

No. 10/V-12/(A-40)/2017-VS.I



**Office of JS & CVO  
Vigilance Unit, CPWD  
Nirman Bhawan, New Delhi-110108**

Dated: 21.05.2018

**To**

The Chief Engineer (CSQ)(Civil)

CPWD, Nirman Bhawan,

New Delhi- 110 108.

**Sub: Recommendations for issue of proper guidelines regarding 'taking extension of validity of tenders' and 'time limit for acceptance of two bid/three bid system tenders'**

***(Systemic improvement No. 05/2018)***

A reference has been received in this office wherein it was intimated that the technical bid of a tender was under approval with the ADG office. The time limit of validity of tender had expired before the technical bid could be approved by the ADG. Out of 10 participating firms, one firm 'A' had not extended the validity but the fact of non-extension of validity of firm 'A' was not brought by the concerned EE in writing to the notice of ADG office. Due to non-availability of this fact, the ADG office was not aware that the bid of firm 'A' was not valid and the technical bid of this firm was approved by the ADG after expiry of date of validity of tender.

During investigation, the EE has replied that since no information regarding non-validity of firm 'A' beyond due date was desired by the higher offices in black and white, the information in writing was not submitted but the fact was intimated verbally to senior officers. On the other hand, the ADG office has also not enquired in writing from the subordinate offices about the validity of tenders.

During investigation, it was also seen that as per OM No. DG/MAN/336 dated 01.07.16, the validity period for tender to be approved by RWB/CWB has been made upto 60 days. Further, the validity period of tenders invited in two/three bid system shall be upto 60 days from date of opening of technical bid.

It was observed that although as per Appendix 23 of CPWD Works Manual 2014, the time schedule for scrutiny of tenders to be approved by ADG/DG/CW Board is prescribed but it is applicable only for single bid system. Basically, no time frame for scrutiny of two bid system tenders has been provided in the Manual.

## Recommendations for systemic improvements –

Regarding processing of tenders, the para 20.3.2 (4) of CPWD Works Manual 2014 states that – “In case of tender where the validity period has already expired, decision to accept the same should be taken only after the validity period is extended by the tenderer”.

From above, it is noticed that there are no proper/clear guidelines in CPWD Works Manual regarding obtaining extension of validity of tenders and its subsequent communication to other/higher offices. It needs to be clearly specified how, when and by whom the process of obtaining extension of validity of tenders is to be initiated and completed. This important aspect is to be properly channelized so that due to any miscommunication, the tender process is not vitiated.

In two bid system, first technical bid is to be approved by the concerned ADG and thereafter financial bid is opened. As per table of Appendix 23, 45 working days (which may come to total 60 or more days when Saturday/Sunday/Holidays are considered) are required for approval of a single bid system tender by the CW Board, whereas, as per OM dated 01.07.16, the validity period of acceptance of tender has been kept as 60 days for single bid as well as two bid system tender. This is not a logical preposition as in two bid system, additional time is required for approval of technical bid. Even more time as compared to time required in processing of financial bid is required as lot of verification of documents regarding financial capacity/credentials of actually executed works submitted by the intending bidders is needed before approval of technical bid is made.

In order to avoid recurrence of such situations, it is suggested that proper guidelines regarding obtaining extension of validity of tenders may be issued. Further, a logical time schedule for scrutiny of tenders for two bid system/three bid system may also be issued by your office. The above modifications as issued may also be incorporated in the CPWD Works Manual.

This office may also be apprised of the action taken in the matter.

This issues with the approval of CVO, CPWD.

  
(A.K. Singh)

Executive Engineer (V)-12

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1. AE (Computer), Vigilance Unit, CPWD for uploading it on the website

  
21.5.18  
Executive Engineer (V)-12