

ANNEXURE-I

Copy of Railway Board's letter No. 60/ WI /DMF/10 dated 4th November 1960 from Joint Director (Civil Engineering), addressed to General Managers All Indian Railways.

A case has come to the notice of the Board in which a Tender Committee recommended the acceptance of the lowest Tender but when the Authority Competent to accept the same asked the Committee to reconsider their recommendation in view of the fact that the lowest Tenderer had a large number of works in hand and may not, therefore, be able to complete the work in time, the Committee reversed their earlier recommendation and recommended the Second lowest Tender.

It has been considered that the Tender Committee, while making their earlier recommendations did not take into account the Tenderers capacity to execute the work, bearing in mind the load of work which he had already in hand. The Board desire that Tender Committees should examine, while making their recommendation all relevant factors such as the existing work load. on the lowest Two or Three Tenderers, their capacity to execute further work, and also whether the rate quoted are reasonable and workable.

The above instructions may kindly be brought to the notice of all concerned.

ANNEXURE-II

Copy of the letter No. 61-B (C)-N (27) dated 28th February /1st March 1962 from Joint Director, Finance, Accounts Railway Board, New Delhi. Addressed to General Managers, all Indian Railways etc.,

Sub : Loss due to Incorrect evaluation of Tenders for goods handling contract

A case has come to Board's notice wherein, on a certain Railway, the Tender schedule to the handling contract was revised to item wise the various types of work done at the station instead of some of the items of work being exhibited after conversion as a single unit. The significance of this change in the Tender schedule was however, not appreciated by the staff, Gazetted and non-Gazetted, who dealt with the Tenders as the anticipated quantities of work were not exhibited against the fresh items and the very high rate offered by one the Tenders against one of such item was not evaluated. The Tender Committee also overlooked this deficiency in evaluation but in the letter of acceptance issued to the contractor whose Tender, was accepted, this item and the rate offered there against was exhibited resulting in unintended valuation payments being made to the contractor till the matter came to the notice of the Administration.

The Board has stressed from time-to-time, the imperative need for the correct preparation of the Tender documents and incorporation therein of the anticipated quantities of work against the various items on best approximations. They would also reiterate their earlier instructions that in the evaluation and consideration of the Tenders, the Tender documents should be carefully scrutinised particularly in regard to the reasonableness of the rates and specially when changes have been made in the form of Invitation to Tender.