GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS
(RAILWAY BOARD)

No.90/CE.I/CT/27 New Delhi, dated 17.8.95

Addressed to:

As per list attached.

Sub: 'Two Packet' system of tenders.

Reference is invited to Board's letter No.85/W.I/CT/23-CCC dated 31.1.86/2.86 wherein instructions have been communicated regarding inter alia, the 'Two Packet' system of tendering for works. A doubt has arisen on some of the Railways whether in this system the approval of the Board is required for opening of the financial bids if the value of the work is beyond the powers of acceptance of the General Manager.

In this connection it may be recalled that the Board have also communicated instructions for approved lists of contractors for works. Board's letter No.80/CE.I/CT/74 dated 30.4.93 may be referred to. The General Managers are competent to approve the list of approved contractors in this range irrespective of the consideration that some of the works that may eventually be entrusted to them could be of value higher than Rs.5 crore, which is the limit for acceptance of tenders by General Managers. In the 'Two Packet' system, essentially the same process of pre-qualification is expected to be done through the scrutiny of the contents of the first packet comprising evidence of technical capability, possession of appropriate machinery and equipment, financial strength, experience, etc. It would, therefore, be apparent that whenever such a system is followed, there is no need for the Railways, etc. to seek the Board's approval before opening the financial bids. The General Manager is competent to act on the recommendations of the Tender Committee relating to the first packet. While forwarding the final recommendations of the Tender Committee (after negotiations have been held, if necessary, on the financial part of the tenders), the General Manager should give his personal comments on both the technical and the financial aspects of the case.

This procedure is, however, not applicable to tenders relating to projects covered by World Bank Loan, which will continue to be dealt with in accordance with the procedure prescribed therefor.

This issues in consultation with the Finance Directorate of the Ministry of Railways.

Receipt of this letter may please be acknowledged.

(Ved Parkash) 16.8.95
Exec.Director, Civil Engg.(G)
Railway Board.

(Hindi Version will follow)