation with the previous President Cantonment Board who thoroughly dealt the subject as well as considering the quantum of last three years average amount of Rs.8,39,50,262/-; the present highest bid of Rs.10,13,10,630/- quoted by M/s Solapur Construction & Fabrication Pvt .Ltd at third call is reasonable & practical and is accepted for one year period of contract as per terms and conditions of the same.



