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# भारतीय आयुर्विज्ञान अनुसंधान परिषद
# INDIAN COUNCIL OF MEDICAL RESEARCH

स्वास्थ्य अनुसंधान विभाग (स्वास्थ्य एवं परिवार कल्याण मंत्रालय)
वी. रामलिंगस्वामी भवन, अन्सारी नगर, नई दिल्ली - 110 029

DEPARTMENT OF HEALTH RESEARCH (MINISTRY OF HEALTH & FAMILY WELFARE)
V. RAMALINGASWAMI BHAWAN, ANSARI NAGAR, NEW DELHI - 110 029

No. 5/10/15/RSS/Proc-2018
Date: 29/11/2018

## MEMORANDUM

**Sub: "ICMR Guidelines for Procurement of Goods & Services" – reg:**

As per the recommendation of the Group of Directors meeting held on 11/07/2018 under the chairmanship of the Director General, ICMR, the Council has prepared the ICMR Guidelines for Procurement of Goods and Services and a copy of the same is enclosed herewith for your perusal and to follow them in all cases of public procurement at your Institute.

**Dr. R. S. Sharma**
Head, Scientist 'G' – Div. of RBMCH
& Procurement Officer - ICMR

**Enclosures: As above**

# ICMR Guidelines

# for

# Procurement of Goods & Services


**Indian Council of Medical Research**

**V. Ramalingaswami Bhawan,**

**Ansari Nagar, New Delhi - 110029, India**

**2018**

# ICMR Guidelines for Procurement of Goods & Services


**Complied and Edited**

**by**

**Dr. R. S. Sharma**
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**2018**

सत्यमेव जयते
**प्रोफेसर (डा.) बलराम भार्गव,** पदम श्री
एमडी, डीएम, एफआरसीपी (जी.), एफआरसीपी (ई.), एफएसीसी,
एफएएचए, एफएएमएस, एफएनएएस, एफएएससी
**सचिव, भारत सरकार**
स्वास्थ्य अनुसंधान विभाग
स्वास्थ्य एवं परिवार कल्याण मंत्रालय एवं
**महानिदेशक, आई सी एम आर**

**Prof. (Dr.) Balram Bhargava,** Padma Shri
MD, DM, FRCP (Glasg.), FRCP (Edin.),
FACC, FAHA, FAMS, FNASc, FASc
**Secretary to the Government of India**
Department of Health Research
Ministry of Health & Family Welfare &
**Director-General, ICMR**

**भारतीय आयुर्विज्ञान अनुसंधान परिषद**
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## Foreword

The Indian Council of Medical Research (ICMR), New Delhi, the apex body in India for the formulation, coordination and promotion of biomedical research, is one of the oldest medical research bodies in the World. The vision of the ICMR is Translating Research into Action for Improving the Health of the Population. In order to achieve the vision, the ICMR is undertaking a large number of research projects through a network of its Institutes/Centres/Units located at different part of the Country.

Though procurement in a Biomedical Organization such as ICMR is not a standard commercial, off the self-procurement, but has unique features such as technological complexity, diverse and customised requirement of the research projects, suppliers' constraints, low volume etc. In order to achieve our vision a wide variety of goods and services are required by our Institutes /Centres/Units expeditiously while adhering to highest standards of transparency in processes, probity and public accountability, free competition and impartiality. Recently the GFR 2005 has been revised to GFRs 2017 which are more comprehensive and will enable an improved, efficient and effective framework of fiscal management while providing the necessary flexibility to facilitate timely delivery of services. Therefore, a need was felt to have a common Procurement Procedure/Guidelines to be followed by all the Institutes/Centers/Units of ICMR which should be in conformity with the provisions of GFRs 2017.



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I hope this comprehensive procurement guidelines will bring greater efficiency in the system and ensure timely supply of equipments/items/reagents/chemicals/services etc. as per essential quality requirements, broad based competition and optimal utilization of ICMR budget. I hope that all the stakeholders will greatly benefit by these guidelines and it will bring greater uniformity in application at various levels where financial powers are being exercised.

Balram Bhargava

**(Prof. Balram Bhargava)**

## Acknowledgement

The Indian Council of Medical Research (ICMR) gratefully acknowledges the valuable comments / suggestions given by the ICMR Institutes / Centers / Units, Administration and Finance Divisions of ICMR Hqrs., New Delhi.

Secretarial assistance provided by Mr. Mahesh Atal, Mr. Shakti Prasad, Mr. Ajeet and Ms. Richa Saxena are gratefully acknowledged.

# Table of Contents

## ABBREVIATIONS AND ACRONYMS

| | | |
|---|---|---|
| AITB | - | Additional Instructions to Bidders (may in some instances be called Bid Data Sheet – BDS or Tender Information Sheet -TIS) |
| AMC | - | Annual Maintenance Contract |
| ATE | - | Advertised Tender Enquiry |
| BC | - | Bill Currency (selling/buying) |
| BG | - | Bank Guarantee |
| BOC | - | Bid Opening Committee |
| CA | - | Competent Authority |
| CEC | - | Consultancy Evaluation Committee |
| CFR | - | Cost and Freight |
| CHA | - | Custom House Agent |
| CIF | - | Cost Insurance and Freight |
| CIP | - | Carriage and Insurance Paid |
| COTS | - | Commercially Off The Shelf (Items) |
| CPO | - | Central Purchasing Organizations |
| CPOs | - | Central Procurement Organizations |
| CPPP | - | Central Public Procurement Portal |
| CPSE | - | Central Public Sector Enterprise |
| CST | - | Central Sales Tax |
| DG | - | Director General |
| DGS&D | - | Directorate General of Supplies and Disposals |
| ECS | - | Electronic Clearing System |
| EMD | - | Earnest Money Deposit |
| EoI | - | Expression of Interest (Tender) |
| ERV | - | Exchange Rate Variation |
| FA | - | Financial Adviser |
| FAS | - | Free Alongside Ship |
| FC | - | Framework Contract |
| FEMA | - | Foreign Exchange Management Act |
| FOB | - | Free On Board |
| FOR | - | Free On Rail |

| | | |
|---|---|---|
| FOT | - | Free On Truck |
| GCC | - | General Conditions of Contract |
| GeM | - | Government Electronic Market |
| GFR | - | General and Financial Rules, 2017 |
| GoI | - | Government of India |
| GTE | - | Global Tender Enquiry |
| ICMR | - | Indian Council of Medical Research |
| INCOTERMS | - | International Commercial Terms |
| ITB | - | Instructions to Bidders (may in some instance be called Instructions to Tenderers – ITT) |
| L1 | - | Lowest Bidder |
| LC | - | Letter of Credit |
| LCS | - | Least Cost System |
| LD | - | Liquidated Damages |
| LPP | - | Last Purchase Price |
| LTE | - | Limited Tender Enquiry |
| MSE | - | Micro and Small Enterprise |
| NEFT | - | National Electronic Funds Transfer |
| NIC | - | National Informatics Centre |
| NIT | - | Notice Inviting Tender |
| NSIC | - | National Small Industries Corporation |
| OEM | - | Original Equipment Manufacturer |
| OTE | - | Open Tender Enquiry |
| PAC | - | Proprietary Article Certificate |
| PBG | - | Performance Bank Guarantee, also see SD |
| PQB | - | Pre-qualification Bidding |
| PQC | - | Pre-qualification Criterion |
| PSU | - | Public Sector Undertaking |
| PVC | - | Price Variation Clause |
| QCBS | - | Quality and Cost Based Selection |
| RBI | - | Reserve Bank of India |
| RC | - | Rate Contract (or Framework Contract FC) |
| (S)RfP | - | (Standard) Request for Proposals (Document) |
| RTGS | - | Real Time Gross Settlement |

| | | |
|---|---|---|
| SAC | - | Scientific Advisory Committee |
| SBD | - | Standard Bidding Document |
| SCC | - | Special Conditions of Contract |
| SD | - | Security Deposit, also see PBG |
| SLTE | - | Special Limited Tender (Enquiry) |
| SRfPD | - | Standard Request for Proposal Document |
| STE | - | Single Tender Enquiry |
| TC | - | Tender Committee also called Tender Purchase or Evaluation Committee (TPC/ TEC) |
| ToR | - | Terms of Reference |
| TS | - | Technical Specification |
| UCP 600 | - | The Uniform Customs and Practice for Documentary Credits (UCPDC or simply UCP) |
| URDG 758 | - | Uniform Rules for Demand Guarantees |
| VAT | - | Value Added Tax |
| VfM | - | (Best) Value for Money |

## 1.0 Introduction

Every authority delegated with financial powers of procurement in public interest shall have the responsibility and accountability to bring efficiency, economy and transparency in matter related to public procurement and for fair and equitable treatment of suppliers and promotion of competition in public procurement.

General Financial Rules (GFRs) are a compilation of rules and orders of Government of India to be followed by all while dealing with matters involving public finances. These rules and orders are treated as executive instructions to be observed by all Departments and Organizations under the Government and specified Bodies.

General Financial Rules were issued for the first time in 1947 bringing together in one place all existing orders and instructions pertaining to financial matters. These have subsequently been modified and issued as General Financial Rules (GFRs).

In the last few years, Government has made many innovative changes in the way it conducts its business. Therefore, the GFRs 2005 have been revised to GFRs 2017 which are more comprehensive and will enable an improved, efficient and effective framework of fiscal management while providing the necessary flexibility to facilitate timely delivery of services. As per Rule 142 of GFRs 2017, all Ministries, Departments or organizations may issue detailed instructions/ guidelines relating to procurement of goods and services broadly in conformity with the provisions of GFRs 2017.

Indian Council of Medical Research (ICMR) is an autonomous organization under the Ministry of Health and Family Welfare, Govt. of India. ICMR has got a network of institutions/ centers situated at different parts of the country. To have a common Procurement Procedure/Rules to be followed by all the institutions/ centers of ICMR, it has been decided to develop detailed guidelines for procurement of goods and services in conformity with the provisions of GFRs 2017. These guidelines will assist the ICMR institutions/ centers/ Hqrs. by providing information on the policies, principles and approaches which should be followed in carrying out procurement of goods and services at their respective institute/ center/ Hqrs.

## 2.0 Objectives

The objective of laying down these guidelines for procurement of goods and services is to ensure maximum efficiency, while maintaining quality, desired speed and overall economy. The procedure must ensure healthy competition among suppliers and contractors, in a transparent and fair manner.

## 3.0 Basic Principles

The following main principles underlie proficient procurement:

(a) Economy and efficiency to achieve quality, cost effectiveness and timely delivery in procurement;

(b) Equitable, fair and open competition giving all eligible/qualified bidders an opportunity to participate;

(c) Accountability and cost-effective use of funds; and

(d) Transparency of procurement process

## 4.0 Financial power of procurement of goods and services

The financial power of all the Directors/Director-In-Charge of ICMR institutes/ centers has been enhanced up to Rs. 50/- lakhs vide letter no.1/1/2009-Admn.II (Part II) dated 15.05.2018 for procurement of goods as per the provisions of GFRs 2017 and ICMR procurement guidelines. The Directors/Director-In-Charge may procure goods costing up to Rs. 25/- lakhs after following ICMR procurement guidelines with a maximum limit of Rs. 50/- lakhs per annum. After completing the procedure of procurement, the Director/ Director-In-Charge will have to send the request to ICMR for release of grant. For equipment and services costing more than Rs. 25 lakhs i.e. capital goods, the dully completed proposal, as per the ICMR procurement guidelines and checklist, should be sent to ICMR for technical evaluation and approval of ICMR's Technical and Experts Committees. After the approval of the ICMR Technical and Experts Committee the Institute/Center may process the proposal as per the financial power of the Director/Director-in-charge.

**Note: -** Capital goods: Any one item / equipment / services etc. costing Rs. 25 lakhs or more will be considered as Capital Goods. If the unit price of a large tender for more items / equipments / services having similar specification is less than Rs. 25 lakhs but total cost of the tender is more than Rs. 25 Lakhs then the item / equipment / services will be considered as Capital goods.

## 5.0 Procurement of goods

**Definition of goods:** The term 'Goods' used in this rule includes all articles, material, commodities, livestock, general furniture/ laboratory furniture, fixtures, raw material, spares, instruments, machinery, equipment, industrial plant, chemicals, medicines, solvents, gases, glassware, stationery, liveries, vehicles and any other item meant for Research & Development both standard and non-standard. It also Includes Annual Maintenance Contracts of goods and equipment purchased or otherwise acquired for the use of ICMR Institutes/ Centers and headquarters, custom clearance & cargo handling & consolidation services, exporting of goods for warranty replacements/repairs/ up-gradation, a group of machineries comprising of an integrated production process or such other category of goods or intangible products like software, technology transfer, licenses, patents or other intellectual properties purchased or otherwise acquired for the use of ICMR but excludes books, publications, periodicals, etc. for a library. The term 'goods' also includes works and services which are incidental or consequential to the supply of such goods, such as, transportation, insurance, installation, commissioning, training and maintenance.

## 6.0 Issues to be considered before starting the procurement procedure

**6.1** Institute/ Center/ Hqrs. should analyse dispassionately before moving new proposals for capital works and purchase of goods & equipments keeping in mind their optimal level of utilization (Recommendation of the Director's meeting, May 2011).

**6.2** Keeping in mind genuine justification, requirement and available space, staff and maintenance requirement the equipments should be projected for purchase (Recommendation of the Director's meeting, May 2011).

**6.3** While projecting demand for new equipments and machinery, apart from usual requirements, it was felt necessary to keep the following points in mind (Recommendation of the Director's meeting, May 2011): -

(i) The justification, need and requirement of the equipment of machinery.

(ii) Whether the work can be done well with existing equipment or machinery (known models with published record) without going in for the latest, untested technology.

(iii) How the work was being managed without this equipment.

(iv) What is the utilization of earlier equipments – backed by log books

(v) Whether utility is for short term or long term

(vi) Whether buying is better, or outsourcing could be better or possibility of utilizing the similar facility available with other reputed Research Organizations.

(vii) As far as possible, generic specifications shall be drafted by the end user/Institute, after thorough market search. If no such option available, it should be placed on record and alternative methods to be worked out like procurement on single tender, Proprietary Article Certification (PAC). The reasons recorded should be genuine and bonafied with reference to the public procurement policies.

**6.4** If all the above-mentioned conditions are satisfactorily fulfilled, then approval of the Institute/Center Scientific Advisory Committee (SAC) should be obtained for the procurement of that particular equipment / goods.

**6.5** The above generic specification shall be placed before the "Institutional Specification Committee" consisting of minimum two members from outside the Organization (only for capital goods, equipments, services etc.) who have got expertise in the relevant area/field.

**6.6** The Scientific Advisory Committees/Procurement Committees and all Directors, Director–In-Charge of Institutes/Centers are being advised to plan procurement of inter-dependent equipment in such a manner so that the equipment is purchased simultaneously without bifurcating it in piecemeal (ICMR letter no. D-12012/41/2017-Audit dated 19/09/2018).

**6.7** Depending on the total estimated cost of the goods and equipments the procurement process has to be initiated as per the GFR/ details given below.

## 7.0 Rate contract

For such goods which are not available on Government e-Market place (GeM) and are identified as commonly used items and are needed on recurring basis by the ICMR Institutions/ centers and headquarters then the ICMR Institutions/ centers and headquarters may consider for annual rate contract using e-procurement. The Rate

Contract shall be initially for a period of one year. This may be extended up to three years, if there is no reduction of price in the market for a particular item(s) and there is no complaint/dispute with the supplier(s).

## 8.0 Procurement of goods through GeM

The procurement of goods by ICMR institutions/ centers and headquarters will be mandatory for goods available on GeM. The GeM portal shall be utilized by the ICMR Institutions/ centers and headquarters for direct online purchase as per the provisions given below. These provisions are applicable only for purchases made through GeM.

**8.1** Up to Rs. 50,000/- through any of the available suppliers on the GeM, meeting the requisite quality, specification and delivery period.

**8.2** Above Rs. 50,000/- and up to Rs. 30,00,000/- through the GeM Seller having lowest price amongst the available sellers, of at least three different manufacturers, on GeM, meeting the requisite quality, specification, quantity and delivery period. The tools for online bidding and online reverse auction available on GeM can be used by the institute/ center if decided by the competent authority.

**8.3** Above Rs. 30,00,000/- through the supplier having lowest price meeting the requisite quality, specification, quantity and delivery period after mandatorily obtaining bids, using online bidding or reverse auction tool provided on GeM.

**8.4** The invitation for the online e-bidding/reverse auction will be available to all the existing Sellers or other Sellers registered on the portal and who have offered their goods/services under the particular product/service category, as per terms and conditions of GeM.

**8.5** The ICMR institute/ center and headquarters may ascertain the reasonableness of prices before placement of order using the Business Analytics (BA) tools available on GeM including the Last Purchase Price on GeM, institute's/ center's/ headquarter's own Last Purchase Price etc.

**8.6** A demand for goods shall not be divided into small quantities to make piecemeal purchases to avoid procurement through L-1 Buying/ bidding/ reverse auction on GeM or the necessity of obtaining the sanction of Director General, ICMR required with reference to the estimated value of the total demand.

## 9.0 Procurement of goods other than GeM

The goods which are not available on GeM may be purchased following the procedures given below:

### 9.1. Purchase of goods without quotation (GFR-154)

Purchase of goods without quotation up to the value of Rs. 25,000 (Rupees twenty-five thousand) only on each occasion may be made without inviting quotations or bids on the basis of a certificate to be recorded by the competent authority in the following format.

"I, am personally satisfied that these goods purchased are of the requisite quality and specification and have been purchased from a reliable supplier at a reasonable price."

**9.2. Purchase of goods by Purchase Committee (GFR-155)**

Purchase of goods costing above Rs. 25,000/- (Rupees twenty-five thousand only) and up to Rs. 2,50,000/- (Rupees two lakh and fifty thousand only) on each occasion may be made on the recommendations of a duly constituted Local Purchase Committee consisting of three members of an appropriate level as decided by the Director/ Director-In-Charge of the Institute / Center / Competent Authority at ICMR Headquarter. The committee will survey the market to ascertain the reasonableness of rate, quality and specifications and identify the appropriate supplier. Before recommending placement of the purchase order, the members of the committee will jointly record a certificate as under. "Certified that we, members of the purchase committee are jointly and individually satisfied that the goods recommended for purchase are of the requisite specification and quality, priced at the prevailing market rate and the supplier recommended is reliable and competent to supply the goods in question, and it is not debarred by Department of Commerce or Ministry/ Department concerned".

**9.3 e-Publishing (GFR-159)**

**9.3.1** It is mandatory for all ICMR Institute's / Center's / Unit's / Hqrs. to publish their tender enquiries, corrigenda thereon and details of bid awards on the Central Public Procurement Portal (CPPP).

**9.3.2** Individual cases where confidentiality is required, for reasons of national security, would be exempted from the mandatory e-publishing requirement. The decision to exempt any case on the said grounds should be approved by the Director General, ICMR with the concurrence of the Head of the Finance in each such case. Statistical information on the number of cases in which exemption was granted and the value of the concerned contract should be intimated on a Quarterly basis to the ICMR Hqrs.

**9.3.3** The above instructions apply to all Tender Enquiries, Requests for Proposals, Requests for Expressions of Interest, notice for pre-Qualification/ Registration or any other notice inviting bids or proposals in any form whether they are advertised, issued to limited number of parties or to a single party.

**9.3.4** In the case of procurements made though DGS&D Rate Contracts or through any other Central Procurement Organizations (CPOs) only award details need to be published.

**9.3.5** These instructions would not apply to procurements made in terms of provisions of GFR 154 (Section 9.1 Purchase of goods without quotations) or 155 (Section 9.2 Purchase of goods by purchase committee) of General Financial Rules.

### 9.4 e-Procurement (GFR-160)

**9.4.1** It is mandatory for ICMR Institute's / Center's / Unit's / Hqrs. to receive all bids through e-procurement portals in respect of all procurements.

**9.4.2** ICMR Institute's / Center's / Unit's / Hqrs. which do not have a large volume of procurement or carry out procurements required only for day-to-day running of offices and also have not initiated e-procurement through any other solution provided so far, may use e-procurement solution developed by NIC. Other ICMR Institute's / Center's / Unit's / Hqrs. may either use e-procurement solution developed by NIC or engage any other service provider following due process.

**9.4.3** In individual case where, national security and strategic considerations demands confidentiality, ICMR Institute's / Center's / Unit's / Hqrs. may exempt such cases from e-procurement after seeking approval of the Director General, ICMR and with concurrence of Financial Advisers.

**9.4.4** In case of tenders floated by Indian Missions Abroad, Director General, ICMR to decide the tender may exempt such case from e-procurement.

### 9.5 Purchase of goods by obtaining bids (GFR-158)

Tenders from prospective bidders in public procurement must be invited according to a procedure that achieves a balance between the need for the widest competition, on one hand, and complexity of the procedure, on the other hand.

#### 9.5.1 Modes of procurement

Different modes of procurement and bidding systems are used to suit various procurement circumstances to achieve this balance. Except in cases covered under section No. 7.0, 8.0 and 9.0 above (GFR 154, 155 and 156(1) institutions/centers and Hqrs. shall procure goods by following the standard method of obtaining bids in:

**9.5.1.1 Advertised Tender Enquiry (ATE)**

**9.5.1.2 Limited Tender Enquiry (LTE)**

**9.5.1.3 Open Tender Enquiry (OTE)**

**9.5.1.4 Global Tender Enquiry (GTE)**

**9.5.1.5 Single-Stage Tender Enquiry without Proprietary Article Certificate (PAC)**

**9.5.1.6 Proprietary Article Certificate (PAC)**

**9.5.1.7 Buy-back offer**

**9.5.1.8 Electronic Reverse Auctions**

#### 9.5.1.1 Advertised Tender Enquiry (GFR-161)

**9.5.1.1.1** Subject to exceptions incorporated under Rule 154, 155, 162 and

166 invitation to tenders by advertisement should be used for procurement of goods of estimated value of Rs. 25 lakhs (Rupees twenty-five lakh) and above. Advertisement in such cases should be given on Central Public Procurement Portal (CPPP) at www.eprocure.gov.in and on GeM. All ICMR's Institute/ Center/ Hqrs. should also publish all its advertised tender enquiries on their respective websites and also at ICMR Hqrs. website.

**9.5.1.1.2** The ICMR's Institute/Center/Hqrs. should also post the complete bidding document in its website and on CPPP to enable prospective bidders to make use of the document by downloading from the web site.

**9.5.1.1.3** The advertisements for invitation of tenders should give the complete web address from where the bidding documents can be downloaded.

**9.5.1.1.4** In order to promote wider participation and ease of bidding, no cost of tender document may be charged for the tender documents downloaded by the bidders.

**9.5.1.1.5** Where the ICMR's Institute/ Center/ Hqrs. feels that the goods of the required quality, quantity, specifications etc., may not be available in the country and it is necessary to also look for suitable competitive offers from abroad, the ICMR's Institute/ Center/ Hqrs. may send copies of the tender notice to the Indian Embassies abroad as well as to the foreign Embassies in India. The selection of the embassies will depend on the possibility of availability of the required goods in such countries. In such cases e-procurement as per section No.8.6 (GFR 160) may not be insisted.

**9.5.1.1.6** Ordinarily, the minimum time to be allowed for submission of bids should be three weeks from the date of publication of the tender notice or availability of the bidding document for sale, whichever is later. Where the ICMR's Institute/Center/Hqrs. also contemplates obtaining bids from abroad, the minimum period should be kept as four weeks for both domestic and foreign bidders.

### 9.5.1.2 Limited Tender Enquiry (LTE) (GFR-162)

**9.5.1.2.1** This method may be adopted when estimated value of the goods to be procured is up to Rupees twenty-five Lakhs. Copies of the bidding document should be sent directly by speed post/registered post/courier/email to firms which are borne on the list of registered suppliers for the goods in question as referred under Rule 150 above. The number of supplier firms in Limited Tender Enquiry should be more than three. Efforts should be made to identify a higher number of approved suppliers to obtain more responsive bids on competitive basis. Further, an organization should publish its limited tender enquiries on Central Public Procurement Portal (CPPP) as per Rule 159. Apart from

CPPP, the ICMR's Institute/ Center/ Hqrs. should publish the tender enquiries on their and ICMR Hqrs. web sites.

**9.5.1.2.2** The unsolicited bids should not be accepted. However, ICMR's Institute/Center/Hqrs. should evolve a system by which interested firms can register and bid in next round of tendering.

**9.5.1.2.3** Purchase through Limited Tender Enquiry may be adopted even where the estimated value of the procurement is more than Rupees twenty-five Lakhs, in the following circumstances.

**9.5.1.2.3.1** The Director General ICMR certifies that the demand is urgent, and any additional expenditure involved by not procuring through advertised tender enquiry is justified in view of urgency. The ICMR's Institute/Center/Hqrs. should also put on record the nature of the urgency and reasons why the procurement could not be anticipated.

**9.5.1.2.3.2** There are enough reasons, to be recorded in writing by the competent authority, indicating that it will not be in public interest to procure the goods through advertised tender enquiry.

**9.5.1.2.3.3** The sources of supply are definitely known and possibility of fresh source(s) beyond those being tapped is remote.

**9.5.1.2.4** Sufficient time should be allowed for submission of bids in Limited Tender Enquiry cases.

**9.5.1.2.5 Terms and conditions**

**9.5.1.2.5.1** Copies of the bidding documents should be sent free of cost (except in case of priced specifications/drawings) directly by speed post/courier/e-mail to firms which are registered vendors/contractors. Further, Procuring Entity should also mandatorily publish its limited tender enquiries on Central Public Procurement Portal (CPPP). Apart from CPPP, the organizations should publish the tender enquiries on their own and ICMR Hqrs. websites.

**9.5.1.2.5.2** A simplified single Page Bid Document (Annexure-II) should be used, instead of a detailed Bid Document. The minimum number of bidders to whom LTE should be sent is more than three. In case less than three approved vendors/contractors are available, LTE may be sent to the available approved vendors/contractors with approval of the CA, duly recording the reasons. The requirement should then be marked for development of more sources by the Supplier Registration section

**9.5.1.3 Open Tender Enquiry (OTE)**

In OTE, an attempt is made to attract the widest possible competition by publishing the NIT simultaneously on the designated websites.

This is the default mode of procurement and gives the best value for money, but the procedure is relatively complex and prolonged. The systemic cost of this procedure may be high enough to be unviable for smaller value procurements. OTE procedures through e-Procurement or through traditional tendering should be adopted in the following situations:

**9.5.1.3.1** Procurements exceeding the threshold of Rs. 25 lakhs (Rupees Twenty-Five lakh);

**9.5.1.3.2** All common use requirements with clear technical specifications;

**9.5.1.3.3** For requirements that are ordinarily available in the open market, but it is necessary to evaluate competitive offers to decide the most suitable and economical option available; and

**9.5.1.3.4** When requirements are not available from known sources or sources are presently limited and need to be broad based. In such situations, even for procurements below Rs. 25 (Rupees twenty-five) lakh, OTE mode may be used, if warranted. (Rule 161 of GFR 2017)

**9.5.1.3.5 Terms and conditions**

**9.5.1.3.5.1** Bidders already registered are also free to participate;

**9.5.1.3.5.2** Advertisement in such cases should be given on Central Public Procurement Portal (CPPP) at www.eprocure.gov.in, on GeM and on ICMR website. An Institute/Center/Unit/Hqrs. having its own web site should also publish all its advertised tender enquiries on their web site. The Procuring Entity should also post the complete bidding document in its web site and on CPPP to enable prospective bidders to make use of the document by downloading from the web site. The advertisements for invitation of tenders should give the complete web address from where the bidding documents can be downloaded. In order to promote wider participation and ease of bidding, no cost of tender document may be charged for the tender documents downloaded by the bidders;

**9.5.1.3.5.3** The sale/availability for downloading of tender documents against NIT should not be restricted and should be available freely. Tender documents should preferably be sold/ available for download up to the date of opening of tenders;

**9.5.1.3.5.4** The tender documents should be prepared on the basis of the relevant approved SBD for the category of procurement. Further details on preparing tender documents are provided under section 10.0 of the guidelines;

**9.5.1.4.5.5** The Institute/Center/Unit/Hqrs. shall maintain proper records about the number of tender documents sold, list of parties to whom sold, details of the amount received through sale and, also, the number of unsold tender documents, which are to be cancelled after the opening of the tenders.

**9.5.1.4 Global Tender Enquiry (GTE)**

GTE is similar to OTE but, through appropriate advertising and provision for payment in Foreign Currencies through Letter of Credit, it is aimed at inviting the participation of inter-alia foreign firms. The point of balance between Value of Money (VfM) and cost/complexity of procedure is further aggravated as compared to OTE. Development of local industry also needs to be kept in mind. Hence, it may be viable only in following situations:

**9.5.1.4.1** Where Goods of required specifications/quality are not available within the country and alternatives available in the country are not suitable for the purpose;

**9.5.1.4.2** Non-existence of a local branch of the global principal of the manufacturer/vendors/contractors;

**9.5.1.4.3** Requirement for compliance to specific international standards in technical specifications; and

**9.5.1.4.4** Absence of a sufficient number of competent domestic bidders likely to comply with the required technical specifications, and in case of suspected cartel formation among indigenous bidders. (Rule 161 of GFR 2017)

**9.5.1.4.5 Terms and conditions**

**9.5.1.4.5.1** Advertisement in such cases should be given on Central Public Procurement Portal (CPPP) at [www.eprocure.gov.in](http://www.eprocure.gov.in), on GeM and on ICMR website. An Institute/Center/Unit having its own web site should also publish all its advertised tender enquiries on their web site. The Procuring Entity should also post the complete bidding document in its web site and on CPPP to enable prospective bidders to make use of the document by downloading from the web site. The advertisements for invitation of tenders should give the complete web address from where the bidding documents can be downloaded. In order to promote wider participation and ease of bidding, no cost of tender document may be charged for the tender documents downloaded by the bidders;

**9.5.1.4.5.2** The sale/availability for downloading of tender documents against NIT should not be restricted and should be available freely. Tender documents should preferably be sold/ available for download up to the date of opening of tenders;

**9.5.1.4.5.3** The tender documents, shall be priced minimally (if at all priced, refer section 10.2.1 Cost and Availability of Tender

Documents) keeping in view the value of the tender as also the cost of preparation and publicity of the tender documents;

**9.5.1.4.5.4** GTE tender documents must be in English and the price should be asked in Indian Rupees or US Dollars or Euros or Pound Sterling or Yen or in currencies under the Reserve Bank of India's notified basket of currencies;

**9.5.1.4.5.5** GTE tender documents must contain technical specifications which are in accordance with national requirements or else based on an international trade standard and shall be approved by a competent specification committee (section 6.5);

**9.5.1.4.5.6** In such cases e-Procurement may not be mandatorily insisted upon;

**9.5.1.4.5.7** The due date fixed for opening of the tender shall be minimum four weeks from the date of advertisement which may vary taking into account the nature of material called for as well as the time required to prepare the bids. The due date may be subsequently extended with the approval of the CA only to promote better competition and also considering account delivery requirement; and

**9.5.1.4.5.8** Relevant INCOTERMS should be included in the tender.

**9.5.1.5 Single-Stage Tender Enquiry without Proprietary Article Certificate (PAC) (GFR-166)**

A tender invitation to one firm only without a PAC certificate is called a single tender. This mode may be shortest but since it may provide lesser VfM as compared to LTE/OTE and may also strain the transparency principle, it should be resorted to only under following conditions:

**9.5.1.5.1** In a case of existing or prospective emergency relating to operational or technical requirements to be certified by the indenter, the required goods are necessarily to be purchased from a particular source subject to the reason for such decision being recorded and approval of the Director General, ICMR obtained.

**9.5.1.5.2** For standardization of machinery or components or spare parts to be compatible to the existing sets of machinery/equipment (on the advice of a competent technical expert and approved by the Director /Director-In-Charge), the required goods are to be purchased only from a selected firm (Rule 166 of GFR 2017).

**9.5.1.5.3 Terms and conditions**

**9.5.1.5.3.1** The reasons for a STE and selection of a particular firm must be recorded and approved by the Director General, ICMR, prior to single tendering. Unlike in PAC, powers of procurement of STE should be more restricted; and

**9.5.1.5.3.2** To the extent feasible, the firm may be asked to certify that the rates quoted by them are the same and not higher than those quoted with other Government, public sector or private organizations;

**9.5.1.5.3.3** Since there is no financial competition in STE therefore negotiation with the bidder on the cost quoted by a competent committee should be encouraged. The negotiation committee shall consist of following members: Chairman-technical expert from outside the Institute/center/Unit persons; Administrative Officer; Account Officer; a technical expert from the Institute/center/Unit. The Store-In-charge will act as member-secretary of the committee.

**9.5.1.5.3.4** Other terms and conditions of PAC procurement mentioned below would also apply in this case.

**9.5.1.6 Proprietary Article Certificate (PAC)**

In procurement of goods, certain items are procured only from Original Equipment Manufacturers (OEMs) or manufacturers having proprietary rights (or their authorized dealers / stockiest) against a **PAC certificate (Annexure-III)** signed by the OEM or their authorized dealers / stockiest and a **PAC certificate (Annexure-IV)** signed by the Director / Director-In-Charge of ICMR's Institute / Center appropriate authority. This mode may be shortest but since it may provide lesser VfM as compared to LTE / OTE and also strains the transparency principle, it should be used only in justifiable situations. (Rule 166 of GFR 2017)

**9.5.1.6.1 Terms and conditions**

**9.5.1.6.1.1** Users should enclose, with their Indent, PAC certificate both from the firm and the Director/ Director-In-Charge indicating the justification for sourcing an item from OEM or PAC firms or their authorized agents;

**9.5.1.6.1.2** Proprietary items shall be purchased only from a nominated manufacturer or its authorized dealer as recorded in the PAC certificate;

**9.5.1.6.1.3** In certain unavoidable cases, the procuring authority may have no alternative but to waive payment of EMD/SD for procurement on a proprietary basis;

**9.5.1.6.1.4** To the extent feasible, the firm may be asked to certify that the rates quoted by them are the same and not higher than those quoted with other Government, public sector or private organizations;

**9.5.1.6.1.5** Since there is no financial competition in STE therefore negotiation with the bidder on the cost quoted by a competent committee should be encouraged. The negotiation committee shall consist of following members- chairman-technical expert from outside the Institute/center/Unit persons; Administrative Officer; ACO; a technical expert from the Institute/center/Unit. The Store In-charge will act as member-secretory of the committee.

**Note:** **if the cost of the proprietary item is more than Rs. 25 lakhs then the negotiation on the cost of the equipment / services will be held at ICMR Hqrs. with its Expert Committee.**

**9.5.1.6.1.6** In case of PAC/single tender procurements:

a) Reports relating to such awards should be submitted to the ICMR every quarter;

b) Internal audit may be required to check at least 10 (ten) per cent of such cases; and

c) Details of such contracts should be published on the website of the respective ICMR's Institute/ Center/ Hqrs.

### 9.5.1.7 Buy-back Offer

When it is decided to replace an existing old item(s) with a new/better version, the ICMR's Institute/ Center/ Hqrs. may trade the existing old item while purchasing the new one by issuing suitable bidding documents for this purpose. The condition of the old item, its location and the mode of its handing over to the successful bidder are also to be incorporated in the bidding document. Further, the bidder should be asked to quote the prices for the item (to be offered by them) with rebate for the old item and also, without any rebate (in case they do not want to lift the old item). This will enable the ICMR's Institute/ Center/ Hqrs. either to trade or not to trade the old item while purchasing the new one. (Rule 176 of GFR 2017).

### 9.5.1.8 Electronic Reverse Auctions (GFR-167)

**9.5.1.8.1** Electronic Reverse Auction means an online real-time purchasing technique utilised by the procuring entity to select the successful bid, which involves presentation by bidders of successively more favourable bids during a scheduled period of time and automatic evaluation of bids;

**9.5.1.8.2** A procuring entity may choose to procure a subject matter of procurement by the electronic reverse auction method, if:

a) It is feasible for the procuring entity to formulate a detailed description of the subject matter of the procurement;

b) There is a competitive market of bidders anticipated to be qualified to participate in the electronic reverse auction, so that effective competition is ensured;

c) The criteria to be used by the procuring entity in determining the successful bid are quantifiable and can be expressed in monetary terms; and

**9.5.1.8.3** The procedure for electronic reverse auction shall include the following, namely:

a) The procuring entity shall solicit bids through an invitation to the electronic reverse auction to be published or communicated in accordance with the provisions similar to e-procurement; and

b) The invitation shall, in addition to the information as specified in e-procurement, include details relating to access to and registration for the auction, opening and closing of the auction and Norms for conduct of the auction.

## 10.0 Preparing tender document and publication

### 10.1 Preparation of bid documents

**10.1.1** The text of the bid document should be self-contained and comprehensive without any ambiguity. All essential information, which a bidder needs for sending responsive bid, should be clearly spelt out in the bidding document in simple language. This will also enable the prospective bidders to formulate and send their competitive bids with confidence. A carefully prepared tender document avoids delays and complaints. Hence, it is worth spending time and effort on this even in cases of urgency.

Bid documents should be based on Standard Bidding Documents (SBDs) relevant for the value range and the category of procurement. To ensure uniformity, the standard provisions in most sections of the SBD/ SRfPD (Standard Request for Proposal Document) are to be used unaltered. Any modification to suit a unique requirement of the specific procurement in these documents is to be done through variable sections such as Special Instructions to Bidders or special conditions of contract.

In case of a limited tender, instead of a full set of SBD, only a machine numbered tender form (refer Annexure-II) is used as the tender document, after filling up the name of the vendor and details of requirements. It has the “terms and conditions of tender” printed on the obverse side. In any case, all registered vendors, who normally are invited to quote in such limited tenders, have already acknowledged acceptance of “general conditions of contract” as part of the registration application, which are applicable to such procurements, in additions to “terms and conditions of tender” on the obverse of tender form. If necessary, specifications and drawings or any other document may be enclosed with the limited tender form.

While SBDs would be complete in themselves and may be slightly different for various categories of procurements, these must necessarily address the following essential aspects:

**10.1.1.1** Description of the subject matter of procurement, its specifications including the nature, quantity, time and place or places of delivery;

**10.1.1.2** The criteria for eligibility and qualification to be met by the bidder (the eligibility criteria should take care of the supplier’s eligibility to receive such a contract. The qualification criteria should take care of the supplier’s past performance, experience, technical competence and production capacity of the subject goods, financial strength to handle the contract successfully, compliance with environmental protection regulations/ Environment Management System and so on);

**10.1.1.3** There are no such qualifications for the bidders that would be advantageous to the foreign manufactured goods at the cost of domestically manufactured goods;

**10.1.1.4** The procedure as well as date, time and place for obtaining, submitting and opening of the bids;

**10.1.1.5** Terms of delivery/completion;

**10.1.1.6** Suitable provisions for enabling a bidder to question the bidding conditions, bidding process and/or rejection of its bid. These provisions should include a time frame in which Procuring Entity will address the bidder’s questions; (Rule 173 (iv) of GFR 2017).

**10.1.1.7** Criteria for determining the responsiveness of bids, criteria as well as factors to be taken into account for evaluating the bids on a common platform and the criteria for awarding the contract to the responsive, most advantageous (lowest/highest as the case may be) bidder should be clearly indicated in the bidding documents. SBDs should include a clause that “if a firm quotes below the standard TDS / levies as fixed by GOI from time to time or NIL charges/consideration, the bid shall be treated as unresponsive and will not be considered”;

**10.1.1.8** Suitable provision for settlement of disputes, if any, emanating from the resultant contract, should be kept in the bidding document; (Rule 173 (v) of GFR 2017) and

**10.1.1.9** Essential terms of the procurement contract including a suitable clause mentioning that the resultant contract will be interpreted under Indian laws (Rule 173 (vi) of GFR 2017)

**10.1.1.10** For all capital equipments consisting more than Rs.25 lakhs, comprehensive AMC for three years plus non-comprehensive AMC for two years should be free of cost.

### 10.1.2 Contents of tender documents (Rule 168 of GFR 2017)

The main sections of the SBD are:

**10.1.2.1 Notice Inviting Tender (NIT)**

**10.1.2.2 Instructions to bidders & appendix to instructions to bidders**

**10.1.2.3 Eligibility / Evaluation/ Qualification criteria**

**10.1.2.4 Schedule of requirements**

**10.1.2.5 Technical specifications**

**10.1.2.6 General special conditions of the contract**

**10.1.2.7 Special conditions in GTE Procurements**

**10.1.2.8 Submission formats**

**10.1.2.9 Mandatory e-Publishing of tenders**

A reading of the sections of the tender document will make the purpose and instructions clear.

#### 10.1.2.1 Notice Inviting Tender

The model NIT format in SBD should be used for publishing the tender notice. To ensure competition, attention of all likely tenderers, for example, registered suppliers, past suppliers and other known potential suppliers, should be invited to the NIT through email/SMSs/letters. In e-Procurement, the website may be programmed to generate these alerts automatically.

The Notice Inviting Tender (NIT) is crucial for attracting wide competition in the tender. The model NIT format in SBD should be used for publishing the tender notice. The NIT should be brief but must contain sufficient detail for a prospective bidder to decide whether to participate in the tender or not and, if he decides to participate, how to go about it. To ensure competition, attention of all likely tenderers, for example, registered vendors, past suppliers and other known potential suppliers, should be invited to the NIT through email/SMSs/letters. In e-procurement, the website may be programmed to generate these alerts automatically.

In case of procurement through a limited tender, the NIT may be uploaded on CPPP Portal and Procuring Entity's website with a note saying:

"This notice is being published for information only and is not an open invitation to quote in this limited tender. Participation in this tender is by invitation only and is limited to the selected Procuring Entity's registered suppliers. Unsolicited offers are liable to be ignored. However, suppliers who desire to participate in such tenders in future may apply for registration with Procuring Entity as per procedure."

Printouts of the tenders published on the website should be collected and kept on record as a proof of publicity. The complete details of the dates, on which advertisements actually appeared on the website, should be indicated while sending cases to higher authorities.

**10.1.2.2 Instructions to Bidders (ITB) & Appendix to Instructions to Bidders (AITB)**

ITB contain all relevant information as well as guidance to the prospective tenderers regarding all aspects of obtaining tender documents and preparing and submitting a responsive bid. It also mentions the process of establishing the eligibility of the tenderer as well as evaluation and comparison of tenders and award of contract. ITB should not contain information on processes after the announcement of the award which should be covered in GCC, for example, the arbitration clause, resolution of disputes, and so on. Instead of modifying ITB every time, any changes warranted by special circumstances may be indicated with the prior approval of CA on a separate Appendix to ITB (AITB) and ITB may be included unchanged in every tender document. It should also to be indicated therein that the provisions in the AITB will supersede the corresponding provisions in the ITB.

Important clauses of ITB/AITB which may require attention and action are:

**10.1.2.2.1 Purchase Preference Policies**

If the purchaser intends to give a purchase preference in line with current Government policies, this fact must be declared in the ITB/AITB and in NIT as well.

**10.1.2.2.2 Clarification of tender documents**

A prospective bidder requiring clarification on the tender documents may notify to Procuring Entity in writing, well before the due date of submission of bids, and a response will be sent in writing to the clarifications sought prior to the date of opening of the tenders. Copies of the query and clarification shall be sent to all prospective bidders who have received the tender documents.

**10.1.2.2.3 Amendment of tender documents (Rule 173 (iii) of GFR 2017)**

At any time prior to the date of submission of bids, the purchaser may, whether at his own initiative or in response to a clarification sought by a prospective bidder, amend bid documents by issuing a corrigendum. The corrigendum shall be notified in writing by registered post/speed post/courier/email to all known prospective bidders. Copies of such amendments are also to be prominently attached in the unsold sets of the tender documents (which are available for sale), including the tender documents uploaded on the website. When the amendment/modification changes the requirement significantly and /or when there is not much time left for the tenderers to respond to such amendments, and prepare a revised tender, the time and date of submission of tenders are also to be extended suitably, along with suitable changes in the corresponding timeframes for receipt of the tender, tender validity period, and so on, and validity period of the corresponding EMD/bid security. Depending on the situation, such an amendment may also need fresh publication adopting the same procedure as for publication of the original tender enquiry.

**10.1.2.2.4 Bid validity**

A bid shall remain valid for the period mentioned in the ITB/AITB (normally 75 (seventy-five) days for OTE and 90 (ninety) days for GTE). In exceptional circumstances, the consent of the bidder may be requested in writing for an extension to the period of bid validity. Such requests should preferably be made much before the expiry of the bid validity. The bid security provided shall also be suitably extended. A bidder accepting the request and granting extension shall not be permitted to modify his bid.

**10.1.2.2.5 Sealing and marking of bids by bidders**

The tender document is to indicate the total number of tender sets (e.g., in duplicate or in triplicate etc.) required to be submitted. In case of two envelop bidding system, the techno-commercial bid and financial bid should be sealed by the tenderer in separate covers duly marking these as ‘Technical Bid’ and ‘Financial Bid’ and marked these with the address of the purchase office and the tender reference number on the envelopes. Further, the sentence ''NOT TO BE OPENED" before……….. (due date & time of tender opening) are also to be put on these envelopes and these sealed covers are to be put in a bigger cover which should also be sealed and duly super scribed in a similar manner. In case bids are asked in a number of copies, the tenderer is to seal the original and each copy of the tender in separate envelopes, duly marking the same as "Original", "Duplicate" and so on and also marking these as mentioned above. The inner envelopes are then to be put in a bigger outer envelope, which will also be duly sealed marked etc. as above. If the outer envelope is not sealed and marked properly as above, the purchaser will not assume any responsibility for its misplacement, premature opening, late opening etc. These details regarding the submission of bids should also form a part of the ITB and AITB in the tender documents; all the above instructions are to be suitably incorporated in the tender documents. Name of the equipment for which the tender is submitted should be clearly mentioned on the cover of all the envelopes.

**10.1.2.2.6 Withdrawal, substitution and modification of tenders**

The tenderer, after submitting the tender, is permitted to withdraw, substitute or modify the tenders in writing without forfeiture of Bid Security/EMD, provided these are received duly sealed and marked like the original tender, up to the date and time of receipt of the tender. Any such request received after the prescribed date and time of receipt of tenders will not be considered. No bid may be withdrawn in the interval between the deadline for submission of bids and expiration of the period of bid validity. Withdrawal of a bid during this period will result in forfeiture of the bidder's bid security (EMD) and other sanctions.

**10.1.2.3 Eligibility/Evaluation/Qualification criteria**

If it is intended to use eligibility/evaluation/qualification criteria to evaluate a tender and determine whether a tenderer has the required qualifications, this point may be clearly specified in NIT, ITB/AITB or as a separate section of the tender document. The bidder has to ensure that he provides convincing proof of having fulfilled these criteria. Any criteria not specified in the tender cannot be used for evaluation or qualification. The condition of prior turnover and prior experience may be relaxed for Startups (as defined by Department of Industrial Policy and Promotion) subject to meeting of quality & technical specifications and making suitable provisions in the bidding document (Rule 173 (i) of GFR 2017)

**10.1.2.3.1 OEM/Authorized dealer/Agents of supplier**

Except in case of Commercially-Off-the-Shelf (COTS) items, when a firm sends quotation for an item manufactured by some different company, the firm is also required to attach, in its quotation, the manufacturer's authorization certificate and also manufacturer's confirmation of extending the required warranty for that product as per formats given in SBD. This is necessary to ensure quotation from a responsible party offering genuine product, also backed by a warranty obligation from the concerned manufacturer. In the tender, either the manufacturer or its authorized dealer can be considered as valid bidders.

In case of large contracts, especially capital equipment, the manufacturer's authorization must be insisted upon on a tender specific basis, not general authorization/dealership, by so declaring in the bid documents clearly.

In cases where the manufacturer has submitted the bid, the bids of its authorized dealer will not be considered and EMD will be returned.

And in case of violations, both infringing bids will be rejected.

**10.1.2.3.2 Conflict of interest among bidders/agents**

A bidder shall not have conflict of interest with other bidders. Such conflict of interest can lead to anti-competitive practices to the detriment of Procuring Entity's interests. The bidder found to have a conflict of interest shall be disqualified. A bidder may be considered to have a conflict of interest with one or more parties in this bidding process, if:

(a) they have controlling partner (s) in common; or

(b) they receive or have received any direct or indirect subsidy/financial stake from any of them; or

(c) they have the same legal representative/agent for purposes of this bid; or

(d) they have relationship with each other, directly or through common third parties, that puts them in a position to have access to information about or influence on the bid of another bidder; or

(e) bidder participates in more than one bid in this bidding process. Participation by a bidder in more than one Bid will result in the disqualification of all bids in which the parties are involved. However, this does not limit the inclusion of the components/sub-assembly/assemblies from one bidding manufacturer in more than one bid.

(f) In cases of agents quoting in offshore procurements, on behalf of their principal manufacturers, one agent cannot represent two manufacturers or quote on their behalf in a particular tender enquiry. One manufacturer can also authorize only one agent/dealer. There can be only one bid from the following:

1. The principal manufacturer directly or through one Indian agent on his behalf; and
2. Indian/foreign agent on behalf of only one principal.

(g) a Bidder or any of its affiliates participated as a consultant in the preparation of the design or technical specifications of the contract that is the subject of the Bid;

(h) in case of a holding company having more than one independently manufacturing units, or more than one unit having common business ownership/management, only one unit should quote. Similar restrictions would apply to closely related sister companies. Bidders must proactively declare such sister/common business/ management units in same/similar line of business.

### 10.1.2.4 Schedule of requirements

This section comprises the list of goods and delivery schedule. If there is no separate TS, then TS, quality assurance and inspections may also be included here. If the tender contains a number of schedules of requirements, it must be clarified, whether evaluation of eligibility/ qualifications/financial bids would be on a schedule by schedule basis or on the basis of a total of all schedules put together.

#### 10.1.2.4.1 Quotation received from dealers/agents for items not manufactured by them

When a firm sends a quotation for an item manufactured by a different company, the firm is also required to attach in its quotation that manufacturer’s authorization certificate and also manufacturer’s confirmation of extending the required warranty for that product (in addition to the tenderers’ confirmation to the required warranty). If the firm is an authorized agent/dealer of that manufacturer, certified documentary evidence to this effect is to be attached along with the quotation. This is necessary to ensure a quotation from a responsible party offering the genuine product, also backed by a warranty obligation from the concerned manufacturer.

#### 10.1.2.5 Technical specifications

The procuring authority should ensure that specifications are developed to ensure VfM, level playing field and wide competition in procurement (Rule 173 (ix) of GFR 2017). The TS constitute the benchmarks against which the Procuring Entity will verify the technical responsiveness of bids and, subsequently, evaluate the bids. Therefore, well-defined TS will facilitate the preparation of responsive bids by bidders as well as examination, evaluation and comparison of the bids by the Procuring Entity. It would also help in ensuring the quality of the supplied goods. The procuring authority should ensure that the specification should:

a) Provides a level playing field and ensures the widest competition;

b) Be unambiguous, precise, objective, functional, broad based/generic, standardised (for items procured repeatedly) and measurable. TS should be broad enough to avoid restrictions on workmanship, materials and equipment commonly used in manufacturing similar kinds of goods;

c) Set out the required technical, qualitative and performance characteristics to meet just the bare essential needs of the Procuring Entity without including superfluous and nonessential features, which may result in unwarranted expenditure;

d) Normally be based on standards set by the Bureau of Indian Standards (BIS), wherever such standards exist. Preference should be given to procure the goods which carry the BIS mark. In the absence of BIS standards, TS may be based on the relevant International standards. Provided that an indenting authority may, for reasons to be recorded in writing, base the TS on equivalent international standards even in cases where BIS standards exist. For any deviations from Indian standards or for any additional parameters for better performance, specific reasons for deviations/modifications should be duly recorded with the approval of the CA. Where the technical parameters are only marginally different, Indian standards may be specified and the Departmental specifications could cover only such additional details as packing, marking, inspection, and so on, as are specially required to be complied for a particular end use;

e) All dimensions incorporated in the specifications shall be indicated in metric units. If due to some unavoidable reasons, dimensions in FPS units are to be mentioned, the corresponding equivalents in the metric system must also be indicated;

f) Comply with sustainability criteria and legal requirements of environment or pollution control and other mandatory and statutory regulations, or internal guidelines, if any, applicable to the goods to be purchased;

g) Make use of best practices. examples of specifications from successful similar procurements in the other organisations or sector may provide a sound basis for drafting the TS;

h) Commensurate with VfM, avoid procurement of obsolete goods and require that all goods and materials be new, unused and of the most recent or current models and that they incorporate all recent improvements in design and materials, unless provided for otherwise in the bidding documents;

i) Should have emphasis on factors such as efficiency, optimum fuel/power consumption, use of environmental-friendly materials, reduced noise and emission levels, low maintenance cost, and so on. Government of India has set up the Bureau of Energy Efficiency (BEE) (http://www.bee-india.nic.in) on 01st March, 2002 under the provisions of the Energy Conservation Act, 2001, with the primary objective of reducing the energy intensity of the Indian economy. The Bureau initiated the Standards & Labelling Programme for equipment and appliances in 2006 to provide the consumer an informed choice about the energy saving and thereby the cost saving potential of the relevant marketed product. The scheme is invoked for 21 equipment/appliances, i.e. Room Air Conditioners, RAC(Cassette, Floor Standing Tower, Ceiling, Corner AC), Tubular Fluorescent Tube Lights, Frost Free Refrigerators, Distribution Transformers, Direct Cool Refrigerator, Electric storage type geyser, Color TVs, Induction Motors, Ceiling fans, Agricultural pump sets, LPG stoves, Washing machine, Laptops, Ballast, Office automation products, Solid State Inverter, Diesel Engine Driven Monoset Pumps for Agricultural Purposes, Diesel Generator, Inverter AC and LED Lamps. Of which the first 8 products have been notified under mandatory labelling since 7th January, 2010. The other appliances are presently under voluntary labelling phase. The energy efficiency labelling programs under BEE are intended to reduce the energy consumption of appliance without diminishing the services it provides to consumers. More the stars higher the efficient is the appliance. The threshold ratings prescribed by the Ministry of Finance are:

| Appliance | Threshold Star Rating |
|---|---|
| Split Air Conditioners | 5 Star (under normal conditions where annual usages are expected to be more than 1000 Hrs.)<br>3 Star (where usage of AC is limited e.g. in conference rooms) |
| Frost Free Refrigerators | 4 Star |
| Ceiling Fans | 5 Star |
| Water Heaters | 5 Star |

We should try to build either the BEE Star rating where applicable and minimum energy efficiency where such star ratings are not yet available, into the TS (in accordance with Rule 173 (xvii) of GFR 2017). Such benchmarking illustrates use of neutral and dependable benchmarking in procurement of sustainable environmentally favourable goods by way of appropriately formulated Technical Specifications. In a similar fashion, other Type III Eco-labels as per ISO 14020 or voluntary Environmental Standard can be used for specifying environmental sustainability criteria.

**10.1.2.6 General special conditions of the contract**

The GCC to be used for contracting for procurement are provided in Procuring Entity's SBD. GCC covers all information on aspects after the announcement of the tender award till the closure of the contract and dispute resolution. It should not cover any aspect up to announcement of award. Instead of modifying the GCC every time, any changes warranted by special circumstances may be indicated in a separate SCC with the prior approval of the CA and GCC may be included unchanged in every tender document. It is also to be indicated therein that the provisions in the SCC will supersede the corresponding provisions in the GCC.

**10.1.2.7 Special conditions in GTE Procurements**

**10.1.2.7.1 Currency of bidding:** In GTE tenders, the Foreign Bidders are allowed to quote price (and get paid) in RBI's notified basket of foreign currencies - US Dollar or Euro or Pound Sterling or Yen etc., in addition to the Indian Rupees - except for expenditure incurred in India (including agency commission if any) which should be stated in Indian Rupees. Indian Bidders are to quote in INR only.

**10.1.2.7.2 Agency commission:** The amount of Agency Commission, (normally not exceeding five percent) payable to the Indian Agent should not be more than what is specified in the Agency agreement (a certified copy should be submitted along with the bid) between the bidder and the Indian Agent. The Indian Agent will be required to submit a certificate along with their Agency Commission bill, confirming that the amount claimed as Agency Commission in the bill has been spent/will be spent, strictly to render services to the foreign Principal, in terms of the Agency Agreement. The Purchaser or their authorized agencies and/or any other authority of the Government of India shall have rights to examine the books of the Indian Agent and defects or misrepresentations in respect of the afore indicated confirmation coming to light during such examinations will make the foreign Principal (i.e. the Contractor) and their Indian

Agent liable to be banned/ suspended from having business dealings with the Purchaser, following laid down procedures for such banning/suspension of business dealings.

**10.1.2.7.3** **Delivery terms:** The delivery terms are to be expressed in terms of Incoterms. As per the revised policy of the Government, all Public Procurement import contracts involving (ocean freight of dry or liquid bulk cargoes) are to be finalized only on FOB (Free on Board)/FAS (Free Alongside Ship) basis and in case of any departure there-from, prior approval of the DG, ICMR may be obtained. However, imports involving ocean freight of general liner: cargoes, project cargoes, heavy lift, container, break bulk cargoes etc. can now be made on FOB (Free on Board)/FAS (Free Alongside Ship) or CFR (Cost & Freight)/CIF (Cost, Insurance & Freight) basis. All importing Government Departments/PSUs are now allowed to make their own shipping arrangements without needing to route their requirements through Chartering Wing of Ministry of Shipping. As per the extant directive of the Government, airlifting of imported goods from abroad will be done only through the national carrier, that is, Air India, wherever applicable. However, before processing any contract involving import of goods through air, contemporary instructions in this regard may be ascertained and followed.

**10.1.2.7.4** **Insurance:** Wherever necessary, the goods supplied under the contract shall be fully insured in a freely convertible currency against loss or damage incidental to manufacture or acquisition, transportation, storage and delivery in the manner specified in the contract. If considered necessary, the insurance may be done for coverage on an “all risks” basis including war risks and strike clauses. The amount to be covered under insurance should be sufficient to take care of the overall expenditure to be incurred by the purchaser for receiving the goods at the destination. Insurance of imported goods/equipment would need to be arranged on a very selective basis and only for cases where the value of individual shipment is expected to be in excess of Rupees Five crore. Procuring entities who are entering into large number of imports contracts, may enter into annual Insurance arrangements for all imports during the year with Insurance Companies, instead of insurance for each individual import separately on the basis of “Open Cover (all Risk)”. Where delivery of imported goods is required by the purchaser on Cost Insurance and Freight/Carriage and Insurance Paid (CIF/CIP) basis, the supplier shall arrange and pay for marine/air insurance, making the purchaser the beneficiary. Where delivery is on Free On Board/Free Alongside Ship (FOB/ FAS) basis, marine/air insurance shall be the responsibility of the purchaser.

#### 10.1.2.8 Submission formats

This section contains the relevant forms for tender submission: various declarations by tenderer, formats for the bank guarantee, price schedule forms, exception and deviation forms, contract forms and manufacture's authorization form, and so on.

#### 10.1.2.9 Mandatory e-Publishing of tenders (Rule 159 of GFR 2017)

It is mandatory for all Institute/Center/Unit/Hqrs. of ICMR to publish their tender enquiries, corrigenda thereon and details of bid awards on the Central Public Procurement Portal (CPPP). In the case of procurements made though DGS&D Rate Contracts or through any other Central Procurement Organizations (CPOs) only award details need to be published. These instructions apply to all Tender Enquiries, Requests for Proposals, Requests for Expressions of Interest, notice for pre-Qualification/Registration or any other notice inviting bids or proposals in any form whether they are advertised, issued to limited number of parties or to a single party. These instructions would not apply to Purchase of goods without quotations or Purchase of goods by purchase committee.

Individual cases where confidentiality is required, for reasons of national security, would be exempted from the mandatory e-publishing requirement. The decisions to exempt any case on the said grounds should be approved by the Director General, ICMR with the concurrence of the concerned Financial Advisor. Statistical information on the number of cases in which exemption was granted and the value of the concerned contract should be intimated on a Quarterly basis to the Ministry of Finance, Department of Expenditure.

## 10.2 Receipt and custody of tenders

### 10.2.1 Cost and availability of tender documents

Tender documents should preferably be sold or available for download up to date of opening of tenders and this should be clearly indicated in the documents. The organization should also post the complete tender document in the website and permit prospective tenderers to make use of the document downloaded from the website.

The tender document fee should be as low as possible considering the cost/effort of preparing documents. In order to promote wider participation and ease of bidding, no cost of tender document may be charged for the tender documents downloaded by the bidders. The Procuring Entity may decide not to take any charges for the tender documents, in view of prevalence of e-publishing/downloading of tender documents. The cost of the tender document is to be submitted to the authority nominated therein by the prospective tenderer in the form of a demand draft /banker's cheque/pay order. Firms that are eligible for exemption from the tender document fee such as MSEs, Procuring Entity registered units (for relevant items and monetary limit) have to submit/upload scanned copy of documents in support of this exemption. Although the Procuring Entity is the best judge to decide or waive the document cost, following table could be used as a starting point:

| Suggested Cost of Tender Documents in OTE, GTE Tenders (Normally in STE/PAC/LTE, no cost is charged) | |
|---|---|
| Estimated Value of Tender | Tender Document Cost |
| Below Rs 25 lakh | Rs. 500 |
| Rs 25 Lakh to Rs 2 crore | Rs. 1,500 |
| Rs 2 crore to Rs. 25 crore | Rs. 2,500 |
| Rs 25 crore to Rs. 50 crore | Rs. 5,000 |
| Above Rs 50 crore | To be decided on case to case basis |

### 10.2.2 Pre-bid conference (Rule 173 (x) of GFR 2017)

In case of turnkey contract(s) and facilities of a special nature for procurement of sophisticated and costly equipment, large works and complex consultancy assignments, a suitable provision is to be kept in the bidding documents for one or more pre-bid conference for clarifying issues/ clearing doubts, if any, about the specifications and other allied technical/commercial details of the plant, equipment and machinery projected in the bidding document and for ensuring that the technical requirements provide a level playing field. The date, time and place of the pre-bid conference should be indicated in the tender enquiry document. Bidders should be asked to submit written queries in advance of the conference. After the conference, the techno commercial requirements may be revised if considered necessary by way of issue of a formal corrigendum (mere minutes of the meeting of pre-bid conference would not suffice) and shared with all the bidders who purchase or have purchased the bid documents.

### 10.2.3 Extension of tender opening date

Sometimes, situations may arise necessitating modification of the tender documents already issued (LTE case) or already put on sale (OTE case). Also, after receiving the documents, a tenderer may point out some genuine mistakes necessitating amendment in the tender documents. In such situations, it is necessary to amend/modify the tender documents suitably prior to the date of submission of bids. Copies of such amendment/modification should be simultaneously sent to all the selected suppliers by registered/speed post/courier/e-mail in case of LTE. In case of OTE, the copies of such amendment / modification are to be simultaneously dispatched, free of cost, by registered/speed post/courier/e-mail, to all the parties who have already purchased the tender documents and copies of such amendments are also to be prominently attached in the unsold sets of the tender documents (which are available for sale), including the tender documents for downloading put on the CPPP and Procuring Entity's own website.

When the amendment/modification changes the requirement significantly and/or when there is not much time left for the tenderers to respond to such amendments, and prepare revised tender, the time and date of submission of tenders are also to be extended suitably, along with suitable changes in the corresponding time-frames for receipt of tender, tender validity period etc and validity period of the corresponding EMD/bid security. Depending on the situation, such an amendment may also need fresh publication adopting the same procedure as for publication of the original tender enquiry.

#### 10.2.4 Submission, receipt and custody of tenders

In e-Procurement, all tenders uploaded by tenderers are received, safeguarded and opened online on the portal. In offline tenders, receipt and custody of bids shall be done in a transparent manner to maintain the credibility of the process. The following guidelines should be adhered to for receipt and custody of bids:

(i) The Procuring Entity shall maintain tender boxes for receiving the bids at suitable locations which would facilitate security and easy access to bidders. If required, Tender boxes should be separate for each day of the week of tender opening and should be sealed by the Bid Opening Committee (BOC) of the day. The tender box shall have two locks. Key of one lock will be with the head of the office and the other key with the official nominated by him;

(ii) Bids received by courier shall be deposited in the tender box by the Dispatch Section till the date and time of bid opening. Bids sent by telex, cable or facsimile are to be ignored and rejected.; and

(iii) For bulky/oversized bids which cannot be dropped into tender boxes, the officials authorized to receive such bids shall maintain proper records and provide a signed receipt with date and time to the bearer of the bid. He will also sign on the cover, duly indicating the date and time of receipt of the tender(s). Names and designations of at least two such authorized officers should be mentioned in the bid documents.

### 10.3 Procedures to be followed during bid opening

Immediately after the deadline for bid submission, Procuring Entity shall proceed to the bid opening. In e-Procurement, bids are opened online as detailed in

Appendix 1. In offline tenders, the BOC shall comprise the member as described under sub section 10.3.1.

### 10.3.1 Technical bid

After tendering, all the technical bids of the tenders received (in case of double bid tender) should be opened in presence of the members of the Institute/Center BOC consisting of a Scientist, an Administrative Officer and an Account Officer and representatives of all the participating firms.

**10.3.1.1** The authorized representatives of bidders, who intend to attend the tender opening in OTE/GTE/SLTE are to bring with them letters of authority from the corresponding bidder. The prescribed format for the letter of authority for attending the bid opening should be given in the bidding document. All bid-opening activities should be carried out demonstrably before such a gathering. The prescribed format for the bid opening attendance sheet and report are given at Annexure 6.

**10.3.1.2** At a prescheduled date and time, the BOC of the day should get the particular tender box opened, after ensuring and demonstrating that the seal on the box has not been tampered with. All bids should be collected from the tender box. Bids for tenders not opening on that day should be put back into the box and the box resealed. Sometimes, there would be tenders dropped wrongly into this tender box. Such wrongly dropped tenders with appropriate endorsement should be put into the appropriate box or sent to the Tender Committee (TC) concerned, if the date of opening is over. The bids for different tenders opening on the day (including oversized bids, which were submitted to designated officers) should be sorted, and a count for each tender should be announced and recorded, particularly noting any modifying/altering/withdrawal of bids. BOC should ensure and demonstrate that bid envelopes are duly sealed and untampered. Late bids should be separately counted but kept aside and not opened. In the case of an advertised tender enquiry or limited tender enquiry, late bids (that is, bids received after the specified date and time for receipt of bids) should not be considered (Rule 165 of GFR 2017);

**10.3.1.3** After opening, every tender shall be numbered serially (say 3/14 – if it is the third bid out of 14 total), initialed, and dated on each page of the tender document by the BOC. Each page of the price schedule or letter attached to it shall also be similarly initialed, particularly the prices, delivery period, and so on, which shall also be circled and initialed along with the date. Any other page containing significant information should also be dealt with similarly. Blank tenders, if any, should be marked accordingly by the BOC. The original (and duplicate, if any) copies in a tender set are to be marked accordingly by the BOC;

**10.3.1.4** Erasure/cutting/overwriting/use of whitener/columns left unfilled in tenders, if any, shall be initialed along with date and time and numbered by the officials opening the tenders and total number of such noticed alterations (or the absence of any alteration) should be explicitly marked on the first page of the bid. Wherever quantity/amount is written only in figures, the BOC should write them in words. All rebates/discounts should be similarly circled, numbered and signed. In the absence of any alteration/overwriting/whitener/ blanks, the remark "no corrections noted" should be written. Similarly, the absence of discounts should be marked with "no discounts noted;"

**10.3.1.5** The BOC is to announce the salient features of the tenders such as description and specification of the goods, quoted price, terms of delivery, delivery period, discount, if any, whether EMD furnished or not, and any other special feature of the tender for the information of the representatives attending the tender opening. No clarifications by tenderers should be entertained or allowed to be recorded during the bid opening. It should be understood that BOC has no authority to reject any tender at the tender opening stage;

**10.3.1.6** Proper sealing and codification need to be done on samples as well for samples which accompany the bid. These should be kept for reference under lock and key. Details should be recorded in the sample register maintained in the opening section. Documents related to money should be noted in the bid opening report/register and handed over to the Finance Section for safe custody and monitoring; and

**10.3.1.7** A bid opening report containing the names of the tenderers (serial number wise), salient features of the tenders, as read out during the public opening of tenders, will be prepared by the tender opening officers, and duly signed by them along with the date and time. The tenders that have been opened, list of the representatives attending the tender opening, and bid opening report are to be handed over to the nominated purchase officer and an acknowledgement obtained for him.

### 10.3.2 Evaluation of technical bid

**10.3.2.1** The technical bids should then be examined by the Institute/Center Technical Committee.

**10.3.2.2** The members of the Institute/Center Technical Committee should consist of minimum two senior scientists as members from outside the Institution/Centre having experience in the related field/area and one of them has to be the Chairman of the committee, a representative from Administration of the Institute/Center and a representative from the Finance Section of the Institute/Center. The Procurement-In-Charge of the Institute/Center should be the member secretary of the Committee.

**10.3.2.3** A proper comparative statement has to be prepared based on the eligibility criteria mentioned in the technical bid of the tender and same has to be examined by the Institute/Center Technical Committee (including terms & conditions).

**10.3.2.4** The Institute/ Center Technical Committee should then recommend the qualified firm/s based on the comparative statement of the technical bids of all the firms which should be signed by all the members of the Institute/Center purchase/technical committee.

**10.3.2.5** All members of the Institute/ Center Technical Committee should sign on each page of the minutes of the Institute/ Center Technical Committee meeting and on the comparative statement of the technical specifications. On the last page of comparative statement of specification, all members should sign with date and with their full name and designation.

### 10.3.3 Financial bid

**10.3.3.1** The financial bids of the qualified firm's should be opened in presence of the representatives of the qualified firm's and member of the BOC of the Institute/Center.

**10.3.3.2** A comparative statement of the financial bids of the qualified firms should be prepared and based on the lowest rate quoted by the firm, L-1 firm has to be identified. All the members of the Institute / Center Technical Committee should sign on the comparative statement of the financial bid.

**10.3.3.3** Further the above exercise should be completed by the December of the calendar year for purchases of next financial year (Recommendation of the Director's meeting May 2011).

**10.3.3.4** In response to the tender, if the Institute/Center receive only one response and if the equipment/service is not a proprietary item then the Institute/Center should re-tender for the same equipment with wide publicity.

**10.3.3.5** If second time also the Institute/Center receive only one response then the proposal may be considered with the condition to have Negotiation on cost of the equipment/ service.

**10.3.3.6** In order to avoid delays it is being planned to process cases about purchase of equipment and execution of capital work through e-governance and single window concept. (Recommendation of the Director's meeting, May 2011).

## 11.0 Repeat Order (RO)

**11.1** **Provision for Repeat Order** clause should not be made as a matter of course in the Request for Proposal (RFP) as these provisions have an impact on price. RO clause may be provided in the RFP only in exceptional circumstances, where the consumption pattern is not predictable. Under this clause, the Buyer retains the right to place orders for additional quantity up to a maximum of 50%, including order placed under Option Clause, of the originally contracted quantity at the same rate and terms of the supply order/ contract.

**11.2 Conditions Governing Repeat Order:** If a demand is received for an item or items previously ordered by ICMR Institutions/ Centers/ Hqrs., the repeat order may be placed without fresh tendering/negotiations provided that:

a) Items ordered have been delivered successfully.

b) The original order was placed on the basis of lowest price as per recommendations of TC/EC wherever applicable and technically acceptable offer and was not on delivery preferences.

c) The repeat order is placed within six months from the date of supply and only once by the ICMR Institutions/ Centers/ Hqrs., for the same goods.

d) The total quantity to be ordered /purchased on repeat order should not exceed 50% of original order. However, if the original order was for single quantity, repeat order can be made for the same.

e) The repeat order can be placed only if the specifications of the required goods are exactly identical to the specifications of the goods of the original order.

f) The supplier's willingness to accept the repeat order on the same terms and conditions as per the original order is obtained.

g) The Competent Financial Authority (CFA) is satisfied that there is no downward trend in the market price of the item and a clear certificate is appended to that effect if the enquiry is floated afresh, the expenditure is not likely to be less.

h) The basic cost (excluding taxes & duties) of repeat order does not exceed the basic cost (excluding taxes & duties) of the original supply order.

i) Quantity discount is sought from the vendor, if applicable.

j) The taxes and duties as applicable on the date of placement of repeat order will be considered.

k) If proposal for RO is for capital goods and emanates from the ICMR Institutions/Centers/Hqrs. which has placed the original order then the approval authority of the RO will be the Director General, ICMR after recommendation of the ICMR TC/EC. But if the proposal for RO is not for capital goods then the Director/ Director-In-Charge with the concurrence of the ACO, the proposal may be considered.

l) If proposal for RO for capital goods emanates from the ICMR Institutions/Centers/Hqrs. which has not placed the original order then also the approval authority of the RO will be the Director General, ICMR after recommendation of the ICMR TC/EC. But if the proposal for RO is not for capital goods then the Director/ Director-In-Charge with the concurrence of the ACO, the proposal may be considered.

## 12.0 Bidding system

Bidding systems are designed to achieve an appropriate balance between the countervailing needs for Right Quality, Right Source and the Right Price under different complexities/criticality of Technical requirements and value of procurements. In certain critical and complex requirements, the technical and financial capability of Source of supply becomes an important determinant for value for money. Depending on the complexity and criticality of technical requirement, criticality of capability of source and value of procurement, following types of bidding systems may be used:

### 12.1 Single stage bidding system

In single stage bidding, all bids are invited together in a single envelope or in multiple envelops system. This bidding system is suitable where technical requirements are simple or moderate; capability of source of supply is not too crucial and the value of procurement is not too high;

#### 12.1.1 Single stage single envelop system

Where qualitative requirements and technical specifications are clear, capability of source of supply isn't critical and value of procurement is low or moderate, the single envelop system, where eligibility, technical/ commercial and financial details are submitted together in the same envelop may be followed. This is the simplest and the quickest bidding system and should be the default system of bidding. The lowest responsive priced bid that meets the eligibility criteria, technical and commercial requirements laid down in the bid documents is declared as successful.

#### 12.1.2 Single stage two envelops system (two bid system) (Rule 163 of GFR 2017)

In technically complex requirements but where capability of source of supply is still not crucial and value of procurement is not low, a two envelop system may to be followed.

**12.1.2.1** The tenderers should be asked to bifurcate their quotations in two envelops. The first envelop, called the Technical Bid, contains the eligibility, technical quality and performance aspects, commercial terms and conditions and documents sought in the tender, except the price and relevant financial details. In the second envelop, called the financial bid, the price quotation along with other financial details are submitted. Both the envelops are to be submitted together in a sealed outer envelope;

**12.1.2.2** If required, Technical specification and Technical Bid conditions should be modified, in a pre-bid conference in the two envelop tender and it would be desirable not to invite fresh financial bids after opening of the technical bids;

**12.1.2.3** The technical bids are to be opened in the first instance on the bid opening date and time, and scrutinized and evaluated by the Institute/ Center competent Technical Committee with reference to parameters prescribed in the tender documents and responsive, eligible and technically compliant bidders are decided;

**12.1.2.4** Thereafter, in the second instance, the financial bids of only the technically compliant offers (as decided in the first instance above) are to be opened on a preannounced date and time for further scrutiny, evaluation, ranking and placement of contract. The financial bids of technically non-compliant bidders should be returned unopened to the respective bidders by registered acknowledgement due/reliable courier or any other mode with proof of delivery. In e-Procurement, financial bids of technically non-compliant offers would not get opened.

### 12.1.3 Single stage multiple envelops system with pre-qualification

As discussed below, where the procurement is moderately complex and the time, effort and money required from the bidder to participate in a tender is not very high, instead of a separate stage of PQB, as described below, a clear-cut, fail-pass qualification criteria can be asked to be submitted as the first (additional) envelop in a three envelop single stage bidding, so that a bidder's risk of having his bid rejected on grounds of qualifications is remote if due diligence is exercised by him. Strictly speaking, this is not a pre-qualification but a Post-qualification of bidders. In the first instance on the bid opening date only the PQB envelops (also containing the EMD and other eligibility documents) are opened and evaluated to shortlist the responsive bidders who pass the Pre-qualification. Rest of procedure is same as two envelop system for only qualified bidders. Rest two envelops of unqualified bidders are returned unopened to the respective bidders by registered acknowledgement due/reliable courier or any other mode with proof of delivery;

### 12.1.4 Pre-qualification Bidding (PQB)

**12.1.4.1** In complex technical requirements where capability of source of supply is crucial (for example in procurement of complex machinery and equipments), for the successful performance of the contract, besides considering techno-commercial suitability, it is necessary to ensure that competition is only among bidders with requisite capabilities matching the challenges of the task. In case bidders with inadequate capability are allowed to compete, the better qualified bidders would be eliminated since their bid price is likely to be higher commensurate with their higher capability infrastructure. Such situations a separate stage of PQB bidding system may be considered (or single stage multiple envelop bidding – please refer para above). In PQB stage, competent qualified tenderers are shortlisted by using a Pre-qualification Criterion (PQC – for example - 1. past experience of similar contracts, 2. performance capability and 3. Financial strength) prior to the issue of the bid document exclusively to shortlisted bidders in the second stage. Pre-qualification Bids (PQBs) should meet the norms of transparency, fairness and maintenance of competition. Since PQB system may strain the transparency principle and there is heightened risk of cartelization among shortlisted bidders, PQB should be done only as an exception under specified circumstances. It should not be a routine/ normal mode of procurement of goods and an eligibility criteria clause as part of single/ two envelop/cover tendering should suffice in normal/routine situations. PQB bidding as a separate stage is contraindicated in the following circumstances:

a) Where procurement can be done through limited tender enquiries;

b) Where the Procuring Entity has at least three registered bidders of the category and grade matching tendered scope of procurement and financial limit;

c) Where the requirement is technically and commercially simple enough that prequalification of the bidder is not crucial for the performance of the contract, for example, commercially off the Shelf (COTS) requirements; and

d) Where the procurement is moderately complex and the time, effort and money required from the bidder to participate in a tender is not very high. A clear-cut, fail-pass post-qualification criteria can be specified in a three envelop single stage bidding (instead of two stage bidding), so that a bidder's risk of having his bid rejected on grounds of qualifications is remote if due diligence is exercised by him.

**12.1.4.2 Pre-qualification Criteria:** PQC should be unrestrictive enough so as not to leave out even one capable vendor/contractor. Otherwise, it can lead to higher prices of procurement/ works/ services. However, on the other hand, these criteria should be restrictive enough so as not to allow even one incapable vendor/contractor and thus vitiate fair competition for capable vendors/contractors to the detriment of the buyer's objectives. A misjudgment in either direction may be detrimental. Certain guidelines regarding the framing of PQC have been laid down. A sample PQC is given in **Annexure V**. Due consideration should be given while framing PQC, to its effect on adequacy of competition. To encourage Micro and Small Enterprise (MSEs), past successful bidders, a call may be taken – whether PQC should apply to full quantity/packages or be proportional to part quantity/ package quoted by a bidder. In case requirement is suddenly a multiple time the past procurements, blind adoption of past PQCs may lead to disqualification of successful past vendors leading to inadequate competition. PQC should therefore be carefully decided for each procurement with the approval of the Competent Authority for acceptance of the tender. It should be clarified in the PQB documents that bidders have to submit authenticated documents in support of eligibility criteria.

**12.1.4.3 Advertisement and notification:** The invitation for PQB shall be processed (advertised, bid document preparation, publicity and evaluation, and so on) in the same manner as a normal GTE or OTE (as the situation calls for) tender, ensuring the widest possible coverage. The PQC and evaluation criterion should be notified clearly in the PQB documents. The PQB documents should also indicate a complete schedule of requirements for which this PQB is being done, including approximate likely quantities of requirements. A minimum period of 45 (Forty-Five) days may be allowed for the submission of PQBs. In the case of urgency, duly approved by the Director General, ICMR, the time limit may be reduced to 30 (Thirty) days.

**12.1.4.4 Evaluation:** At least in high value and critical procurements, the credentials regarding experience and past performance, submitted by the successful bidder, may be verified as per eligibility criteria, as far as reasonably feasible, from the parties for whom work has been claimed to be done. The Procuring Entity shall evaluate the qualifications of bidders only in accordance with the PQC specified and shall give due publicity to the particulars of the bidders that are qualified on the relevant portals/websites.

**12.1.4.5 Subsequent procurement tender:** The pre-qualification shall be valid for such period as may be specified in the pre-qualification document and for a single subsequent procurement within this period, except when it is determined that engaging in fresh pre-qualification shall not result in enhanced competition. During the period of such validity, the Procuring Entity shall invite bids for procurement (Request for Proposals – RfP) from pre-qualified bidders and all other bids may be treated as unsolicited offers which are normally rejected. In case bids are not invited within such a period, fresh prequalification shall be done. It is desirable that the time gap between the pre-qualification approval and floating of the linked main procurement tender is less than six months.

**12.2 Two stage bidding - expression of interest tenders – market exploration**

**12.2.1** There are instances where the equipment/plant to be procured is of complex nature and the procuring organization may not possess the full knowledge of either the various technical solutions available or the likely sources for such products in the market. To meet the desired objectives of a transparent procurement that ensures value for money simultaneously ensuring up-gradation of technology & capacity building- it would be prudent to invite a two-stage Expression of Interest (EoI) Bids and proceed to explore the market and to finalize specifications based on technical discussions/presentations with the experienced manufacturers/suppliers in a transparent manner. Expression of Interest (EoI) bids may be invited in following situations:

(i) It is not feasible for the Procuring Entity to formulate detailed specifications or identify specific characteristics for the subject matter of procurement, without receiving inputs regarding its technical aspects from bidders;

(ii) The character of the subject matter of procurement is subject to rapid technological advances or market fluctuations or both;

(iii) The Procuring Entity seeks to enter into a contract for the purpose of research, experiment, study or development, except where the contract includes the production of requirements in quantities sufficient to establish their commercial viability or to recover research and development costs; or

(iv) The bidder is expected to carry out a detailed survey or investigation and undertake a comprehensive assessment of risks, costs and obligations associated with the particular procurement. (Rule 164 of GFR 2017)

**12.2.2 The procedure for two stage bidding shall include the following, namely:**

(i) In the first stage of the bidding process, the Procuring Entity shall invite EoI bids containing the broad objectives, technical and financial eligibility criteria, terms and conditions of the proposed procurement etc without a bid price. On receipt of the Expressions of Interest, technical discussions/presentations may be held with the short-listed manufacturers/ suppliers, which are prima facie considered technically and financially capable of supplying the material or executing the proposed work, giving equal opportunity to all such bidders to participate in the discussions. During these technical discussions stage the procurement agency may also add those other stakeholders in the discussions who could add value to the decision making on the various technical aspects and evaluation criteria. Based on the discussions/presentations so held, one or more acceptable technical solutions could be decided upon laying down detailed technical specifications for each acceptable technical solution, quality benchmarks, warranty requirements, delivery milestones etc., in a manner that is consistent with the objectives of the transparent procurement. At the same time care should be taken to make the specifications generic in nature so as to provide equitable opportunities to the prospective bidders. Proper record of discussions/presentations and the process of decision making should be kept;

(ii) In revising the relevant terms and conditions of the procurement, if found necessary as a result of discussions with the shortlisted bidders, the Procuring Entity shall not modify the fundamental nature of the procurement itself;

(iii) In the second stage of the bidding process, the Procuring Entity shall invite bids from all those bidders whose bids at the first stage were not rejected, to present final bid with bid prices in response to a revised set of terms and conditions of the procurement;

(iv) Any bidder, invited to bid but not in a position to supply the subject matter of procurement due to modification in the specifications or terms and conditions, may withdraw from the bidding proceedings without forfeiting any bid security that he may have been required to provide or being penalized in any way, by declaring his intention to withdraw from the procurement proceedings with adequate justification;

(v) If the Procuring Entity is of the view that after EoI stage, there is likelihood of further participation by many more bidders and to avoid getting trapped into a legacy technology, the second stage bidding may not be restricted only to the shortlisted bidders of EoI stage and it may be so declared in the EoI document ab-initio. Thereafter in the second stage, normal OTE/GTE bidding may be done. Such variant of EoI is called 'Non-committal' EoI.

**12.2.3 Invitation of EoI tenders:** In EoI tenders, an advertisement inviting expression of interest should be published. The invitation to the EoI document should contain the following information:

(i) A copy of the advertisement;

(ii) **Objectives and scope of the requirement:** This may include a brief description of objectives and broad scope of the requirement. It may also include the validity period of empanelment;

(iii) **Instructions to the bidders:** This may include instructions regarding the nature of supply, fees for empanelment (if any), last date of submission, place of submission and any other related instructions;

(iv) **Formats for submission:** This section should specify the format in which the bidders are expected to submit their EoI;

(v) The EoI document should be made available to the interested bidder as a hard copy as well as on its website in a downloadable form; and

(vi) **Eligibility criteria:** The invitation to EoI should clearly lay down the eligibility criteria, which should be applied for short listing. Supporting documents required need to be clearly mentioned. An example of EoI eligibility criteria is shown in Table 1. However, appropriate eligibility criteria have to be designed, keeping in mind the specific objectives of the EoI.

**Table 1: An example of EoI eligibility criteria**

| Criteria | Sub-criteria | Weightage* | Break-up of Weightage |
|---|---|---|---|
| Past experience of the firm with similar requirements | | A* | |
| Financial strength of the vendor | | B* | |
| | Turnover figures of the last three years | | B1* |
| | Net profit figures of the last three years | | B2* |
| Quality accreditations, licensing requirements | | C* | |
| Manufacturing capabilities/tie-ups | | D* | |
| After-sales support infrastructure | | E* | |
| Product support | | F* | |

*Weightage (out of 100) should be pre-decided and declared in EoI documents by the CA based on assessment of the required profiles of the potential bidders. The marking/grading scheme for allotting marks (out of 100) for various parameters should also be laid down.

12.2.4 **Evaluation of EoI:** The bidders should be evaluated for short listing, inter-alia, based on their past experience of performance in a similar context, financial strength and technical capabilities, among others. Each bidder should be assigned scores based on the sum of marks obtained for each parameter multiplied by the weightage assigned to that parameter. All bidders who secure the minimum required marks (normally 60 (sixty) per cent) should be shortlisted. The minimum qualifying marks should be specified in the EoI document. Alternatively, instead of weighted evaluation, the EoI document may specify a 'fail-pass criteria' with the minimum qualifying requirement for each of the criteria, such as minimum years of experience, minimum number of assignments executed and minimum turnover. Under such circumstances, all bidders who meet the minimum requirement, as specified, should be shortlisted. The short list should normally comprise at least four firms.

## 13.0 Forms of securities, payment terms and price variations

### 13.1 Forms of security

#### 13.1.1 Bid security (Rule 170 of GFR 2017)

To safeguard against a bidder's withdrawing or altering its/his bid during the bid validity period in the case of OTE and GTE tenders, Bid Security (also known as Earnest Money Deposit (EMD)) is to be obtained from the bidders along with their bids except from bidders who are exempted from paying Bid Security. The amount of Bid Security should generally be between two to five per cent of the estimated value of the goods to be procured. The exact amount of Bid Security, rounded off to the nearest thousands of Rupees, as determined by the Procuring Entity, is to be indicated in the bidding documents. The Bid Security may be obtained in the form of an account payee demand draft, fixed deposit receipt, or banker's cheque. However, in case the Bid Security is more than a threshold (Rupees five lakh) and in case of foreign bidders in GTE tenders it may also be allowed in the form of a bank guarantee (in equivalent Foreign Exchange amount, in case of GTE) issued/confirmed from any of the scheduled commercial bank in India in an acceptable form, and so on, safe guarding the purchaser's interest in all respects. The Bid Security is normally to remain valid for a period of 45 (Forty-Five) days beyond the final bid validity period.

In exceptional cases, in place of a Bid Security, Procuring Entities after seeking approval of the competent authority may consider asking bidders to sign a bid securing declaration accepting that if they withdraw or modify their bids during the period of validity, or if they are awarded the contract and they fail to sign the contract, or to submit a performance security before the deadline defined in the request for bids/request for proposals document, they will be suspended for the period of time specified in the request for bids/request for proposals document from being eligible to submit Bids/Proposals for contracts with the Procuring Entity.

In appropriate cases, submission of the Bid Security may be waived with the Competent Authority's (CA's) approval, especially in the case of indigenisation/development tenders, limited tenders and procurements directly from the manufacturer or authorised agents.

Tenderers that are currently registered will also continue to remain registered during the tender validity period with the Procuring Entity or DGS&D, MSEs (please refer to para 1.10.4 of Chapter 1) are exempt from payment of EMD. In case the tenderer falls in these categories, the bidder should furnish a certified copy of its valid registration details. Except for MSEs, this exemption is valid for the trade group and monetary value of registration only.

A bidder's Bid Security will be forfeited if the bidder withdraws or amends its/his tender or impairs or derogates from the tender in any respect within the period of validity of the tender or if the successful bidder fails to furnish the required Performance Security within the specified period.

Bid securities of the unsuccessful bidders should be returned to them at the earliest after expiry of the final bid validity period and latest by the 30th day after the award of the contract. Bid Security should be refunded to the successful bidder on receipt of a performance security.

#### 13.1.2 Performance security (Rule 171 of GFR 2017)

To ensure due performance of the contract, performance security (or Performance Bank Guarantee (PBG) or Security Deposit (SD)) is to be obtained from the successful bidder awarded the contract. Unlike contracts of Works and Plants, in case of contracts for Goods, the need for the Performance Security depends on the market conditions and commercial practice for the particular kind of goods. Performance Security should be for an amount of five to ten per cent of the value of the contract as specified in the bid documents. Performance Security may be furnished in the form of an account payee demand draft, fixed deposit receipt from a commercial bank, bank guarantee issued/confirmed from any of the commercial bank in India in an acceptable form, safeguarding the purchaser's interest in all respects. In case of GTE tenders, the performance security should be in the same currency as the contract and must conform to Uniform Rules for Demand Guarantees (URDG 758) – an international convention regulating international securities. Unlike, Procurement of Works, in Procurement of Goods, the concept of taking part of Performance Guarantee as money retained from first or progressive bills of the supplier is not acceptable. Submission of Performance Security is not necessary for a contract value up to Rupees 1 (One) lakh.

Performance Security is to be furnished by a specified date (generally 14(fourteen) days after notification of the award) and it should remain valid for a period of 60 (sixty) days beyond the date of completion of all contractual obligations of the supplier, including warranty obligations. The Performance Security will be forfeited and credited to the Procuring Entity's account in the event of a breach of contract by the contractor. It should be refunded to the contractor without interest, after he duly performs and completes the contract in all respects but not later than 60(sixty) days of completion of all such obligations including the warranty under the contract. Return of Bid/Performance Securities should be monitored by the senior officers and delays should be avoided. If feasible, the details of these securities may be listed in the e-Procurement portal, to make the process transparent and visible.

### 13.1.3 Warranty, Bank Guarantee

In case of works and capital equipment, there is usually a defect liability/warranty clause against defects arising from design, material, workmanship or any omission on part of the vendor/ contractor during a specified period of months from the date of commissioning or from the date of dispatch in case of goods – whichever is earlier. In such cases, the Performance Guarantee is to be valid up-to 60 (sixty) days beyond the warranty period. It is normally permissible in such a situation to allow Performance Guarantee to be valid up-to 60 (sixty) days beyond delivery/ commissioning period and the contractor may be allowed to submit a fresh Warranty Bank Guarantee of 10 (ten) per cent of the value of the goods in the currency of the contract valid up-to 60 (sixty) days beyond the Warranty period. In such cases, the Performance Guarantee is to be returned only after satisfactory delivery/ commissioning and receipt of such a Warranty Bank Guarantee. In procurement of other than Capital Equipment Goods (and in case of low value Capital Goods – say up-to Rupees one Lakh), Warranty Clause is not called for.

### 13.1.4 Verification of Bank Guarantees

Bank guarantees submitted by the tenderers/suppliers as EMD/Performance securities need to be immediately verified from the issuing bank before acceptance. There may not be any need to get the Bank Guarantee vetted from legal/finance authority if it is in the specified format. Guidelines for verification of BGs submitted by the bidders/contractors against EMD/ performance security/advance payments and for various other purposes are as follows:

(i) BG shall be as per the prescribed formats;

(ii) The BG contains the number, date and validity of BG, name, designation and code number of the Bank officer(s) signing the guarantee(s);

(iii) The address and other details (including telephone no.) of the controlling officer of the bank are obtained from the branch of the bank issuing the BG (this should be included in all BGs);

(v) The confirmation from the issuing branch of the bank is obtained in writing through registered post/speed post/courier. The bank should be advised to confirm the issuance of the BGs specifically quoting the letter of Procurement Entity on the printed official letterhead of the bank indicating address and other details (including telephone nos.) of the bank and the name, designation and code number of the officer(s) confirming the issuance of the BG;

(v) Pending receipt of confirmation as above, confirmation can also be obtained with the help of responsible officer at the field office, which is close to the issuing branch of the bank, who should personally obtain the confirmation from issuing branch of the bank and forward the confirmation report to the concerned procurement entity.

### 13.1.5 Safe custody and monitoring of EMDs, performance securities and other instruments

A suitable mechanism for safe custody and monitoring of EMDs and performance securities and other instruments should be evolved and implemented by each Institute/Center/ICMR Hqrs. The Institute/Center/ICMR Hqrs. shall also make institutional arrangements for taking all necessary actions on time for extension or encashment or refund of EMDs and Performance securities, as the case may be. Monitoring should also include a monthly review of all bank guarantees and other instruments expiring in next three months, along with a review of the progress of the corresponding contracts. Extension of bank guarantees and other instruments, where warranted, should be sought immediately and implemented within their validity period. Bank Guarantee should never be handed over to the supplier for propose of extension of validity. Such a system of monitoring of securities and other instruments may be considered to be computerized with automatic alerts about lapse of validity etc.

## 13.2 Payment clause

The elements of price included in the quotation of a tenderer depend on the nature of the goods to be supplied and the allied services to be performed, location of the supplier, location of the user, terms of delivery, extant rules and regulations about taxes, duties, and so on, of the seller's country and the buyer's country.

In case of indigenous goods, the main elements of price may include raw material, production cost, overhead, packing and forwarding charges, margin of profit, transit insurance, excise duty and other taxes and duties as applicable. In case of imported goods, in addition to similar elements of price as above (other than excise duty and taxes), there may be elements of custom duty, import duty, landing and clearing charges and commission to Indian agents. Further, depending on the nature of the goods (whether domestic or imported), there may be cost elements towards installation and commissioning, operator's training, and so on.

It is, therefore, necessary that, to enable the tenderers to frame their quotations properly in a meaningful manner, the tender documents should clearly specify the desired terms of delivery and also the duties and responsibilities to be performed by the supplier in addition to supply of goods.

While claiming the payment, the supplier should also certify in the bill that the payment being claimed is strictly in terms of the contract and all obligations on the part of the supplier for claiming this payment have been fulfilled as required under the contract. There should also be a suitable provision for verification of the authenticity of the person signing the invoice, and so on, to claim the payment.

(i) Elements of Price: Where the price has several components such as the price of the goods, cost of installation and commissioning, operators' training, and so on, bidders should be asked to furnish a cost break-up indicating the applicable prices and taxes for each of such components along with the overall price. The payment schedule and terms will be linked to this cost break-up.

(ii) Currency: The tender documents are to specify the currency (currencies) in which the tenders are to be priced. As a general rule, domestic tenderers are to quote and accept their payment in Indian currency; Indian agents of foreign suppliers are to receive their agency commission in Indian currency; costs of imported goods, which are directly imported against the contract, may be quoted in foreign currency (currencies) and paid accordingly in that currency; and the portion of the allied work and services, which are to be undertaken in India (like installation and commissioning of equipment) are to be quoted and paid in Indian currency.

(iii) Payment to suppliers: In a supply contract, delivery of goods is the essence of the contract for the purchaser. Similarly, receiving timely payment for the supplies is the essence of the contract for the seller. A healthy buyer-supplier relationship is based on the twin foundation of timely and quality supply, on the one hand, and prompt and full payment to the supplier, on the other. It should be ensured that all payments due to the firm, including release of the performance security, are made on a priority basis without avoidable delay as per the tender/contract conditions:

(a) As far as possible, the payment terms and time schedule should be given in the contract and must be adhered to. Any foreseeable payment delays should be communicated to the suppliers in advance;

(b) Prompt and timely provision of statutory certificates to the seller for taxes deducted at source, are as much a part of payment as the amount actually released. A detailed payment advice showing the calculations and reasons for the amounts disallowed and taxes deducted must be issued to the supplier along with payment. As soon as possible, but not later than the date of submission of Tax returns, the Procuring Entity must provide the statutory certificates for the taxes deducted to the Supplier, so that he is able to claim set-offs and refunds from the concerned authorities;

(c) Release of payment and settlement of the final bill should be processed through the Associated/integrated Finance as per the terms and conditions of the contract;

(d) No payments to contractors by way of compensation or otherwise outside the strict terms of the contract or in excess of the contract rates should be allowed.

(iv) Before the payment is made, the invoice should be cross-checked with the actual receipt of material/assets/services to ensure that the payment matches the actual performance;

(v) While claiming the payment, the contractor must certify on the bill that the payment being claimed is strictly within terms of the contract and all the obligations on his part for claiming this payment have been fulfilled as required under the contract. There should also be a suitable provision for verification of the authenticity of the person signing the invoice, and so on, to claim the payment.

### 13.2.1 Terms of payment for domestic goods

Where the terms of delivery are FOR dispatching station, the payment terms, depending on the value and nature of the goods, mode of transportation, and so on, may be 60 to 90 (sixty to ninety) per cent on proof of dispatch and other related documents and balance on receipt at site and acceptance by the consignee.

Where the terms of delivery is FOR destination/delivery at site, the usual payment term is 100 (hundred) per cent on receipt and acceptance of goods by the consignee and on production of all required documents by the supplier.

Where goods to be supplied also need installation and commissioning by the supplier, the payment terms are generally:

(i) For a contract with terms of delivery as FOR dispatching station -- 60 (sixty) per cent on proof of dispatch along with other specified documents, 30 (thirty) per cent on receipt of the goods at site by the consignee and balance 10 (ten) per cent on successful installation and commissioning and acceptance by the consignee; and

(ii) For a contract with terms of delivery as FOR destination/delivery at site - 90 (ninety) per cent on receipt and acceptance of goods by the consignee at destination and on production of all required documents by the supplier and balance 10 (ten) per cent on successful installation and commissioning and acceptance by the consignee.

Note: Generally (especially for goods requiring installation and commissioning at site by the supplier), the desirable terms of delivery are FOR destination/delivery at site, so that the supplier remains responsible for safe arrival of the ordered goods at the site. Therefore, unless otherwise decided ex-works or FOR dispatching station terms should be avoided.

**13.2.1.1 Modes of payment for domestic goods**

Payments to domestic suppliers are usually made by cheque/demand draft drawn on a Government treasury or branch of RBI or any Scheduled Commercial Bank authorised by RBI for transacting Government business. Such payment can also be made to the supplier's bank, if the bills are endorsed in favor of the bank with a pre-receipt embossed on the bills with the words, received payment" and both the endorsement and pre-receipt are authenticated by the supplier. In addition, an irrevocable power of attorney is to be granted by the supplier in favor of the bank. In such of those cases where there has been global tendering, in order to have uniform payment clauses, if domestic suppliers, especially against high value contracts for sophisticated equipment/machinery, desire payment through LC, depending on the merits of the case, this may be agreed to. However, procuring entities should switch over to more transparent electronic payment systems like Electronic Clearance System (ECS), Real-Time Gross Settlement Systems (RTGS) National Electronic Funds Transfer (NEFT) or Electronic Payment Gateways.

**13.2.1.2 Documents for payment for domestic goods**

(i) Supplier's Invoice indicating, inter alia description and specification of the goods, quantity, unit price, total value;

(ii) Packing list;

(iii) Insurance certificate;

(iv) Railway receipt/consignment note;

(v) Manufacturer's guarantee certificate and in-house inspection certificate;

(vi) Inspection certificate issued by purchaser's inspector; and

(vii) Any other document(s) as and if required in terms of the contract.

### 13.2.2 Terms of payment for imported goods

#### 13.2.2.1 Usual payment terms, unless otherwise directed by competent authority

(i) Cases where installation, erection and commissioning (if applicable) are not the responsibility of the supplier - 100 (Hundred) per cent net FOB/FAS/CFR/CIF/CIP price is to be paid against invoice, shipping documents, inspection certificate (where applicable), manufacturers' test certificate, and so on;

(ii) Cases where installation, erection and commissioning are the responsibility of the supplier - 80 - 90 (Eighty to Ninety) per cent net FOB/FAS/CFR/CIF/CIP price will be paid against the invoice, inspection certificate (where applicable), shipping documents, and so on, and balance within 21-30 (Twenty-One to Thirty) days of successful installation and commissioning at the consignee's premises and acceptance by the consignee; and

(iii) Payment of agency commission, if payable, against FOB/FAS/CFR/CIF/CIP contract – the entire 100 (Hundred) per cent agency commission is generally paid (in non-convertible Indian Rupees on the basis of BC selling rate of exchange) after all other payments have been made to the supplier in terms of the contract.

#### 13.2.2.2 Modes of payment for imported goods

It should be ensured that the imports into India are in conformity with the export-import policy in force: FEMA; FEMA (Current Account Transactions) Rules, 2000 framed by Procuring Entity; and directions issued by RBI under FEMA from time to time.

For imported goods, payment usually happens through the Letter of Credit (LC) opened by the State Bank of India or any other scheduled/authorized bank as decided by the Procuring Entity. The amount of LC should be equal to the total payable amount, and be released as per the clauses mentioned above. Provisions of Uniform Customs and Practices for Documentary Credits should be adhered to while opening the LC for import into India. If the LC is not opened, payment can also be made to the seller through a direct bank transfer for which the buyer has to ensure that payment is released only after the receipt of prescribed documents.

#### 13.2.2.3 Documents for payment for imported goods

The documents, which are needed from the supplier for release of payment, are to be clearly specified in the contract. The paying authority is also to verify the documents received from the supplier with corresponding stipulations made in the contract before releasing the payment. Documents, which the supplier is to furnish while claiming payment, are specified in the Letter of Credit, but usually are:

i) Supplier's original invoice giving full details of the goods including quantity, value, and so on;

(ii) Packing list;

(iii) Certificate of country of origin of the goods to be given by the seller or a recognized chamber of commerce or another agency designated by the local Government for this purpose;

(iv) Certificate of pre-dispatch inspection by the purchaser's representative;

(v) Manufacturer's test certificate and guarantee;

(vi) Certificate of insurance;

(vii) Bill of lading/airway bill/rail receipt or any other dispatch document, issued by a Government agency (like the Department of Posts) or an agency duly authorized by the concerned Ministry/Department, indicating:

   a) Name of the vessel/carrier;

   b) Bill of lading/airway bill;

   c) Port of loading;

   d) Date of shipment;

   e) Port of discharge and expected date of arrival of goods; and

Any other document(s) as and if required in terms of the contract.

**13.2.2.4 Air freight charges**

Goods that are required to be airlifted are to be dispatched on a 'charge forward basis'. All air freight charges, which are shown on the relevant consignment note as chargeable to the consignee, are to be paid to the Airline in Rupees. Some organizations need to import sophisticated instruments, tools and kindred goods. These are usually small in size and very delicate/fragile in nature. Such goods, invariably, need to be airlifted. But, quite naturally, form a small part of the Air Cargo carried by an Aircraft. For such imports, procuring entities may engage Air Freight Consolidators who consolidate the small Air Cargos of different customers, to be airlifted from one Airport to another. Hiring of services of Airfreight Consolidators should be done in a transparent manner, following standard principles of Public Procurement.

**13.2.2.5 Letter of Credit (LC)**

Two banks are involved in payment to the supplier by LC, the purchaser's bank and supplier's bank. The purchaser is to forward the request to its bank in the prescribed format as formulated by the Bank, along with all relevant details including an authenticated copy of the contract. Based on this, the purchaser's bank opens the LC on behalf of the purchaser for transacting payment to the supplier through the supplier's bank. Care should be taken to ensure that the payment terms and documents to be produced for receiving payments through LC are identical with those shown in the contract. Generally, the irrevocable LC is opened so that the supplier is fully assured of his payment on fulfilling his obligations in terms of the contract. In case the delivery date of the contract is extended to take care of delay in supply, for which the supplier is responsible, the tenure of the LC is also to be extended, but the expense incurred for such an extension (of LC) is to be borne by the supplier. Provisions of Uniform Customs and Practices for Documentary Credits (UCP 600)26 should be adhered to the while opening the LC for import into India.

### 13.3 Advance Payment (GFR-172)

**13.3.1** Ordinarily, payments for services rendered or supplies made should be released only after the services have been rendered or supplies made. However, it may become necessary to make advance payments in the following types of cases:

(i) Advance payment demanded by firms holding maintenance contracts for servicing of air-conditioners, computers, other costly equipment; etc.

(ii) Advance payment demanded by firms against fabrication contracts, turn-key contracts; and so on;

Such advance payments should not exceed the following limits except in case of procurement of arms and ammunitions from ordinance factories:

a) Thirty per cent of the contract value to private firms;

b) Forty per cent of the contract value to a state or central Government agency or PSU; or

c) In case of the maintenance contract, the amount should not exceed the amount payable for six months under the contract;

d) In exceptional cases, the Administrative Department may relax the ceilings mentioned above with prior concurrence of the Associated/integrated Finance.

While making any advance payment as above, adequate safeguards in the form of a bank guarantee, and so on, should be obtained from the firm. However, the bank guarantee need not be insisted upon in case of procurement of arms and ammunitions from ordinance factories. Further, such advance payments should be generally interest bearing, suitable percentages for which are to be decided on a case to case basis.

#### 13.3.2 Documents for advance payments

Documents, needed from the supplier for release of payment, are to be clearly specified in the contract. The paying authority should also verify the documents received from the supplier with corresponding stipulations made in the contract before releasing the payment.

### 13.3.3 Insurance

In every case where advance payment or payment against dispatch documents is to be made or LC is to be opened, the condition of insurance should invariably be incorporated in the terms and conditions. Wherever necessary, the goods supplied under the contract, shall be fully insured in a freely convertible currency against loss or damage incidental to manufacture or acquisition, transportation, storage and delivery in the manner specified in the contract. If considered necessary, insurance may cover "all risks" including war risks and strike clauses. The amount to be covered under insurance should be sufficient to take care of the overall expenditure to be incurred by the Procuring Entity for receiving the goods at the destination. Where delivery of imported goods is required by the purchaser on CIF/CIP basis, the supplier shall arrange and pay for marine/air insurance, making the purchaser the beneficiary. Where delivery is on FOB/FAS basis, marine/air insurance shall be the responsibility of the purchaser. (Rule 172 of GFR 2017)

### 13.3.4 Firm Price vis-à-vis Variable Price

Short-term contracts where the delivery period does not extend beyond 18 (eighteen) months should normally be concluded with a firm and price fixed by inviting tenders accordingly. However, even for shorter deliveries, the Price Variation Clause (PVC) may be stipulated for items with non-ferrous and other raw materials prone to short-term price volatility – especially for critical or high value items – otherwise there is a possibility of the contract failing or the purchaser having to pay a higher price if prices fall. For high value (more than Rupees three crore) tenders with deliveries longer than 18 (eighteen) months, PVC may be provided to protect the purchaser's interests also.

Where it is decided to conclude the contract with a variable price, an appropriate clause incorporating, inter-alia, a suitable price variation formula should also be provided in the tender documents, to calculate the price variation between the base level and scheduled delivery date.

It is best to proactively provide our own PVC in the tender document to discourage different bidders quoting different formulae and different base dates, which may lead to problems on bringing their prices on a common comparable footing.

The variations are to be calculated periodically by using indices published by Governments/ chambers of commerce/London Metal Exchange/any other neutral and fair source of indices. Suitable weights are to be assigned to the applicable elements, that is, fixed overheads and profits, material and labour in the price variation formula. If the production of goods needs more than one raw material, the input cost of material may be further sub-divided for different categories of material, for which cost indices are published.

The following are important elements of PVC:

i) The price agreed upon should specify the base date, that is, the month and year to which the price is linked to enable variations being calculated with reference to the price indices prevailing in that month and year. The raw materials used in manufacture are procured some weeks before the goods' submission for inspection. This period is called the time lag for price variation. It applies both for base date and date of supply. This time lag at both ends must be specified;

(ii) The price variation formula must also stipulate a minimum percentage of variation of the contract price, only above which the price variation will be admissible (for example, where the resultant increase is lower than, say, two per cent of the contract price, no price adjustment will be made in favour of the supplier);

(iii) The price variation clause should provide for a ceiling on price variations, particularly where escalations are involved. It could be a percentage per annum or an overall ceiling or both;

(iv) Where advance or stage payments are made there should be a further stipulation that no price variations will be admissible on such portions of the price, after the dates of such payment;

(v) Where deliveries are accepted beyond the scheduled delivery date subject to levy of liquidated damages as provided in the contract. The LD (if a percentage of the price) will be applicable on the price as varied by the operation of the PVC;

(vi) No upward price variation will be admissible beyond the original scheduled delivery date for defaults on the part of the supplier. However, a downward price variation would be availed by the purchaser as per the denial clause in the letter of extension of the delivery period;

(vii) Price variation may be allowed beyond the original scheduled delivery date, by specific alteration of that date through an amendment to the contract in cases of force majeure or defaults by Government;

(viii) Where contracts are for supply of equipment, goods, and so on, imported (subject to customs duty and foreign exchange fluctuations) and/or locally manufactured (subject to excise duty and other duties and taxes), the percentage and element of duties and taxes included in the price should be specifically stated, along with the selling rate of foreign exchange element taken into account in the calculation of the price of the imported item;

(ix) The clause should also contain the mode and terms of payment of the price variation admissible; and

(x) The buyer should ensure a provision in the contract for the benefit of any reduction in the price in terms of the PVC being passed on to him;

(xi) An illustrative PVC clause is available in **Annexure VIII**

(xii) Care should be exercised in contracts providing for price variation to finalise the price before final payment is made, after obtaining data and documents in support of claims for escalation, if any. Where no such claims are submitted by the suppliers, an examination of whether there has been a downward trend in the cost, which the contractor may not bring out, is required. At any rate, an undertaking should be obtained from the contractor to the following effect in case it becomes necessary to make the final payment before he has submitted the required data/documents related to the PVC: "It is certified that there has been no decrease in the price of price variation indices and, in the event of any decrease of such indices during the currency of this contract, we shall promptly notify this to the purchaser and offer the requisite reduction in the contract rate."

(xiii) Notwithstanding the above formalities, it should be appreciated that it is in the interest of the purchaser to be vigilant about downward variation and it is, therefore, the basic responsibility of the purchase officers to make sure that the benefits of downward variation, wherever it occurs, are fully availed of.

### 13.3.5 Exchange Rate Variation

**13.3.5.1** In case of a contract involving substantial import content(s) and having a long delivery period (exceeding one year from the date of contract), an appropriate Foreign Exchange Variation clause may be formulated by the Procuring Entity in consultation with its Associated/ integrated Finance, as needed, and incorporated in the tender enquiry document. In that clause, the tenderers are to be asked to indicate import content(s) and the currency (ies) used for calculating the value of import content(s) in their total quoted price, which (that is, the total quoted price) will be in Indian Rupees. The tenderers may be asked to indicate the Base Exchange rate for each such foreign currency used for converting the foreign exchange content into Indian Rupees and the extent of foreign Exchange Rate Variation (ERV) risk they are willing to bear.

To work out the variation due to changes (if any) in the exchange rate(s), the base date for this purpose will be the due date of opening of tenders/seven days prior to the due date of opening of tenders (the purchase organisation is to decide and adopt a suitable date). The variation may be allowed between the above base date and date of remittance to the foreign principal/ mid-point of manufacture of the foreign component (the purchase organization is to choose the appropriate date). The applicable exchange rates as above will be according to the TT selling rates of exchange as quoted by authorised exchange bankers approved by RBI on the dates in question. No variation in price in this regard will be allowed if the variation in the rate of exchange remains within the limit of plus/minus ________ per cent (the purchase organisation is to decide the limit, say plus/minus band of 2.5% (Two-point Five percent)).

Any increase or decrease in the customs duty by reason of the variation in the rate of exchange in terms of the contract will be to the buyer's account. In case the delivery period is revised/ extended, ERV will not be admissible, if this is due to the supplier's default; however, ERV benefits arising out of downward trends should be passed on to Procuring Entity. The Procuring Entity may formulate an appropriate ERV clause on similar lines as above in consultation with their Finance Wing.

### 13.3.6 Documents for claiming Exchange Rate Variation

(i) A bill of ERV claim enclosing the working sheet;

(ii) Banker's certificate/debit advice detailing the foreign exchange paid and exchange rate;

(iii) Copies of the import order placed on the supplier; and

(iv) Supplier's invoice for the relevant import order.

### 13.3.7 Taxes, duties and levies

#### 13.3.7.1 Statutory duties and taxes on domestic goods

The duties and taxes including excise duty, CGST, SGST, VAT etc. levied by the Government on domestic goods vary from product to product. Unless a different intention appears from the terms of the contract, statutory variation in duties or taxes are to be borne by the buyer (Procuring Entity) as per the section 64A of the Sales of Goods Act, 1930. As a general policy, the statutory variations in such duties and taxes are to be allowed during the period from the date of the tender to the date of acceptance of the tender (that is, placement of the contract) and during the original/re-fixed delivery period of the contract so that both the supplier and purchaser are equally compensated for rise or fall in the price of the goods on account of such statutory variations.

(Note: Re-fixed delivery period means the fresh delivery period which is arrived at by recasting the original contractual delivery period after taking care of the lost period, for which the supplier was not responsible.)

In the tender enquiry conditions, the tenderers, wherever applicable, should be asked to specifically state in their offer whether they intend to ask for the duties and taxes as extra over and above the prices being quoted. In the absence of any indication to this effect by the tenderers, it is to be assumed that the prices quoted include these elements and no claim for the taxes or duties or statutory variations there on should be entertained after opening of tenders and during the currency of the resultant contract. If a tenderer chooses to quote price inclusive of excise duty/Sales Tax/VAT/CGST/SGST etc., it should be presumed that the duties/taxes so included is firm unless he has clearly indicated the rate of duties/taxes included in his price and also sought adjustment on account of statutory variation thereon. If a tenderer is exempted from payment of excise duty up to a certain value of turnover, he should clearly state that no excise duty will be charged by him up to the limit of exemption enjoyed by him. If any concession is available in regard to rate/quantum of Central Excise Duty, it should be brought out clearly. It should also be clearly indicated whether increase in rate of excise duty due to increase in turn over will be borne by the tenderer. Stipulation like, "excise duty is presently not applicable but the same will be charged if it becomes leviable later on", should not be accepted unless in such cases it is clearly stated by the tenderer that excise duty will not be charged by him even if the same becomes applicable later on due to increase in turnover. If a tenderer fails to comply with this requirement, his quoted price shall be loaded with the quantum of maximum excise duty which is normally applicable on the item in question for the purpose of comparison with the prices of other tenderers. The tenderers should indicate in their offer whether they are availing CGST/SGST/VAT/Tax credits or not. If they are availing CGST/SGST/VAT/Tax credits, they should take into account the entire credit on inputs available under such Schemes while quoting the price and furnish a declaration to this effect along with a confirmation that any further benefit available in future on account of such schemes would be passed on to the purchaser.

Note: Sales tax/VAT/CGST/SGST etc. are not levied on transactions of sale in the course of import. Categories of cases constituting sale in course of import are:

(i) Where the movement of goods from the foreign country to India is occasioned directly as a result of the sale;

(ii) Where the Indian supplier acts as the agent of the foreign manufacturer in the agreement of the sale.

**13.3.7.2 Octroi and local taxes**

In case the goods supplied against contracts placed by Procuring Entity are exempted from levy of town duty, Octroi duty, terminal tax and other levies of local bodies, the suppliers should be informed accordingly by incorporating suitable instructions in the tender enquiry document and in the resultant contract. Wherever required, the supplier should obtain the exemption certificate from the Purchasing Department to avoid payment of such levies and taxes.

In case such payments are not exempted (or are demanded in spite of the exemption certificate), the supplier should make the payment to avoid delay in supplies and forward the receipt to the Purchasing Department for reimbursement and for further necessary action.

**13.3.7.3 Customs duty on imported goods**

On imported goods, the tenderers shall also specify separately the total amount of custom duty included in the quoted price. The tenderers should also indicate correctly the rate of custom duty applicable for the goods in question and the corresponding Indian customs tariff number. Where customs duty is payable, the contract should clearly stipulate the quantum of duty payable, and so on, in unambiguous terms. The standard clauses to be utilised for this purpose are to be incorporated in the tender enquiry documents. Any import of materials directly from the supplier or manufacturer should be in the name of Procuring Entity. In this regard, all formalities will be completed by Procuring Entity engaging a Custom House Agent (CHA) and payment in this regard will be borne by Procuring Entity.

The Government has allowed exemption from payment of customs duty and GST at concessional rates on certain types of goods for use by the following organisations:

(i) Scientific and technical instruments imported by research institutes;

(ii) Hospital equipment imported by Government hospitals; and

(iii) Consumable goods imported by a public-funded research institution or a university.

However, to avail of such exemptions, the organisations are required to produce a “Custom Duty Exemption” certificate and “Not Manufactured in India” certificate at the appropriate time. The relevant contemporary instructions covering these aspects should be incorporated in the tender enquiry document and in the resultant contract.

**13.3.7.4 Duties/Taxes on raw materials**

Procuring Entity is not liable for any claim from the supplier on account of fresh imposition and/ or increase (including statutory increase) in excise duty, custom duty, sales tax, GST and so on, on raw materials and/or components used directly in the manufacture of the contracted goods taking place during the pendency of the contract, unless such liability is specifically agreed to in terms of the contract. A clause to this effect should also form part of the tender documents the tasks, costs and risks involved in the delivery of goods from the seller to the buyer. The risk to goods (damage, loss, shortage, and so on) is the responsibility of the person who holds the ‘title of goods’ at that point of time. This may be different from actual physical possession of such goods. Normally, unless otherwise defined, the title of goods passes from the supplier to the purchaser in accordance with the terms of delivery (FOR, CFR, among others). The terms of delivery, therefore, specify when the ownership and title of goods pass from the seller to buyer, along with the associated risks. Incoterms as described by the International Chamber of Commerce are an internationally accepted interpretation of the terms of delivery. These terms of delivery allocate responsibilities to the buyer and seller, with respect to:

i. Control and care of the goods while in transit;

ii. Carrier selection, transfers and related issues;

iii. Costs of freight, insurance, taxes, duties & forwarding fees; and

iv. Documentation, problem resolution and other related issues.

<table>
<tr><td>INCOTERMS Options</td><td>Applicable to</td></tr>
<tr><td>Ex-Group of Terms</td><td>Buyer takes full responsibility from point of departure</td></tr>
<tr><td>EXW – Ex-Works</td><td>Any mode of transport</td></tr>
<tr><td>Free Group of Terms</td><td>freight is not paid by the seller</td></tr>
<tr><td>FCA – Free Carrier</td><td>Any mode of transport</td></tr>
<tr><td>FAS – Free Alongside Ship</td><td rowspan="2">Sea and inland waterway transport only</td></tr>
<tr><td>FOB – Free on Board</td></tr>
<tr><td>C Group of Terms</td><td>Freight is paid by the seller</td></tr>
<tr><td>CPT – Carriage Paid To</td><td>Any mode of transport</td></tr>
<tr><td>CIP – Carriage and Insurance Paid to</td><td>Any mode of transport</td></tr>
<tr><td>CFR – Cost and Freight</td><td rowspan="2">Sea and inland waterway transport only</td></tr>
<tr><td>CIF – Cost, Insurance and</td></tr>
</table>

| | |
|---|---|
| Freight | |
| Delivered Group of Terms | Seller takes responsibility from an intermediate point onwards |
| DAT – Delivered at Terminal | Any mode of transport |
| DAP – Delivered at Place | Any mode of transport |
| DDP – Delivered Duty Paid | Any mode of transport |

In use since 1936, Incoterms have been revised in 2010. Out of the 11 Incoterms options, seven apply to all modes of transportation whereas four apply only to water transportation. The options range from one extreme – the buyer takes full responsibility from point of departure–to the other extreme: the seller is responsible all the way through delivery to the buyer's location. It is easiest to understand terms as per their nomenclature groupings: 'ex' group of terms where the buyer takes full responsibility from point of departure; 'free' group of terms in which the freight is not paid by the seller; 'C' group of terms in which the freight is paid by the seller; and 'delivered' group of terms where the seller takes full responsibility from an intermediate point to an arrival point (Annexure-7).

Within national transportation, certain terms have assumed acceptance due to usage. FOR has two versions: FOR/dispatching and FOR/destination (the buyer is responsible from the nominated point mentioned till arrival point, as in Delivery at Terminal). Infrequently, it is also used in road transport as FOT.

### 13.4 E-Payment

e -Banking and e-payments are now used by various banks by adopting Electronic Clearing System (ECS) and Electronic Fund Transfer (NEFT/RTGS) procedure. Payments to suppliers may be made through such mechanism where such facilities are available. As per RBI guidelines, ECS mandate in RBI's format may be obtained at the time of registration of suppliers and in the bid document. The Format is available with all Banks.

### 13.5 Deduction of income tax, service tax, and so on, at source from payments to suppliers

This will be done as per the existing law in force during the currency of the contract.

### 13.6 Recovery of public money from supplier's bill

Sometimes, requests are received from a different Ministry/Department/ICMR Hqrs. for withholding some payment of a supplier out of the payment due to it against a contract. Such requests are to be examined by the Institute/Center/Unit (which has received the request) on the merits of the case for further action. It will, however, be the responsibility of the Institute/Center/Unit asking for withholding of payment to defend the Government against any legal procedure arising out of such withholding as also for payment of any interest thereof.

**13.7 Refund from supplier**

Sometimes, the supplier, after claiming and receiving reimbursements for sales tax, excise duty, custom duty, GST and so on, from the purchaser, applies to the concerned authorities for refunds, on genuine grounds, of certain portions of such duties and taxes paid by it and receives the allowable refunds. Such refunds contain the purchaser's share also (out of the payments already made by the purchaser to that supplier). The tender enquiry document and the contract are to contain suitable provisions for obtaining such refunds from the supplier.

**13.8 Payment against time barred claims**

Ordinarily, all claims against the Government are time barred after a period of three years calculated from the date when the payment falls due unless the payment claim has been under correspondence. However, the limitation is saved if there is an admission of liability to pay, and fresh period of limitation starts from the time such admission is made. The drill to be followed while dealing with time barred claims will be decided by the Institute/Center/Unit concerned in consultation with the paying authority. The paying authority is to ensure that no payment against such time barred claim is made till a decision has been taken in this regard by the Director General, ICMR.

## 14.0 Procurement / Outsourcing of services

**14.1 Non-consulting service** means any subject matter of procurement (which as distinguished from 'Consultancy Services'), involve physical, measurable deliverables / outcomes, where performance standards can be clearly identified and consistently applied, other than goods or works, except those incidental or consequential to the service, and includes maintenance, hiring of vehicle, outsourcing of building facilities management, security, photocopier service, janitor, office errand services, drilling, aerial photography, satellite imagery, mapping etc. (GFR-197).

**14.2 Procurement of non-consulting services.** ICMR Institute/Center/Unit/Hqrs. may procure certain non-consulting services in the interest of economy and efficiency and it may prescribe detailed instructions and procedures for this purpose without, however, contravening the following basic guidelines (GFR-198).

**14.3 Identification of likely contractors.** ICMR Institute/Center/Unit/Hqrs. should prepare a list of likely and potential contractors on the basis of formal or informal enquiries from other ICMR and non-ICMR Institutions/Ministries/Departments and Organisations involved in similar activities, scrutiny of 'Yellow pages', and trade journals, if available, web site etc. (GFR-199).

**14.4 Preparation of tender enquiry.** ICMR Institute/Center/Unit/Hqrs. should prepare a tender enquiry containing, inter alia (GFR-200):

(i) The details of the work or service to be performed by the contractor;

(ii) The facilities and the inputs which will be provided to the contractor by the ICMR Institute/Center/Unit/Hqrs.;

(iii) Eligibility and qualification criteria to be met by the contractor for performing the required work/service; and

(iv) The statutory and contractual obligations to be complied with by the contractor.

**14.5 Invitation of bids (GFR-201)**

**14.5.1** For estimated value of the non-consulting service up to Rupees ten lakhs or less: The ICMR Institute/Center/Unit/Hqrs. should scrutinise the preliminary list of likely contractors as identified above under section 3.0, decide the prima facie Eligible and capable contractors and issue limited tender enquiry to them asking for their offers by a specified date and time etc. as per standard practice. The number of the contractors so identified for issuing limited tender enquiry should be more than three.

**14.5.2** For estimated value of the non-consulting service above Rs.10 lakhs: ICMR Institute/Center/Unit/Hqrs. should issue advertisement in such case should be given on Central Public Procurement Portal (CPPP) at www.eprocure.gov.in, on GeM and on ICMR website. An ICMR Institute/Center/Unit/Hqrs. having its own website should also publish all its advertised tender enquiries on the website. The advertisements for invitation of tenders should give the complete web address from where the bidding documents can be downloaded.

**14.6 Late bids.** Late bids i.e. bids received after the specified date and time of receipt should not be considered (GFR-202).

**14.7 Evaluation of bids received.** The ICMR Institute/Center/Unit/Hqrs. should evaluate the bid as described under section 10.3 of the guidelines (GFR-203). For hiring manpower to perform job at ICMR Institute/Center/Unit/Hqrs., a performa for obtaining necessary information from the bidder at the time of biding is enclosed herewith along-with technical & financial bids evaluation form as **Annexure - IX.**

**14.8 Procurement of non-consulting services by nomination.** Should it become necessary, in an exceptional situation to procure a non-consulting service from a specifically chosen contractor, the Director General, ICMR may do so in consultation with the Financial Adviser. In such cases the detailed justification, the circumstances leading to such procurement by choice and the special interest or purpose it shall serve, shall form an integral part of the proposal (GFR-204).

**14.9 Monitoring the contract.** The Institute/Center/Unit/Hqrs. should be involved throughout in the conduct of the contract and continuously monitor the performance of the contractor (GFR-205).

**14.10** Any circumstances which are not covered under this chapter for procurement of non-consulting services, the procuring entity may refer section of the chapter on procurement of goods (Rule 135 to 176 of GFR).

**Annexure - I**

# Check List for Evaluation of Capital Equipments/Services by ICMR Technical and Experts Committees

**Note:**

- Please tick (√) in each box if yes
- Please put (x) if not applicable
- Write /Print page No. of the completed document where that particular document is placed.

| S. No | | | Page No |
|---|---|---|---|
| **Scientific Advisory Committee (SAC) of the Institute/Center** | | | |
| 1. | Recommendation of Scientific Advisory Committee (SAC) of the Institute/Center. | ☐ | |
| **Institute/Center Specification Committee** | | | |
| 2. | Minutes of duly constitute specification committee as per ICMR Guidelines clearly drafting the specification for the desired equipment. | ☐ | |
| **Tender Document** | | | |
| 3. | Documents in support of inviting double bid global open tender by publishing on Central Public Procurement Portal (CPPP), GeM, Institutes/Centers and ICMR web site. | ☐ | |
| 4. | The proof of adequacy of the tender notice period. | ☐ | |
| 5. | Documents in support of having pre-bid meeting/conference held, if any, with Documents in support of its recommendations. | ☐ | |
| **Institute/Center Bids Opening Committee** | | | |
| 6. | Documents in support of having Bids Opening Committee. | ☐ | |
| **Evaluation of Technical Bids by Institute / Center Technical Committee** | | | |
| 7. | Minutes of the duly constituted Institute/Center Technical Committee as per ICMR Guidelines. | ☐ | |
| 8. | Comparative statement of technical specifications submitted by various firms with clear cut recommendation of the technical | ☐ | |

| | | | |
|---|---|---|---|
| | committee declaring firms which have being declaring technically qualified and disqualified firm with proper justification. | | |
| 9. | Each page of the minutes of the institute/center technical committee as well as of the technical comparative statements needs to be signed with date by all the members of the committee and on the last page of the minutes and comparative statement, the full name, designation and signature with date of all the members of the committee needs to be obtained. | ☐ | |
| 10. | Examining carefully the technical comparative statement so that if the institute/center technical committee has committed any mistake in declaring any firm qualified or disqualified can be cross checked. | ☐ | |
| **Evaluation of Financial Bids by Institute / Center Technical Committee** | | | |
| 11. | The minutes of the Institute/Center Technical Committee on Financial Bids with comparative statement of Financial Bids of all qualified firms. The minutes and the comparative statement of financial bids should be signed by all the members of the committee and on the last page of the minutes and comparative statement, the full name, designation and signature of all the members of the committee needs to be obtained. | ☐ | |
| 12. | The financial bid comparative statement should clearly mention the L-1 firm and should have a clear statement recommending the procurement of desired equipment from the L-1 firm with clear terms and conditions. | ☐ | |
| 13. | The price comparison worked out correctly i.e. a ‘like to like’ comparison of all bidders on the (CIF, FOB) price of main equipments / AMC / CMC / consumables / civil works and accessories etc. | ☐ | |
| 14. | A comparison was made on all counts to work out the L-1 such that and addition of any one count which is left out does not alter the L-1. | ☐ | |
| 15. | Consumable/accessory prices were frozen where committed nos. of consumable and accessories would be required in the subsequent years. | ☐ | |
| 16. | Any element that could alter the price subsequent to technical bid comparison having been finalized should not be introduced. | ☐ | |
| 17. | List of Institutions where the L-1 firm has supplied the same | ☐ | |

| | | | |
|---|---|---|---|
| | equipment. | | |
| **Other relevant documents** | | | |
| 18. | Copy of the latest purchase order, if any, from any institution for the same equipment/service. | ☐ | |
| 19. | A letter from the Director certifying that Institute/Center has appropriate space, electricity load and a trained manpower or a person has been identified to run the equipment. | ☐ | |
| 20. | For high value equipments it is desirable to examine/compare recent benchmarks i.e. similar purchases made in other labs/institutes. | ☐ | |
| 21. | Checks on any representation receive during the tender process from other vendors etc. and their valid redressal. | ☐ | |
| **ICMR Technical Committee** | | | |
| 22. | Recommendation of ICMR Technical Committee for the equipment. | ☐ | |
| 23. | Presentation of the proposal by the Director/Director-in-charge/representative of the Institute/Centre with special reference to related logistic issues concern with installation and functioning of the equipment. | ☐ | |
| 24. | The merits of whether it would be desirable to enter into AMC or CMC were examined. | ☐ | |
| **ICMR Experts Committee** | | | |
| 25. | Discussion with the representative of the firm on the following issues: | ☐ | |
| | i. The firm agreed to provide 3 years comprehensive warranty and 2 years non-comprehensive services for equipment free of cost. | | |
| | ii. The firm agreed to provide non-comprehensive annual maintenance from 6th to 10th years @ ............. | | |
| | iii. The firm agreed to provide spare parts to maintain the equipment, up to 10 years. | | |
| | iv. The firm agreed to give discount of …… % on list price of all spare parts up to 10 years. | | |
| | v. The firm agreed to provide 2 preventive maintenance visits per year and also breakdown visits as and when required. | | |
| | vi. The firm agreed to submit Performance bank guarantee of | | |

| | | | | |
|---|---|---|---|---|
| | | 10% of the FOB value of the order and which will be retained by the Council till the end of warranty period. | | |
| | vii. | The firm agreed that the duration of warranty period will start after, proper installation of the equipment and submitting users satisfactory report. | | |
| | viii. | The maximum response time of ….. hrs. was accepted by the firm. | | |
| | ix. | The firm agreed to accept 0.1% of FOB as penalty per week till the warranty period, if the instrument remains in non-working condition for more than 18 days. | | |
| | x. | When the equipment is under warranty/comprehensive maintenance, it would be the responsibility of the manufacturer/dealer/agent to procure spare parts and the Institute will not incur any expense on duty, octroi or handling charges. | | |
| | xi. | The detailed circuit diagram along with trouble shooting procedure and operational manual would be provided to the Institute along with the equipment. | | |
| | xii. | The firms agreed to provide on-site training to the users. | | |
| | xiii. | In additional to the above all other conditions/negotiations if any held with the firm at the Institute/centre remains as such. | | |
| | xiv. | The firm agreed to supply above mentioned equipment at a total cost of Rs. …............./- inclusive of all items and conditions plus taxes as applicable. | | |

## Check List for Evaluation of Proprietary Equipment

| S. No | | | Page No |
|---|---|---|---|
| 1. | Recommendation of Scientific Advisory Committee (SAC) of the Institute/Center. | ☐ | |
| 2. | Checks w.r.t. propriety items which should invariably include propriety certificate and authenticated benchmarks (i.e. prices at which sold to other clients in the recent past). | ☐ | |
| 3. | Minutes of newly constitute specification committee as per ICMR Guidelines clearly drafting the specification for the desired equipment with justification why the equipment with said specifications is require and for what type of research project. | ☐ | |
| 4. | Copy of the Proprietary Certificate from the concern firm | ☐ | |

| | | | |
|---|---|---|---|
| | certifying that the said equipment is their proprietary item as per Annexure-III of ICMR Procurement Guidelines - 2018. | | |
| 5. | Copy of the Proprietary Certificate from the end user counter singed by the Director of the concern Institute/Center as per Annexure-IV of ICMR Procurement Guidelines – 2018. | ☐ | |
| 6. | Copy of the financial bid of the equipment with details terms and conditions. | ☐ | |
| 7. | Clear cut recommendation of the Institute/Centre TC regarding the cost of the proprietary item clearly mentioned about CIF or FOB and also about CAMC etc. | ☐ | |
| 8. | ICMR Technical Committee should recommend the procurement of the proprietary item with the condition to have negotiation on the cost of the equipment and discussion with the firm for other logistic issues. | ☐ | |
| 9. | Discussion with the representative of the firm as shown at Sl. No. 25. | ☐ | |

**Annexure – II**

# Limited Tender Form

(Refer Para ……………and ………………)

*Name of the Procuring Entity*____________________________________________

<table>
<tr><td>Firm's Reference</td><td></td><td>Date</td><td></td></tr>
<tr><td>Firm Registration No. (if any)</td><td></td><td>PAN (attach photocopy)</td><td></td></tr>
<tr><td>TIN/VAT/CST No.</td><td></td><td rowspan="4">Limited Tender Form</td><td rowspan="4">Address:</td></tr>
<tr><td>Phone</td><td></td></tr>
<tr><td>Fax</td><td></td></tr>
<tr><td>Email</td><td></td></tr>
<tr><td colspan="2">M/s:</td><td>Enquiry No. and Date</td><td></td></tr>
<tr><td colspan="2"></td><td>Date of Tender Opening</td><td></td></tr>
<tr><td colspan="2"></td><td colspan="2">The tender would be opened at three pm on the date of tender opening above, at the address mentioned above.</td></tr>
<tr><td colspan="4">Please submit on or before 3:00 pm on the date of tender opening, your quotation for the following goods, in accordance with the terms and conditions printed overleaf, in a sealed cover, marked on top with – Enquiry No; Date of Tender Opening.<br><br>Yours Sincerely<br><br>Procuring Officer</td></tr>
<tr><td colspan="4">Tender Schedule: All Rates in Figures and in Words in Rupees</td></tr>
</table>

| Sr No: | Description and Specification | Qty | Unit | Delivery Terms | Rate per Unit | Taxes & Duties | Packing/ forwarding | Total Rate per Unit | Total Value |
|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | |

| |
|---|
| Delivery Schedule: |
| Enclosed Specifications/Drawings/Special Conditions of Contract: |
| Item/Tender Specific Conditions of this Tender: |
| I/we engage to supply the material(s) to your office and comply the following:<br>1. Tender schedule and technical specification indicated.<br>2. Item/tender specific conditions for this tender. |

| | | | |
|---|---|---|---|
| 3. Terms and conditions printed overleaf.<br>4. General conditions of contract signed by me at the time of supplier registration (for registered suppliers).<br>5. I / we confirm that set off for the ED, VAT, GST etc. paid on the inputs have been taken into consideration in the above quoted price and further agree to pass on such additional duties as sets offs as may become available in future under VAT, GST etc.<br>6. This offer is valid for 90 (ninety) days from the date of opening of the tender.<br>7. That we have not been debarred by any Government / Undertaking.<br>8. That the rates quoted are not higher than the rates quoted for same item to any Government / Undertaking.<br>9. That the bid submitted by us is properly sealed and prepared so as to prevent any subsequent alteration and replacement. | | | |
| Signature & Seal<br>Place & Date: | | Name of Authorised Signatory: | |
| Address: | | Tel. No./Fax. No./Mobile No.<br>Email Id: | |

## Terms and Conditions of Limited Tender

1. The quotation must be in the form furnished by Procuring Entity and should be free from corrections/erasures. In case there is any unavoidable correction it should be properly attested. If not, the quotation will not be considered. Quotation written in pencil will not be considered.
2. Quotation will be opened on due date at 3.00 pm at the indicated venue in presence of the tenderers or their representatives who may wish to be present.
3. The Director General, ICMR reserves the right to accept the offer by individual items and reject any or all tenders without assigning any reason thereof and does not bind itself to accept lowest quotations.
4. Participation in this tender is by invitation only and is limited to the selected Procuring Entity's registered suppliers. Unsolicited offers are liable to be ignored. However, suppliers who desire to participate in such tenders in future may bring it to the notice of Procuring Entity and apply for registration as per procedure of Govt. of India.
5. Manufacturer's name and country of origin of materials offered must be clearly specified. Please quote whether your organisation is large scale industry or small-scale industry. If you have NSIC/MSE/MSI/DGS&D Certificate, please attach it to the quotation. Mention your registration details.
6. Complete details and ISI specification if any must accompany the quotation. Make/brand of the item shall be stated wherever applicable. If you have got any counter offer as suitable to the material required by us, the same may be shown separately.
7. Samples must be submitted where specified along with the quotations. Samples must be carefully packed, sealed and labelled clearly with enquiry number, subject and sender's name for easy identification. Rejected samples will be returned at your

cost if insisted.

8. All drawings sketches and samples, if any, sent along with this enquiry must be returned along with quotations duly signed.

9. All supplies are subject to inspection and approval before acceptance. Manufacturer/ supplier warranty certificates and manufacturer/Government approved lab test certificate shall be furnished along with the supply, wherever applicable.

10. The Director General, ICMR reserves the right to modify the quantity specified in this enquiry.

11. The prices quoted should be firm till the supplies are completed. Please quote the rates in words and figures. Rates quoted should be free delivery at destination including all charges otherwise the quotation is likely to be rejected. Prices quoted for free delivery at destination will be given preference. If there is no indication regarding the FOR, in the quotation, then it will be considered as FOR destinations. Price quoted should be net and valid for a minimum period of three months from the date of opening of the quotation.

12. In case the items in the enquiry are covered by any rate contract or running contract finalised by the DGS&D or any other state or central Government, is should be specified in your quotation and accepted contract rates should also be mentioned. It should be confirmed whether you could supply at the RC rates outside rate contract.

13. Payment of sales tax/GST is primarily the responsibility of the seller and will not be paid unless the percentage value is clearly mentioned in the quotations. If no indication regarding CST/GST/ST is recorded in the quotation, the CST/GST/ST will be considered as included.

14. Delivery period required for supplying the material should be invariably specified in the quotation.

15. In case your quotation is accepted and order is placed on you, the supply against the order should be made within the period stipulated in the order. The Director General, ICMR reserves the right to recover any loss sustained due to delayed delivery by way of penalty. Failure to supply the material within the stipulated period shall entitle Procuring Entity for the imposition of penalty without assigning any reasons @ ½% (half percent) of the total value of the item covered in order as penalty per day subject to a maximum of 5% (five percent) unless extension is obtained in writing from the office on valid ground before expiry of delivery period.

16. If the deliveries are not maintained and due to that account Procuring Entity is forced to buy the material at your risk and cost from elsewhere, the loss or damage that may be sustained there by will be recovered from the defaulting supplier.

17. Dispute clause: Any dispute relating to the enquiry shall be subject to the jurisdiction of the court at [indicate Place] only.

**Annexure-III**

## Proprietary Article Certificate (PAC) from the firm

**Note:** Proprietary Article Certificate in the following form is to be provided by the OEM/ authorized dealers/ Stockiest of OEM) before procuring the goods from a single source under the provision of sub Rule 166 (i) and 166 (iii) as applicable.

(i) The indented goods are manufactured by M/s......................

(ii) No other make or model is acceptable by the Institute/ Center ……………………………………..for the following reasons:

(1) ………………………………………………………………

(2) ………………………………………………………………

(3) ………………………………………………………………

(4) ………………………………………………………………

(iii) Concurrence of finance wing of the OEM/ authorized dealers/ Stockiest of OEM to the proposal vide: ………………..

(iv) Approval of the competent authority of the OEM/ authorized dealers/ Stockiest of OEM

(Signature with date and designation OEM/ authorized dealers/ Stockiest of OEM)

**Annexure-IV**

## Proprietary Article Certificate from the intending authority
**(To be provided by the indenting Institute/ Center)**

Valid for the Current Financial Year

| **File Number and Date Reference** | | |
|---|---|---|
| 1 | Description of article | |
| 2 | Forecast of quantity/annual requirement | |
| 3 | Approximate estimated value for above quantity | |
| 4 | Maker’s name and address | |
| 5 | Name(s) of authorised dealers/stockiests | |
| 6 | I approve the above purchase on PAC basis and certify that: -<br>-<br>Note- Tick to retain only one out of (b), (c-1) or (c-2) whichever is applicable and cross out others. Please do confirm (a) by ticking it – without which PAC certificate will be invalid. | |
| 6(a) | This is the only firm who is manufacturing/stocking this item.<br>AND | |
| 6(b) | A similar article is not manufactured/sold by any other firm, which could be used in lieu<br>OR | |
| 6 (c-1) | No other make/brand will be suitable for following tangible reasons (like OEM/warranty spares):<br>OR | |
| | ……………………………………………………………… | |
| 6 (c-1) | No other make/brand will be suitable for following intangible reasons (if PAC was also given in the last procurement cycle, please also bring out efforts made since then to locate more sources): OR | |
| | ………………………………………………………………<br>……………………………………………………………… | |
| 7 | Concurrence of Account Officer/ Finance Division of the Institute/ Center to the proposal: | |

| History of PAC purchases of this item for past three years may be given below | | | |
|---|---|---|---|
| Name of the Supplier | | | |
| Order/Tender Reference& Date | Quantity Ordered | Basic Rate on Order (Rs.) | Adverse Performance Reported if Any |
| | | | |
| | | | |

Date: Signature with seal of Director/ Director-In-Charge

**Annexure - V**

## Sample Pre-qualification Criteria

Criteria 1 - Experience and Past Performance:

(a) The bidder (manufacturer or principal of authorised representative – hereinafter referred simply as 'The Bidder')should have regularly for at least the last three years, ending 31st March (or any other year ending followed in relevant country) of the previous financial year (hereinafter called 'The relevant Date'), manufactured and supplied (/erected/ commissioned) [Name of Requirement], with the same or higher specifications[having/ with – parameters] (hereinafter called 'The Product'), and

(b) 'The bidder' should have manufactured and supplied (/erected/commissioned) at least [____] numbers (herein after referred as 'The Qualifying Quantity') of 'The Product' in at least one of the last five years ending on 'The relevant Date', and out of which

(c) (At least [one] numbers of offered version/model of 'The product' should be in successful operation for at least [two] years on the date of bid opening.)

Criteria 2 - Capability-Equipment & manufacturing Facilities:

'The bidder' must have an annual capacity to manufacture and supply (/erected/ commissioned) at least 'The Qualifying Quantity'.

Note: In case of multiple products in a tender, this criterion shall be applicable product wise. For example, in case of Printing Paper of different specifications/sizes, it shall be applicable to quantity of paper manufactured and supplied specification/size wise.

Criteria 3 - Financial Standing – under all conditions

(a) The average annual financial turnover of 'The bidder' during the last three years, ending on 'The relevant Date', should be at Rs. [---------] (or equivalent in foreign currency at exchange rate prevalent on 'The Relevant Date') as per the annual report (audited balance sheet and profit & loss account) of the relevant period, duly authenticated by a Chartered Accountant/Cost Accountant in India or equivalent in relevant countries.

(b) Bidder Firm (manufacturer or principal of authorised representative) should not have suffered any financial loss for more than one year during the last three years, ending on 'The Relevant Date'.

(c) The net worth of the Bidder firm (manufacturer or principal of authorised representative) should not be negative on 'The Relevant Date' and also ii) should have not eroded by more than 30% (thirty percent) in the last three years, ending on 'The Relevant Date'.

Note: In case of Indian Bidders/companies (manufacturer or principal of authorised representative) who have been restructured by Banks in India, under the statutory guidelines, they would be deemed to have qualified the Financial standing criteria considering the institutional financial backing available to them.

Applicability in Special Cases:

(a) Applicability to 'Make in India': Bidders (manufacturer or principal of authorised representative) who have a valid/approved ongoing 'Make in India' agreement/ program and who while meeting all other criteria above, except for any or more of sub-criteria in Experience and Past Performance above, would also be considered to be qualified provided:

    (i) their foreign 'Make-in-India' associates meets all the criteria above without exemption, and

    (ii) the Bidder submits appropriate documentary proof for a valid/approved ongoing 'Make in India' agreement/program.

    (iii) the bidder (manufacturer or principal of authorised representative) furnishes along with the bid a legally enforceable undertaking jointly executed by himself and such foreign Manufacturer for satisfactory manufacture, Supply (and erection, commissioning if applicable) and performance of 'The Product' offered including all warranty obligations as per the general and special conditions of contract.

(b) Authorized Representatives: Bids of bidders quoting as authorised representative of a principal manufacturer would also be considered to be qualified, provided:

    (i) their principal manufacturer meets all the criteria above without exemption, and
    (ii) the principal manufacturer furnishes a legally enforceable tender-specific authorisation in the prescribed form assuring full guarantee and warranty obligations as per the general and special conditions of contract; and
    (iii) the bidder himself should have been associated, as authorised representative of the same or other Principal Manufacturer for same set of services as in present bid (supply, installation, satisfactorily commissioning, after sales service as the case may be) for same or similar 'Product' for past three years ending on 'The Relevant Date'.

(c) For Existing successful Past Suppliers: In case the bidder (manufacturer or principal of authorised representative) who is a successful past supplier of 'The Product' in at least one of the recent past [three] procurements, who do not meet any or more of requirements above, would also be considered to be qualified in view of their proven credentials, for the maximum quantity supplied by him in such recent past.

(d) Joint Ventures and Holding Companies: Credentials of the partners of Joint ventures cannot (repeat cannot) be clubbed for the purpose of compliance of PQC in supply of Goods/Equipment, and each partner must comply with all the PQC criteria independently.

    However, for the purpose of qualifying the Financial Standing Criteria, the Financial Standing credentials of a Holding Company can be clubbed with only one of the fully owned subsidiary bidding company, with appropriate legal documents proving such ownership.

Note for Bidders:

(a) 'Doctrine of Substantial Compliance': The Pre-Qualification Bidding (PQB) and Pre-Qualification Criteria (PQC) are for shortlisting of sources who are competent to perform this contract to ensure best value for money from expenditure of Public Money. This process is neither intended to bestow any entitlement upon nor to create any rights or privileges for the Bidders, by way of overly hair-splitting or viciously legalistic interpretations of these criteria, disregarding the very rationale of the PQB and PQC. Keeping this caveat in view, interpretation by Procuring Entity would be based on common usage of terminologies and phrases in public procurement in accordance with the 'Doctrine of Substantial Compliance' and would be final.

(b) Along with all the necessary documents/certificates required as per the tender conditions, the bidder should furnish a brief write-up, backed with adequate data, explaining his available capacity (both technical and financial), for manufacture and supply of the required goods/equipment, within the specified time of completion, after meeting all their current commitments.

(c) Supporting documents submitted by the bidder must be certified as follows:

(i) All copy of supply/work order; respective completion certificate and contact details of clients; documents issued by the relevant Industries Department/National Small Industries Corporation (NSIC)/manufacturing license; annual report, etc., in support of experience, past performance and capacity/capability should be authenticated by the by the person authorised to sign the tender on behalf of the bidder. Original Documents must be submitted for inspection, if so demanded.

(ii) All financial standing data should be certified by certified accountants, for example, Chartered Accountants/Cost Accountants or equivalent in relevant countries; and Indian bidder or Indian counterparts of foreign bidders should furnish their Permanent Account Number.

**Annexure – VI**

**Bid Opening Attendance Sheet cum Report**

**[Name of Procuring Entity]**

**Bid Opening Attendance Sheet cum Report**

| Attendance Record | | | | | | |
|---|---|---|---|---|---|---|
| Sr No | Bidder's Name | Bidder's Address | Bidder's Authorisation and Date | Represented by | Contact No. | Signature of Representative |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |

| Bid Opening Report | | | | | | |
|---|---|---|---|---|---|---|
| Tender No | | | Title | | Date of Opening | |
| Offer No. | Bidder's Name | Bidder's Ref and Date | Submission of Requisite EMD (Y/N) | Submission of other Mandatory Documents (Y/N) | Rate Quoted and Taxes/ Duties | Signature of Representative |
| | | | | | | |
| | | | | | | |
| | | | | | | |

Total no. of regular tenders taken out from the tender box to be opened as mentioned above

.............................................................................................. (in figures and in words)

| | |
|---|---|
| Signature, Date and Time Name and Designation of Tender Opening Officer | Signature, Date and Time Name and Designation of Tender Opening Officer |

Received total regular tenders................................................... (In figures/words) as above

| | |
|---|---|
| Signature, Date and Time Name and Designation of Procuring Entity Officer | Signature, Signature, Date and Time Name and Designation of Procuring Entity Officer |

## Annexure - VII

# Incoterms

| More Common Terms in Incoterms | | | | | | | |
|---|---|---|---|---|---|---|---|
| TERM SERVICE | EXW Ex-Works | FCA Free Carrier | FAS Free Alongside Ship | FOB Vessel | CFR Cost & Freight | CIF Cost Insurance & Freight | CPT Carriage Paid to |
| | Who Pays | Who Pays | Who Pays | Who Pays | Who Pays | Who Pays | Who Pays |
| Warehouse storage at point of origin | Seller | Seller | Seller | Seller | Seller | Seller | Seller |
| Warehouse labour at point of origin | Seller | Seller | Seller | Seller | Seller | Seller | Seller |
| Export packing | Seller | Seller | Seller | Seller | Seller | Seller | Seller |
| Loading at point of origin | Buyer | Seller | Seller | Seller | Seller | Seller | Seller |
| Inland freight | Buyer | Buyer | Seller | Seller | Seller | Seller | Seller |
| Port receiving charges | Buyer | Buyer | Seller | Seller | Seller | Seller | Seller |
| Forwarders fee | Buyer | Buyer | Seller | Seller | Seller | Seller | Seller |
| Loading on ocean carrier | Buyer | Buyer | Buyer | Seller | Seller | Seller | Seller |
| Ocean/air freight charges | Buyer | Buyer | Buyer | Buyer | Seller | Seller | Seller |
| Insurance charges for transit risk of the buyer | Buyer | Buyer | Buyer | Buyer | Buyer | Seller | Seller |
| Charges at foreign port/airport | Buyer | Buyer | Buyer | Buyer | Buyer | Buyer | Seller |
| Customs, duties & taxes abroad | Buyer | Buyer | Buyer | Buyer | Buyer | Buyer | Buyer |
| Delivery charges to final destination | Buyer | Buyer | Buyer | Buyer | Buyer | Buyer | Buyer |

**Annexure-VIII**

**Example of Formula for Price Variation Clause**
**(Refer Para 6.6)**

(The formula for price variation should ordinarily include a fixed element, a material element and a labour element. The figures representing the material element and the labour element should reflect the corresponding proportion of input costs, while the fixed element may range from 10 to 25% (ten to twenty-five percent). That portion of the price represented by the fixed element and profits and is not subject to variation. The portions of the price represented by the material element and labour element along will attract price variation.) The formula for price variation will thus be:

(F + a (M1/Mo) + b (L1/Lo)) Pa = Po – Po 100

Where:

Pa is then adjustment amount payable to the supplier (a minus figure will indicate a reduction in the contract price) on the date of supply.

Po is the contract price on the base date (which is taken as the date on which tender is due to open).

F is the fixed element (as the percentage of the total price) not subject to price variation.

a is the assigned percentage to the material element in the contract price.

b is the assigned percentage to the labour element in the contract price.

(F, a and b being percentages should total 100)

Lo and L1 are the average wage indices for the quarter before the quarter in which base month falls and for the quarter before the quarter in which date of supply falls; respectively. For example for a tender opening on March 17, 2016 (base date), Lo would be average wage index for the quarter of Oct-Dec 2015.

Mo and M1 are the material prices/indices as average of the month, two month prior to the month in which base month falls and average of the month, two month prior to the month in which date of supply falls, respectively. For example, for a tender opening on March 17, 2016 (base date), Mo would be prices/index as average of the month of January 2016. All material prices/indices will be basic prices without excise duty and without any other central, state, local taxes and duties and Octroi.

If more than one major item of material is involved, the material element can be broken up into two or three components such as Mx, My, Mz.

The following conditions would be applicable to price adjustment:

- Base dates shall be due dates of opening of bids (technical bid in two or three envelop/ cover system).
- Date of supply shall be the date of calculation/determination of the price variation.
- No price increase is allowed beyond original delivery period.
- No price adjustment shall be payable on the portion of contract price paid to the seller as an advance/interim payment after the date of such payment.
- Total adjustment will be subject to maximum ceiling of ____%.
- No price adjustment shall be payable if this is less than or equal to 2% (two percent)

of Po.

- Payments for each supply would initially be made as per the base price mentioned in the contract. Price adjustment bill should be submitted only quarterly for the supplies made during the quarter.
- In GTE tenders extra care should be taken in selecting the price indices. Preferably the price indices should be from the same country and of same currency as the country and currency of the bidder. In case price is in a currency of a country where inflation is low and the indices are from country with much higher inflation rates, (M1/Mo) and (L1/Lo) should be multiplied by a correction factor of exchange rates, where E0 is the exchange rate (Eo/E1) of country of M and L indices with reference to currency of price P. For example, if M&L are from India and P is in $, then Eo is Number of Rs. in a $ on base date and E1 is the exchange rate on determination date.
- Even if there is no price adjustment claim, supplier must submit all relevant data to prove that there is no downward variation. In any case he must submit a declaration as follows;

  "It is certified that there has been no decrease in the price of price variation indices and in the event of any decrease of such indices during the currency of this contract we shall promptly notify the same to the purchaser and offer requisite reduction in the contract rate."

**Annexure-IX**

## Performa for Technical and Financial bids and criteria's for their evaluation

## TECHNICAL BID

(To be enclosed in a separate sealed envelope)
For providing manpower to perform jobs in the ICMR's Hqrs. Office/Institutes/Centers

<table>
<tr><th>S. No</th><th colspan="7">Particulars</th><th>Documents submitted or not</th><th>Page number in which documents attached</th></tr>
<tr><td>1.</td><td colspan="7">Name of Tendering Company/Agency (Attach certificates of registration with a brief profile of the company)</td><td></td><td></td></tr>
<tr><td rowspan="2">1A</td><td>Years since inception/ Exp. (please tick)</td><td>5 to less than 6 years</td><td>6 to less than 7 years</td><td>7 to less than 8 years</td><td>8 to less than 9 years</td><td>9 to less than 10 years</td><td>More than 10 years</td><td>-</td><td>-</td></tr>
<tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td>-</td><td>-</td></tr>
<tr><td>2.</td><td colspan="7">Name of proprietor/Director of Company/ Agency:</td><td></td><td></td></tr>
<tr><td>3.</td><td colspan="7">Full Address of Registered Office with Telephone No., FAX and E-Mail:</td><td></td><td></td></tr>
<tr><td>4.</td><td colspan="7">Full address of operating/ Branch Office with Telephone no., FAX and E-Mail:</td><td></td><td></td></tr>
<tr><td>5.</td><td colspan="7">Banker of Company/Agency with full address (Attach certified copy of statement of A/C for the last three years):</td><td></td><td></td></tr>
<tr><td>6.</td><td colspan="7">PAN/GIR No. (Attach attested copy):</td><td></td><td></td></tr>
<tr><td>7.</td><td colspan="7">GST Registration No. (Attach attested copy):</td><td></td><td></td></tr>
<tr><td>8.</td><td colspan="7">E.P.F. Registration No. (Attach attested copy):</td><td></td><td></td></tr>
<tr><td>9.</td><td colspan="7">E.S.I. Registration No. (Attach attested copy):</td><td></td><td></td></tr>
<tr><td>10.</td><td colspan="7">Documents showing completing at least one service of value not less than Rs.3.5 crore per annum <u>or</u> at least two services of value not less than Rs.1.5 crore each per annum related to providing human resources in a</td><td></td><td></td></tr>
</table>

<table>
<tr><td></td><td colspan="4">single contract. (Attach attested copy)<br><br>The similar service contracts here mean provision of manpower services in the form of outsourced Assistant/Stenographer/Clerk/MTS or equivalent to various Ministries/Departments of Government of India, Private Sector Companies/PSUs/Banks<br><br>Documents showing average annual financial turnover during the last three financial years ending March of the last financial year of at least 3.5 crore. The document must be certified by a Chartered Accountant.</td><td></td><td></td></tr>
<tr><td>11.</td><td colspan="4">Give details of the major similar contracts handled by the tendering Company/Agency on behalf of PSUs and Government Departments during the last three years (Attach attested copies of work orders). If a contract extends for a period longer than one year, then the number of similar contracts would be counted as one for each year or part thereof.</td><td></td><td></td></tr>
<tr><td>11A</td><td colspan="6">Number of similar assignments; Manpower provided to Govt./Private/PSU in last 5 years by the Agency (Attach Copy)</td></tr>
<tr><td></td><td>Number of contracts of one-year term</td><td rowspan="2">See explanation (a) mentioned below</td><td colspan="4"></td></tr>
<tr><td></td><td>Number of contracts of less than one-year term</td><td colspan="4"></td></tr>
<tr><td></td><td colspan="6">Total number of contracts [ See explanation (b)]<br>Explanation: (a) Suppose a contract is of value Rs.1 lakh per month with a tenure of 18 months. Then it would be considered equivalent to Rs.12 lakh contract of one-year term and Rs.6 lakh contract of 6 months term.<br>(b) The company should have supplied manpower for at least six months in a year to any organization for the contract to be considered as a single contract in a year in “Total number of contracts’</td></tr>
<tr><td>11B</td><td colspan="6">Experience in providing manpower services in years (Please tick):</td></tr>
<tr><td></td><td>5 to less than 6 years</td><td>6 to less than 8 years</td><td>8 to less than 10 years</td><td colspan="3">More than 10 years</td></tr>
<tr><td></td><td></td><td></td><td></td><td colspan="3"></td></tr>
<tr><td>12.</td><td colspan="4">Affidavit (in Non-Judicial Stamp paper of Rs.100) stating that the agency is / has not been black listed by Centre / State Government / PSU (Attach copy)</td><td></td><td></td></tr>
</table>

<table>
<tr><td>13.</td><td colspan="3">Objective Testing and Assessment of Professional Skills of Candidates / Manpower: Agency’s process of Scrutinizing candidates before providing to the Ministry; Number and type of tests / examinations proposed / conducted by the Agency to ensure that suitable candidates / manpower is going to be provided to the Ministry (Attach Copy)</td><td></td><td></td></tr>
<tr><td>14.</td><td colspan="3">Declaration about Fraud and corrupt practices (Duly signed & attested as given in the Tender Document)</td><td></td><td></td></tr>
<tr><td>15.</td><td colspan="3">List of other clients:</td><td></td><td></td></tr>
<tr><td rowspan="3">16.</td><td colspan="5">Average turnover of the company in the last three years in provision of manpower services (in crores) (Please tick)</td></tr>
<tr><td>3.5 to less than 4.5 crores</td><td>4.5 to less than 5.5 crores</td><td>5.5 to less than 7.5 crores</td><td colspan="2">7.5 crore and above</td></tr>
<tr><td></td><td></td><td></td><td colspan="2"></td></tr>
</table>

Signature of authorized person
Name:
Seal:
Date:
Place:

## DECLARATION

I,_____________________________________________________ Son / Daughter / Wife of Shri_____________________________________________Proprietor/Director, authorized signatory of the Agency/ Firm, mentioned above, is competent to sign this declaration and execute this Tender document;

2. I have carefully read and understood all the terms and conditions of the Tender and undertake to abide to them;

3. The information / documents furnished along with the above application are true and authentic to the best of my knowledge and belief. I / we, am/ are well aware of the fact that furnishing of any false information/ fabricated document would lead to rejection of my tender at any stage besides liabilities towards prosecution under appropriate law.

Signature of authorized person

Full Name:

Seal:

Date:

Place:

## Evaluation Sheet for Technical Bid

Criteria, Sub-criteria and point system for the evaluation of Full Technical Proposals are:

| S. No | Parameters | | Maximum points |
|---|---|---|---|
| 1 | No. of years since inception | 5 to less than 6 years | 20 points |
| | | 6 to less than 7 years | 21 points |
| | | 7 to less than 8 years | 22 points |
| | | 8 to less than 9 years | 23 points |
| | | 9 to less than 10 years | 24 points |
| | | More than 10 years | 24 points |
| 2 | Number of similar service contracts (Private and or Public Sector Company/ Banks/ Autonomous Body and Government Departments etc.) | 5 | 20 points |
| | | 6 | 21 points |
| | | 7-10 | 23 points |
| | | More than 10 years | 25 points |
| 3 | Experience in provision of manpower services (in years) | 6 to less than 8 years | 18 points |
| | | 8 to less than 10 years | 21 points |
| | | 10 years and above | 25 points |
| 4 | Average turnover of the company in the last three years in provision of manpower services (in crores) | 3.5 to less than 4.5 crores | 15 points |
| | | 4.5 to less than 5.5 crores | 18 points |
| | | 5.5 to less than 7.5 crores | 22 points |
| | | 7.5 crores and above | 25 points |
| | Total points Scored | | points |

Note: The minimum Technical Score required to qualify at Technical Bid stage is 70 Points out of 100 Points.

Names and Signatures of Chairman and Members
of the Technical Bid Evaluation Committee

## FINANCIAL BID

(To be enclosed in a separate sealed envelope)

For Providing manpower to perform jobs in the ICMR's Hqrs. Office/Institute/Centers

1. Name of tendering Service Provider Company / Agency:

2. Details of Earnest Money Deposit
   Amount :
   D.D. / P.O & Date :
   Drawn on Bank :

3. Rates are to be quoted in accordance with the Minimum Wages Act, 1948 as applicable in the NCT of Delhi and other bylaws applicable (inclusive of all statutory liabilities, taxes, levies, cess etc.)

| SN | Components of Rate | Name and Number of Posts | Rate of remuneration per person / per month | Total amount for …….. person / per month |
|---|---|---|---|---|
| 1 | Monthly Rate of remuneration for outsourced employee (As per Minimum Wages Act, 1948 applicable in NCT Delhi as on date of submission of proposal) | | | |
| 2 | Employees Provident Fund @ % per person | | | |
| 3 | Employees State Insurance @ % per person | | | |
| 4 | GST liability @ % of | | | |
| 5 | Any other liability, if applicable | | | |
| 6 | Contractor's Administrative / Services Charges per person/per month (not as % of wages) | | | |
| | Total (Column 1 to 6) | | | |

4. The manpower deployed by the Company/Agency (as the case may be) shall be required to work normally as per the working days in the organization, i.e. from Monday to Friday from 0900 hrs. to 1730 hrs. with a lunch break of half an hour from 1300 hrs. to 1330 hrs. The manpower though provided may also be called to perform duty on Saturdays, Sundays and other holidays, if required.

Signature of authorized person

Full Name:

Seal:

Date:
Place:

Notes:

1. The rates quoted by the tendering Company/Agency should be inclusive of all statutory taxation liabilities in force at the time of entering into the contract.

2. The payment shall be made on completion of the calendar month only on the basis of duties performed by each person during the month.

**Appendix – I**

## Electronic Procurement (e-Procurement) and e-Auction

(The details given in this appendix are generic in nature and are not prescriptive part of this guidelines and Procedures. Procuring Entities may settle and decide the details with the service provider)

**1.0 Electronic procurement (e-Procurement)** is the use of information and communication technology (specially the internet) by the buyer in conducting procurement processes with the vendors/contractors for the acquisition of goods (supplies), works and services aimed at open, non-discriminatory and efficient procurement through transparent procedures. The Procurement Policy Division, Department of Expenditure, MoF, has vide Office Memorandum no: 10/3/2012-PPC dated 09th January, 2014 prescribed mandatory publishing of tenders through the e-Procurement mode for tenders valued above Rupees two lakh.

### 2.0 Service provider

A service provider is engaged to provide an e-Procurement system covering the following:

i. All steps involved, starting from hosting of tenders to determination of techno-commercially acceptable lowest bidder, are covered;

ii. The system archives the information and generates reports required for the management information system/decision support system;

iii. A helpdesk is available for online and offline support to different stakeholders;

iv. The system arranges and updates the Digital Signature Certificate (DSC) for Departmental users; and

v. Different documents, formats, and so on, for the e-Procurement systems are available.

### 3.0 Process:

In e-Procurement, all processes of tendering have the same content as in normal tendering and are executed, once the necessary changes have been made, online by using the DSC as follows:

**i. Communications:** Wherever traditional procedures refer to written communication and documents, the corresponding process in e-Procurement would be handled either fully online by way of uploading/downloading/emails or automatically generated SMSs or else partly online and partly offline submission. It is advisable to move to full submissions online. More details would be available from e-Procurement service provider’s portal. In e-Procurement, the tender fee, EMD and documents supporting exemption from such payments are submitted in paper form to the authority nominated in the NIT, but scanned copies are to be uploaded – without which the bid may not get opened. In future, such payments may be allowed online also;

ii. **Publishing of tenders:** Tenders are published on the e-Procurement portal by authorised executives of Procuring Entity with DSC. After the creation of the tender, a unique "tender id" is automatically generated by the system. While creating/publishing the tender, the "bid openers" are identified – four officers (two from the Procuring Entity and two from the Associated/integrated Finance) with a provision that tenders may be opened by any two of the four officers. The downloading of the tender may start immediately after e-publication of NIT and can continue till the last date and time of bid submission. The bid submission will start from the next day of e-publication of NIT. In case of limited and PAC/single tenders, information should also be sent to target vendors/contractors through SMS/email by the portal;

iii. **Registration of bidders on portal:** In order to submit the bid, bidders have to register themselves online, as a one-time activity, on the e-Procurement portal with a valid DSC. The registration should be in the name of the bidder, whereas DSC holder may be either the bidder himself or a duly authorised person. The bidders will have to accept, unconditionally, the online user portal agreement which contains all the terms and conditions of NIT including commercial and general terms and conditions and other conditions, if any, along with an online undertaking in support of the authenticity of the declarations regarding facts, figures, information and documents furnished by the bidder online;

iv. **Bid submission:** The bidders will submit their technical bids and price bids online. No conditional bid shall be allowed/accepted. Bidders will have to upload scanned copies of various documents required for eligibility and all other documents as specified in NIT, techno-commercial bid in cover-I, and price bid in cover-II. To enable system generated techno-commercial and price comparative statements, such statements should be asked to be submitted in Excel formats. The bidder will have to give an undertaking online that if the information/declaration/scanned documents furnished in respect of eligibility criteria are found to be wrong or misleading at any stage, they will be liable to punitive action. EMD and tender fee (demand draft/banker's cheque/pay order) shall be submitted in the electronic format online (by scanning) while uploading the bid. This submission shall mean that EMD and tender fee are received electronically. However, for the purpose of realisation, the bidder shall send the demand draft/banker's cheque/pay order in original to the designated officer through post or by hand so as to reach by the time of tender opening. In case of exemption of EMD, the scanned copy of the document in support of exemption will have to be uploaded by the bidder during bid submission;

v. **Corrigendum, clarifications, modifications and withdrawal of bids:** All these steps are also carried out online mutadis mutandis the normal tendering process;

vi. **Bid opening:** Both the technical and price bids are opened online by the bid openers mentioned at the time of creation of the tender online. Relevant bidders can simultaneously take part in bid opening online and can see the resultant bids of all bidders. The system automatically generates a technical scrutiny report and commercial scrutiny report in case of the techno-commercial bid opening and a price comparative statement in case of price bid opening which can also be seen by participating bidders online. Bid openers download the bids and the reports/statements and sign them for further processing. In case of opening of the price bid, the date and time of opening is uploaded on the portal and shortlisted firms are also informed through system generated emails and SMS alerts – after shortlisting of the techno-commercially acceptable bidders;

vii. **Shortfall document:** Any document not enclosed by the bidder can be asked for, as in case of the traditional tender, by the purchaser and submitted by the bidder online, provided it does not vitiate the tendering process;

viii. **Evaluation of technical and price bids:** This is done offline in the same manner as in the normal tendering process, based on system generated reports and comparative statements;

ix. **Award of contract:** Award of the contract is done offline and a scanned copy is uploaded on the portal. More needs to be done in this regard. The information and the manner of disclosure in this regard must conform to Section 4(1) (b), 4(2) and 4(3) of the RTI Act to enhance transparency and also to reduce the need for filing individual RTI applications. Therefore, the award must be published in a searchable format and be linked to its NIT; and

x. **Return of EMD:** EMD furnished by all unsuccessful bidders should be returned through an e-payment system without interest, at the earliest, after the expiry of the final tender validity period but not later than 30 (thirty) days after conclusion of the contract. EMD of the successful bidder should be returned after receipt of performance security as called for in the contract.

## 4.0 Disposal through e-auction

### 4.1 Contractual legal aspects of auction sale of scrap

ICMR Institute/Center/Unit/Hqrs. should decide the calendar for holding auctions/tenders for groups of lots. A brief summary of this Auction Schedule is given publicity in Newspapers and on websites, indicating how to obtain/download Auction Catalogues. For each Auction a Catalogue is prepared containing details of Schedule of Lots in the Auction, as well as General and Special Terms and Conditions of Sale (GTC and STC). In contractual terms, Publishing of an Auction catalogue in sale of scrap is equivalent to NIT/SBD in Tenders for procurement and forms the basis of bids by the purchasers. In e-Auction, the General Conditions of Sale are available on the website and Special Conditions of Sale of each lot is hyperlinked to the Lot Description. In case of Tender/Physical Auctions Catalogue contains these in printed format.

In Auction, the bidders keep bidding higher and the highest accepted bid is accepted. In such a case a Bid-Sheet is immediately signed by the Seller and Bidder's representative, which along with the delivery order serves as a legal contract document. In e-Auction, Bid Sheet is generated with DSCs of Buyer and Seller.

### 4.2 Legal status of e-Auction

e-Auction through E- Auction Service Provider (eASP) is a triangular contract.

eASP is a subagent of the seller through a standing contract entered between them, which is subject to general terms and conditions (GTC) of eASP. eASP is also a sub-agent of the successful buyer through a standing contract between them which is subject to Buyer Specific Terms and Conditions (BSTC). eASP gets a commission of fixed percentage of sale value from the purchaser directly – which is deducted from the amount payable to the seller. The e-auction sale is governed by GTC, BSTC and Special Terms and& Conditions (STC) of the e-auction. In case of conflict or differences among any provisions of GTC, BSTC and STC, the provisions of STC would prevail. Normally, successful purchasers pay all monies to eASP who, in turn, transfers it to the seller. But the seller may, if desired, negotiate with eASP to accept such payments directly from purchaser.

### 4.3 Creating an auction event: auction catalogue

The seller lists items to be auctioned on a specified date. This list is generally called an auction catalogue. Besides the list of items, it also contains any special conditions of contract applicable generally or to specific lots. The following auction details are provided in this list: Auction Catalogue.

i) Auction number;

ii) Auction Opening date and time,

iii) Auction Closing date and time;

iv) Type of Auction Ending: Close Ended/Open Ended

v) Max Auto Extensions Allowed (five to ten)/Duration of Auto Extensions (90 Secs– ninety seconds)

vi) Auction Catalogue Number and Date

vii) Inspection from date;

viii) Inspection closing date;

ix) Seller/Unit name;

x) Address; Contact details;

xi) Details of the contact person;

xii) Details of ED and Sales Tax (CST/VAT), GST in each Lot and TCS (including Surcharge and Edu Cess) for all lots;

xiii) Whether Subject to Acceptance (STA) is applicable for bids within (10% (ten percent) or any other percentage) of the Reserve Price and

xiv) List of lots to be included: (Lot Description is hyper-linked to relevant details containing special terms of lifting, etc)

| Auction Sq No: | Lot No | Lot Desc | Quantity | ED/(ST/ Vat)% GST | Custodian/ Location | Start Time | Close Time | Minimum Increment | STA applicable Y/N |
|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | |
| | | | | | | | | | |

The fixed reserve price also has to be uploaded on the portal for each lot, which is kept confidential. It should also be mentioned if bids below the reserve price up to a percentage can be accepted on an STA basis. The auction details can be posted by eASP but to maintain the sanctity of the reserve price, it is better for the seller to do so through his login and password. The bidder's queries before the auction will reach seller by e-mail and can be answered online. The seller will not be allowed to edit any item once the auction starts. To attract bidders to the auction to get a higher price, the seller should describe items in detail to include information such as condition and size of the item. The more information is provided, the more bidders will bid with confidence. A photo can also be uploaded. Generally, auctions with images have higher sell-through. Many buyers like to browse through the eASP categories and, therefore, listing the item in the appropriate category increases the likelihood of interested bidders viewing it.

### 4.4 Buyer eligibility

All prospective e-auction sellers and bidders will have to register themselves by filling in the relevant details online. Bidders have also to pay the specified non-refundable registration fee (usually Rs.10,000 – Ten thousand) off line. Only registered bidders will be able to access the auction floor. The auction notification will, however, be seen by all internet users. If it is found that the bidder is not adhering to the terms and conditions of the e-auction and also indulging in any malpractices either himself or through his agents, deputies or observer, such a bidder is liable to be blacklisted and appropriate action will be taken as deemed fit by the seller. There are various reports available by which seller can rate a bidder. The seller can restrict or blacklist a buyer from bidding by making a formal request to eASP

### 4.5 Conduct of auction

The seller cannot close/cancel an auction once it starts. It can be cancelled/amended prior to the starting of the auction by making a request for cancellation. The following information will be present on the auction floor web-page:

i) Opening date and time,

ii) Closing date and time,

iii) Item number,

iv) Item name, hyper-linked to relevant details containing duties, etc., /special terms of lifting, etc.;

v) Quantity and unit of measurement;

vi) Location of material/item;

vii) Last bid or basic price, if any;

viii) Bidders' bid in Rs./unit; and

ix) Bid history.

The closing time of an auction shall automatically be extended by period indicated in Auction Catalogue for all auctions if bid continues (e.g., in case the closing time is 5.30 pm of any particular date and if a bidder bids at 5.29 pm then the closing time will be automatically extended). Maximum number of auto extensions are also specified.

Bidders are able to indicate the bid price through their login. A bid, once given, cannot be retracted. Conditional offers will not be accepted/entertained. Each bidder will have the option to declare his maximum value of bid (which cannot be viewed by other bidders) up to which his automatic bidding will continue.

The seller can monitor auction activity and view the bidding history of the live auctions, reserve prices (reserve price can only be viewed by seller and no one else), and other features. However, the seller will get an automated email once the auction ends with detailed information on the auction (highest bidder, subject to approval items, rejected items).

The respective items will be marked “sold” after closing of the auction when the highest bid is greater than the reserve price and an automatic intimation to the concerned buyer will be sent online to make the payment.

If the bid price matches the limits specified for inclusion in STA, then it shall be shown under the STA category and the seller will be accordingly informed. In case of STA, the seller has to convey the acceptability of the bid amount or otherwise of the bid value to eASP as well as the bidder within three days (excluding holidays) of the close of the auction.

In case of “Sold” or STA a Bid-Sheet is displayed (Annexure 20), indicating the details of the accepted bid, which is printed and shows digital signatures of Auction Supervising Officer and the Bidder. As mentioned before this serves the role of legal Contract document

If the reserve price has not been met by close of auction, the auction closes without a winning bidder. On the seller’s request, eASP will arrange for inclusion of the unsold item in the next auction.

### 4.6 Earnest money deposit

EMD is payable within seven calendar days from the date of closing of the e-auction (excluding the date of closing) by the successful bidder. EMD is equivalent to 25 per cent of material value of the accepted lots and 10 (ten) per cent of the material value for STA lots in the forms of a demand draft drawn in favour of the authority mentioned in the auction catalogue. On receipt of the EMD by eASP, an acceptance letter/sale order will be issued for sold lots. In case of failure to pay the EMD in time, the login of the party will be deactivated in addition to other actions as deemed fit and the offer will stand withdrawn.

### 4.7 Payment of Balance Sale Value (BSV)

In case of sold/accepted lots and lots taken on STA basis, the balance payment has to be made within 15 (fifteen) calendar days from the date of the acceptance letter/sale order (excluding the date of issue of the acceptance letter/sale order), by way of a demand draft as per the following manner:

i. Commission percentage as per STC/GTC/BSTC to be paid in favour of eASP, by way of demand draft/pay order;

ii. The balance amount (after deducting the EMD and amount payable to eASP) plus applicable VAT/duties, GST, income tax and other charges if any must be paid in favour of authority mentioned in auction catalogue;

iii. In case of delay, a late payment charge @ one per cent per week or part thereof will be charged up to two weeks only and thereafter the EMD will stand forfeited without any notice; and

iv. Tax Collected at Source (TCS) at the applicable percentage (presently@ one per cent) of the gross value (material value + excise duty + VAT + any other applicable taxes/ duties/cess, etc.) may be deducted by the purchaser and a TDS certificate may be given. A surcharge of 10% (ten percent) on TCS and a further Education cess of 3% (three percent) is leviable on the TCS+ Surcharge.

### 4.8 Delivery order

eASP will hand over, to the successful buyer, a delivery order authorising the Stores Department to make such a delivery, after getting the requisite material value. The purchaser will approach the seller with the delivery order to allow him to lift the material. The validity of the delivery order is 60 (sixty) days from the date of the e-auction. The delivery order should show the following particulars:

i. Lot number;

ii. Description of material;

iii. Purchaser’s name and address;

iv. Approximate quantity in the lot;

v. Rate at which sold;

vi. Value realised;

vii. Reference to the cash remittance note, under which the value was remitted to the nominated cashier;

viii. Chief cashier or treasurer’s receipt note and date; and

ix. Amount of loading charges recovered by the store keeper.

**Note:** Information sought in S. No. i) to viii) shall be filled in by eASP in tabular form (Columns 1 to 8). Information pertaining to S. No. ix) (Columns 9) shall be filled by the store keeper.