

पूर्वोत्तर रेलवे
NORTH EASTERN RAILWAY

Office of
General Manager/Vigilance
Gorakhpur- 273012

No. Z/13/V6/2021/08/01322/171

Dated -28/09.2021

Principal Chief Electrical Engineer,
North Eastern Railway,
Gorakhpur.

Sub: System improvement regarding taking of rate references for the preparation of estimates

During scrutiny of estimates as part of a recent vigilance check, it was found that rate references /SORs of external agencies were taken for estimates preparation. However, LARs of zonal railways (both NER & foreign railways) at much lower rates for the same work were available. Taking higher rate references of external agencies for works that are common in railways poses two main problems-

1. It provides an inflated base rate on which participating firms quote.
2. It establishes a higher base rate for all future tenders in which LOA of this case will be used as LAR.

To prevent recurrence of such irregularities, following system improvement is being issued regarding rate references in estimate preparation-

1. For common works, LAR of Indian Railways should be taken. It is recommended that an average value of 2-3 LARs should be taken to arrive at a justified rate.
2. In case the nature of work is new and/or if the LAR of Indian Railways is not available, then LAR of other central government agencies can be taken or market survey can be done.
3. Reasons for not taking Indian Railways LAR as rate reference must be clearly noted down and should be approved by the estimate sanctioning authority. Only after the approval of the estimate sanctioning authority, such rates should be taken for preparation of estimates.

This issues with the approval of SDGM.


(Sagar)

DyCVO/Elect.

For General Manager (Vigilance)