

Sub:Check points suggested to prevent deficiencies in the Processing of tenders.

CTE Organisation of Central Vigilance Commission conducts intensive examination of Works/Purchase contracts of the Government Departments/Public Sector Undertakings over which the Commission has jurisdiction. Based on the deficiencies observed by the CTE Organisation during the examination of contracts, they have suggested certain check points to prevent deficiencies. The check list, as given below, is being circulated so that it may prove to be useful to the officials in the process of awarding and execution of tenders.

1) APPOINTMENT OF CONSULTANTS-

- Instructions of the commission issued vide circular No.OFFI-CTE-1 DT.25.11.02 to be followed.
- Appoint consultant in a fair and transparent way.
- Decision-making should rest with the executives. The consultant's role should be only advisory.
- Fix upper ceiling for fees.
- Provide safeguards against consultant's failure such as performance guarantee, professional liability insurance etc.

2) PREPARATION OF DETAILED PROJECT REPORT (DPR)-

- Prepare DPR as per actual site requirement in consultation with the field staff; otherwise it may lead to deviations & delays.
- Prepare Estimates on the basis of detailed analysis of rates considering rates prevailing at the project site to arrive at realistic cost.
- Ensure conformity among nomenclature of the item, drawings and specifications to avoid ambiguities at a later stage.

3) PREPARATION OF TENDER DOCUMENTS:

- Adopt updated standard bidding document
- Ensure conformity among nomenclature of items, specifications, drawings, general and special conditions.
- Avoid stipulating such conditions in the contract, which are not feasible to be operated.

- Stipulate performance guarantee clause to eliminate non-serious bidders.
- Conduct pre-bid meeting i) to bring clarity regarding spirit of various provisions & ii) to bring necessary modifications, if required. Make minutes of the pre-bid meeting as part of agreement.
- Provide clause to deal with ambiguous provisions (order of precedence) in the tender document and ambiguity in the tender submitted by the contractor.
- Stipulate all prevailing Government policy orders such as customs exemptions for material to be imported etc.
- Provide enough safeguards against misuse of mobilization advance (CVC's Circular No. 4CC-1-CTE-2 dated 10.04.07).
- Notify objective evaluation criteria in the tender document.
- Stipulate condition regarding splitting of quantities, if required, in the tender document.
- Notify criteria of splitting in the tender document itself if splitting of Work/Supply Order is envisaged (splitting is envisaged when L1's capacity is less than required or to avoid heavy reliance on one firm).

4) INVITING TENDERS:

- Prefer open tendering as far as possible.
- In case limited tenders are resorted to, prepare and update panel of contractors/vendors in a transparent way.
- Ensure adequate and wide publicity. (Web publicity is necessary even in case of limited tenders).
- Ensure adequate time for submission of offers.
A minimum time of 21 days, 30 days and 45 days should be given for limited, press and global tenders respectively. Time should be counted from the date of publication of tender notice.
- Upload NIT and tender document on web site, even in case of limited tenders (refer CVC's Circular dated 11.02.2004).
- Open/Global tender enquiries etc. be published in at least one National Newspaper and particularly in Indian Trade Journal in addition to uploading on MECL's website and Government Tenders portal of National Information Centre.
- Forward copies of Tender Notices by registered/post to likely suppliers.
- In case of imported stores, forward copies of the tender notices to the Indian Mission/Embassies of major trading Countries.

- Notify complete address of place of tender submission (refer CVC's Circular dated 08.06.2004).

5) OPENING OF TENDERS:

- Open the bids in presence of bidders.
- Members of Tender Committee should give an undertaking at the appropriate time that none of them has any personal interest in the Agencies participating in the tender process.
- Attest and account for corrections, omissions, insertions, overwriting.
- Prepare 'on the spot summary' in tender opening register.

6) PRE-QUALIFICATION:

- Keep the PQ criteria neither too stringent nor too lax.
- Prepare the PQ criteria specific to the requirement of the work in clear terms.
- Notify the evaluation criteria in the PQ document.
- Verify PQ credentials.
- Retender if relaxation in PQ criteria is necessary.

7) TENDER EVALUATION AND AWARD OF WORK:

- Evaluation of tenders exactly as per the notified criteria.
- Timely decision within validity period.
- Complying with CVC's circulars regarding negotiation.
- Ensuring that conditions/specifications are not relaxed in favour of contractor to whom the work is being awarded.
- Ensuring that L1 is not ignored on flimsy grounds.
- Ensuring that work order/supply order is placed within justified rates.

CVC guidelines in this regard have been issued vide following circulars, which have been circulated in MECL earlier-

- Circular No. 8(1)(H)/98(1) dated 18.11.98.
- Circular No.98/ORD/1 dated 24.8.2000/15.3.99.
- CVC's Office Order No.13/3/5(005/VGL/4) dated 16.3.2005,
- Circular No. 06-03-02-CTE-34 dated 20.11.03,
- Circular No. 004/DSP/11-6594 dated 24.2.2005
- Circular No.005/CRD/012 dated 3.03.2007

8) EXECUTION STAGE-

- Match tender document with agreement.
- Ensure that agreement is signed and sealed properly in time.
- Verify bank guarantees.
- Watch deviations, especially in abnormally high rated and high value items.
- Ensure recoveries as per contract.
- Reimburse taxes and duties, if applicable, only on the production of relevant document.
- Carry out mandatory tests.
- Ensure compliance of conditions regarding licensees, insurance policies and deployment of technical staff.
- Maintain proper record of hindrances at work.

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DISTRIBUTION:

- All HODs at CHQ, Nagpur – They are requested to circulate copies of this circular to their field officers.
- All Zonal Managers.
- All ROMs.

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- APS to D(F).
- PS to D(T)