

**OFFICE OF THE DIRECTOR**  
**ANIMAL HUSBANDRY AND VETERINARY DEPARTMENT**  
**ASSAM, CHENIKUTHI, GUWAHATI-3**

**ORDER**

- 1) In pursuance of sanctions received from Govt. of Assam vide., order no.VFV.151/2008/20 dated 17/12/2008 for Rs 500 lakh, order no VFV.176/2008/29 dated 17/12/2008 for Rs. 438.40 lakh and AGA.183/2007/Pt.I/190 dated 11/12/08 for Rs.1044 lakh for undertaking 323 numbers of civil works concerning repair and renovation of Veterinary Sub-ordinate offices, Sub-centres and Sub-centre complexes, Dispensaries and Dispensary complexes, the tenders were invited from eligible registered contractors of Animal Husbandry Veterinary, Assam and Dairy Development, Assam as under:
  - a) NIT No. JDEV/NIT/6/08-09 dtd 22/12/08 for 109 works
  - b) NIT No. JDEV/NIT/7/08-09 dtd 23/12/08 for 117 works
  - c) NIT No. JDEV/NIT/8/08-09 dtd 23/12/08 for 18 works
  - d) NIT No. JDEV/NIT/9/08-09 dtd 22/12/08 for 21 works
  - e) NIT No. JDEV/NIT/10/08-09 dtd 06/01/09 for 58 works
- 2) In response to the aforementioned tenders, various contractors submitted their tenders in the respective Districts which were opened/ received on 3/01/2009, 5/01/2009, 7/01/2009, 9/01/2009 and 21/01/2009 respectively in the offices of the respective Dist. Veterinary Officers of the Districts.
- 3) On receipt of tenders, the comparative statements (CS) were developed by the respective District Level Monitoring & Evaluation Committee (DLMEC) and submitted to the Directorate of A.H. & Veterinary.
- 4) A Technical Committee was constituted in the Directorate of A.H. & Veterinary for examining the tenders. The Committee took up evaluation of 64 works only and could not proceed for evaluation of balance 259 works (Annexure-I), as further process of evaluation was kept in abeyance due to certain irregularities noticed in tendering process.
- 5) While taking up evaluation of 64 works (Annexure-II), the Committee observed that Plan & Estimate of the proposed works had been prepared based on the APWD Schedule of rates for the year 2004-05. In view of Govt. circular No. ADP/416/2007/pt./21 dtd. 04.12.2008 issued by the Chief Engineer (P.W.D. building) Assam regarding the hike in the prices of construction materials like cement, steel etc., the differences of cost between the present rate & the schedule rates were to be added in the estimate.
- 6) The Committee also took note of the fact that the escalation of the price of the construction material was more than 30% over the APWD schedule 2004-05.

- 7) In view of above circumstances, the Committee opined that the rate quoted below the APWD schedule 2004-05 would not be workable to maintain the specification and quality of works.
- 8) Accordingly, the Committee adopted, in principle, not to allot the work below the APWD schedule rate 2004-05.
- 9) The Committee also noted that the tenderers' who had offered the rate at par with APWD schedule of rate 2004-05 would all become L1 rank. Therefore the committee evolved selection criteria amongst the L1 tenderers as follows:
  - a) In case of works where magnitude of work was more than Rs. 5.00 lakh, the party having the highest credentials should get the preference amongst the L1,
  - b) For work value below Rs. 5.00 lakh, the local responsive Tenderer (L1) would get the preference and
  - c) While allotting the works in cases where more than one L1 Tenderer were found responsive in one group, the Committee had opined that all such L1 responsive Tenderers would get at least one work in one of the remaining works in accordance with their eligibility of registration as far as practicable.
- 10) On the basis of the recommendations made by the Technical Committee, Director, A.H. & Veterinary issued letters of acceptance on 18/02/09 and 20/02/09 for 64 works listed in Annexure-II to this order. The concerned tenderers were asked to sign an agreement in prescribed form and deposit Earnest money @2% on the accepted amount within 5 days. They were also asked to undertake the works immediately.
- 11) In the meanwhile, the Govt. took cognizance of the anomalous criteria adopted in finalization of bids of the above-mentioned 64 works. The Govt. inter alia observed that the Technical Committee of the Directorate deviated from terms and condition laid down in the bid document under clause 4 and therefore violated the procedure in making recommendation. (Clause 4 says that the tenderer shall quote their rates on flat percentage basis at par / above / below the APWD Schedule of rate for building, water supply; sanitary and electrical for the year 2004-05 and departmental approved analysis rate for non-schedule items of works). The Govt. also noticed that even the criteria adopted by the Committee were not followed by it and the acceptance of tenders was recommended purely on subjective consideration. Some of the comparative statements were overwritten, erased or tampered with. The duplicate copy of the comparative statements did not tally with the original one. Accordingly, the Govt. decided to cause an enquiry into the matter and the whole process was kept in abeyance till enquiry was completed.
- 12) Director, A.H. & Veterinary, Assam therefore issued order under memo no. VET/TI/PD/4517 dated 02.03.2009 keeping the operation of letter of acceptance in abeyance. All the District Veterinary Officers were also instructed vide W.T. message No. PD/2/DCP/Pt.I/08-09/3111-13 dated 03.03.2009 not to hand over the site of construction/repairing works to the contractors until further orders.
- 13) The enquiry conducted by the Govt. into the matter inter alia revealed that the District Level Monitoring & Evaluation Committee (DLMEC) formed by the Govt. and Committee formed by the Director have failed to act as per Govt. guidelines and as

per terms of reference of NIT resulting into serious irregularity in the tendering process and award of work orders. It was also revealed that the committee constituted by the Director adopted new criteria which were not part of the terms of NIT and therefore, selected bidders arbitrarily. Considering the irregularities noticed in the process and the irreparable loss being caused to the public exchequer by selection of the undeserving candidates, it was concluded that the public interest would have been affected adversely if the works were allowed to be undertaken on the basis of these tenders.

- 14) Keeping in view serious irregularities in the tendering process and award of works, the Govt. vide letter No. VFV.176/08/301 Dtd 10-11-09 advised the Directorate to cancel the above noted tendering process with reasons/ detailed speaking order. However, since a few tenders were accepted earlier, the Director was asked to give the concerned tenderers (whom the letter of acceptance was given) an opportunity of hearing / show cause before cancellation.
- 15) The Directorate accordingly vide its letter No. PD/2/DCP/pt-I/2008-09/1100-70 Dtd.18/11/09 issued show cause notice to 47 contractors to whom letter of acceptance were issued for the 64 works. Some of the contractors in pursuance to the above submitted their replies and some of them also deposed before the Director on 23/11/09.
- 16) On detailed scrutiny, it has been noticed that
  - (a) 259 works (Annexure I) were not taken up for evaluation and the validity of the tenders has expired.
  - (b) Tenderers for the 24 works (Annexure – III) did neither submit any representation nor depose before the Director on the date of hearing. Further, the physical verification conducted by the department also indicated that no work was done on the site of these 24 works.
  - (c) Tenderers for 3 nos. of works (Annexure IV) submitted representation/legal notice but did not claim any work done by them. However, they pleaded not to cancel the letter of acceptance. Field reports also corroborated the fact that no work was undertaken.
  - (d) Tenderers of 37 works (Annexure V) have submitted representation/legal notice/oral submission stating that some steps were initiated by them though the field verification did not corroborate this fact in most of the cases.
- 17) The matter after examination is decided as under:
  - (a) As regards the category of 259 works as mentioned in Annexure I and in para 16(a), the validity of tenders has expired, therefore all the concerned tender notices are cancelled.
  - (b) As regards the category of 24 works mentioned in Annexure III and in para 16(b), since no representation/deposition was made and no work was done, the concerned tender notices and letters of acceptance are cancelled.

- (c) As regards category of 3 works mentioned in Annexure IV and in para 16(c), since no work was taken up, the concerned tender notices and the letters of acceptance are cancelled.
- (d) As regards the category of 37 works mentioned in Annexure V and in para 16(d), the claims of these tenderers regarding steps already undertaken by them would be examined separately and necessary orders would be passed subsequently as to how to deal with these cases. However, the letters of acceptance issued earlier along with the relevant tender notices of these 37 works also are hereby cancelled with immediate effect.
- 18) Earnest money, if any, received by the department is to be refunded / released to the concerned tenderers immediately.
- 19) It is also decided that liberty is hereby granted to all the Tenderers whose tenders have been cancelled as above to participate in the fresh tender process to be initiated by the Department at a later date.

**Director**  
**A.H.&Vety.Deptt.Assam,**  
**Chenikuthi, Guwahati-3**

Memo. No.PD/2/DCP/Pt-1/2008-09/

Dated the July'10

Copy to :-

- 1) P.S. to Principal Secretary to the Govt. of Assam, Veterinary. Deptt. Dispur, Ghy-6 for favour of kind information and necessary action of Principal Secretary
- 2) P.S. to Commissioner & Secretary to the Govt. of Assam, Veterinary. Deptt. Dispur, Ghy-6 for favour of kind information and necessary action of Commissioner & Secretary . This has a reference to the Govt. letter No. VFV. 176/08/301 dtd. 10.11.2009. The Govt. is requested kindly to accord approval for release of earnest money.
- 3) All concerned Dist. A.H. & Veterinary. Officer, for information and necessary action.....
- 4) All concerned Contractors for information .....
- 5) The Executive Engineer of this Directorate for information and necessary action.
- 6) The Special Officer (Planning) of this Directorate for information and necessary action.
- 7) Office file.

**Director**  
**A.H.& Vety.Deptt.Assam**