

No. N-47/KR/396/82

Dated the 7th Sept. 1982

To

All State Governments
(Dep'ts. dealing with National Highways).

Subject : Procedure for finalisation of tenders—Need for avoiding delays.

I am directed to state that the Public Accounts Committee in their 88th Report (Seventh Lok Sabha) has adversely commented on the delay in the finalisation of tenders for a work on the National Highway, and have instructed that such delays should not be allowed to recur in future.

2. An in-depth examination of the case in question, revealed that the delay in settlement of tenders and allotment of the work was primarily due to long post-tender correspondence between the State P.W.D. and the tenderers to obtain various clarifications before the State Government could make final recommendations to the Ministry for approval. The delay has also been due to incomplete recommendations by the State P.W.D. at the time of submission of the case which again required further correspondence between the Ministry and the State P.W.D.
3. The procedure for expeditious handling of the tender cases has already been laid down in this Ministry Circular No. NHIII-30 (108)/72, dated 28.3.1973, and reiterated in this Ministry's letter No. PL-30(62)/76, dated 26th June, 1976. It is once again requested that instructions/guidelines given in the two above mentioned letters may be strictly followed. It may also be ensured that the tenders are received in this Ministry at least a month and a half before the expiry of their validity since in some cases it has been seen that the tenders are received for approval hardly a few days before the expiry of the validity period. It would be appreciated that scrutiny of tenders and revised estimates, and obtaining the concurrence from our Finance requires some reasonable time which in any case is not less than a month or so.
4. In order to avoid unnecessary correspondence between the Department and the tenderers, the State P.W.D. should ensure that the tender documents are made as complete as possible, especially with regard to the technical requirements of the work. Further more, it may also be ensured that the reference made to the Ministry is complete in all respects and includes all relevant information required for processing the tender and the revised estimate for obtaining approval of the finance. Clear cut recommendations of the State Government would be necessary especially in respect of :
 - (a) Reasonableness of the tender;
 - (b) Experience, technical competence and capacity of the recommended tenderer for carrying out the work within the time frame of the contract and in accordance with the specifications laid down; and
 - (c) In case of a single tender, whether recall of tenders would be advisable or not; and if tendered rates are very high, full justification for accepting such a tender.
5. It has also been seen in a few cases that considerable time is lost in furnishing additional information of clarifications sought for by the Ministry from the State P.W.D. Such delays should be avoided and necessary information furnished promptly on priority basis.
6. It is requested that these guidelines may be brought to the notice of all concerned officers in the State P.W.D./State Government dealing with works on National Highways or other Centrally aided works where approval from the Ministry is sought for acceptance of tenders.