Subject: Regarding finalisation of L1 firm in the situation where two or more firms quote the same rates in the case of tender for outsourcing.

Sir/Madam,

It has been observed in some departments that two or more firms quote same rates in the tender for outsourcing various services. Opinion of Finance Department is sought in such cases as to how to decide the L1 firm in such situations of a tie of rates quoted by two or more firms. The matter has been considered in view of provision under Rule 4B of CPWD Rules which is reproduced as under:

4B. "In case the lowest tendered amount (estimated cost + amount worked on the basis of percentage above/ below) of two or more contractors is same, such lowest contractors will be asked to submit sealed revised offer in the form of letter mentioning percentage above/ below on estimated cost of tender including all sub sections/ sub heads as the case be, but the revised percentage quoted above/ below on tendered cost or on each sub section/ sub head should not be higher than the percentage quoted at the time of submission of tender. The lowest tender shall be decided on the basis of revised offers.

In case any of such contractor refuses to submit revised offer, then it shall be treated as withdrawal of his tender before acceptance and 50% of earnest money shall be forfeited.

If the revised tendered amount of two or more contractors received in revised offer is again found to be equal the lowest tender amount such contractors shall be decided by draw of lots in the present of SE of the circle, EE(s) in-charge of major & minor component(s)."

The procedure mentioned in the said rule appears to be a transparent mechanism, therefore, it has been decided that in the case of tie when two or more firms quote the same rates in the tender for outsourcing of services, revised sealed bids may be invited only from the L1 firms and in case there is again tie, the award of contract may be made through draw of lots. However, only L1 firms should be entertained in such cases as per provisions of GFR/ CVC Guidelines. These instructions may be brought to the notice of all concerned for strict compliance.

This issues with the approval of H.E. the Administrator, Union Territory, Chandigarh.

Endst. No. 129 UTFl(10)/2018/ 569

Dated, Chandigarh the 03/04/18

A copy is forwarded to the Director Information Technology, for uploading the notification on the Chandigarh Administration website.

Dated: Chandigarh the 03/04/18

Special Secretary Finance,
Chandigarh Administration.

Special Secretary Finance,
Chandigarh Administration.