

# INTRODUCTION OF TENDER & CONTRACT

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# TENDER SYSTEM

As per engineering Code Para 1210, it is the primary duty of the executive to obtain the best value possible for the money spent. Tender system should be given a very careful and serious consideration in all cases.

Generally when the value of work **exceeds Rs. 5 Lakhs**, it should be proposed through tender procedure.

- First estimated cost of work should be worked out on the basis of LAR/ budgetary quotations.
- Detailed justification should be made and administrative approval should be obtained from competent authority.

# OBJECTIVES OF TENDERING

- To get most economic rates for prescribed standards.
- Getting work done through external agency within target date.
- Procurement of material from OEM/Traders.
- Equity in selection.

## What is Contract ?

An agreement which is enforceable by law is termed as a contract.

## What is Agreement ?

When two or more persons have a common intension communicated to each other to create same obligation between them' is said to be an agreement. An agreement may or may not be enforceable by law.

## What is Tender ?

A tender is a sort of bid or offer made by a party/contractor/firm for the execution of work or supply of materials under certain specified conditions & within prescribed time limits.

# VARIOUS STAGES OF TENDER

- Abstract Preparation & Sanction
- Detailed Estimate preparation & Technical Sanction
- Decision on Mode of Tendering
- Preparation of Tender Documents
- Notice Inviting Tenders [ NIT ]
- Sale of Tender Documents
- Opening of Tenders

# VARIOUS STAGES OF TENDER

- Preparation of Briefing Note
- Consideration of Tenders
- Award of Contract
- Payment
- Disputes Management [ Arbitrational issues ]
- Variation Statement
- Completion Report

# TYPES OF TENDERS

1. Open Tender  
(Single / Two packet Tendering System)
2. Limited Tender
3. Special Limited Tender
4. Bulletin Tender
5. Single Tender
6. Quotations

# Open Tender

- It is a system of invitation of tender by public advertisements in most open public manner.
- Any person on payment of the tender cost can purchase tender document.
- These are resorted to get enough competition & rates for the work.
- As a general rule, all the tenders must be the open tenders, except where the situation warrants.
- In open tenders, if a single offer has been received, it can be examined by Tender committee but in case of Limited tender, fresh tender should be invited except in very urgent cases taking approval of SAG officer.

**(RLy Bd. L. No. 50/145/3/5 dated 01/04-08-1951)**



## Annexure 'A'

### I. ACCEPTING AUTHORITY FOR WORKS TENDERS:

SL	Powers of Acceptance of Works Tender	Accepting Authority
1	Upto Rs 50 Lakh	Selection grade/JA Grade/Sr. Scale holding independent charge, subject to stipulations mentioned in Railway board's letter no 2017/CE-I/CT/9 dated 11.09.2017
2	Upto Rs 4 Crore	Selection grade/JA Grade
3	Above Rs 4 Crore and upto Rs 20 Crore	SAG/ADRM/CWM(in SAG), including ADRMs in NFSAG
4	Above Rs 20 Crore and upto Rs 50 Crore	DRM/CWM(SAG)
5	Above Rs 20 Crore and upto Rs 300 Crore	PHOD/CHOD/ AGM
6	Above Rs 20 Crore and upto Rs 300 Crore	CAO/RE in HAG
7	Above Rs 20 Crore and upto Rs 500 Crore	CAO/Construction in HAG
8	Full Powers	General Manager

**Constitution of Tender Committees shall be as per the decision of Zonal Railway**

Authority:

- 1) Board's letter No. 2017/Trans01/Policy dated 26.12.2017
- 2) Board's Letter No.2017/CE-I/CT/9 dated 11.09.2017
- 3) Board's Letter No.2015/CE-I/CT/O/20/1 dated 14.09.2017
- 4) Board's Letter No.2015/CE-I/CT/O/20/1 dated 03.04.2017
- 5) Board's Letter No. 2017/Trans/01/Policy/Pt-S dated 02-02-2018
- 6) Board's letter No. 2018/TF/Civil Works dt 12.06.2018

## CHECK LIST

1. Advertise high value tenders in National news papers.
2. Minimum gap between publication & opening - 30 days.
3. Tender form to be available for sale 3 weeks before opening (Minimum 15 days before for small value Tenders).
4. Sufficient notice period should be given for the submission of tenders, which in the case of large works should not be less than a month. The above prescribed tender notice period may be departed from in the most exceptional circumstances only and then too in consultation with the Principal Financial Adviser.  
However:

- i) For tenders valued up to and including Rs. 1 Crore invited through e-tendering, the tender notice period can be reduced up to 21 days by CAO/PHOD/CHOD/DRM/CWM (in SAG) without finance concurrence and up to 14 days with the concurrence of Associate Finance
- ii) For tenders valued above Rs. 1 Crore and up to & including Rs. 2 Crore invited through e-tendering, the tender notice period can be reduced up to 14 days by CAO/DRM/CWM (in SAG) with the concurrence of Associate Finance

5. Sale of tender form not to be denied.

6. Date from which tender document would be available to be notified and not be less than 15 days before tender opening date. ( Bd. Letter No.- 2001/CE-I/CT/20 dt. 17.08.2001)

# CHECK LIST

7. For Service Contracts GCC for Services shall be followed.
8. Corrigendum's to be published before original date of opening.
9. News paper cutting must be pasted on tender file
11. Get estimate sanctioned before invitation.
12. If specification after undergo a major change, re-invite tender.
13. Scope of work, completion time is known.
14. Drawing / Site is ready.
15. Requirement of all participating department have been taken care of in the scope of work.

# Single Tender

Single tender may be invited with CA's Approval in case of:-

- Emergent Situation,
- Accident,
- Breaches involving dislocation of traffic (separate powers) and
- AMC of Equipment.

\*No post-facto sanction.

# LIMITS OF SINGLE TENDER

- Up to Rs. **20 Lakhs per case per PHOD** subject to **annual limit of Rs. 1 Crore** (*prior finance concurrence at the level of FA& CAO*).
- Up to Rs. **10 Lakhs per case per DRM/CWM** subject to **annual limit of Rs. 50 Lakhs** (*prior finance concurrence at the level of Sr. DFM*).
- All **Single Tender cases** (other than stores) will require GMs personal sanction and FA & CAOs concurrence.
- TC & Accepting authority should be **one step higher**.
- **Note:** GMs may delegate power to PHODs/DRMs in consultation with FA&CAOs to enter into Annual Maintenance Contract (AMC) for equipments with authorized dealers on single tender basis based on justified local conditions.
- **(Railway Board Letter No. 2011/F(X)/II/5/11 Dated 26/08/2013)**

# Limited Tender

1. At times, offers are invited from **Limited Tenderers from the approved list** to save the time for smaller value of work and specialized in nature.
2. Where it is not considered practicable or advantageous to call for open tender, LT may be invited with concurrence of finance and approval of competent authority.
  - a. **Limited Tender from the contractors borne on the approved list only.**
  - b. **Notice for LT should be sent to all eligible Contractors borne on approved list and should also be published in Local News Papers and displayed on Notice Boards and put on Internet.** [Rly Bd. L.No.-94/CE-I/CT/4 dated 22.10.2001]

# LIMITED TENDER

**c. Rly. May decide category of works for which list of approved contractors shall be maintained for each monetary slab.**

○ The reasons for inviting limited tenders should be kept in record.

○ There should be **minimum 10 Firms Registered** for limited tender

○ In case of **insufficient response & Ring formation is suspected**, Railway may invite open tenders.



# **MONETARY SLABS FOR CALLING LIMITED TENDERS**

Notice for LT should be sent to all eligible contractors borne on approved list,

<b>S.No</b>	<b>Monetary Slab for LT</b>	<b>Lowest Authority competent to approve calling of LT</b>
<b>1.</b>	<b>Up to Rs. 37.5 Lakhs</b>	<b>JAG/ SG</b>
<b>2.</b>	<b>More than Rs. 37.5 Lakhs &amp; Up to Rs. 1.5 Crore</b>	<b>SAG/ DRM/CWM</b>
<b>3.</b>	<b>More than Rs. 1.5 Crore &amp; Up to Rs. 7.5 Crores</b>	<b>HOD/ PHOD</b>

**R.B. LETTER No. 2013/CE-I/CTO/20/PO/Pt II (o) Dt.26.11.2013]**

# Special Limited Tender (SLT):

1. **For important works, special limited tender can be invited.**

These tenders may be invited from specialized and reputed contractors/agencies.

Special limited tender be processed with finance concurrence and approval of competent authority **under following situations -**

- **Works of specialized nature (PHOD approval)**
- **Work of urgent nature (GM approval)**
- **Consultancy works (GM approval)**

## **SPECIAL LIMITED TENDER (SLT):**

2. Tenderers from whom Special Limited Tenders are to be invited should preferably be more than Six but not less than Four (Rly. Bd's letter No. 94/CE-I/CT/4 dated 17.10.2002)

Railway Board has decided that CAO(C) with the concurrence of FA&CAO(C) may invite SLT not only for specialized nature of work, but all type of works depending upon the merit of the case...

(Board's Letter dated 28.09.2007)

# Dispensing with Tendering ( Calling Quotations)

- Except where for reason which should be in public interest, it is not practicable or advantageous to call for tenders, calling of tenders can be dispensed with by GMs.
- In all other cases where it is decided not to call for tenders, the reason should be recorded and financial concurrence obtained.

# DISPENSING WITH TENDERING ( CALLING QUOTATIONS)

- Any work proposal value up to Rs. 5 Lakhs can be processed through **work order by calling quotations.**
- **Work order should be open to all contractors** and minimum **3 quotations** are required.
- Attempt **should not be made to split the work** to bring the proposal under work order limit.

# Accepting Quotations

Nature of Powers	PHOD/CHOD /HOD	DRM/ADRM/ SAG	Divisional Officers, Extra Divisional Officers & Officers in Headquarters
(F) To dispense with calling of tenders for works which are urgent in nature and to accept offers received in response to quotations.	Up to Rs. 10 Lakhs per case for all works including works directly related to safe running of trains with annual limit of Rs.1.2 Cr.	Up to Rs. 10 Lakhs per case for all works including works directly related to safe running of trains with annual limit of Rs.1.2 Cr.	<p><u>JAG/SG &amp; SS officers</u> <u>(Independent charge)</u></p> <p>(i) Works directly related to safe running of trains: Up to and including Rs.2 lakhs per case without finance concurrence subject to annual ceiling limit of Rs. 10 Lakhs.</p> <p>(ii) All other works including works directly related to safe running of trains: Up to Rs.5 lakhs per case with annual limit of Rs.60 lakhs (including (i) above). <b>SG and JAG in workshop - same as above</b></p>

## Notes For Quotations

1. Finance concurrence is necessary except for delegation under col. 5(i) for which certification by accepting Authority that the work is of urgent nature and directly related to safe running of trains in his jurisdiction is required to be recorded.
2. The powers shall be exercised by the officers with their own administrative approval and no separate administrative approval is necessary.
3. The powers should be exercised sparingly. The circumstances under which quotations have to be called should be spelt out.
4. The powers are also subject to the availability of provision in sanctioned estimate or preparation/ sanction to the detailed estimates wherever necessary.
5. The work should not be split up for the purpose of bringing it within the ambit of this dispensation
6. The reasonableness of rates should be gone into objectively and in detail by the accepting authority.
7. Quotations should not be for fancy (expensive but of low utility) items.
8. Quotations should only be for works which are urgent in nature.
9. Quotations should normally be invited from at least three well experienced contractors/ agencies not necessarily borne on the approved list.
10. Accepting Authority must take precautions to see that the quotations are from genuine firms (and not from fictitious firms).
11. A Register showing the full particulars of works authorized through quotations shall 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.
12. The powers delegated are specific to the department/division concerned.
13. Cross utilization of powers of equivalent officers in a division/single administrative unit shall not be allowed.
14. Notice period of at least 7 days from the date of NIQ (Notice inviting Quotation) shall be maintained. In case of emergency, the period can be reduced with approval of the authority accepting quotation

# Two Packet System of Tendering:

- Two packet system may be adopted in identified situations for obtaining consultancy services for **highly technical works where parameters can not be precisely predefined** or for execution of works which are **technically complicated**.
- The “**Qualifying Criteria**” in the tender documents should be defined duly concurred by FA&CAO & approved by GM.

In this system, the tenderers are advised to submit their offers in two sealed envelopes with one cover containing **Technical & Commercial** offers and other containing **Financial bid**.



**1. Technical Bid:** The technical conditions are read out before the tenderer and TC evaluates the same. The tenderer are advised to enclose **EMD** in the technical bid.

**2. Financial Bid:** If technical bid is acceptable, the financial bid is opened and the tenders processed for acceptance in the normal manner.

- If on the basis of information of first packet, the TC needs clarification regarding designs, specs etc., discussion shall be held with each tenderer after obtaining approval of competent authority (GCC - 7A-3).

**CVC Guidelines for tender opening:** Not only tender opening officer sign the envelopes but sign of two tenderers should also be obtained on all the envelopes containing price bid.

# ESTIMATE:

**An Estimate is a statement prepared to gauge an idea of expenditure to be incurred on a work in order to obtain sanction of the competent authority and also to see that the work is financially justified.**

- This should be signed by BO and sent to finance for concurrence
- Copy of it as vetted by finance with his note should be submitted to the authority to sanction the estimate.

# Earnest Money Deposit (EMD)

Every tenderer is required to deposit EMD **for due fulfillment of the conditions of the contract ( to be a security against loss in case of failure of contractor)** (Para 1241 & 1242). The earnest money is required to **test earnestness of the tenderer and to discourage non serious parties.** The EMD of the successful tenderers is **adjusted in the Security Deposit**

# Earnest Money Deposit (EMD)

Value of Work	EMD
For works estimated to cost <b>up to Rs. 1 Crore</b>	2% of the estimated cost of the work.
For works estimated to cost <b>more than Rs. 1 Crore</b>	Rs. 2 Lakhs + $\frac{1}{2}$ % of the excess of estimated cost of work <b>beyond Rs. 1 Crore</b> <b>EMD Maximum Limit : 01 crore</b>

- EMD shall be applicable for all modes of Tendering.
- The tenders without EMD are liable to be rejected.
- EMD should be in cash or can be remitted in the following forms – Deposit receipts, Pay order, DD of SBI or any Nationalized Bank Bank shall be rounded to the nearest Rs. 10/-

# Tender Notice (NIT):

After sanction of competent authority, a brief Tender Notice has to be prepared and sufficient notice should be given for submission of tender.

- **In case of large works–It should be 30 days.(Rly. Bd letter No. 2007/CE-I/CT/18 Pt. II dated 30.07.2010).**
- **Tender Notice period should never be reduced below 12 days.**  
**(Rly. Bd letter No. 2015/CE-I/CT/AP/1 dated 19.06.2015).**
- It should be given maximum publicity in news papers.
- The tender notice and tender documents should be **posted on a website and the name of website should be given in the tender notice.**

# Notice Inviting Tenders (NIT)

## *To contain –*

- Nature & scope of work
- Site location (s) (no abbreviations)
- Approximate value ( if required)
- Completion period
- EMD amount
- Date/time of start/closing of sale of TD & placing T/Box
- Cost of Tender Document
- Eligibility criteria for tenderers
- Place of sale & submission of Tender Document
- Date, time & place of opening of tenders
- Website particulars etc.

## **TENDER DOCUMENT**

Zonal Railways /Production units etc. must ensure that the **Tender Documents including Tender schedule** are invariably checked by the concerned technical staff in Division/Zonal headquarter etc. and are **approved by competent authority**, before invitation of the Tenders.

**(RLy Bd's L. No. 2015/CE-I/CT/1/TS dated 24.08.2015)**

**Tender Document**  
**TOP SHEET**

**Contract for:** Description of Work

1. Tender Notice No. :
2. Approx. Cost/Estimated cost:
3. Period of Contract :
4. Earnest Money (EMD) :
5. Date & Time of placement of T/ Box :
6. Date & Time of Closing Tender :
7. Date & time of Opening of Tender :
8. Index:

Tender document cost:



## Cost of Tender Forms

Upto Rs. 5 lakhs	- Rs. 1000/-
Above Rs. 5 lakhs to 20 lakh	- Rs. 2000/-
Above Rs. 20 lakhs to 50 lakh	- Rs. 3000/-
Above Rs. 50 lakhs to 2 Crore	- Rs. 5000/ -
Above Rs. 2 Crore to 50 crore	- Rs. 10000/ -
Above Rs. 50 crore	- Rs. 25000/-

### **(Engg. Code-1999 Para 1240 -A )**

- a. If any plan/drawing is attached with the tender forms, Rs. 200/- per drawing will be levied.
- a. If any Tender forms to be sent by post, additional charges at the rate of Rs. 500/- per tender form will be charged.

**( Bd. Letter No. 2002/CE-I/CT/5 dated 29.07.2002)**

# Eligibility Criteria:

[ Rly. Bd Letter No. 2007/ CE-I/ CT/ 18/ PL XII DATED 31.12.2010 ]

1. Should have completed similar work in one contract for minimum value of 35% of the advertised tender value in proceeding 3 years (current year + 3 previous years.

**This criteria would be more than Rs. 50 lakhs.**

2. Total contract amount received by contractor during last 3 years & current financial year should be a minimum of 150% of advertised tender value.

**Note:** However, the above eligibility criteria may be modified on case to case basis in respect of urgent process / works and specialised nature of works with FA&CAOs concurrence and personal approval of GM.

# From whom Certificate can be considered

Organizations other than 'Private individuals' from whom certificate can be considered -

1. Govt. department/PSU/Co-operative/Institutions.
2. Public Ltd. Company
3. Private Ltd. company.
4. Partnership firms
5. Sole proprietary firms- Registered

# TENDER OPENING PROCESS

- Should be opened by committee in presence of all tenderer..
- Envelopes to be serially numbered like 1/5, 2/5 etc. and initialed.
- They are to be entered in the tender opening register in the same order with firm name.
- Open envelope & record number appearing on envelope on each page of offer with initials.
- Better to indicate total no. of pages after careful counting.
- Encircle all rates both figures and words & financial conditions with initials without leaving any space.
- Testify and indicate corrections and its total on each page.

- Indicate ambiguities in rates by recording rates also in words.
- Record whether sample has been supplied.
- Number of conditions quoted on each page to be counted.
- Name & rates quoted by each tenderer to be read-out loudly.
- No opportunity to tenderer to amend, explain the rate or conditions
- Value and form of EMD to be noted.
- Summary of rates to be prepared
- In case of two packet system – **Technical bid be opened first.**
- **Care should be taken for**–Correction in rate, in conditions, additional offers, taxes etc.

# Verification of Authenticity of Documents of

- Instances have come to notice that Documents/Credentials submitted by some bidders were found fake/forged. *CVC has issued some guidelines*
- ***In order to avoid delay in finalization of tenders within their validity period, following procedure may be adopted –***
  - Documents of **all bidders** be sent for verification immediately after opening of technical bids.
  - The processing of tenders may continue without waiting for verification of documents.

# Verification of Authenticity of Documents of

- Authenticity of Bank Guaranty issued by banks, may be got ascertained by Fax or e-mail from the issuing bank.
- Authenticity of Performance/ Experience Certificate may be ascertained by Fax/ e-mail / deputing officer not below the rank of manager.
- It may be ensured by Project Convener that before submission of recommendation by the Tender committee to the Tender Accepting Authority, report on verification of Documents / Credentials of L-1 bidder is available.
- The Tender Committee shall make suitable mention regarding verification of documents in their recommendations to the Tender Accepting Authority.

## Briefing Note & Tabulation Statement

After the tender has been opened, **tabulation statement with briefing note should be prepared**. The same should be scrutinized and signed by the branch officer.

### Comparative Statement

To be prepared by tender clerk and signed by not below SS/JAG. Each page should be signed. In case of tender costing.

Alongwith the tabulation statement, a briefing note duly authenticated at an appropriate level **should be submitted clearly**.

**Scrutiny by the Accounts Department.**--The tabulation statement and the briefing notes shall be sent thereafter for scrutiny together with the original tenders to the Accounts Officer concerned. The tabulation statement should be signed by the Section Officer (Accounts) nominated for the purpose .



## Note:

1. Each page of **Briefing Note** should be signed.
2. Due care may be taken to fill-up all the Columns provided in briefing note related to tender case. Column not relevant / not applicable may be indicated as such.
3. The approving/forwarding authority of the executive has to be of gazetted level.
4. The vetting in Accounts office to be at least Jr. Scale level i.e. gazetted.
5. Responsibility of facts lies with the official preparing/checking the briefing note. Accounts Department is responsible for verifying the facts/calculations/figures.

## **COMPOSITION OF TENDER COMMITTEE (WORKS CONTRACTS) OPEN LINE**

<b>S.N.</b>	<b>Composition of Tender Committee</b>	<b>Tender accepting authority</b>
1	No committee required upto tender cost Rs. 50 lakhs (Direct Acceptance)	<b>SG/JAG Officer</b>
2	a) <b>Sr.Scale</b> Officer of the concerned Executive Deptt. (Convener) b) <b>Sr.Scale Officer</b> of any other Executive Deptt. c) <b>Jr. Scale officer</b> from Account Deptt.	<b>SG/JAG Officer</b>
3	a) <b>Sr.Scale Officer</b> of the concerned Executive Deptt. (Convener) b) <b>Sr.Scale Officer</b> of any other Executive Deptt. c) <b>Sr. Scale officer</b> from Account Deptt.	<b>SG/JAG Officer</b>
4	a) <b>SG/JA Officer</b> of the concerned Executive Deptt. (Convener) b) <b>SG/JA Officer</b> of any other Executive Deptt. c) <b>SG/JA officer</b> from Account Deptt.	<b>SAG/ADRM</b>
5	a) <b>SG/JA Officer</b> of the concerned Executive Deptt. (Convener) b) <b>SG/JA Officer</b> of any other Executive Deptt. c) <b>SG/JAG officer</b> from Account Deptt.	<b>DRM/CWM</b>

# Security Deposit (SD):

(GCC 2014 DEFINITIONS AND INTERPRETATION ,  
Item No.16.(1)

The security deposit is for the **due fulfillment of contractual obligations of tender**. The SD to be recovered from the tenderer shall be **5% of the contract value**. Balance SD shall be recovered from the bills @10% of each bill amount.

**Refunding of SD:** 1. Based on the completion report SD has to be refunded with the approval of competent authority.

2. Refund of SD is the last act in any contract.  
Returned after expiry of Maintenance period

3. SD refund should be linked with the performance for the work. After getting no claim certificate

# PERFORMANCE GUARANTEE: (GCC 2014 DEFINITIONS AND INTERPRETATION , ITEM No.16.(4)

**It has been introduced in lieu of Risk action procedure.**

- The successful bidder shall submit PG in any of the following forms amounting to **5% of the contract value**.
- Deposit of cash, Bank Guarantee, loan Bonds, Pay order, DD, Guarantee Bond, Post Office, NSC, Unit Trust Certificate, FDR.
- The successful bidder shall have to submit PG within 30 days from the date of issue of letter of acceptance (LOA).
- Extension of time for submitting PG beyond 30 days and up to 60 days from LOA, may be given by officer who is competent to sign the "Contract Agreement".
- Quantity variation up to 25% - No change in PG.
- More than 25% variation – additional PG amounting to 5% for excess value shall be deposited by contractor.
- PG shall be released based on the "**completion certificate**" after passing final bill.

# TYPES OF CONTRACTS

Depending on the size of project, local conditions, resources and technology, there are many types of contracts

**Lump sum Contract:** The contractor is engaged to carryout a work or effect supply as specified **within a given period for fixed total sum** – (Construction of RCC Tank).

**Schedule Contract:** For works or supply of material **at the fixed unit rates**. These contracts **need a master schedule of rates**.

**Piece Work Contract:** Only **unit rates or the prices** for various kinds of works or materials are agreed upon.

**Rate Contracts:** During the **period of its currency**, the contractor supplies the material on the demand at fixed rates.

**Running Contract:** For **certain consumable items**, the periodic consumption is known by experience. **In such cases, stores deptt. enters in to the running contracts**.

**Fixed Delivery Contracts:** For **a definite quantity of materials** to be delivered in one or more installments, delivery of each installment being completed by a definite date.

# RECORDING OF MEASUREMENTS

1. Measurement are to be recorded in MBs.
2. Prescribed checks on measurement should be conducted by officers.
3. Payment at full rates must not be made unless the item has been completed as per specs.

**(Bd's letter No. 94/CE-I/CT/4 dated 17.09.1997)**

## **Upkeep of Measurement Books:**

1. The pages should be machine numbered.
2. The entries must be made clearly in MB books at site of the work .
3. Each measurement book should be provided with an index-1325.
4. All quantities should be clearly traceable in to the documents.

## **Completion Reports:- Para-1706**

Completion Report should be prepared in the form of E-1706 and brief explanation should also be furnished.

# CHECKING OF RECORDS FOR PAYMENT

- Whether the bill is in the prescribed format.
- Top sheet accompanying the bill is checked.
- In case of final bill, whether no claims certificate from the contractor and no dues certificate from the executive are enclosed.
- Whether any accounts or audit paras are pending against the agreement is verified.
- That there are no delays in making measurements or in preparing bills after the measurements are made.
- The rates are verified with those given in the agreement.

# CHECKING OF RECORDS FOR PAYMENT

- The currency of the contract.
- Validity of Bank Guarantee is verified.
- Quantities in the bill are checked with those in the M. Book.
- Whether test check has been done.
- Whether the bills are signed by the executive officer as well as the contractor.
- Whether the funds availability has been certified and has been allocated to proper heads of accounts.
- Whether all deductions have been made and the bill is arithmetically accurate.



# Variation in quantities (GCC-42(4)3

- (1) Operation of an item by more than 125% of the agreement quantity needs approval of an officer .
  - 1. In excess of 125% but upto 140% of the quantity shall be paid at 98% of the rate awarded
  - 2. In excess of 140% but upto 150% of the quantity shall be paid at 96% of the rate awarded
  - 3. Variation of individual item beyond 150% shall be prohibited and be permitted only in unavoidable circumstances with the concurrence of finance and be paid at 96% of the rates awarded .
- a) The variation in quantities as per the above formula will apply only to the individual items of the contract and not on the overall contract value.
- b) Execution of quantity beyond 150% of the overall agreemental value should not be permitted, if found necessary, should be only through fresh tenders or by negotiating with existing contractor with concurrence of FA&CAO and approval of General Manager.

(2) In case where **decrease** is involved during execution –

- (a) Contract signing authority can decrease upto 25% of individual item without concurrence.
- (b) for decrease beyond 25% for individual items or 25% of contract agreement value, the approval of SA grade officer may be taken after obtaining “**No claim certificate**” from contractor, with finance concurrence.
- (c.) The limit of varying quantities for **minor value items** shall be **100%** (as against 25% for other items). Minor value of item is **less than 1%** of total contract agreement value.

# ARBITRATION

- ❖ **Demand for Arbitration:** In the event of any dispute or difference between the parties hereto as to the construction or operation of this contract, or the respective rights and liabilities of the parties on any matter in question, dispute or difference on any account or as to the withholding by the Railway of any certificate to which the contractor may claim to be entitled to, or if the Railway fails to make a decision within 120 days, then and in any such case, but except in any of the 'excepted matters' referred to in clause 63 of GCC, the contractor, after 120 days but within 180 days of his presenting his final claim on disputed matters, shall demand in writing that the dispute or difference be referred to arbitration.

# STAGES OF TENDER PROCEEDINGS at Division Level

SN	Activity	To be Initiated by	Done by	Time Limit
01	Preparing office note for approval	SE (Tender) & ADME	DRM/ADRM	--
02	Calling for budgetary quotation from Firm	SE (Tender) & ADME	OEM/Any other firm	--
03	Concurrence to proposal	SE (Tender)	Sr. DFM	--
04	Preparation of estimate/ Est. cost	SE (Tender)	SE( Tender)	--
05	Vetting of estimate	SE (Tender)	Sr. DFM	--
06	Sanction to estimate	SE (Tender)	DRM/Sr DME	--
07	Tender booklet preparation with Terms and Conditions, scope of work etc.	SE (Tender)	ADME/DME/ Sr DME	--
08	EMD (2% of the estimated tender value up to 1.0crores), above this, 2 lakhs + 0.5% of the excess of estimated cost	By Tenderer	SE (Tender)	--

## STAGES OF TENDER PROCEEDINGS Contd..

SN	Activity	To be Initiated by	Done by	Time Limit
09	Ensure Unit of Advertised Tender	OS&SE (Tender)	SE( Tender)	--
10	Preparation of tender notice for open tenders/OEM	SE (Tender)/OS	Sr DME	--
11	Loading of Tender Notice on website before 35 days of opening of tender	SE (Tender)	ADME	--
12	Issuing of tender booklet before 25 days	OS (Tender)	ADME/DME	--
13	Opening of tender	OS (Tender)	ADME	01 Day
14	Submission of tender cost of down loaded tender form to Sr. DFM (Same day)	OS (Tender)	ADME	02 Days
15	Verification of EMD submitted by Tenderer	OS (Tender)	ADME	07 Days
16	Preparation of brief note & tender tabulation statement.	SE/OS (Tender)	ADME	01 Day
17	Verification of brief note SO (Wks A/cs) .	OS (Tender)	Engg. and accounts	05 Days

# STAGES OF TENDER PROCEEDINGS

SN	Activity	To be Initiated by	Done by	Time Limit
18	Nomination of TC members	SE (Tender)	Sr.DME/DRM	01 Day
19	TC preparation	SE (Tender)	TC Members	05 Days
20	Verification of eligibility criteria	SE (Tender)	TC Members	07 Days
21	TC Finalization	TC Members	TC Members	07 Days
22	Acceptance of TC recommendations	SE (Tender)	Sr DME/DRM	01 Day
23	Issuance of Letter of Acceptance	SE (Tender)	DME/Sr DME	01 Day
24	Submission of PG by the firm within 30 Days[ 5% of contract value ]	SE (Tender)	ADME/ DME / Sr. DME	15 Days
25	Verification of PG by law officer	OS (Tender)	SE (Tender)	02 Days

# STAGES OF TENDER PROCEEDINGS

SN	Activity	To be Initiated by	Done by	Time Limit
26	Verification of BG by bank	OS (Tender)	SE (Tender)	05 Days
27	Preparation of Contract Agreement	SE (Tender)	ADME/DME/ Sr. DME	02 Days
28	Signing of Contract Agreement	SE (Tender)	With Rly. & Firm	03 Days
29	Dispatching of copy of Contract Agreement to concerned depot in charge.	OS (Tender)	SE (Tender)	01 Day
30	Updation of finalised tender on net for value more than 1.0 crores.	OS & SE (Tender)	ADME	04 Days
31	Releasing of first on account bill by preparing office note	OS/SE (Tender)	SE(T)/ADME/ DME/Sr. DME	--
				<b>70 DAYS</b>

# STAGES OF TENDER PROCEEDINGS

SN	Activity	To be Initiated by	Done by	Time Limit
32	Completion report from depots.	By Nominated Supervisor	By Nominated Supervisor	
33	Refund of Performance Guarantee (PG) after physical completion of work ( After completion certificate)	By Nominated Supervisor	Officer concerned	
34	Refund of security deposit (SD) to the contractor after expiry of maintenance period and after passing the final bill. ( After getting No Claim Certificate from tenderer)	After getting No Claim Certificate from tenderer	Officer concerned	
35	Arbitration, if any.	By Firm/Tenderer	Officer concerned	



# TENDER MONITORING SYSTEM

<i><b>SN</b></i>	<i><b>Particulars</b></i>	<i><b>Remarks</b></i>
<b>01</b>	<b>Name of work &amp; location</b>	<b>Washing of Linen of AC coaches of train No.2105/06, 1451/52, 1453/1454 &amp; 1401/022113/14 Garib Rath</b>
2	Contract cost	<b>Rs.1.28 Crore</b>
	<b>LAR</b>	<b>Rs. 1.02 Crore</b>
3	Tender Notice No.	1/2007 dated-25/01/2007
4	Date of opening	12/03/2007
5	Letter of acceptance	NGP/M/Linen Washing dated- 03/10/2007
6	Contract agreement No.	NGP/M/Linen Washing dated- 29.03.2008
7	Firm/Agency	M/S Rashidullah Khan , Bilaspur, Phone No.
8	Contact Person	Shri Amar Kumar – 9999999999
9	Date of start	30.10.2007
10	Date of completion	<b>Three years up to (02.10.2010)</b>
11	EMD Particulars	TDS 4955835 dated-08/03/07 of Rs.2,46,000/- Bank of India, Bilaspur Valid up to 08/09/07
15	SD Particulars	TDS 9498815 dated 20.10.07 of Rs.3,40,556.72/- issued by SBI,MB
16	Performance of the Firm	Satisfactory

# Termination of Contract

In the events of faults on the part of contractor, Railway can resort to:

1. Railway may serve the contractor 7 days notice in writing.
2. If the contractor does not make good his fault within 7 days.
3. Before 7 days notice, write 2-3 letters to contractor clearly bringing out his failure.
4. Railway shall be entitled after giving 48 hrs. notice to rescind the contract.
5. Forfeit the whole or part of the SD as may consider fit.
6. The Termination/ Recission of contract shall be conveyed to contractor under the signature of contract signing authority.
7. It is necessary to issue final termination advice to the contractor after issue of 48 hrs. notice.

**(Rly. Bds L. No. 99/CE-I/CT/28 dated 24.03.2001)**

THANK  
YOU