

Sub: Inclusion of Un-balanced quotation Clause in A 2 works.

Now onwards following clause for Un Balanced Bid shall be incorporated in the A-2 work Quotation form.

1. Unbalanced Quotation:

In case the L1 Bidder quotes an offer which is lower than 85% of the estimated cost put to the quotation (unbalance on the lower side) then the quotation shall be considered as an unbalanced quotation.

For such unbalanced quotations, if the Corporation decides to award the Contract and issues the Letter of Acceptance (LOA) to award such contract, the successful Bidder shall, in addition to completing all necessary formalities as per the relevant provisions of the Notice Inviting Bid, Instructions to Bidder, Letter of Acceptance & these bid documents, submit additional security as a 'security towards unbalanced quotation'. Failure to timely comply with this requirement shall be treated as a fundamental breach of the contract and the LOA will be withdrawn & the EMD will be forfeited, without any recourse to any claim. In case the Corporation decides that the unbalanced quotation (lower) is not workable and/or acceptable, then no Letter of Acceptance shall be issued and then the quotation shall stand summarily rejected.

All communication in respect of such unbalanced quotations shall be through the Bid Authority only who shall be intimating the requirements and clarifications desired by the Corporation and all representations, communications and justifications in this respect shall be made to / submitted by the lowest bidder to the Bid Authority only. Any communication from or to any other authority/officer in the Corporations shall not be considered as valid communication at all and shall stand summarily rejected.

The Contractor shall pay additional Security of an amount equal to the difference in 85% of the estimated cost put to the quotation and the quoted cost by the successful bidder as a 'security towards unbalanced quotation' for due fulfillment of the contract, unless otherwise stated in the tender documents.

1.1 The mode of making the deposit is as under:

The "Security towards unbalanced Quotation" shall be paid within 15 days after receipt of letter of Acceptance to Quotation. It is optional for contractor to make this deposit in one or the other of the following -

- i) Through online payment
- ii) Wholly in F.D.R. of scheduled Bank, pledged in favor of Employer;

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If the 'Security towards unbalanced Quotation' is paid in the manner as per paragraphs (ii) of Sub-clause above, the value of F.D.R. to be lodged a deposit shall be taken as five percent below the market value on the day of acceptance or at their face value whichever is less. All the charges for safe custody, withdrawal or for collection of interest etc. on the paper deposit shall be payable by the Contractor. Securities endorsed for payment of interest in Mumbai only shall be accepted as deposits as aforesaid.

1.2 Period of validity of 'Security towards unbalanced quotation':

'Security towards unbalanced quotation' shall be valid until the contractor has executed and completed the works in accordance with the Contract. No claim shall be made against such security after the issue of the Taking over Certificate/ completion certificate and such security shall be refunded to the Contractor within 14 days of the issue of the said Taking over Certificate/ completion certificate after deduction for claims, if any.

1.3 Claims under Security towards unbalanced Quotation:-

Prior to making a claim under the 'Security towards unbalanced quotation' the Employer shall, in every case, notify the contractor stating the nature of the default in respect of which the claim is to be made.

All concerned EE's/ SE's are hereby directed to include clause in A -2 quotation form as above.

This is issued as per directives of CE(NM).

Sanjay
- 10/05

EE(NM)

Emp. No. 31525

Separately to:

All EEs ()

All SEs ()

CC to ACE(I & Metro) / ACE(II)/ ACE(III) : for information please.

CE(NM)/ CE(NMIA)/ CE(SP) : for information please.