

CHIEF ENGINEER (P) - III



**CHENNAI METROPOLITAN WATER SUPPLY
AND SEWERAGE BOARD**

Letter No: CMWSSB/SE(Desal)/400 MLD Plant/PMC-031/2021
To

Dt:01.02.2021

M/s. SMEC International Pty Limited, Australia in consortium
with M/s. NJS Engineers India Pvt Ltd., Pune,
M/s. Tata Consulting Engineers Ltd., Mumbai,
M/s. SMEC India Pvt. Ltd, Haryana
1st Floor, Novus Tower, West Wing
Plot Number – 18, Sector – 18
Gurgaon – 122015
Haryana.

Sir,

Sub: CMWSSB- SE (Desal) – Setting up of 400 MLD SWRO Desalination Plant at Perur & its allied works with JICA fund assistance – Component CP1 (Construction of 400 MLD Desalination Plant) - Non availability of Key Staffs – Reg.

Ref: 1. W.O. No. Lr.No.CMWSSB/CNT/CON/DESAL/ICB/GOI/016/2018-19,
dt.06.11.19

The PMC M/s. SMEC International Pty Limited, Australia in consortium with 3 others was awarded work vide reference 1st cited and the consultant commenced the work on 13.01.2020.

As per the Terms of Reference (TOR) of the consultancy services, as a part of Tender Assistance "The Consultant shall assist CMWSSB in tender call, addendum/corrigendum, clarifications to the bidders and pre-bid conferences" for which the Contract Specialist (Desal) (International Key Expert) shall carry out the following:

1. Shall prepare PQ documents and bid documents for CP1
2. Shall assist the client in PQ evaluation in CP1
3. Shall assist the Client in correspondence to clarifications from the bidders and evaluate the bids in contractual aspects in CP1
4. Shall assist the Client in contract negotiation with the successful bidder in CP1

On commencement of work, the PMC has not mobilised the required Key Staffs in time which has affected the progress of work and also some of the staffs appointed, particularly the Contract Specialist (Desal) International Expert has not participated in preparation of RfQ document and several lapses are noticed. Also, the PMC has omitted the following important qualification criteria which is part of Minutes of Discussion signed between CMWSSB and JICA.

1. Bidders' total profit after tax in the last 3 years is not negative. In case of JV, this requirement applies to each member of JV.
2. Bidders' profit after tax in any 2 consecutive years during the last 5 years are not negative. In case of JV, this requirement applies to each member of JV.
3. Minimum available bid capacity and the applicants sufficient Bid capacity consisting of executing capacity and existing commitments.

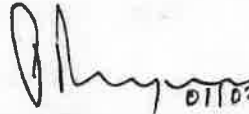
The poor drafting of the RfQ documents has resulted in redrafting various clauses of the RfQ documents by the Board officials and delayed the finalisation of the document.

Further, the PMC has prepared the draft RfP document without the presence of Contract Specialist (Desal) and during the review it was noticed that PMC has not incorporated required details due to which there was several corrections which portrays the poor quality of preparation of documents. The PMC did not incorporate the corrections conveyed in the meetings which further delayed the preparation of draft RfP document. The RfP document, especially Part-I and Part-III were redrafted by the Board officials to make it suitable for the project requirements.

Also, as per contract the PMC has to engage an Electrical Engineer (Desal) for electrical design in CP1 including preparation of technical specifications. But PMC has not mobilised above staff and the required works are done by junior level staffs.

Therefore, the non availability of Key staffs such as Contract Specialist (Desal) and Electrical Engineer (Desal) has delayed initially the preparation of RfQ document and subsequently RfP document and due to above lapses on part of PMC, it is proposed to impose an adhoc penalty of Rs.1.00 Crore and the above amount will be deducted in following composition

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|---------------------------------------|------------|
| 1. M/s. SMEC India Pvt Ltd | - 50 Lakhs |
| 2. M/s. TATA Consulting Engineers Ltd | - 25 Lakhs |
| 3. M/s. NJS Engineers India Ltd | - 25 Lakhs |


01/02/2024
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