## Government of West Bengal Irrigation & Waterways Department Jalasampad Bhaban, 3rd Floor, Western Block Bidhannagar, Salt Lake City, Kolkata 700091

Memo No. 378(7) - IB IW/O/IA/11C(T)-01/2004 (Pt) Dated, 6th February 2017

From:D SenGupta

Joint Secretary to the

Government of West Bengal

- To: 1 Chief Engineer (South)
  Irrigation & Waterways Directorate
  - 2 Chief Engineer (South West) Irrigation & Waterways Directorate
  - 3 Chief Engineer (West)
    Irrigation & Waterways Directorate
  - 4 Chief Engineer (Design & Research) Irrigation & Waterways Directorate
  - 5 Chief Engineer (North)
    Irrigation & Waterways Directorate
  - 6 Chief Engineer (North East) Irrigation & Waterways Directorate
  - 7 Chief Engineer, Teesta Barrage Project Irrigation & Waterways Directorate

Sub: Measures for curbing the trend of quoting abnormally low rates in tenders including e-tenders.

It has been brought to the notice of this Department that there is a growing tendency on the part of the contractors to quote abnormally low rates, even upto the tune of 50% less than the BoQ / SoR in tendering including e-tendering for works. While welcoming the competitive spirit enshrined in e-tendering, it cannot be gainsaid that;

- (a) Execution of works at such low rates may raise question on sanctity of the rate of items and the estimate of works.
- (b) Agencies quoting such low rates may quit, leaving the work undone or half done, causing additional burden of taking penal measures and subsequent retendering.
- (c) Workload on already overburdened officers further increases as supervision of such works being implemented at low rates requires additional devotion of time to maintain the quality of the work.
- 2. It has also been observed that execution of excess/supplementary works, particularly for such low rated works, often making the gross bill value including contractual rates, very close to amount put to tender, attracts queries during audit by the Accountant General, West Bengal, which sometimes become difficult to reply.

- 3. Need of taking appropriate measures to strike a balance between healthy competition on one hand and execution of works at workable rates on the other hand, has therefore become imminent, which has also been discussed at great length in the last Review Meeting taken by the Hon'ble MIC of this Department on 18<sup>th</sup> January 2017.
- 4. Accordingly, the undersigned is directed to state that henceforth gross value of all works taken up under Plan, Non-Plan and Deposit Fund shall be strictly restricted upto the tendered amount, i.e. abated value of contractual amount after considering Contractor's rate. Utmost care should be taken during preparation of estimates so as to avoid excess or supplementary works during execution. Such excess or supplementary works, if unavoidably crops up, shall be executed, keeping overall expenditure within the ceiling limit of the tendered amount. In exceptional cases, if full completion of works warrants excess beyond the tendered amount, tender may be honourably terminated on attaining the ceiling limit of tendered amount. Execution of balance incomplete works may be treated as a separate project. Even if the cost of such balance works could be accommodated within the originally administrative amount, clearance from the Departmental Screening Committee and administrative approval will have to be taken afresh for such balance works, with adequate justification and execution of such balance works shall only be done through separate tenders, following usual procedures.
- 5. This issues with immediate effect and tenders for works where tendered amount has already exceeded on the date of circulation of this order shall promptly be terminated. Whenever fund release proposal for such works would be submitted to this Department, a certificate stating that "excess / supplementary works in excess of tendered amount occurred before issue of the Government Order No.378(7)-IB dated 6<sup>th</sup> February" would have to be provided by the Executive Engineer, along with the indent of fund release. This condition of restricting value of the works upto the tendered amount may also be incorporated in the future NITs.
- 6. All concerned may be informed.

SelD SenGupta
Joint Secretary to the
Government of West Bengal

Memo No.378(7)/1(6) - IB

Copy forwarded for information to the:

- 1 PS to Minister-in-charge Irrigation & Waterways Department
- 2 Sr. PA to Principal Secretary Irrigation & Waterways Department

HMIC & Principal Secretary may please be kept apprised.

- 3 Financial Advisor Irrigation & Waterways Department
- 4 Principal Accountant General (A&E), West Bengal Treasury Building, 2, Government Place (West) Kolkata 700001
- 5 Accountant General (Economic & Revenue Sector), West Bengal 5<sup>th</sup> Floor, MSO Buildings, CGO Complex Block-DF, Sector-I, Bidhannagar Kolkata 700064
- √6 Executive Engineer
  DVC Study Cell
  Irrigation & Waterways Directorate

- with a request to upload this order in the departmental website.

D SenGupta
Joint Secretary to the
Government of West Bengal