

**TYPES OF TENDER**



**CONTRACTS**

# TYPE OF TENDERS

- Open Tenders
- Limited Tender
- Special Limited Tender
- Single Tender

# **CONSIDERATIONS FOR SELECTING TYPE OF TENDER**

## **OBJECTIVE:**

**To ensure Reasonable level of competition**

## **FACTORS:**

- **Importance and urgency**
- **Availability of contractors**
- **Specialized nature of work**
- **Value of work**

# OPEN TENDERS

## Tender Validity Period

- Shall be minimum 3 times of tender notice period
- Tender notice period shall be reckoned from the date of uploading of tender notice on the e-tendering site (IREPS)
- Shall be different in case of system of self certification of credential by the bidder.

# TWO PACKET SYSTEM OF TENDERING

## FEATURES

- Two sealed envelopes with one cover
- Technical bid is read out before the tenders.
- Same is then evaluated by the TC
- After acceptance of the TCM , the financial bids of technically acceptable tenderers are opened.
- The tenders are then processed in normal manner.

# **TWO PACKET SYSTEM OF TENDERING**

- **No mention in Engineering Code**
- **In 1985 RB appointed a committee (Shreedharan Committee) to suggest measures to improve the administration of contract and quality of works**
- **Committee recommended TPS to assess the tenders technically without being influenced by the bids**

# **TWO PACKET SYSTEM OF TENDERING**

- **Tenders valuing more than 10Crs.- Two Packet System is mandatory.**
- **For adopting 'single packet system'( for > Rs.10crs) approval of DRM/ PHOD/CHOD with concurrence of associate finance in open line/ FA&CAO(C) in construction.**
- **For tender upto Rs. 10 cr – for adopting Two Packet System decision can be taken by tender inviting authority with concurrence of associate finance.**

# **LIMITED TENDERS**

- Offers are invited from a limited number of tenderers.
- They are generally tenderers from the approved list to save the time,
- For smaller value of work or for the specialized nature of work.
- E-1214, (Bd's Lr. No. 83/W1/CT/14(Policy) dt.30.3.87)



# **LIMITED TENDERS**

- However if:
  - Insufficient response
  - Specialised nature of work, experienced contractors not available
  - Ring formation suspected.

**invite Open Tenders**

# LIMITED TENDERS

(PARA 2.4.4.1 TO 2.4.4.6 OF SCCR)

- **For works costing upto Rs. 7.5 crore**
- **To be invited from the contractors borne on approved list**
- **Notice to be published in newspaper, displayed on notice board and also put on internet where ever possible.**

# LIMITED TENDERS

## Approved List of Contractors

- In government departments many times the works to be executed are of repetitive nature. So to reduce the time of finalization of the tenders and to eliminate incapable bidders a system of preparing “Approved List of Contractors” is followed in the tendering process.
- The System intends pre-qualification of the contractors for the different categories or groups of the works in advance and updating this list periodically.

# **LIMITED TENDERS**

Ref: Rly. Bd's letter No.2013/CE-I/CT/O/20/POPt.II(ii) dated 26.11.13

- **Competent authority to approve calling of LT**

<b>S. No</b>	<b>Monetary Slab for LT</b>	<b>Category of Contractor</b>	<b>Lowest Competent Authority</b>
1.	Upto Rs. 37.5 lakhs	Class C	JAG / SG
2.	More than Rs.37.5 lakhs and upto Rs. 1.5 cr	Class B	SAG/DRM
3	More than Rs. 1.5 cr and upto Rs. 7.5 cr	Class A	PHOD/CHOD

# LIMITED TENDERS

Category	Eligibility Criteria		
	Engg Organisation	Work Experience	Contractual Payment
C	Diploma holder of 3 yr experience	2 works costing not less than Rs. 10 lakh each	Rs 25 lakh in last 3 Financial years
B	Graduate engineer of 5 yr experience	2 works costing not less than Rs. 25 lakh each	Rs 1 cr in last 3 Financial years
A	Graduate engineer of 10 yr experience and Diploma holder of 5 yr	2 works costing not less than Rs. 1 cr each	Rs 5 cr in last 3 Financial years

# **LIMITED TENDERS**

- Contractors in higher slab cannot tender for works of lower slab unless separately registered.

# **SPECIAL LIMITED TENDERS**

- For important or urgent works special limited tenders can be invited.
- In this system few contractors are picked up who are considered to be capable of doing that work. Their credentials are verified.
- These can be other than those on the approved list. But care should be taken to include the contractors in the approved list, in that area capable of doing that work.
- The calling of the special limited tender and selection of the limited contractors needs finance concurrence and approval of CAO/GM

# **SPECIAL LIMITED TENDERS**

- SLT in following cases in consultation with FA&CAO :
  - Works of Specialised nature (Personal Approval of PHOD- full power, DRM- upto Rs. 10lakh)
  - Works of Urgent Nature (Personal Approval of CAO/GM- full power, DRM- upto Rs. 10lakh)
  - Consultancy Work (Personal Approval of CAO/GM)
- To be invited from specialised and reputed contractors/ organisations/ agencies.
- Preferably more than six but not less than four.



# **SINGLE TENDER**

- When under special circumstances/urgency, the offer is taken from only a single agency, it is called single tender.
- Not to be called for routine works.
- Tight target cannot be accepted as reasons for calling the single tenders.
- Tender committee and the accepting authority should be one step higher than that in the case of open/limited tenders excepting in the cases where GM is the accepting authority.

# SINGLE TENDER

- E-1214A (C.S.25)
- In rare or emergent situations, with Finance concurrence
  - Accidents, breaches involving dislocation to traffic (powers to GM,PHOD,DRM)
  - Work of specialised nature-personal approval of GM required
  - Any other situation if GM personally approves
- AMC for equipment can be placed on Single Tender basis on authorised dealer on approval of AGM

# SINGLE TENDER

(Rly bd letter 2011/CE-I(SPL)/CT/O/4 dt 02/05/2017)

- CAO/C can call and finalise Single Tender of value upto Rs.5cr for early completion of the last milestone of throughput enhancement works under 'New lines', 'Doubling', 'Gauge conversion', and 'Traffic Facility' plan heads and CAO/RE in 'Railway Electrification' plan head in respect of projects targeted for completion.
- Personal concurrence of FA&CAO/C
- Tender Committee would be of SAG level and acceptance by CAO/C

# **SINGLE TENDER**

- PHODs Up to Rs.20 lakhs in each case subject to an annual limit of Rs.1 Crore.
- DRM Rs.10 lakhs in each case subject to an annual limit of Rs.50 lakhs.

# **DISPENSING WITH CALLING** **OF TENDERS**

- For small value urgent works powers have been given to various officers for dispensing with calling of tenders in case of small value urgent works.
- Para E-1211,

# **DISPENSING WITH CALLING** **OF TENDERS**

- (Letter no. 2007/CE-I./Ct/18/Pt.13 dt. 11/09/2017)
- (A) Works directly related to safe running of trains:

without finance concurrence, on a certificate by accepting authority that the work is of urgent nature and directly related to safe running of trains in his jurisdiction:

<b>Rank/Grade</b>	<b>Cost(per case)</b>	<b>Annual Ceiling</b>
S.S.(ind. ch.)	Rs.2 lacs	Rs.10 lacs
JAG/SG		

# **DISPENSING WITH CALLING** **OF TENDERS**

- **(Letter no. 2007/CE-I./Ct/18/Pt.13 dt. 11/09/2017)**
- **(B) All other works including Woks directly related to safe running of trains: with finance concurrence:**

<b>Rank/Grade</b>	<b>Cost(per case)</b>	<b>Annual Ceiling</b>
S.S.(ind. ch.)	Rs.5 lacs	Rs.60 lacs*
JAG/SG	Rs.5 lacs	Rs.60 lacs*
SAG	Rs.10 lacs	Rs.1.2 Cr.

**\* Including (A)**

- Powers to be exercised with own administrative approval.

# QUOTATIONS DOs & DON'Ts

- Powers will be exercised by the officers with their own administrative approval and no separate administrative approval is necessary.
- Powers should be exercised sparingly.
- The circumstances under which quotations have to be called should be spelt out.
- The work should not be split up for the purpose of bringing it within the ambit of this dispensation
- The reasonableness of rates should be gone into objectively and in detail by the accepting authority.



# QUOTATIONS DOs & DON'Ts

- Quotations should not be for items which can be executed through the existing contracts including zonal contracts.
- Quotations should not be for fancy (expensive but of low utility) items.
- Quotations should only be for works which are urgent in nature.
- Quotations should normally be invited from at least three well experienced contractors/agencies not necessarily borne on the approved list.

# QUOTATIONS DOs & DON'Ts

- Accepting Authority must take precautions to see that the quotations are from genuine firms (and not from fictitious firms).
- A Register showing the full particulars of works authorized through quotations will be maintained by the officer having powers to dispense with calling of tenders. The register shall be sent to associate finance while seeking their concurrence.
- Powers to be exercised only by FIELD Officers and their controlling HODs and NOT by other HQ Officers in-charge of Planning, Design etc.