

Tenders

Calling or Offering quotations in the prescribed format for supply of materials or execution of work or fabrication of raw materials are called tenders.

All the purchases made by Railways are governed by IRS Terms and General / special conditions of contract. It also governed by

1. Indian Contracts Act, 1872.
2. Sale of Goods Act, 1930.
3. Sales Tax Act.
4. Central Excise Act.
5. Import trade control Act and Customs Duty Act.
6. Arbitration and consolation Act.
7. VAT.

Stages before tendering

1. Demand Forecasting for stock items
(based on Consumption and Vetted ZBBAAC which is forwarded for all items by all consignees every year)
2. Preparation of NS indent duly framing correct specification for the item. The Non Stock indents should be submitted with:
 - a) Description in full with all specification
 - b) Obtain NS certificate from the feeding depot
 - c) Funds Certification
 - d) Approximate cost and value
 - e) Proper allocation
 - f) Last purchase details
 - g) Pink book Number in case of capital expenditure
 - h) DS8 No. incase of replacement supply
 - i) Signed by authority competent

The indent should be scrutinized for correctness at Stores Office. The purchase officer is decided based on the approximate value. The mode of tender is selected by the Purchase Officer based on the nature and urgency of the items.

Types of tenders followed in Indian railways

SL. NO.	TYPE OF TENDER	VALUE IN RS.
1	Bulletin Tender	Floated for demand value Less than 10 lakhs
2	Limited Tender	
3	Open Tender	Floated for demand value More than 10 lakhs
4	Special Limited Tender	
5	Single Tender	Irrespective of value

1. BULLETIN TENDER

It is floated for value less than 10 lakhs. All the demands value less than 10 lakhs demand are generally made through Bulletin Tender.

Bulletin is the purchase magazine released by purchase office periodically (monthly thrice) which contains all the details about the demand.

The Bulletin is dispatched to all registered suppliers who paid subscription for the same. The supplier who registered for the particular main group can offer the quotations in the prescribed form.

All the non urgent demands of value less than 10 lakhs are procured through Bulletin tender

2. LIMITED TENDER

It is also floated for value less than 10 lakhs.

Invitation of tenders from limited number of firms is called Limited Tender. It is decided by the purchase officer if

- i. Item urgently required (urgency expressed in writing)
- ii. Only selected firms only available for that item
- iii. Only for selected items (like safety)

Number of firms will be selected by the purchase officer in rotational manner duly including last successful supplier.

Separate tenders form books are available for LT & BT.

3. OPEN TENDER

It is floated for value more than 10 lakhs. All the demands value more than 10 lakhs demand are generally made through Open Tender.

Invitation of tender in most public manner possible through advertisements is called Open tender. It is also called Advertised tender. If OT is called for internationally then it is called Global Tender.

All the details of the demand is published in the form of tender notice in all news papers and periodicals approved by Directorate of Visual Publicity, coming under Ministry of Information and Broadcasting.

This tender is open to all the suppliers hence the supplier has to pay EMD (Earnest Money Deposit) along with the tender forms which should be available in Web and also in purchase section.

COST OF TENDER FORMS	
5 – 15 LAKHS	Rs. 500 /-
15 – 50 LAKHS	Rs. 1000/-
> 50 LAKHS	Rs. 2000 /-

All the non urgent demands are generally procured through Open tender.

4. SPECIAL LIMITED TENDER

It is floated for value more than 10 lakhs. The conditions and procedure for SLT is same as LT except

- The reasons for going SLT is to be recorded by officer incharge. However it is not require for safety items where approval is already given.
- The proposal should be vetted by accounts,
- The proposal should be approved by authority competent as below.

OFFICER	UPTO Rs.	OFFICER	UPTO Rs.
CMM	25 LAKHS	COS	50 LAKHS
AGM	1 CRORE	GM	FULL POWERS

5. SINGLE TENDER

Invitation of tender from one single firm is called ST. it is resorted to following situations,

1. Extreme urgency requirement for the items
2. Item is proprietary items
3. Consignee is already offered PAC

PAC = Proprietary Article Certificate

It is a certificated given by the consignee for requirement of particular brand or make.

The power for signing PAC is as under:

Indenting officer	Upto Rs. 5000 /-
JAG Selection grade Officer	Upto Rs. 25000 /-
SAG Officer	Upto Rs. 1 lakh
PHOD	More than 1 lakh

When clear PAC(certifying 6 C) is given then the Purchase Officers will have normal purchase powers.

Powers of Officers for single tender when PAC is not given

1	Depot Officer	Upto Rs. 2000 /-
2	Depot Officer (super market etc.)	Upto Rs. 5000 /-
3	Dy. CMM	Upto Rs. 5000 /-
4	COS / CMM in normal circumstances	Upto 1 lakh
5	COS / CMM in emergency situations	Upto 2 lakh

GLOBAL TENDER

It Open Tender is called for internationally then it is called Global Tender. GM has full powers to accept Global tender and release foreign exchange upto the value Rs.50 crores with accounts concurrence. Once permission is granted by GM, COS is authorized to finalise purchase involving foreign exchange upto Rs. 1 crore with FA & CAO concurrence.

4. TENDER COMMITTEE

All the purchases value more than 10 lakhs should be concluded based on the recommendations of the duly constituted Tender Committee. It is a 3 member committee(Stores, consignee & accounts) constituted for recording recommendations in TC

Minutes. The recommendations of the TC members should be accepted by the authority competent. The accepting authority decision is final.

5. CONSTITUTION OF TENDER COMMITTEE

VALUE		ACCEPTED BY	MEMBER STORES	MEMBER CONSIGNEE	MEMBER ACCOUNTS
FROM	TO				
10 L	30 L	JAG	Sr. SCALE	Sr. SCALE	Asst. SCALE
30 L	1 Cr	CMM	JAG	JAG	Sr. SCALE
1 Cr	2Cr	COS	JAG	JAG	JAG
2 Cr	15 Cr	COS	SAG	SAG	SAG
15 Cr	25 Cr	AGM	SAG (Co.or)	SAG (Co.or)	SAG
Upto 50 Cr		GM	SAG (Co.or)	SAG (Co.or)	SAG (Co.or)
> 50 CRORE		Sent to RAILWAY BOARD			

6. Stages after acceptance

1. PO draft is prepared by purchase office
2. It is vetted by accounts if value exceeds value > 50000 for non safety items.
3. It is vetted by accounts if value exceeds value > 1 lakh for safety items.
4. PO release after assessing PO NO. and date.
5. PO copies dispatched to all concerned.

Other important points

Bearer Tenders, Urgent tenders and postal tenders are also the different form of Limited Tenders which is issued based on the urgency/ immediate/ vital nature of items.