

URCC/TEND/OBCC/SAMALEI/2021-22/002

Dated: 12.02.2022

To:

The E.I.C-cum- Managing Director,
Odisha Bridge & Construction Cooperation Ltd,
Vikash Bhawan, Nayapalli,
Bhubaneswar-751012.

Sub: Development of Maa Samaleswari Temple area under SAMALEI Plan on Lumpsum Turnkey Basis –
Negotiation - Reg

Ref:

1. Bid Identification No: 11/Tender/2021-22
2. Tender ID: 2021_OBCC_70136_3
3. Bid submitted on 21.12.2021
4. Financial Bid Opened on 04.02.2022
5. OBCC Letter No. 714/File SMT-1721, Dated: 04.02.2022
6. Our Letter No. URCC/TEND/OBCC/SAMALEI/2021-22/001, Dated: 07.02.2022
7. OBCC Letter No. 845/File SMT-1721, Dated: 10.02.2022

Dear Sir,

At the outset, we thank you for considering our bid and opening of the financial quote whereby our bid is lowest for the subject tender.

We would like to inform you that it is our sincere endeavor to provide you our best construction services, whilst our quote does appear to be on a higher side, we wish to assure you that it is our most competitive offer for the job.

You would appreciate, since past year the country is witnessing a stratospheric price increase in all construction related materials, i.e., Cement, reinforcement steel, structural steel, Aluminum Fins, Copper, PVC, Electrical, PHE and Fire Fighting materials etc, Additionally post Pandemic the SOP requirement and travel restrictions have impacted on the Labour cost & material transport cost.



Also we would like to bring following observations for your favorable consideration,

- We had a detailed Item wise break up study on the Estimates as prepared by us and have considered the rates of all the materials prevailed at the time of bidding.
- The current market rate of the materials like Reinforcement steel, Cement, Structural steel, Coarse aggregates, Fine aggregates, Tiles, Granite, Joineries and all other construction materials are increased by more than 15%, comparing to the rates while submitting our offer and continues to increase still. The details are tabulated below for your records.

Details of increase in cost of Purchase materials :

DETAILS OF INCREASE IN COST FROM THE BASIC PRICE					
SI No	Description	Unit	Dec'21 Rate	Feb'22 Rate	% Increase in rates
1	Cement	Bag	270.00	330.00	22%
2	Reinforcement Steel	MT	53,500.00	61,500.00	15%
3	Structural Steel	MT	58,000.00	70,000.00	21%
4	Coarse Aggregate	MT	680.00	805.00	18%
5	Fine Aggregate (Sand)	MT	253.00	449.00	77%
6	Flooring Tiles	Sqm	485.00	592.00	22%
7	Flooring granite	Sqm	1,615.00	2,153.00	33%
8	Electrical, PHE, Fire Fighting	LS	-	-	20%

- Moreover, due to the present pandemic situation, we have spent additional amount towards safety and well-being of our Staff and all the labours engaged at site till the completion of the project. It calls for additional cost over runs than what is incurred during normal operation.
- Further the work contract being not covered under the "price variation clause" is having a huge financial risk to us during the execution of the contract.
- As our project is of temple construction, we have considered only minimum overheads and profit to serve as a stakeholder for this prestigious project.



Regd Office :

119, Power House Road,
Erode - 638001. Tamilnadu, India.
Ph : +91 424-2264645
Fax : + 91 424-2251206
email : urclenders@urcc.in

Head Office :

URC Nagar 3rd Street, Veerappampalayam, Thindal (Post),
Erode - 638 012. Ph : +91 424-2430138, 2430139,
Fax : +91 424-2431418, 98428-35117, 98428-23511.
email : urc@urcc.in

Regional Office :

Bhaggyam Gelleria, 2nd Floor, Old No. 80,
New No. 18, Bazullah Road,
Facing Arulambal Street, T.Nagar,
Chennai - 600 017. Mobile No : 99429 71834.

We know that you have been managing so many projects simultaneously and are well aware of the daily developments and market situation, Considering the importance and value of your letter, we are giving the above explanations.

Nevertheless, to maintain Good will and considering the long-Term association of Our Company with your Esteemed Organization, we would like to offer you a Discount of Rs.10,00,000 (Rupees Ten Lakhs Only) of our Quoted price of Rs. 114,30,00,000 (Rupees One Hundred Fourteen Crore Thirty Lakh Only) and are ready to execute the contract for Rs. 114,20,00,000/- (Rupees One Hundred Fourteen Crore Twenty Lakh Only).

We hope that you would be considerate to the current scenario as explained above and would therefore request your kind consideration and acceptance of our financial offer by a return of confirmation from your end.

We look forward to receive your valuable work order.

Thanking you and assuring you of our best constructional services at all times.

Thanking you,

For URC Construction (P) Ltd,


(S. Murugan)

GM (Head – Business Development & Tender)

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