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Azadi Ka
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केन्द्रीय भण्डारण निगम
(भारत सरकार का उपक्रम)

CENTRAL WAREHOUSING CORPORATION

(A Govt. of India Undertaking)

जन-जन के लिए भण्डारण/Warehousing for Everyone



CWC CO-CD0HnT/340/2020-COMM

Date : 24.04.2023

All

Regional Managers

Central Warehousing Corporation

Regional Office

Ahmedabad, Bangalore, Bhopal, Delhi, Chennai, Chandigarh, Guwahati

Hyderabad, Jaipur, Kolkata, Kochi, Lucknow, Mumbai, Patna

Subject: Determination of estimated value of contract/Annual value of contract in RWC Tenders-Reg.

This is in continuation to **Circular-219 communicated vide file no. CRWCCO/8/2021-COMM dated 05.04.2023** vide which Model Tender Document for appointment of Service provider for handling Rail/Road borne cargo at Rail Side Warehouse complex has been modified and issued to all Regional Managers . In this connection this office is in receipt of queries from some Regional Offices with respect to the calculation of Estimated annual value of contract and Annual value of the contract ,The same has been reviewed and with the approval of competent authority it is to clarify that,

1.Circular 215 dated 18.08.2022 pertaining to H &T services for foodgrains shall be applicable for calculating EMD/SD , Annual Value of Contract & estimated value of contract in RWC tenders as done in the existing CWC H &T tenders.

2. Circular 172 dated 21.10.2014 shall prevail in cases of new warehouses (where market rates are calculated) or where no H&T Work has been undertaken earlier except for the clause that the calculation of EMD/SD may be calculated on total contract value as is done in case of foodgrains in CWC and thus same shall be applicable in case of RWC Complexes.

For ready reference (Copy of the circulars are attached herewith) for your information and necessary action please.

Digitally signed by
RAJEEV KUMAR
BANSAL
Date: 2023.04.24
10:25:22 +05'30'

Encls. - As Above

Rajeev Kumar Bansal
Group General Manager (Commercial)

Copy to :

1. PS to MD,CWC,CO,New Delhi.
2. PS to Dir(Fin),CWC,CO,New Delhi.
3. PS to Dir(Pers),CWC,CO,New Delhi.
4. All HODs,CWC,CO,New Delhi.
5. GGM (System),CWC,CO,New Delhi -With the request to arrange to upload the letter on website.

निगमितका0: 4/1, सीरीइंस्टीट्यूशनलएरिया,अगस्तक्रांतिमार्ग, हौज़खास,नईदिल्ली-110016

CO: 4/1, Siri Institutional Area, August Kranti Marg, Hauz Khas, New Delhi-110016 ☎26524100,26611042

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CENTRAL WAREHOUSING CORPORATION
(A GOVT. OF INDIA UNDERTAKING)



NO.CWC-CD/IX-H&T/RO-HYD/2014-15

DATE: 21.10.2014

CIRCULAR NO.172

SUBJECT: Central Warehouse – H&T Contracts Determination of Estimated Value of Contract - regarding.

In supersession of the instructions issued earlier vide CO Circular No.77 dated 03.03.1988 and Circular No.92 dated 31.10.1990, for the purpose of fixing Earnest Money Deposit, Security Deposit and Determination of experience of the prospective bidders, the mode of estimation of value of the contract should be henceforth as follows:-

1. In case of existing warehouse, the value of work done during the past two years plus, expected increase (i.e. 20%) in the business during new contract period. This will be considered as-estimated value of the contract for the purpose of counting experience of the bidder, whereas Annual Estimated Value of the contract which is to be arrived at by dividing estimated value of the contract by two. EMD & SD shall be determined based on Annual Estimated Value. Amount of Annual Estimated Value is to be rounded up to the next thousand rupees.
2. In case of new warehouse or where no H&T work has been undertaken earlier, the figure arrived at for four turnover of stocks in reserved space or for depositors who have entrusted or likely to confirm H&T work to CWC will be multiplied with the prevailing market rate on per MT basis in respect of four major services as mentioned in the Circular No.163 dated 24.06.2013.

An example of working out the annual value of contract at existing warehouses and new warehouses is enclosed for guidance as Annexure-I.

These instructions should be followed with immediate effect.

(R.N. MEENA)
GENERAL MANAGER (COM.)

DISTRIBUTION:

1. All RMs CWC, ROs
2. GM(F&A), CWC, CO, New Delhi.
3. GM(INSP.), CWC, CO, New Delhi.
4. DGM(IA), CWC, CO, New Delhi.
5. Master file.

ANNEXURE-I**DETAILS OF WORKING OUT EMD/SD AND ANNUAL VALUE OF THE CONTRACT IN CASE OF EXISTING WAREHOUSE**

1.	Central Warehouse	
2.	Date of Issue of NIT	4.8.2014
3.	Date of opening of tender	1.9.2014
4.	Date on which RTC was held	8.9.2014
5. a)	Present reservation of various depositors who have entrusted H&T work to CWC	11500 MT
b)	Commodities handled in broad terms Viz as (Foodgrains/ Fertilizers oil seeds etc.)	
6. a)	Total value of work done (total bills paid to the contractor during the last two years (2.6.2012 to 1.6.2014)	Rs.6,37,662/-
b)	Plus expected increase in business during next 2 years (20%)	Rs.1,27,532/-
c)	Estimated value of the contract (6 a + 6 b)	Rs.7,66,000/-
d)	Estimated annual value of the contract	Rs.7,66,000 ÷ 2 Rs.3,83,000/-
e)	EMD (1% of d)	Rs.3830/-
f)	S.D. (5% of d)	Rs.19,130/-
7. a)	Total bills paid to the contractor during last two years (2.6.2012 to 1.6.2014)	Rs.6,37,662/-
b)	Average annual turnover of stocks based on value of work done during past 2 years	Rs.6,37,662 ÷ 2 Rs.3,18,831/-
c)	Plus expected annual increase in the work during the New contract period (20%)	Rs.63,766/-
d)	Total of 7 (b) & (c)	Rs.3,82,592/-
e)	Lowest valid acceptable rate received in the tender Enquiry	Rs.310 per MT
f)	Rate at which the work done during last contract Period for two years	Rs.230 per MT
g)	Annual value of the contract	$\frac{382592 \times 310}{230}$ =5,16,000/-

REGIONAL MANAGER

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DETAILS OF WORKING OUT EMD/SD AND ANNUAL VALUE OF THE CONTRACT IN CASE OF NEW WAREHOUSE

1.	Central Warehouse	
2.	Date of Issue of NIT	4.8.2014
3.	Date of opening of tender	1.9.2014
4.	Date on which RTC was held	8.9.2014
5. a)	Present reservation of various depositors who have entrusted H&T work to CWC	11500 MT
b)	Commodities handled in broad terms Viz as (Foodgrains/ Fertilizers oil seeds etc.)	
6. a)	Total turnover of stocks in reserved space or depositors who have interested or likely to confirm H&T work to CWC	11500X4 =46000 MT
b)	Prevailing market rate per MT i.r.o. for four major operations	Rs.350 per MT
c)	Estimated value of the contract (6 a X 6 b)	Rs.1,61,00,000/-
d)	Estimated annual value of the contract	Rs.1,61,00,000 ÷ 2 Rs.80,50,000/-
e)	EMD (1% of d)	=Rs.80,500/-
f)	S.D. (5% of d)	Rs.4,02,500/-
7. a)	Total turnover of stocks in reserved space or depositors who have entrusted or likely to confirm H&T work to CWC	11500X4 =46000 MT
b)	Average annual turnover of stocks	46,000 ÷ 2 =23,000 MT
c)	Lowest valid acceptable rate received in the tender Enquiry	Rs.310 per MT
d)	Annual value of the contract	23,000 X 310 =Rs.71,30,000/-

REGIONAL MANAGER



No. CWC CO-CD0HnT/340/2020-COMM

Date: 18.08.2022

Circular – 215

Subject: Central Warehouse – H&T Contracts Determination of estimated Value of Contract.

In modification of CO Circular No. 172 Dated 21.10.2014, the following calculations of Estimated Annual Value of work and Annual Value of work is hereby changed for appointment of H&T contractor for foodgrain warehouses. Of late, this office has received representations from Regional Offices regarding their request to change/modify the existing calculation methodology of Estimated Annual Value of Contract because of abnormally high transactions during the Covid period due to which excessive amount of EMD/SD has to be taken in the upcoming H&T tenders.

Therefore, keeping in view the commercial interests of the Corporation & with the approval of Competent Authority it has been decided to modify the calculation methodology **by not taking 20% extra value / (expected increase)** for calculation of estimated annual value of contract and annual value of contract as defined in circular 172 dated 21.10.2014 for existing warehouses as follows:

In case of Existing warehouses

1. Modified Calculation Methodology – Estimated Annual Value of the Contract	
(A)	Total value of work done (Total bills paid to the contractor during the last two years) = Estimated Value of the Contract
(B)	Estimated Annual Value of the Contract = (A) / 2 i.e (A) Divided by 2
2. Modified Calculation Methodology –Annual value of the Contract	
(C)	Total bills paid to the contractor during the last two years
(D)	Average annual turnover of stocks based on value of work done during past years = (C)/2 i.e (C) Divided by 2
(E)	Lowest valid acceptable rate received in the current tender Enquiry = Rs _____ (in MT)
(F)	Rate at which the work done during last contract period of two years= Rs _____ (in MT)
(G)	Annual Value of the Contract = (D * E / F) i.e (D) Multiplied by (E) Divided by (F)

The above modified calculation methodology shall be used henceforth for determining value of contract in case of existing foodgrain warehouses only.

Note: This Circular will be applicable for H&T Contracts to be floated in the current Financial Year **i.e (2022-23)** only and shall be reviewed in March 2023 for further instructions.

These instructions should be followed with immediate effect.

RAJEEV KUMAR BANSAL
Digitally signed by
RAJEEV KUMAR BANSAL
Date: 2022.08.18
17:37:54 +05'30'

(Rajeev Kumar Bansal)
General Manager (Comm)

To,
All Regional Manager's
Central Warehousing Corporation

Copy to:

1. PS to MD, CWC, CO, New Delhi.
2. PS to Director (M&CP), CWC, CO, New Delhi.
3. PS to Director (Fin.), CWC, CO, New Delhi.
4. PS to Director (Pers.) CWC, CO, New Delhi
5. All HoDs, CWC, CO, New Delhi.