भारत सरकार Government Of India
रेल मंत्रालय Ministry Of Railways
(रेलवे बोर्ड) (Railway Board)

No. 2013/CE-I/CT/O/25/VOC **New Delhi, dated 05.08.2013**

To,
As per list attached.

Sub : Assessment of capacity / capability of tenderer

Ref : (i) Board's circular No. 94/CE-I/CT/4, dated 17.10.02
(ii) Board's circular No. 94/CE-I/CT/4 Pt.II, dated 06.05.03
(iii) Board's circular No. 94/CE-I/CT/4, dated 04.06.03
(iv) Board's circular No. 94/CE-I/CT/4 Pt.II, dated 19.11.03
(v) Board's circular No. 94/CE-I/CT/4, dated 23.11.06
(vi) Board's circular No. 2007/CE-I/CT/18 Pt.XII, dated 31.12.10.

1. Minimum eligibility criteria for Works Contracts, as recommended by Sudhir Chandra Committee and accepted by Railway Board, was circulated vide Para 2.3.4.1 of Board's circular under reference (i). The same was modified vide Board's circulars under reference (ii), (iii), (v) and (vi) and accordingly, the eligibility criteria is applicable to tenders of works costing more than Rs. 50 lakh.

2. In case of low value tenders, i.e. tenders where the cost of work is upto Rs. 50 lakh, minimum eligibility criteria is not specified in the tender document. Vigilance Directorate have informed that this has created an impression that Tender Committee is not required to examine the financial capacity and capability of tenderers in case of low value tenders.

3. Vide Board's circular under reference (iv) (copy enclosed), it was reiterated that the financial capacity, capability and past performance of the tenderer / contractor should be investigated / examined in detail by the Tender Committee before recommending him / her for awarding a contract, duly considering the existing work load with the tenderer(s).

4. It is once again reiterated that the instructions contained in Board's circular under reference (iv) may be followed by Zonal Railways / PUs etc.

Please acknowledge receipt.

DA : As above

07.08.13
(आलोक कुमार)
कार्यकारी निदेशक/सिविल इंजीनियरिंग(जी)/रेलवे बोर्ड
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Policy letter No.RB/CE/15/2003

GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS
(RAILWAY BOARD)

No.94/CE.I/CT/4 (Pt.II) New Delhi, dated 19.11.2003

All General Managers & Others
(As per list attached)

Sub: Role of Tender Committee (T.C.) in finalizing the Works Tenders /Contracts.

Ref: (i) Board's letter No.52/W/229 dated 9.5.1952

(ii) Board's letter No.87/W.1/CT/56 dated 16.5.88

(iii) Board's letter No.94/CE.I/CT/4 dated 17.10.2002.

During the regular works review meeting with the railways, an impression has been gathered that having prescribed the **"Minimum Eligibility criteria"** by the Board vide their letter at (iii) above, Tender Committee need not examine the financial capacity & capability to undertake the proposed work. This is leading to a situation where works are getting awarded to a firm/agency who has already got number of works in hand and the new work may be beyond its capacity to undertake further work(s).

The matter has been examined in the Board's office and it is clarified that it is one of the important role of T.C. to examine the financial capacity & capability of a intending tenderer vis-à-vis the workload in his hand in order to ensure that he/she can undertake and execute the new work if assigned to him/her successfully. In this regard, attention is invited to **Para 1215** of Engineering Code (Reprint-1999) which stipulates **"no work or supply should ordinarily be entrusted for execution to a contractor whose capability and financial status has not been investigated and found satisfactory....."**

Similary, **para 617** of Indian Railway Finance Code, Volume-I (Reprint-1998) provides that **"in the case of open tenders, if the lowest tenderer is not on the approved list of contractors kept by the Railways, but his tender is otherwise satisfactory, he should be asked to produce evidence of his capacity to carry out the proposed work for supply efficiently and of a sound financial capacity. If he is unable to produce this evidence, and it is proposed to pass over his tender and consider the next higher one, the fact of the lowest tenderer having failed to produce necessary evidence of his capacity and sound financial position should invariably placed on record."**

Therefore, it is amply clear from the above codal provisions that T.C. should examine the financial capacity, capability and past performance of an intending bidder before awarding him/her the work.

These instructions were also circulated to Railway by Board letter nos. referred to at (i) & (ii) .

It is, therefore, once again reiterated that the financial capacity, capability and past performance of the tenderer/contractor should be investigated/examined in detail by the Tender Committee before recommending him/her for awarding a contract duly considering the existing work load with the tenderer(s).

This issues with the concurrence of Vigilance & Finance Directorates of the Board.

Letter may please be acknowledged.

(PARMOD KUMAR)
Exec.Director, Civil Engg. (G)
Railway Board.

LIST

1. General Managers, All Indian Railways & Production Units.
1a. General Manager (Con), N.F. Railway, Guwahati.
2. Principal Chief Engineers, All Indian Railways.
3. Chief Administrative Officers (Con), All Indian Railways. (Except N.F. Railway)
4. Chief Vigilance Officers, All Indian Railways.

Copy to:

(A)

1. CAO/CAO(R), COFMOW, Tilak Bridge, New Delhi-110002.
2. CAO/CAO(R), Diesel Locomotive .Works,Patiala(Punjab).
3. CAO, Rail Coach Factory/Rae bareli Project, Kishanganj, Delhi- 7
4. CEE, Central Organisation for Railway Electrification (CORE), Allahabad

(B)

1. Director General, RDSO, Manak Nagar, Lucknow-226011.
2. Director General, National Academy of Indian Railways , Vadodara-390004
3. Chief Commissioner of Railway Safety, Ashoka Road, Lucknow-226001.

(C)

1. Director, IRICEN, Rail Path, Pune. Pin-411001 (Maharashtra).
2. Director, IRIEEN, P.B.No.-233, Nasik Road-422101 (Maharashtra).
3. Director, IRISET, Taa Naka Road, Lalla Guda , Secunderabad-500017
4. Director, IRIMEE, Jamalpur Distt., Jamalpur - 811214. (Bihar)
5. Director, IRITM, Saraswati Residential Estate, IRITM Campus, Manak Nagar Lucknow.

(D)

1. MD, DMRC, Metro Bhawan, 13, Fire Bridge Lane, Barakhamba Road, New Delhi-110 001,
2. MD, CONCOR, Concor Bhawan, C-3, Mathura Road, Opp. Apollo Hospital, New Delhi- 110076.
3. IRCON International Limited, C-4, District Centre, Saket, New Delhi- 110017
4. MD, RITES Ltd., RITES Bhawan, Plot No.1, Sector-29, Gurgaon, Haryana-122001
5. MD, RVNL, August Kranti Bhawan,Plot No.25, 1st Floor, Bhikaji Cama Place, New Delhi-110066
6. MD, MRVC Ltd., Churchgate Station Bldg, Mumbai- 400020
7. MD, KONKAN Railway Corporation Ltd, Rail Bhawan, New Delhi-110001.
8. MD, DFCCIL, 5th Floor, Pragati Maidan Metro Station Building Complex, New Delhi-110001
9. MD, RLDA, Near Safdarjung Railway Station, Moti Bagh, Phase-I, New Delhi- 110021
10. RCF, Rae Bareilly, Kishan Ganj, Delhi.
11. CME, IROFAF, 12th Floor, Core-1, Scope Minar, Distt. Centre, Laxmi Nagar, Delhi- 110092
12. CAO, Indian Railways (Workshop Projects), Chamber Bhawan, Judge's Court Road, Anta Ghat, Patna-800001, Bihar.

(E)

1. General Secretary, IRCA, DRM Office, New Delhi.
2. General Secretary, AIRF, Rail Bhawan, New Delhi.
3. General Secretary, NFIR, Rail Bhawan, New Delhi.
4. General Secretary, IRPOF, Rail Bhawan, New Delhi.
5. General Secretary, FROA, Rail Bhawan, New Delhi.
6. General Secretary, AIRPA, Rail Bhawan, New Delhi.
7. General Secretary, AISC&STREA, Room no. 7, Rail Bhawan, New Delhi.
8. The Secretary, RBSS, Group (A) Officers Association, Rail Bhawan.
9. The Secretary, RBSS, Group (B) Officers Association, Rail Bhawan.
10. The Secretary, RBMSA, Rail Bhawan.
11. The Secretary, Railway Board , Group (D) Employees Association, Rail Bhawan.

Copy to:

CRB, FC, ME, ML, MS, MM, MT, Secy., AM(CE), AM(WORKS), AM(PLG.) AM(STAFF), AM(Mech.), AM(Elec.), AM(PU), AM(Tele), AM(Sig.), AM(Traffic), AM(F), AM(B), Adv.(Projects), Adv.(L&A), Adv.(Vig.), Adv(Rates), AM(Stores), AM(IT), AM(T&C), AM(Comml.) DG(RHS), DG(RPF), Adv.(RE), Adv.Elec(G), EDTK(M), EDTK(MC), EDTK(P), EDW(Plg.), EDME(Track), EDCE(B&S), EDCE(RC&F), EDF(X)-I, EDF(X)II, DF(X)-II, ED(W), EDCE(P), ED(PROJECT), ED(L&A)-I, ED(L&A)-II, EDVE, ED/DM, ED(Safety), ED(Sig.), ED(Tele), EDRS(G), ED(E&R)EDEE(Dev.), EDEE(RS), ED(EEM), EDRE(S&T), EDE, EDE(N), EDE(Res.), EDFE, EDPC, ED(Accounts), ED(T&MPP), EDE(GC), EDME(CHG), EDME(F), EDME(Dev.),EDME(W), ED(Plg.), ED(CHG), EDRS(P), EDRS(S), EDF(S), ED(FC), EDPM, EDPG, EDTC(R), EDTT(F), EDTT(M), EDTT(S), EDV(S), EDV(T), DCE(B&S), DCE(P), Dir(L&A), JS(Conf.), JS(G), JS(P), LA, Eco.(Adv.) F(X)I, II, Vig.III, Vig.(Conf.), L&A, Track I & II, Telecom, Signal, RS(G), & Electrical Branches of Rly. Board.